

Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Bill, 2020 introduced in LS

written by iasexam.com | 19/09/2020



Finance Minister Nirmala Sitharaman introduced the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Bill, 2020 in the Lok Sabha today for consideration. The bill will replace the ordinance which was promulgated in March this year to provide relaxations related to compliance by extending the time limit and waiving penalty in relation to certain specified laws.

These laws include the Income Tax Act, 1961 (IT Act), some Finance Acts, the Central Excise Act, 1944, the Customs Act, 1962, and the Prohibition of Benami Property Transactions Act, 1988. The ordinance which was brought earlier also extended the deadline for filing declaration and due amount under the Vivad Se Vishwas Scheme.

Key Highlights

- The bill provides these relaxations in view of spread of the coronavirus pandemic in India. The bill proposes amendment in the IT Act to provide that donations made by a person to the PM CARES Fund will be eligible for 100 per cent deduction in the taxable income.

- The Finance Minister asserted that the government is committed to protect the rights of the State governments and has never intended any delay in rolling out GST payments. Ruling out claims of undue retrospective benefits being doled out through Vivad se Vishwas Scheme, Ms. Sitharaman said that it is only a dispute resolution mechanism to reduce the excessive burden of litigation and may not be seen as an amnesty scheme.
- Replying over the issue of the PMCARES fund, Union State Finance Minister Anurag Thakur said that the opposition has been making baseless claims about the registered public fund right from its inception in March. He said, the opposition has been busy in scoring political mileage even when the country is reeling under the effects of a pandemic.
- Mr. Thakur emphatically asserted that the fund received in PMCARES trust is only through voluntary donations and raising doubts over it will be like casting aspersion on over 135 crore Indians. He enumerated a list of donors ranging from Children to elderly who have willfully contributed to the trust. Taking a sharp jibe at Congress, he said, unlike the Prime Minister's National Relief Fund initiated in 1948 without any proper registrations and trust deed, the PMCARES fund is a registered public trust.
- Mr. Thakur added that even the Supreme Court in its recent judgement ruled out transferring of funds from PMCARES to National Disaster Relief Fund citing that all the donations to it are voluntary. The opposition including Congress and TMC members created uproar and demanded apology after Mr.
- Thakur's remarks on Prime Minister's National Relief Fund and Nehru-Gandhi family which resulted in successive adjournments of the lower house. The house resumed later after the minister said that he did not intend to hurt anyone's sentiment while presenting facts over the matter.

SOURCE: *The Hindu*