



प्रणब कु० दास
अध्यक्ष
Pranab K. Das
Chairman

भारत सरकार
वित्त मंत्रालय
राजस्व विभाग
केन्द्रीय अप्रत्यक्ष कर एवं सीमा शुल्क बोर्ड
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D. O. F. No. IV (20)/3/2015-Systems Pt.1

29th March, 2019

Dear *Colleagues,*

As you would be aware, DG (Systems) has undertaken an analysis of the Income Tax Returns (ITR)/TDS data for FY 2015-16 received from the CBDT with a view to identify possible leakage of Service Tax revenue and the results were intimated to DGGI and field formations via Antarang on 21.01.2019 [refer DG(System) letter F.No IV(20)/3/2015-Systems Pt.1 dated 04.02.2019] for further follow up action. Similar exercise has been completed for the ITR/TDS data for FY 2016-17 and the results are being disseminated.

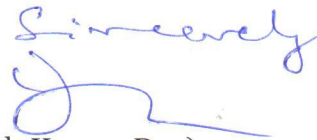
2. As may be seen, there is a considerable gap between the turnover on account of services as per the ITR/TDS data and the value of services declared in the corresponding Service Tax returns (above threshold of Rs.10 lakhs). For FY 2015-16 alone, the mismatch is to the tune of approx. Rs.12 Lakh Crores. This mismatch has arisen in respect of Permanent Account Numbers (PANs) that are either not at all registered in Service Tax or PAN's that are so registered but have not filed the Service Tax returns. In some cases there is simply a value mismatch between the turnover declared in the ITR/TDS and the Service Tax returns. No doubt, there can be a number of valid reasons that explain this mismatch, such as exempted or exported services not being declared in the Service Tax returns, missing Service Tax returns, RCM, services outside the scope of service tax etc. However, you would agree that the sheer magnitude of the mismatch is a pointer to the possibility of revenue leakage which cannot be ignored.

3. I request you to quickly get the data sent by the DG (Systems) verified and inform the results through the functionality in the DDM website. Similar action may be taken for the data for FY 2016-17. I look forward to see the results reported by you.

With

warm regards,

Yours

Sincerely


(Pranab Kumar Das)

All Zonal Principal Commissioners and Chief Commissioners.