



# SALES TAX BAR ASSOCIATION (REGD.)

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## (Press Release)

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Sales Tax Bar Association (Regd.), having been established on 30<sup>th</sup> March, 1957, is one of the oldest and the largest Association of Tax Professionals in the country. The Bar represents majority of members of various professions practicing in Direct & Indirect Taxes. **Sales Tax Bar Association (Regd.) plays a major role in revenue collection by the department.** Present membership of our Bar Association is more than 1650 comprising of Advocates, CA's and Tax Practitioners. Some of our members were elevated as Judges of the Hon'ble Delhi High Court and elevated as Judges of the Hon'ble Supreme Court. Some of our members further were also selected for appointment as Member of the Income Tax Appellate Tribunal.

Members of Sales Tax Bar Association (STBA) held a demonstration before the office of the Principal Commissioner, State Tax / T & T, Delhi today i.e. on 01 March 2024 to press for some of the following demands:

1. The Department has, based on artificial intelligence and without application of mind, issued a large number of arbitrary unsigned show cause notices (SCNs) in Form DRC-01 raising huge demands for tax, interest and penalties for the financial years 2017-18 and 2018-19. These SCNs, issued at the fag end of the years, allege huge discrepancies and demands on account of mismatch even in those cases, where the Departments records are not correct. Many of these SCNs, particularly for financial year 2017-18, have been confirmed into demands for tax, interest and penalties without taking into accounts the merits of the replies furnished by the taxpayers, causing hardships to the taxpayers by way of having to make pre-deposit of ten percent of tax before going for appeals.

The STBA has been representing before the Department that wherever such demands have been arbitrarily confirmed without taking into account the replies furnished by the taxpayers, Orders should be allowed to be rectified by the Adjudicating Authorities under Section 161 of the CGST/DGST Act, 2017. Likewise, the unsigned SCNs for 2018-19 issued without application of mind should be withdrawn.

2. A large number of applications for cancellation of registrations (some relating to COVID period) are pending, causing undue hardship to the tax payers. In many cases, the Department has arbitrarily cancelled without application of mind the registrations with retrospective effect, causing hardship to the recipients from those suppliers.



3. The Department has set up a Centralised Registration Centre (CRC) for new registrations. The CRC is totally mal-functional as it has not been assigned a Standard Operating Procedures and the list of documents to be asked for in granting registration. The STBA demands that wherever an application for registration or its cancellation is made, it should be promptly disposed off with proper and quick scrutiny.
4. Many tax payers coming for personal hearing, their presence and averments should be recorded in the order. They also have to file their representations as follow up of the personal hearing. The concerned Departments refuse to receive and acknowledge such representations.

The STBA demands that the concerned Departments should be instructed to accept and acknowledge documents submitted by the taxpayers.

5. The taxpayers have many long pending refund cases such as on account of exports, supplies to SEZs, supplies under inverted duty structures, excess deposit of taxes etc. The STBA has been demanding time-bound resolution of these refunds.
6. Many issues emerging from erstwhile tax regime (DVAT) such as refunds of tax, or the portal showing huge arbitrary time barred demands relating to VAT period. The STBA has been demanding early resolution of those issues, but the Department has not taken any remedial action.

The STBA has been repeatedly making representations for resolution of the above-mentioned issues, but Department has not taken any remedial action. A part of the reasons for non-resolution of these issues is due to the absence of the Principal Commissioner, who has been assigned too many departments. He is rarely available for resolution of GST / DVAT issues.

The STBA has therefore decided to hold a peaceful demonstration before the Principal Commissioner to draw the Department's attention for the speedy resolution of the above-mentioned long pending issues.



  
[SURESH AGRAWAL]  
Secretary