

Vivad se Vishwas – a measure for settling tax disputes

Vivad se Vishwas (the Scheme) is an attempt by the Government of India (GoI) to put an end to pending direct tax disputes. The benefit under the Scheme is maximised if taxpayers avail it before 1 April 2020, though the Scheme is likely to be available till 30 June 2020. The Scheme is likely to cater to all the taxpayers having income tax disputes in India. Depending on the contours of the pending dispute, a proportion of the total tax, interest and penalty demanded, needs to be paid under the Scheme for settlement.

Why should you consider it?

- **Brings certainty:** Ends ambiguity around the likely outcome of disputes.
- **Instant relief:** The resolution process can be completed within a month, bringing an expeditious end to protracted disputes.
- **Tangible savings:** The Scheme provides for waiver of interest, penalty and prosecution. In disputes involving penalty, interest or fine, only partial amounts need to be paid. This will also have a bearing on the ongoing cost of litigation.
- **Flexibility:** The Scheme provides taxpayers with the option to choose the years of payment (even if the dispute is pending at the behest of the tax authorities), without creating a precedent.
- **Focus on core activities:** Frees the management from allocating time and resources towards ongoing disputes and allows organisations to focus on strategic business matters.

How PwC can help achieve the resolution

We will be present with you during the entire dispute resolution journey and provide complete handholding from strategy to execution.

Strategise

- Simulating the likely outcome of tax disputes for enabling management to take considered calls (**using our experience to gauge the efforts required for concluding disputes through existing mechanism**)
- Evaluating the applicability of the scheme on different disputes (**our regular engagement with revenue authorities helps in seeking clarifications in a timely manner, if required**)
- Suggesting a way forward

Implementation

- Drafting requisite applications and computing amounts payable
- Liaising with revenue authorities to address queries and obtain confirmatory orders (**our focused and dedicated efforts bring in efficiencies**)

Post-implementation support

- Reviewing the order for its conformity with the application

About PwC

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For any additional information about the Scheme, please reach out to your PwC relationship manager or write to dispute.resolution@in.pwc.com



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