

CBEC revises monetary limits for crackdown against tax evaders

As per the revised limits, in cases of evasion of tax or wrongful utilisation of input tax credit in excise, the limit has been raised to Rs 1 crore from Rs 25 lakh while in the service tax it has been raised to Rs one crore from Rs 10 lakh.

The central Board of Excise and Customs on Friday said that it has increased the limit for arresting and prosecution in cases of tax evasion or wrongful utilisation of input tax credit. “The monetary limits for arrest and prosecution have been revised substantially upwards to ensure that these powers are not used against small and medium businesses,” an official statement said. As per the revised limits, in cases of evasion of tax or wrongful utilisation of input tax credit in excise, the limit has been raised to Rs 1 crore from Rs 25 lakh while in the service tax it has been raised to Rs one crore from Rs 10 lakh.

Similarly, in case of evasion of tax under the Customs Act, the limits have been revised to Rs one crore from Rs 10 lakh in case of evasion of tax by wrongful availment of exemption or duty drawback. “Similar, revisions regarding value of goods have been carried-out regarding appraisement of tax during import or export,” the statement said. With regard to cases of outright smuggling or mis-declaration of baggage, the limits regarding value of offending goods have been revised from Rs 5 lakh to Rs 20 lakh.

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