

Finance Act 2008

Section 94 - Settlement of Tax Payment

Subject to the provisions of this Scheme, where any person makes, on or after the 1st day of July, 2008, but on or before the 30th day of September, 2008, a declaration to the designated authority in accordance with the provisions of section 90 in respect of tax arrear, then notwithstanding anything contained in the Chapter, the amount payable under this Scheme by the declarant shall be determined at the rates specified hereunder, namely:--

(a) where the tax arrear has arisen due to determination, assessment or, as the case may be, order of an adjudicating authority,--

(i) such tax arrear includes the amount of service tax not exceeding twenty-five thousand rupees, at the rate of fifty per cent. of service tax amount;

(ii) such tax arrear consists of only interest payable, or penalty levied or both, under the Chapter, at the rate of twenty-five per cent. of such tax arrear:

Provided that, if the amount of penalty levied exceeds the service tax amount to which it relates, service tax amount shall be considered to be the amount of penalty;

(b) where the tax arrear has arisen due to show cause notice or demand notice, as the case may be --

(i) such tax arrear includes the amount of service tax not exceeding twenty-five thousand rupees, at the rate of fifty per cent. of service tax amount;

(ii) such tax arrear consists of only interest payable, or penalty leviable or both, under the Chapter, at the rate of twenty-five per cent. of the maximum penalty leviable and interest payable:

Provided that if the amount of penalty leviable exceeds the service tax amount to which it relates, service tax amount shall be considered to be the amount of penalty.
