

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**STUDY TEAM SET-UP TO EXAMINE THE POSSIBILITY OF A
COMMON TAX CODE FOR SERVICE TAX AND CENTRAL EXCISE**

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As announced by the Union Finance Minister, Shri Pranab Mukherjee in his Budget speech, a Study Team has been set-up by the Government, under the leadership of Shri. M. K. Gupta to examine the possibility of a common tax code for service tax and central excise, which could be adopted to harmonize the two legislations. Shri M K Gupta, a retired IRS officer, is a former vice-Chairman of the Customs and Central Excise Settlement Commission.

The Study Team will examine the feasibility and also suggest a draft Common Tax Code for service tax and central excise that can be implemented under the present Constitutional scheme, keeping in view the challenges in the context of impending Goods and Service Tax (GST). The Study Team has also been directed to address issues relating to input tax credits with a view to simplify the existing scheme and to mitigate cascading to the extent possible, and to harmonize existing procedures and processes to make them more trade-friendly. The Study Team may also suggest any other measure that will help in reducing the cost of compliance for business or transition towards a comprehensive GST.

Shri M K Gupta, IRS (retd.) is widely recognized for his in-depth knowledge and sound understanding of service tax and central excise law and procedure. He possesses vast experience of working in the Finance Ministry and also in the field formations of service tax and central excise. As part of its efforts, the Study Team will interact with various chambers of commerce and industry and recognized business and industry associations representing various segments of the services and manufacturing sector, as may be required. Government has directed the Study Team to submit its report by the **30th of September, 2012.**

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