

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**INITIATIVES TO FACILITATE TRADE AND ENCOURAGE NON-ADVERSARIAL TAX
ADMINISTRATION**

New Delhi, November 7, 2014
Kartika 16, 1936

In the Budget 2014 Hon'ble Finance Minister had announced certain initiatives to facilitate trade and cut trade transaction costs. It is the endeavor of the Indirect Tax administration to facilitate the trade and industry in discharging their tax dues, and simplify procedures for ease of doing business. Some of these initiatives as well as the subsequent actions are highlighted:

- **24x7 Customs clearances:** By 31.12.2014, 24x7 facility for specified export and import goods shall be available at 17 airports and 18 sea ports in respect of following categories of imports and exports:
 - Facilitated Bills of Entry where no examination and assessment is required;
 - Factory stuffed export containers and export consignment covered by Free Shipping Bills;
 - (c)Export of all goods (in addition to factory stuffed export containers and export consignment covered by Free Shipping Bills). This facility was earlier introduced at Chennai, Bangalore, Mumbai and Delhi.
- **Indian Customs Single Window Project:** The Indian Customs Single Window Project was announced in the Budget 2014. The aim of this project is to provide a common platform to trade to meet the requirements of all regulatory agencies (including Animal Quarantine, Plant Quarantine, Drug Controller, Textile Committee etc.) involved in Exim trade through message exchange. Single Window Scheme essentially is a network of cooperating facilities bound by a set of agreed interface specifications in which trade has seamless access to regulatory services delivered through electronic means. This scheme will reduce the cost of doing business, by integrating regulatory requirements on one common platform and reduce duplicity. Other initiatives to facilitate trade which are already in operation are Authorised Economic Operator scheme, ACP scheme, Self-Assessment in Customs, Risk Management System for assessment for Imports & Exports. All these initiatives are designed to facilitate trade enhance transparency and reduce compliance costs to taxpayers.
- **Simplification:** In order to reduce the compliance costs, it has been decided by CBEC that an assessee registered with both Central Excise and Service Tax authorities will be visited by only one team of Audit officers to verify their records for compliance.
- **World Ranking:** World Bank's biennial report titled Logistics Performance Index (LPI) compiles an inter-se ranking of 160 countries based upon a survey of International freight forwarders and companies engaged in international logistics. This publication, though not as widely quoted as the Doing Business Report, ranks India at 54. The LPI report states that

compared with other countries in their comparable income groups, India is an over-performing non-high-income economy alongside Malaysia, South Africa, China, Thailand, and Vietnam. The Logistics Performance Ranking of countries includes customs operations, efficiency in international shipments, Logistics competence, infrastructure quality etc. Another similar ranking is published by the World Economic Forum, titled Global Competitiveness Report 2014-15 in which it ranks 144 countries based upon a perception survey across 12 pillars. The overall competitiveness ranking accorded to India is 71. This report also ranks countries in terms of the burden of Customs procedures. India has been ranked at 75 out of 144 countries surveyed.

- **Interface with Trade and Industry:** Trade representations on issues which are prone to protracted litigation are being addressed in a systematic manner and where necessary circulars and instructions are being issued to obviate the problems of the trade by reducing litigation. Where administrative intervention is considered necessary, directions are being given to the Chief Commissioners to address the problems of the trade.
- The Field formations have been advised to promptly acknowledge and process the representations/communications received from the taxpayers and have regular interaction with the assesseees to mitigate their problems & apprehensions. It is hoped that measures initiated by CBEC will foster a more transparent and non-adversarial tax administration.
