



Standing Committee Report Summary

The Authority for Advance Rulings on Central Taxes Bill, 2007

- The Standing Committee on Finance submitted its 72nd Report on 'The Authority for Advance Rulings on Central Taxes Bill, 2007' on October 21, 2008. The Chairperson was Shri Ananth Kumar.
- The Committee proposes that the Bill be considered by the Parliament subject to certain amendments recommended by it.
- The Bill sets up the Authority for Advance Rulings on Central Taxes by merging the Authority for Advance Rulings (Income Tax) and Authority for Advance Rulings (Customs and Central Excise). The Committee recommends that a study be conducted to measure the success of these authorities in order to assess the effectiveness of the system of advance rulings and to decide about the continuance of the system.
- The system of advance rulings has essentially catered to non residents. The Committee suggests that there should be a provision enabling resident assessee to seek a ruling on matters of interpretation involving substantial question of law.
- The Committee recommends that there should be a provision in the Bill providing the assessee the right to appeal against advance rulings. The Committee also suggests that there should be an enabling provision for establishment of additional Benches of the Authority based on workload.
- The Committee states that the procedure for selecting the members of the Authority should be prescribed in the rules to be framed under the law. Also, posts of supporting staff, which are redundant or in excess should be abolished and efforts should be made to lower the establishment costs of the Authority.

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