

MINISTRY OF FINANCE

(Department of Revenue)

NOTIFICATION

New Delhi, the 21st August, 2013

F.No.A.50050/47/2013-Ad.I.—The Government in its Budget, 2013-14, had, inter-alia, announced the setting up of a Tax Administration Reform Commission(TARC) with a view to reviewing the application of Tax Policies and Tax Laws in the context of global best practices and recommend measures for reforms required in Tax Administration to enhance its effectiveness and efficiency. Accordingly, it has been decided to constitute the Tax Administration Reform Commission with the following composition:

i)	Dr. ParthasarathiShome	Chairman
ii)	Shri Y. G. Parande	Full-time Members
iii)	Ms. Sunita Kaila	
iv)	Shri M.K. Zutshi	
v)	Shri S.S.N. Moorthy	Part-time Members
vi)	Shri M.R. Diwakar	
vii)	Shri S. Mahalingam	

2. The Commission will have a fixed tenure of 18 months from the date of its constitution and work as an advisory body to the Ministry of Finance. The Commission will give its first set of recommendations within six months of its constitution and thereafter submit periodic reports after every three months.
3. The Terms of Reference of the Commission will be as follows:-
 - a. To review the existing mechanism and recommend appropriate organizational structure for tax governance with special reference to deployment of workforce commensurate with functional requirements, capacity building, vigilance administration, responsibility and accountability of human resources, key performance indicators, assessment, grading and promotion systems, and structures to promote quality decision making at the highest policy levels.
 - b. To review the existing business processes of tax governance including the use of information and communication technology and recommend measures for tax governance best suited to Indian context.
 - c. To review the existing mechanism of dispute resolution covering time and compliance cost and recommend measures for strengthening the same. This includes domestic and international taxation.

- d. To review the existing mechanism and recommend capacity building measures for preparing impact assessment statements on taxpayers compliance cost of new policy and administrative measures of the tax Departments.
 - e. To review the existing mechanism and recommend measures for deepening and widening of tax base and taxpayer base.
 - f. To review the existing mechanism and recommend a system to enforce better tax compliance - by size, segment and nature of taxes and taxpayers, that should cover methods to encourage voluntary tax compliance.
 - g. To review the existing mechanism and recommend measures for improved taxpayer services and taxpayers education programme. This includes mechanism for grievance redressal, simplified and timely disbursement of duty drawback, export incentives, rectification procedures, tax refunds etc.
 - h. To review the existing mechanism and recommend measures for "Capacity building" in emerging areas of Customs administration relating to Border Control, National Security, International Data Exchange and securing of supply chains.
 - i. To review the existing mechanism and recommend measures for strengthening of Database and Inter-agency information sharing, not only between Central Board of Direct Taxes(CBDT) and Central Board of Excise and Customs(CBEC) but also with the banking and financial sector, Central Economic Intelligence Bureau (CEIB), Financial Intelligence Unit (FIU), Enforcement Directorate etc. and use of tools for utilization of such information to ensure compliance.
 - j. To review the existing mechanism and recommend appropriate means including staff resources for forecasting, analysis and monitoring of revenue targets.
 - k. To review the existing policy and recommend measures for research inputs to tax governance.
 - l. To review the existing mechanism and recommend measures to enhance predictive analysis to detect and prevent tax/economic offences.
 - m. Any other issue which the government may specify during the tenure of the Commission.
4. The Commission will be supported by a Secretariat consisting of a Secretary at the level of Joint Secretary to the Government of India and other officials and support staff. They will be appointed on deputation/contract basis.
 5. The Commission will be provided information and quantitative data of Central Board of Direct Taxes /Central Board of Excise and Customs to enable it to do statistical analysis for making recommendations.
 6. The Headquarters of the Commission will be in Delhi.

M.L. MEENA, Jt. Secy.