

Boomrang of Blaming

-Adv. Kishor Lulla

Seven years is not a short time to establish any taxation law, such as the Goods and Services Tax Act. The massive collection of 1.78 lakh crore for the month of March 2024 alone demonstrates that the majority of registered taxpayers paying taxes honestly. This goes beyond the government's imagination as well. The GST Council should thank the approximately 14 million registered individuals for their important role in indirect tax collection on a regular basis, which benefits the nation. But this is rarely noticed.

These registered persons continuously collect and pay GST despite time constraints, payment of interest and penalties, and the threat of punishment. Most of the time, they are forced to pursue or confront lawsuit though no fault of their own. These registered individuals are cheerfully running their businesses and professions in spite of a variety of adverse and conflicting advance rulings, a very limited period for submitting returns and paying taxes, financial losses due to unjustified time constraints, punishment for technological errors, and so on. Congratulations to these honest registered individuals for their integrity, devotion, and patience.

As a third party in this case, you can BLAME the government for failing to treat taxpayers as intended. The rules for levying penal interest at 18/24 percent and imposing harsh penalties for minor offenses, including conviction, are beyond comprehension. The administration has no control over the harassment at checkpoints. The challenges that dealers confront when applying for registration are substantial. The illegalities and harassment that occurred during inspections, investigations, and searches are beyond explanation. Due to fear, high litigation costs, and the passage of time, many dealers pay taxes with interest and penalties only to keep the peace.

According to government observations, there may be as few as 5% of dishonest or fraudulent dealers. It is fairly conceivable for the government to locate and exert control over this 5% community due to availability of contemporary technology and a large number of officers and staff with modern facilities. The innocent consumers wouldn't ever be in problems if the available instruments are used appropriately against these dishonest individuals. However, the government's use of the boomerang method to

BLAME the entire community of registered persons and making such rules, and send out notifications and circulars which greatly irritate the community of legitimate taxpayers. Why does the government fail to recognize that it is tormenting the majority of law-abiding, honest taxpayers in order to benefit a small fraction of dishonest dealers? There has to be a way to make these kinds of provisions that will effectively check on the dishonest dealers while causing no problems for the other taxpayers. The current system of सब घोड़े बारा टक्के is totally crooked.

Finally, I will state that the GST department, not the taxpayers, is mostly to blame for the difficulty experienced by the taxpayers.