

## **"Corruption: Not Inevitable or Acceptable"**

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In this article, the term "tax practitioners" encompasses tax consultants, advocates, chartered accountants, and company secretaries specializing in taxation. These professionals can be categorized into four groups based on their practice areas and locations.

The first group consists of practitioners who exclusively practice in High Courts or the Supreme Court, primarily in metropolitan cities. They do not handle tasks like filing returns for clients, and their fees are typically high.

The second category includes practitioners who practice at the first and second appellate levels, up to the Tribunal, in Tier 1 and Tier 2 cities. Their fees vary based on seniority, case complexity, and quantum involved.

The third group comprises senior practitioners who focus on chamber practice or consulting, without appearing before authorities or courts. Their fees vary case-by-case.

The fourth group consists of practitioners who handle original-side work, including consultation, return filing, scrutiny, assessments, audits, and first appellate level work. Although their efforts are more extensive, their fees are relatively lower compared to the other categories.

The justification for discussing fees explicitly is that bribery is often overlooked in the first three categories, but it is rampant in the fourth category. This corruption, referred to as "Goodwill," involves taxpayers' errors, lack of time, officers' annoyance, or pressing issues. Unless this "Goodwill" is paid, work is rarely disposed of, with few exceptions.

The article's subject matter revolves around tax practitioners' positions when representing clients before tax authorities for assessment, audit, scrutiny, or investigation. Despite their efforts to fulfill legal and moral obligations, departmental authorities and clients often pressure them to settle cases by receiving unlawful payments. If the practitioner refuses, they risk losing business and reputation.

This raises the second issue, illustrated by an example: a client pays ₹20 lakhs as "Goodwill" to settle a ₹1 crore liability. The tax consultant spends months completing the case and sends a ₹2 lakh bill, only to face client haggling and discount demands. In such instances, the consultant may feel underpaid and tempted to retain a share of the "Goodwill" (kickback), but they forgo this unethical benefit.

Discussions with senior and junior tax consultants revealed varied perspectives. Some argue that acting under duress is justified, while others believe that morals, ethics, and principles are dwindling, and corruption can be lessened through education and reduced unnecessary spending.

To combat corruption, I propose:

1. Conducting workshops and seminars to educate members about bribery and corruption dangers.
2. Recognizing that current income is sufficient for basic needs and avoiding unnecessary expenses that may tempt individuals to engage in corruption.

Let us commit to stopping corruption before it's too late.