

## **Kar Vivad Samadhan Scheme Rules, 1998**

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## **Kar Vivad Samadhan Scheme Rules, 1998**

In exercise of the powers conferred by sub-sections (1) and (2) of Section 98 of the Finance (No. 2) Act, 1998(21 of 1998), the Central Government hereby makes the following rules, namely :-

### **1. Short title and commencement :-**

- (1) These rules may be called the Kar Vivad Samadhan Scheme Rules, 1998.
- (2) They shall come into force on the 1st day of September, 1998.

### **2. Definitions :-**

In these rules, unless the context otherwise requires,-

- (a) "Scheme" means the Kar Vivad Samadhan Scheme, 1998, specified under Chapter IV in the Finance (No. 2) Act,1998 (21 of 1998);
- (b) "section" means section of the Finance (No. 2) Act, 1998;
- (c) "Form" means the Forms annexed to these rules;
- (d) all other words and expressions used in these rules but not defined in these rules and defined in the Scheme under Chapter IV of the Finance (No. 2) Act, 1998 (21 of 1998), shall have the same meanings respectively assigned to them in that Scheme.

### **3. Form of declaration under Section 89 and manner of verification of such declaration in respect of tax arrear and**

**the amount payable :-**

(1) The declaration under Section 88 of the Scheme shall be made,-

(a) in Form I-A in respect of tax arrear and the amount payable under direct tax enactment;

(b) in Form I-B in respect of tax arrear and the amount payable under indirect tax enactment.

(2) The declaration under Section 88 shall be verified in the manner indicated therein and shall be signed by the person making such declaration or by any person competent to act on his behalf under direct tax enactment or indirect tax enactment, as the case may be.

(3) The declaration under sub-rule (1) shall be furnished in duplicate to the designated authority.

(4) The designated authority on receipt of declaration shall issue a receipt in acknowledgement thereof.

**4. Form of certificate under sub-section (1) of Section 90 :-**

The certificate under sub- section (1) of Section 90 of the Scheme shall be,-

(a) in Form 2-A setting forth therein the particulars of the tax arrear and the sum payable under direct tax enactment after determination towards full and final settlement of tax arrears under that enactment;

(b) in Form 2-B setting forth therein the particulars of the tax arrear and the sum payable under indirect tax enactment after determination towards full and final settlement of tax arrears under that enactment:

Provided that no payments of the "sum payable" shall be made by way of adjustment in an account in Form RG 23-A, Part II of Form RG 23-C, Part II, as the case may be, of the Central Excise Rules, 1944 .

**5. Form of certificate under sub-section (2) of Section 90 read with Section 91 of the Scheme :-**

The certificate under sub-section (2) of Section 90 of the Scheme stating full and final settlement of tax arrears shall be :-

(a) in Form 3, where no writ petition, reference or appeal before any High Court or the Supreme Court has been filed by the declarant against any order in respect of the tax arrears contained in the declaration;

(b) in Form 4, where the declarant had filed a writ petition, reference or appeal before any High Court or the Supreme Court against any order in respect of the tax arrears and such writ petition, reference or appeal had been withdrawn and the declarant has furnished proof of such withdrawal in accordance with the provisions contained in proviso to sub-section (4) of Section 90.

**6. Publication of general or special orders in Section 96 :-**

Any general or special order issued under sub-section (2) of Section 96, shall be published in the Official Gazette if the Central Government is of the opinion that it is necessary in public interest so to do.