

My Suggestions for Union Budget 2019-20 is here:

#### Direct Tax:

1. Increase the Slab Rate so that non taxable income limit increase from 2.5 to 5 or 8 L.
2. Insert 10% slab rate between 5% and 20% Slabs
3. Increase the Deduction Limit for Individual under 80C
4. Allow payment of Tax via credit card too

#### Indirect Tax: GST

1. I strongly recommend Government must bring one time VCES for those who have defaulted in GST compliance to bring them on track. All penalty, Late fees and Interest should be waived off. This VCES should be for every assessee even if any notice has already been served to him.
2. Under GST returns should be allowed to file even if tax is payable and not yet paid, so that assessee should file his/her return on time and give accurate detail of his/her monthly sale/purchase. This will help Government to figure out the actual revenue which is earned in a month/quarter. And Assessee will get time to pay his tax liability in situation of cash shortage faced by firm and Government will get its payment with interest. There should be a restriction on number of return for which he/she exercise this option. For example say if payment of three return or two return is pending then he can not exercise the above option for next return without clear his/her dues of earlier returns.
3. For B2B transaction GST liability of Supplier should be arise only when he/she receive the payment. And at the same time no input tax credit should be allowed to buyer till the time he don't make the payment. However a time restriction should be imposed say 3 month in which it should make compulsory for buyer to make the payment to supplier. In case, if supplier himself extend the period beyond 3 months then on expiry of three months supplier have to make the GST payment. For implementing this system we need to insert Date of payment column in GST returns. Suppose Mr. A issued 10 bills in January month. Out of which he received the payment for 8 bills. In this case Mr. A will show all 10 bills in his GST return and keep the payment date box blank for 2 bills. So his total output liability will automatically reduce of the GST

amount of two unpaid invoice. These invoice automatically carry forward in next return. If supplier receive the payment in Feb then he will enter the date of payment so Feb month liability will automatically increase by the GST amount of such bills. If payment is not received till 3 month then liability in respect of that unpaid bill will automatically added in next month GST return. Buyer will get input credit only after payment.

4. Completely changeover the old practice of levying penalty to assessee. Penalty clause must be completely omitted and new clause of incentive should be inserted. Incentive system is a must. It's a need of today. It's a thing of Now or Never. Incentive system motivates the taxpayer to pay his tax liability properly. It brings more transparency to the tax system as it's a sign of trust which Government will show to its citizen. For implementing the Incentive system, first we need to decide the grades and criteria of each grade. Each grade shall have its own benefits. These incentives can be given in the following way
  - a) Providing loan at lower rate of interest
  - b) Improving CIBIL score on the basis of grade earned by ensuring regular compliance under GST or timely filing their income tax return
  - c) Waiver of interest if assessee failed to make payment of GST on due date in any particular month
  - d) Any other incentive like certificate from PM/President for those taxpayers who earn Top Grade.

#### Other Suggestions

1. Eliminate Caste basis reservation and make it on income basis till the time we don't get another best alternative option

Thanks and Regards

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