

**ALL GUJARAT FEDERATION OF TAX CONSULTANTS**

303, B wing, Pratyaksh Kar Bhavan,
Nr. Panjrapole, Ambawadi, Ahmedabad - 380015
Ph.: +91 98254 71182
e-mail: sec.agftc@gmail.com
website: www.agftc.in

**INCOME TAX BAR ASSOCIATION**

Room No. 402, Nature View Building,
Ashram Road, Ahmedabad - 380009
Ph: +91 93132 82949, +91 79 4801 1947
e-mail: itbarassociation@gmail.com
website: www.incometaxbar.org

Date: 3rd September 2024

To,
Smt. Nirmala Sitharaman,
Hon'ble Finance Minister
Government of India
North Block,
New Delhi - 110001
E-mail: fmo@nic.in

Respected Madam,

Subject: Representation related to Reduction of fees for filing appeal to the Appellate Tribunal under GST Act(s), 2017

1. About the Associations (AGFTC and ITBA):

All Gujarat Federation of Tax Consultants (AGFTC), founded in 1992, is the apex Regional Body of Advocates, Chartered Accountants & Tax Practitioners of Gujarat, having membership strength of more than 2000 professionals and institutional membership across the State of Gujarat.

Income Tax Bar Association, Ahmedabad (ITBA) is one of the first professional associations founded in 1947 comprising of Tax Professionals, Tax Advocates and Chartered Accountants based at Ahmedabad and having current strength of more than 1100 members.

The prime objective of these associations is not only to work for the cause of their professionals but also educate the public at large and to act as a catalyst between Citizens & Government Authorities. Both the associations regularly organize seminars and lectures on tax advocacy and legal awareness.

2. Fees for filing Appeal to the Appellate Tribunal under GST Act, 2017

(a) Issue:

As substituted by Notification 12/2024 – Central Tax, Sub Rule (5) of rule 110 of Central Goods and Services Tax Rules, 2017 provides for the fees for filing of appeal or restoration of appeal is one thousand rupees for every one lakh of rupees of tax or input tax credit involved or the difference in tax or input tax credit involved or the amount of fine, fees or penalty determined in the order, subject to a maximum of twenty-five thousand rupees and minimum of five thousands rupees.

The Proviso says that fees for filing appeal an order not involving any demand of tax, interest, fine, fees or penalty shall be five thousand rupees.

Likewise, Sub Rule (5) of rule 110 of respective State Goods and Services Tax Rules, 2017 shall also provide for fees of one thousand rupees for every one lakh of rupees of tax or input tax credit involved or the difference in tax or input tax credit involved or the amount of fine, fees or penalty determined in the order, subject to a maximum of twenty-five thousand rupees and minimum of five thousands rupees.

In above scenario, the fees for filing Appeal to the Appellate Tribunal will be of one thousand under CGST law and one thousand under respective SGST law for every one lakh of rupees, subject to maximum of twenty-five thousand under CGST law and twenty-five thousand under respective SGST law.

So, the minimum fees will be ten thousand rupees and maximum fees will be fifty thousand rupees considering fees under both the laws. This penalty is very high and unreasonable.

(b) Parallel provision in the Income Tax Act:

In the Income Tax Act, 1961, sub-section (6) of Section 253, provides fees for filing appeal to the Appellate Tribunal.

It provides that –

- (a) where the total income of the assessee as computed by the Assessing Officer in the case to which the appeal relates, is one hundred thousand rupees or less, five hundred rupees.
- (b) where the total income of the assessee, computed as aforesaid, in the case to which the appeal relates is more than one hundred thousand rupees, but not more than two hundred thousand rupees, one thousand five hundred rupees,
- (c) where the total income of the assessee, computed as aforesaid, in the case to which the appeal relates is more than two hundred thousand rupees, one per cent. of the assessed income, subject to a maximum of ten thousand rupees,
- (d) where the subject matter of an appeal relates to any matter, other than those specified in clauses (a), (b) and (c), five hundred rupees.

So, in the income tax Act, 1961, maximum fees are one per cent of the assessed income, subject to a maximum of ten thousand rupees and minimum fees five hundred rupees.

(c) Our suggestion regarding fees for filing Appeal to the Appellate Tribunal under GST Act, 2017:

We humbly suggest fixing fees for filing Appeal to the Appellate Tribunal as under-

- (a) where tax or input tax credit involved or the difference in tax or input tax credit involved or the amount of fine, fees or penalty determined in the order, in the case to which the appeal relates, is one hundred thousand rupees or less, five hundred rupees,

- (b) where tax or input tax credit involved or the difference in tax or input tax credit involved or the amount of fine, fees or penalty determined in the order, computed as aforesaid, in the case to which the appeal relates is more than one hundred thousand rupees, but not more than two hundred thousand rupees, one thousand five hundred rupees,
- (c) where the total tax or input tax credit involved or the difference in tax or input tax credit involved or the amount of fine, fees or penalty determined in the order, computed as aforesaid, in the case to which the appeal relates is more than two hundred thousand rupees, one per cent. of the tax or input tax credit involved or the difference in tax or input tax credit involved or the amount of fine, fees or penalty determined in the order, subject to a maximum of five thousand rupees.
- (d) where the subject matter of an appeal relates to any matter, other than those specified in clauses (a), (b) and (c), five hundred rupees.

As per above suggestion, the fees for filing Appeal to the Appellate Tribunal, the minimum fees will be five hundred rupees under CGST law and five hundred rupees under respective SGST law i.e. one thousand rupees and maximum fees will be five thousand rupees under CGST law and five thousand rupees under respective SGST law i.e. ten thousand rupees.

3. Request

We humbly request you to consider the representation made by AGFTC & ITBA and oblige.

We sincerely hope that the Government under the dynamic leadership of Hon'ble PM Shri Narendra Modi and Hon'ble FM Smt. Nirmala Sitharaman would provide the requisite reliefs to the taxpayers at the earliest.

Yours sincerely,

For and behalf of
ALL GUJARAT FEDERATION OF TAX CONSULTANTS



CA (Dr.) Vishves Shah
President



Adv. Mrudang Vakil
Hon. Secretary



Adv. Ashutosh Thakkar
Sr. Vice President



Adv. Bharat L. Sheth
Chairman:
Indirect Tax
Committee

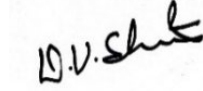
INCOME TAX BAR ASSOCIATION



CA Shridhar Shah
President



CA Kenan Satyawadi
Hon. Secretary



Adv. (Dr.) Dhruven Shah
Chairman: Representation Committee

CC to:

1. Hon'ble Revenue Secretary,
Ministry of Finance,
North Block, New Delhi – 110001
rsecy@nic.in
2. Hon'ble Chairman,
Central Board of Indirect Taxes and Customs,
New Delhi. 110001
chmn-cbic@gov.in