

ERGO

Analysing developments impacting business

MAHARASHTRA STATE AMNESTY SCHEME

15 March 2022

The Government of Maharashtra presented the state budget on 11 March 2022. Amongst other proposals the Government of Maharashtra proposes to introduce another amnesty scheme to be called, *"Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Scheme-2022"*.

While the detailed scheme is yet to be notified, some of the salient features of the amnesty scheme are summarised as under:

- the scheme would be applicable on various taxes levied by the Sales Tax Department of Maharashtra before introduction of goods and services tax;
- duration of the scheme would be from 1 April 2022 to 30 September 2022;
- complete waiver of the arrears up to INR 10,000 or less per year; and
- dealers having arrears up to INR 10 lakhs or less, would be given an option to settle for a lump-sum payment of 20% of the amount in arrears, instead of calculating the amounts payable on account of undisputed tax, disputed tax, interest, penalty as per the provisions of the scheme.

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