

ERGO

Analysing developments impacting business

MAHARASHTRA BUDGET ANNOUNCEMENT | AMNESTY SCHEME AND MORE

10 March 2023 [Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act, 2023](#)

With the objective to provide relief to small and medium dealers under various laws implemented by the State Tax Department prior to the implementation of the GST, an amnesty scheme under the 'Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act, 2023' has been announced. The scheme will be operative from 1 May 2023 to 31 October 2023.

Major highlights of the Amnesty Scheme 2023 are as follows:

- 100% waiver where liability for any year is determined to be below INR 200,000;
- 80% waiver where liability is determined to be more than INR 200,000 but less than INR 5,000,000.

[Other Announcements](#)

[Profession Tax](#)

Waiver of Profession Tax for women earning salaries up to INR 25,000 per month.

The definition of 'person with disability' proposed to be amended to align with the definition with that of the Rights of the Persons with Disabilities Act, 2016 by which more persons will become eligible for exemption.

[Value Added Tax](#)

Reduction of the rate on Aviation Turbine Fuel from 25% to 18% in Mumbai, Pune and Raigad districts.

[Comment](#)

While the announcement of the amnesty scheme is a welcome step, the cap on values for eligibility may be a dampener. Further details of its provisions and procedures are awaited, and these will determine the ultimate effectiveness of the scheme.

- *Udayan Choksi (Partner), Vikram Naik (Principal Associate) & Marmik Kamdar (Associate)*

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