

Government of Haryana notifies the Haryana One Time Settlement Scheme for Recovery of Outstanding Dues, 2023

The government of Haryana has notified the Haryana One Time Settlement Scheme for Recovery of Outstanding Dues, 2023 for settling outstanding tax dues under the Haryana Settlement of Outstanding Dues Act, 2017, pertaining to the period before the introduction of the Goods and Services Tax (GST).

Key features of the Scheme:

Validity: The Scheme is effective from 1 January 2024 and valid till **31 March 2024**.

Enactments covered: The Scheme shall be applicable to the following Acts:

- Haryana Value Added Tax Act, 2003
- Central Sales Tax Act, 1956
- Haryana Local Area Development Tax Act, 2000
- Haryana Tax on Entry of Goods into Local Areas Act, 2008
- Haryana Tax on Luxuries Act, 2007
- Punjab Entertainment Duty Act, 1955
- Haryana General Sales Tax Act, 1973
- Haryana Goods and Services Tax Act, 2017 (GST Act)

Eligibility criteria:

- The applicants whose outstanding dues have been uploaded in FORM GST DRC-07A of the Haryana Goods and Services Tax Rules, 2017, for recovery of such dues under the GST Act shall also be eligible to take the benefit of the Scheme.
- The following shall not be eligible to opt for the Scheme:
 - Criminal proceedings have been initiated against the applicant for any reason(s) under the Acts mentioned above
 - If the demand is related to erroneous refunds

Settlement of outstanding dues:

Category	Tax or any other amount payable	Interest and Penalty
Admitted Tax	100%	0%
Disputed Tax	<ul style="list-style-type: none"> • 30% in case of tax amount equal to or less than INR 50 lakh • 50% in all other cases 	0%
Undisputed Tax	<ul style="list-style-type: none"> • 40% in case of tax amount less than or equal to INR 50 lakh • 60% in all other cases 	0%
Differential Tax	30%	0%

The applicant may opt to make payment for settlement of their outstanding dues in a lump sum or in instalments as per the option mentioned as follows:

Settlement amount of tax (in INR)	Amount to be paid at the time of application	2nd installment (within 90 days from the date of provisional order of settlement)	3rd installment (within 180 days from the date of provisional order of settlement)
Upto 10 lakh	Full and final settlement amount to be paid along with FORM OTS-1	Nil	Nil
10 lakh to 25 lakh	50% of the settlement amount, along with FORM OTS-1	Balance 50% of the settlement amount, along with intimation in FORM OTS-1A	Nil
More than 25 lakh	40% of the settlement amount, along with FORM OTS-1	30% of the settlement amount, along with intimation in FORM OTS-1A	Balance 30% of the settlement amount, along with intimation in FORM OTS-1B

Notes:

- The applicant may make the payment for the second instalment by the last date of the third instalment on payment of additional interest of 18% p.a. for the period of delay.
- If payment is not made within the specified period, the provisional order of acceptance shall be deemed to be withdrawn.

Application procedure:

- The applicant shall apply online in FORM OTS-1 within **90** days from **the appointed day** and generate a system-generated acknowledgement in FORM OTS-2. They shall make a separate application for each assessment year under each relevant Act in Form OTS-1 for which they intend to settle their outstanding dues.
- Thereafter, the jurisdictional authority shall examine the FORM OTS-1 within **30** days from the date of acknowledgement.
- Further, the Deputy Excise and Taxation Commissioner (DETC) will examine the application within **15** days and accordingly issue the provisional settlement (FORM OTS 4A) or final settlement (FORM OTS 04) or rejection order (FORM OTS 3).
- In case of rejection, the applicant shall submit a reply in FORM OTS 3A within 15 days. Thereafter, the above process will be repeated.

Terms and conditions:

- The applicant shall withdraw any appeal pending before any authority within **180** days from the receipt of FORM OTS 4A by filing FORM OTS-6.
- Any proceeding pending before any authority shall be kept in abeyance till a final settlement or rejection order is passed under this Scheme.
- Any amount of tax, interest, penalty, or any other sum payable or paid before the appointed day shall not be refunded or adjusted under this Scheme.
- The authority that has passed the final order under this Scheme may rectify any error, either on its own motion or where such error is brought to his notice by the affected person within a period of **30** days from the date of issuance of such order.
- Any amount paid under this Scheme shall neither be paid through input tax nor shall be allowed to be claimed as input tax by any person under the relevant Act or any other Act.
- No appeal shall lie before any appellate authority under the relevant Act, High Court, or Supreme Court against the final orders passed by the jurisdictional authority under this Scheme.