

Issues with Finance bill 2017

Why in news?

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The cut down of tribunal autonomy by the finance bill 2017 has been a controversy.

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What are characters of Finance bill 2017?

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- Finance bill 2017 was passed as a money bill and Raja Sabha cannot make any decisions on the bill.

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- It is a bulk bill of 40 amendments to different laws, such as variety of existing taxation laws, use of Aadhaar, income tax returns and raids, caps in cash transaction.

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- It laid the foundations for of the merger of several tribunals.

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- The Bill included amendments to legislation on multiple subjects, in an attempt to rationalise the functioning of multiple tribunals.

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What are the issues with Provisions in Finance bill 2017?

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- Taxes cannot be paid without an Aadhaar card.

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- The corporates will not be required to name the beneficiary political party in the balance sheets to which they are funding.

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- Cash transaction was limited to Rs 2 lakh per person per day per event.

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- Income tax raids to take place without furnishing a reasonable explanation as was required under IT Act, 1961, and without needing a court order.
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What are decisions on tribunals?

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- There used to be 26 tribunals but now they are down to 19.
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- The Competition Appellate Tribunal will be merged with the National Company Law Tribunal.
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- The Telecom Dispute Appellate Tribunal will also do the work of the Cyber Law Appellate Tribunal .
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- The Airports Economic Regulatory Authority Appellate Tribunal.
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- The tribunal relating to the Employees' Provident Fund will be subsumed in the Industrial Tribunal.
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- The qualifications, tenure, conditions of service, removal and emoluments of the chairpersons and members of these tribunals will all be under the control of the Centre.
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What are the issues with the decisions on tribunals?

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- There's no clear rationale behind this replacement, and seems to be rather arbitrary.
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- The amendments make the independence of the tribunals questionable.
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- Adjudicatory bodies under different laws cannot be abolished by a money bill.
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- The reconstitution of the tribunals will be determined by the outcome of the legal challenge.
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- The doctrine of separation of powers has been violated and the independence of judicial bodies compromised by the Finance Act.
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Source: The Hindu

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