



No Merger of CBDT and CBIC

Why in News

Recently, the Central government has clarified that it has **no proposal** to merge the **Central Board of Direct Taxes (CBDT)** and **Central Board of Indirect Taxes and Customs (CBIC)**.

- The clarification came after the news appeared in certain sections of media that the government was considering to merge the two boards.

Key Points

- The merger proposal was one of the recommendations of the **Tax Administrative Reforms Commission (TARC)** under the chair of **Parthasarathi Shome** that submitted its report in 2014.
- However, the proposal was **not accepted** by the government.
- **CBDT and CBIC** have been created under the **Central Boards of Revenue Act, 1963**. Both Boards are **part of the Department of Revenue** under the **Ministry of Finance**.
- **Central Board of Direct Taxes (CBDT):**
 - It provides inputs for policy and planning of direct taxes in India and is also responsible for the administration of direct tax laws through the Income Tax Department.
 - Direct Taxes include income tax, corporation tax etc.
- **Central Board of Indirect Taxes and Customs (CBIC):**
 - The Central Board of Excise and Customs (CBEC) was renamed as the Central Board of Indirect Taxes and Customs (CBIC) in 2018 after the roll out of **Goods and Services Tax (GST)**.
 - It deals with the tasks of formulation of policy concerning levy and collection of customs, central excise duties, Central Goods & Services Tax (CGST) and Integrated GST (IGST).

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