

## **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.
- The Competition Appellate Tribunal will be merged with the National Company Law Tribunal.
- The Telecom Dispute Appellate Tribunal will also do the work of the Cyber Law Appellate Tribunal .
- The Airports Economic Regulatory Authority Appellate Tribunal.
- The tribunal relating to the Employees’ Provident Fund will be subsumed in the Industrial Tribunal.
- 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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Tribunals proposed to be merged by amendments to the Finance Bill, 2017		
Act	Tribunal being replaced	Tribunal to take over functions
Competition Act, 2002	Competition Appellate Tribunal	National Company Law Appellate Tribunal (under Companies Act, 2013)
Airports Economic Regulatory Authority of India Act, 2008	Airports Economic Regulatory Authority Appellate Tribunal	Telecom Disputes Settlement and Appellate Tribunal (under the TRAI Act, 1997)
Information Technology Act, 2000	Cyber Appellate Tribunal	
Control of National Highways (Land and Traffic) Act, 2002	National Highways Tribunal	Airport Appellate Tribunal (under the Airport Authority of India Act, 1994)
Employees Provident Funds and Miscellaneous Provisions Act, 1952	Employees Provident Fund Appellate Tribunal	Industrial Tribunal (under the Industrial Disputes Act, 1947)
Copyright Act, 1957	Copyright Board	Intellectual Property Appellate Board (under the Trade Marks Act, 1999)
Railways Act, 1989	Railways Rates Tribunal	Railway Claims Tribunal (under the Railways Claims Tribunal Act, 1987)
Foreign Exchange Management Act, 1999	Appellate Tribunal for Foreign Exchange	Appellate Tribunal (under the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976)

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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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