

**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes**

**PRESS RELEASE**

New Delhi, 16 February, 2016

**Sub: CBDT resolves disputes to the tune of Rs 5000 crore under Mutual Agreement Procedure (MAP) of Tax Treaties – regarding.**

Double Taxation Avoidance Agreements (DTAAs) i.e. Tax Treaties signed by India with various countries contain an Article to relieve taxpayers from double taxation through a Mutual Agreement Procedure (MAP). Internationally, the MAP is an important mechanism to resolve tax disputes between countries. The MAP program is led by one or more Competent Authorities designated by the signatory countries to resolve tax disputes under the provisions of each treaty. In the last two years, increased focus on MAP has resulted in resolution of large number of disputes relating to double taxation.

Since 1<sup>st</sup> April, 2014 till date, the Central Board of Direct Taxes has resolved 180 cases under MAP. The total amount of income locked up in dispute in these cases is approximately Rs. 5,000 crore. The resolved cases pertain to various sectors of the economy like software services, IT enabled services, manufacturing, consultancy services, etc. The countries with which cases have been resolved are USA, Japan, United Kingdom and China.

MAP has emerged as an effective alternative tax dispute resolution mechanism. Its use to resolve disputes has provided comfort to foreign investors and also reduced the number of cases under litigation. This is one of the actions taken by CBDT to ensure a fair and judicious dispute resolution regime to encourage foreign investment.

**(Shefali Shah)  
Pr. Commissioner of Income Tax  
(Media and Technical Policy)  
& Official Spokesperson, CBDT**