

To strengthen tax administration, a number of steps were initiated:

- (i) First LTU has started functioning in Bangalore from October 2006.
- (ii) Facility of online filing of tax returns has been introduced. It is mandatory for companies and firms requiring statutory audit u/s 44AB to submit the income tax returns electronically for AY 2007-2008. E-filing is possible with or without digital signatures. There are 3 ways to file return electronically:
 - a. Option 1: Use digital signature , in which case no further action is required.
 - b. Option 2: File without digital signature, in which case ITR-V form is to be filed with the department. This is a single page receipt cum verification form.
 - c. Option 3: File through an e-return intermediary who would do the e-filing and also assist the taxpayer to file the ITR-V Form.
- (iii) The revenue collection from Direct taxes during the year 2006-2007 grew at a rate of 39.27% over the last year. The total collection during the year 2006-2007 from direct taxes was Rs. 230091Crores.

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