

# New Customs timeline to avert big tax disputes like Volkswagen

*Tax authorities in September 2024, issued a notice to the German automaker for evading taxes, to the tune of \$1.4 billion, by wilfully paying lower customs duties on components imported for the manufacture of its automobiles.*

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Sivakumar Ramjee, executive director-indirect tax, Nangia Andersen said:  
“India should consider implementing a tariff ruling system similar to the USA, where importers can obtain binding classification decisions from customs authorities before importing goods. This would enhance transparency, reduce disputes, and provide predictability in duty rates.”