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## NEWSFLASH: STATE VAT UPDATES – February and March 2016

## 1.0 DELHI VAT

**Filing of reconciliation return in form 9 for the year 2014-15.** (Circular No. 39 of 2015-16 F.3 (589)/Policy/VAT/2015/1542-48 Dated 29th February, 2016.)

Delhi Circular extends date for Filing of reconciliation return in Form 9 for the year 2014-15 to 31-03-2016.

## 2.0 GUJARAT VAT

### 2.1 Extension in Time limit for e-payment

According to Trade Circular GUJ/VAT/ 86/15-16/Cir.179/154 dt. 6 Feb 2016 issued by Gujarat Sales Tax Department, from Feb 16 onwards E- payment is made mandatory for all type of Dealers. There will be no monetary limit for e-payment.

Up to Feb 16 E-payment was mandatory only for the dealers having tax liability of Rs. 50,000/- and above . This limit is now removed and E-payment is made compulsory for all types of Dealers.

E-payment is to be made by 22<sup>nd</sup> of succeeding month following the return period.

### 2.2 Extension in Time limit of E-Return

According to Trade Circular GUJ/VAT-86/15-16/Cir 180-155 dt. 28 Feb 2016 issued by Gujarat Sales Tax Department , time limit for filing E-return from Dec 15 onwards is extended as follows:-

For Monthly return from 15 December Onwards – within 45 Days from end of the month.

For Quarterly return from 15 October to December 15 Onwards – within 45 Days from end of the Quarter.

## 3.0 MAHARASHTRA VAT

The Maharashtra Sales Tax Department is developing a new automation system. The software application is being developed using the Tax and Revenue Management (TRM) and the Customer Relationship Management (CRM) functionalities. The application is expected to be implemented in a phased manner from **1st May 2016**. The changed processes will be made known to DEALER well before the date of implementation.

The web portal will offer different e-Services to the registered dealers through a common window. A dealer will be able to

- Edit his Profile to make certain changes in the registration record
- Comply with the filing obligations including returns, audit report, refund applications, application for CST declarations
- File appeals
- Appoint his Authorized Representatives, Auditors
- See the pending assessments, recoveries
- Seek appointments for hearing
- Issue TDS Certificates, etc.
- Seek No dues and Tax dues Certificates,
- Pay taxes online through the Electronic Payment Gateways

**Major changes are as follows:**

### A. Registrations under the MVAT Act 2002 and all the Allied Acts.

- Creation of Temporary Profile
- Verification of identity and place of business
- Upload of scanned documents
- Mandatory Online Payment of Registration Fees and Deposit, as applicable, with the registration application
- Verification of application and grant of TIN
- Certain Registrations only after field visits

- Restoration of rejected application and date of effect of registration
- Refund of fees and deposit paid in respect of Voluntary Registration

## B. Returns

1. New process of filing of returns - Invoice wise uploading of sales and purchase annexure and auto-population of returns
2. Uploading of "Return Form Bundle Template" and facility to view draft return in PDF format
3. The process of verification of claim of ITC and claims of Goods Returned as under
  - a. Verification of ITC passed on by the vendors
  - b. Claim of ITC in the returns
  - c. Disallowance of un-confirmed ITC and allowance of disallowed ITC after confirmation of the transaction by the sellers
  - d. Disclosure of reduction in ITC u/r 53 and disclosure of not admissible ITC u/r 54
  - e. Claims of Goods Returned
4. Filing of return and the payment of tax
5. Filing of monthly return in form 424 by the employers (MVAT WCT TDS)
6. Filing of revised returns
  - a. The dealers will be required to revise the annexures which they have already uploaded with original return.
  - b. The revised annexures shall replace the original annexures and also the original return filed by the dealer
7. Mandatory payment of fees before filing delayed return
8. Annexures to be filed by the Composition Dealers
9. Billing software:

In order to provide facility and ease of preparing annexures and thereby the Returns, a downloadable free Billing Software will be available to the taxpayers.
10. Filing of annual annexures by the dealers not liable to file 704:

The dealers who are not liable to file e 704 will be required to file annexures of CST forms received/not received, annexures of PAN wise URD purchases (e.g. PAN wise in excess of Rs 100000/-), annexures of TIN wise-HSN wise details, the annexure of the latest bank accounts and also the closed bank accounts, the annexures of imports and annexures of exports. These annexures will be required to be filed with the last return for FY 2016-17onwards.
11. Filing of the annexure of the latest bank accounts and also the closed bank accounts.

## C. Assessment

**New Process:** The new process of assessment will have the following features

- i. Uploading of required statements in particular templates. Similarly uploading of requisite scanned documents
- ii. Facility of filing revised return in terms of finding of the assessing officer leading to closure of assessment.
- iii. Facility to close the assessment without requiring the assessee to attend before the assessing officer.
- iv. Access to returns, audit reports etc. filed. This access may also be given by the dealers to their authorized representatives.
- v. Online facility to seek adjournments.
- vi. Assessing Officers to mention the issues on which the tax liability has been assessed. A comprehensive 'Issue Master' will be available to the assessing officer. This will help the assessee while filing the appeals.

- vii. Facility of online tracking of the status of assessment, rectification, review and appeal case.
- viii. On time issuance of notices/orders.
- ix. Review, Rectification processes to follow the same route as mentioned from i to viii above except for the fact that in these proceedings orders will be mandatorily passed.

#### D. Refunds

- i. Application for refund and the Refund Calculator
- ii. Allocation of application for refund
- iii. Refund against Bank Guarantee
- iv. Refund under Special Schemes
- v. Part Refunds
- vi. Assessments in refund cases and personal attendance
- vii. Direct credit of refund amount in the bank account
- viii. Electronic verifications of interstate sales and exports

#### E. Appeals

##### **New Process: Online filing of appeals:**

- i. Option of obtaining Automatic Final Stay Order
- ii. Stay Orders through hearing

#### F. e-CST declarations

The dealer will be required to access the SOR Tab after logging in into his account. The invoice-wise details of interstate transactions will get auto-populated in his SOR. However, before submitting the SOR the dealer will be shown certain pending items which include available dues, non-filing default etc. Once the dealer clears these pending items his SOR will get uploaded and the CST forms will be electronically sent to him.

### 4.0 WEST BENGAL VAT

#### **Reconciliation of sale-purchase mismatch for the financial year 2014-15**

##### **Circular No 01/2016 dated 29th February, 2016**

The quarterly mismatch information are being made available online in the website of the Directorate in Dealer' Profile immediately after the due date of return filing is over so that the dealers are able to cross-check with their counterparts for appropriate corrective measures.

Dealers are allowed to furnish such online reconciliation for the financial year 2014-15 within **21 March 2016**.



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9 March 2016