

INDIRECT TAXES UPDATE – 157

CENTRAL EXCISE

Extension of Time Limit for taking registration by Jewellers

CBEC vide Circular No. 1021/9/2016-CX, Dated: March 21, 2016 provided for constitution of a Sub-Committee of the High Level Committee to Interact with Trade & Industry on Tax Laws, chaired by Dr. Ashok Lahiri to study the issues relating to the imposition of excise duty on jewellery including the issues related to compliance procedure for the excise duty, records to be maintained, operating procedures and any other issues that may be relevant..

In this regard, CBEC vide Circular No. 1025/13/2016-CX, Dated: April 22, 2016 has provided that names of the committee members with a request that all associations may submit representations before the subcommittee in writing and the all India associations would need to state their cases in person.

Further CBEC vide Circular No. 1026/14/2016-CX, Dated: April 23, 2016 has provided that now a jeweller may take central excise registration of an establishment upto 01.07.2016. However, it is to be noted that excise duty would be payable w.e.f from 1st March 2016 itself. Further, jewellers may make the payment of excise duty for the months of March, 2016; April, 2016 and May, 2016 along with the payment of excise duty for the month of June, 2016.

[Circular No. 1025/13/2016-CX, Dated: April 22, 2016 & Circular No. 1026/14/2016-CX, Dated: April 23, 2016]

Comments: The extension of date may require suitable amendment along with interest, penalty and machinery provisions on issuance of invoice, time for payment of duties as an unregistered assessee in the statutory provisions so as to allow jewellers to take registration upto 1st July 2016. Even the Government is not permitted to do unlawfully, that which is necessary to be done.

The duty payment and interest applicable on monthly/ quarterly basis on delayed payment would apply.

VALUE ADDED TAX

TELANGANA VAT

Mandatory raising of e-waybills by dealers of the 7 Divisions of Twin cities and R. R. District from 01.04.2016 onwards

The Telangana Government has clarified that e-waybills, which are to be carried by the transporter of the goods vehicle are mandatory for dealers of the 7 Divisions of Twin cities and R. R. District from 01.04.2016. In other words, use of manual waybills will not be permitted henceforth. Further, any stock of physical way bills lying with dealers of 7 Divisions of Twin cities and R. R. District will be treated as invalid. Further, such dealers are also directed to upload utilization of all manual waybill obtained till date.

[\[Circular-CCT's RefNo. Enft/D2/172/2010, dated 13th April, 2016\]](#)

Comments: The Government has made it mandatory to use e-waybills so as to make the process more effective and as a time saving measure. Ensuring usage of e-waybills helps the Government to effectively monitor the movement of goods affected by the specified dealers.

HARYANA VAT

[Date for filing the return of the quarter ending 31.03.2016 extended upto 31.07.2016](#)

The due date for filing online quarterly returns for the quarter ending 31.03.2016 has been extended from 30.04.2016 to 31.07.2016 due to the reservation agitation in the State in February, 2016. The return can be filed by the affected dealers who have lodged valid claim for compensation within the prescribed period before the appropriate authority for this purpose.

[ORDER dated 18th April, 2016]

Comments: Keeping in view the difficulties faced by dealers during the reservation agitation and in order to grant relief to the affected dealers, the due date for filing the last quarters return has been extended.

MAHARASHTRA VAT

[Increase in the turnover limit for opting Retailers Composition Scheme & other provisions](#)

The sales turnover limit for the eligibility of dealer to opt for Retailers Composition Scheme has been increased from Rs. 50 lakhs to Rs. 1 crores from 01.04.2016.

A dealer who has not opted for this composition scheme earlier but desires to opt shall upload an application in Form 4A on www.mahavat.gov.in on or before 30.04.2016. Further, a retailer who had already opted for this Scheme need not apply again. Furthermore, from 01.04.2016 the Retailer Composition Dealer shall file returns as per the provisions of rule applicable to any other non-composition dealer.

[Trade Circular No. 9T of 2016 dated 22nd April, 2016]

Comments: To bring small dealers into the tax net a new scheme for payment of taxes has been introduced. The Retailers Composition Scheme helps in encouraging small dealers to pay tax at the rates lower than the normal rates applicable and also exempts such dealers from procedures such as maintenance of books of accounts etc.

RAJASTHAN VAT

Security to be furnished in the form of cash through e-GRAS

The Rajasthan Government has made it possible for furnishing of security deposit by way of electronic payment through e-GRAS wherever it was required to be furnished in cash.

[[Notification No. F. 16\(115\) VAT/Tax/CCT/2016-17/152 dated 22nd April, 2016](#)]

Comments: To encourage dealers to adopt the facility of online payment, the Rajasthan Government has now made it possible for security deposit to be furnished by electronic payment.

Criteria for selection of cases for Post Registration Verification process

The Rajasthan Government has provided the criteria for selection of cases for enquiry to be made within 48 hours of issuance of registration certificate. The enquiry will be made if the Risk Weightage crosses the value of 110:

Sl. No.	Cases-	Points for Yes	Points for No
1.	If the dealer is a Non-Resident Dealer or if the Partner address belongs to is outside the state of Rajasthan (ignore in case of Public Limited Company)	100	0
2.	If dealer was registered earlier in VAT or he has specified the details of his closed business	50	0
3.	If more than one business running at the same business place	50	0
4.	If difference between Date of Commencement of Business and Date from which liable to registered <ul style="list-style-type: none">• Upto 6 months - 10 points• More than 6 months and less than 1 year - 20 points• More than 1 year - 50 points		
5.	In case of Cash/NSC/Bank Guarantee/Surety <ul style="list-style-type: none">• Cash - 50 points• NSC-50 points		

- Bank Guarantee - 0 point
- Surety - 0 point

Maximum Risk Weightage = 300

Minimum Risk Weightage = 10

[Notification No. F. 16(115) VAT/Tax/CCT/2016-17/159 Dated: 22nd April, 2016]

Comments: To detect un-authorized and illegal dealers applying for registration, the Government has come out with a methodology to ascertain those dealers for whom inspections are necessary to be conducted.

CHHATTISGARH VAT

Exemption from payment of tax for dealers under Electronics, IT and ITeS Investment Policy

The Chhattisgarh Government has exempted the following dealers from the **entire amount of tax payment** subject to restrictions and conditions specified in the below table:

Class of Dealers	Period for Exemption	Restrictions & Conditions
Dealer establishing units in the State under the Electronics, IT and ITeS Investment Policy of Chhattisgarh, 2014-19.	For a period of 5 years from the date of commencement of commercial production or up to the date of coming into force of GST in the State, whichever is earlier.	All provisions of the Electronics, IT and ITeS Investment Policy of Chhattisgarh, 2014-19.

[[Notification No. F-10-14/2016/CT/V \(50\) dated 13th April, 2016](#)]

Comments: To boost the electronics and information technology industry in the State, the Government of Chhattisgarh has exempted from payment of tax, the dealers dealing in Electronics, IT and ITeS under the Electronics, IT and ITeS Investment Policy of Chhattisgarh, 2014-19.

Source: www.cbec.gov.in / Respective State Commercial Taxes Website

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