

GOVERNMENT OF ASSAM
OFFICE OF THE COMMISSIONER OF TAXES :::: ASSAM :::: KAR BHAWAN
DISPUR, GUWAHATI.

(Circular No. 17/2008)

No. CTS-81/2007/240

Dated Dispur, the 18th July/2008.

Sub : Cases under Remission Scheme and Pipeline Order.


It has come to notice that the case records pertaining to dealers under Remission Scheme and Pipeline Order are not being maintained properly. As a result, the State is losing huge revenue. In this regard earlier Circular No. 27/2007 and Circular No. 9/2008 were issued. Further, all zonal Deputy Commissioners of Taxes were asked to inspect such case records. A number of lacuna have been reported by the Deputy Commissioners of Taxes. It has been observed that ;

1. In most of the cases, the case records are not up-to-date.
2. In many cases eligibility certificate has not been received but the assessing officers are allowing tax concession for years together. Based on the certificate of pendency of application for consideration by Industries Department, tax concession can be allowed for a period of six months and for a further period of six months. However, in many cases tax concession has been allowed beyond this period.
3. In many cases, it has been observed that while converting the existing authorization certificate under the Sales Tax Concession Scheme/1997 to entitlement certificate under the tax remission scheme, it seven years time period is prescribed in the new entitlement certificate without subtracting already enjoyed time period under the old authorization certificate. Further, in many cases while prescribing the financial limit in the new entitlement certificate, the financial limit exhausted under the old authorization certificate has not been subtracted. This is highly irregular and is resulting in huge loss to the State revenue. Further, such things appear to be cases of gross misconduct on part of the officers who issued the entitlement certificate.
4. In some cases, it is observed that the assessing officer has allowed more time or financial limit than mentioned in the eligibility certificate issued by the Industries Department. This is highly irregular and irresponsible.
5. In some cases even units which are not eligible have been issued eligibility certificate by the Industries Department and the assessing officers have issued entitlement certificates on the basis of such eligibility certificate. This has happened because the Industries Department issued eligibility certificate without report from the Tax Department. The instances of such industries are stone crusher, refining of mustard oil, mobil oil, packaging of water, etc.
6. Most of the officers have not renewed the entitlement certificate every year and have not kept the record of utilization of the financial limit.

7. Inspection is done by Inspector of Taxes instead of Superintendent of Taxes.

Hence, in view of the above, all assessing officers are directed to take the following steps :


- (a) Ensure up-to-date maintenance of case records as instructed in Circular No. 27/2007.
- (b) In case of new units applying for entitlement certificate, seek clarification from the Commissioners of Taxes Office before issue of entitlement certificate.
- (c) In case of units which are ineligible, cancel the entitlement certificate after giving opportunity of being heard to the unit. This has to be done within 31st of July/2008.
- (d) In case of units where more time has been given than legally permissible, financial limit more than mentioned in eligibility certificate has been mentioned in entitlement certificate, the financial limit or time limit may be converted and revised entitlement certificate may be issued. This may be also done in case of units for which authorization certificate was converted into entitlement certificate.
- (e) In case of units which have exhausted the financial limit or the time period but have not paid due taxes, due taxes may be realized immediately.
- (f) Inspection of industrial units will be done by Superintendent of Taxes personally.


(Sanjay Lohiya),
Commissioner of Taxes, Assam,
Guwahati-6.

Memo No. CTS-81/2007/240-A
Copy to :-

Dated Dispur, the 18th July, 2008.

1. The Principal Secretary to the Government of Assam, Finance (Taxation) Department, Dispur, Guwahati-6 for favour of kind information
2. The Addl. Commissioners of Taxes/Joint Commissioners of Taxes (All), Head Office for information.
3. The Deputy Commissioners of Taxes (All) for information and necessary action.
4. The Assistant Commissioners of Taxes/Superintendents of Taxes (All) for information and necessary action.
5. Circular file.


(Sanjay Lohiya),
Commissioner of Taxes, Assam,
Guwahati-6.