GOVT. of PUNJAB

Excise and Taxation Department

PUBLIC NOTICE

Dated: 26th March 2013

Attention: All VAT Dealers, Advocates, Chartered Accountants and Cost Accountants

Subject: Proposed changes in e-Filing service of VAT 15 for Quarter 4 of FY 12-13

1. We are thankful to all concerned for sharing their valuable feedback and suggestions on improving the VAT 15 e-filing service, in response to the 19th March 2013 public notice;
2. The suggestions and Department's decision on the received suggestions are provided below. All concerned are requested to review the suggestions and Department's view. In case of any objection on Department's decision, dealers may present their view in person during a meeting at 11AM on 28th March 2013 at the Office of Excise and Taxation Commissioner, Room No. 13, 17 Bays Building, Sector 17, Chandigarh.

S No	Issue / Suggestion	Description	Department's decision
1	"Punjab" to be added in list of States in VAT 18 / 19	In case of E-I / E-II sales, dealers may opt for Punjab as state (in VAT 18 / 19), which is currently missing in the list.	This would be added however with restriction only for E-I & E-II
2	VAT 18 / 19 Branch Transfer (& Consignment Transfer) to be restricted for Cancellation & Sales return	In nature of transaction when user selects "sales return" or "cancellation of sales" and in last column Branch Transfer (& Consignment Transfer) is selected; it leads to wrong calculations (in VAT 15). Since Branch transfer is not a part of your regular sales and doesn't even gets counted in your Gross Sales (Please refer Gross Sales definition as per WS 5B, Column 1(a)), hence Goods coming inwards from branch transfer as against sent outwards earlier, should NOT be considered as "sales return / cancellation of branch transfer" in VAT 18, but they should come as new entry in VAT 19 as Branch Transfer (inwards). This is further required to justify and avoid mismatches in ICC	Restriction to be included.

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		entries & Returns data.	
3	High Sea Purchases	A few people have asked this query, since high sea sales is asked in Work Sheet 5B, why not High Sea Purchases. As a solution it may be given under "Import from outside India" in VAT 19	Status quo would be maintained.
4	Whether Payment made in third month is to be adjusted	Payment made in first two months (VAT 16, as entered in WS 5B) gets adjusted with ITC and other Tax Calculations in Section 6 of VAT 15.	Relevant columns would be added to show Balance Tax (after third month payments) and Excess ITC
5	Opening Stock of Exempted Goods. Problem faced in Work Sheet 4	Issue regarding showing exempted sales. Purchase value of exempted goods may be entered in Column 10, Work Sheet 5B and additional amount on which VAT is to be paid is to be entered in VAT 23. Issue is regarding the label at column (g) in Work Sheet 4A, if dealers are entering the sales amount there also it leads to negative value in column (j) Work Sheet 4A	Opening stock may be taken as input data. For column (g) it would be explained in Instructions / FAQs
6	Decision to be taken on Prior Period Adjustment w.r.t. PVAT Act u/s 26(4)	Issue related to prior period adjustments resulting in lesser tax. "As per section 26(4) of the PVAT Act, any prior period adjustment resulting in higher tax amount may be adjusted along with returns (refer WS 1F), BUT if it is resulting in lesser tax, then same should be claimed as refund."	Status Quo would be maintained.
7	Excess ITC from VAT 20	Same as point no. 6	To be claimed as refund.
8	Additional tax @ 5% items. Whether the calculations stands true for current quarter also	"After last revision of rates by the dept. the commodities which are applicable for 5% rate of VAT are only 'declared goods' on which Additional tax is NOT applicable. Hence the form doesn't calculate additional tax for item @ 5% rate of VAT."	Status quo to be kept. Following clarification would be in included in the FAQs: In case somebody has already paid / charged addl. tax by mistake on any of the declared goods then he can claim ITC / pay the adjusted amount of tax with VAT 20.

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9	Reversal on Lubricants (& other reversals branch transfer & tax free sales): Change of Rate from 4% to 5%	Because of change in rate of tax from 4% to 5%, calculation of reversal of ITC on tax free sales, branch transfer & reversals u/s 13 (4) will change.	Calculations should be done at 5% only. People filling earlier quarter returns will also be applicable for this.
10	Confirmation on Additional Tax on Sale of Pre Owned cars	Whether additional tax needs to be calculated for sale of pre-owned cars	Tax on pre-owned cars hs been imposed as u/s 8 (listed in schedule E) therefore addl. Tax is leviable
11	Re-Adjustments of Columns for better Printable VAT 15	Although very much possible, people were initially complaining about non-printable format of the final VAT 15 form. Hence widths and adjustments of columns may be redone so as to get a better print	This would be incorporated.
12	Missing Trade / Commodities List	Dealers have informed that they are not able to find the exact commodity name which they are dealing in.	Dealers have been requested, through public notice, to inform the Department about such missing commodities. After verification, these commodities would be included in the commodity list. Additionally, the following facility would be available from 1st quarter of next Financial Year: All the Scheduled Commodities would be available in commodity list. Corresponding Rate of Tax would be automatically selected based on the selected commodity.
13	Entry tax in case of sales return in VAT 18	Issue related to showing (and claiming as ITC) the amount of entry tax paid in case of sales return. Since sales return are shown in VAT 18 which doesn't have any column for entry tax	This would be added in VAT 18. Label : "Entry Tax Paid, if any (only in case of cancellation / sale return)". Field would be editable only in case of cancellation / sales return and would be non mandatory. Total

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			would be taken to Work Sheet 1A. Label at Work Sheet 1 A would be modified.
14	Job work value of goods in 18 / 19	Many dealers have argued that in case of job work, value of goods must not be asked since it is not part of their sales / purchase	Status quo would be maintained.
15	Special character in invoice no.	Dealers have asked to allow special characters in invoice number field.	Only alpha-numeric characters would be allowed.
16	CST-1, field for Rounding Off must be added	To adjust difference in tax amounts due to rounding off, an extra field to be added in CST-1 Form	Required columns would be included