

Delhi VAT

Amnesty Scheme

Udyog Software (India) Ltd.

11/08/2014

Government of National Capital Territory of Delhi
Department of Trade and Taxes
Vyapar Bhawan
I.P.Estate
New Delhi-110 002

No.F.3 (399)/Policy/VAT/2014/PF/ 247-254

Dated: 05/08/2014

CIRCULAR NO. 7 of 2014-15

Government of NCT of Delhi had notified a scheme named Delhi Tax Compliance Achievement Scheme, 2013 vide Notification No.F.3 (16)/Fin./Rev.I/2013-14/dsVI/786 dated 20/09/2013. The scheme envisages declaring tax deficiency voluntarily and paying tax and seeking registration under the Delhi Value Added Tax Act, 2004. To reduce litigations, the scheme was extended to registered dealers also. The registered dealers who have been assessed already were required to deposit tax and interest stated in the order. Consequential, penalty related to tax deficiency is to be waived off by opting the scheme.

The scheme provided additional facility to Works Contract dealers who could opt the scheme by paying 1% or 3% of the turnover like an existing Composition Scheme. The Assessment orders, issued, if any, become null and void in such cases. But, the order shall stand in the System till it is nullified. Therefore, to smoothen the process, and to maintain correct data base, it has been decided that in cases where DSC-3 has been issued, the assessment orders have to be nullified in the following manner:

- (i) Works Contract dealers who have opted to deposit tax @ 1% or 3% of the turnover, the assessment orders issued for the tax period in Form DVAT-24 for tax and interest and consequential penalty in Form DVAT 24A should be nullified by reviewing the orders suo motto after DSC-3 has been issued. The Works Contract dealers who have not opted for paying turnover tax @ 1% or 3% shall be dealt with like any other dealer
- (ii) Any dealer (WC or other) who have been assessed u/s 32 of Delhi Value Added Tax Act, 2004 and against whom an assessment order in Form DVAT-24 for tax and interest has been issued and opted the scheme to pay tax and interest stated in the order, the payment so made shall be treated as recovery against the order. No further action to recover the amount should be taken against the dealer
- (iii) The consequential penalty order issued in Form DVAT-24A for the tax deficiency for which DVAT-24 (tax and interest) has been issued, stand nullified with the option of the scheme. Therefore, such penalty orders have to be nullified by reviewing the same.

It is again emphasized that aforesaid actions may be initiated only after ascertaining the eligibility of the dealer for issue of DSC-3. Zonal Additional/ Joint Commissioners shall ensure compliance of the orders.

System Branch shall provide necessary software support to complete the process by concerned Assessing Authorities. The demand becoming null and void with the option of the scheme and duly nullified by Assessing Authorities shall not be shown as outstanding demand.

These issues with the approval of Commissioner, Value Added Tax conveyed vide Dy No. 902 dated 31/07/2014.

(Sanjeev Ahuja)
Spl.Commissioner(Policy)

Dated 04/08/2014