

Seminar on Maharashtra Amnesty Scheme 2023 and Revocation of GST Registration

CA. MAHENDRA K. JAIN & CO
mahendrakjain1@yahoo.com

9822468680



AMNESTY SCHEME – 2023 SUMMARY

Important Definitions

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TIMELINE

- Announced by Finance Minister in his budget speech on 09/03/2023.
- Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Bill, 2023 (L. A. Bill No. XII of 2023) introduced in the Maharashtra Legislative Assembly on the 20th March 2023
- **MAHARASHTRA ACT No. XVIII OF 2023.***(First published, after having received the assent of the Governor in the “ Maharashtra Government Gazette ”, on the 6th April 2023).*
- *Order under section 19(2) of the Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act,2023 issued on 28/04/2023 various prescribed forms are issued.*

STATEMENT OF OBJECTS AND REASONS

- With a view to give effect to the proposals contained in the Budget Speech for the financial year 2023-2024, the Government considers it expedient to provide for settlement of arrears of tax, interest, penalty or late fee which were levied, payable or imposed under the various Acts administered by the Goods and Services Tax Department.
- Prior to the implementation of the Maharashtra Goods and Services Tax Act, 2017 (Mah. XLIII of 2017) with effect from the 1st July 2017, various Tax Laws were in force in the State. As sizeable portion of the recovery is locked under litigation, in order to unlock the amount involved in the outstanding dues and reduce the old pending litigations, the Government considers it expedient to provide for a scheme for settlement of arrears of tax, interest, penalty or late fee under the Relevant Act, for the specified period ending on or before the 30th June 2017.
- As a relief to small industries, traders and other dealers who are under financial stress, the Government considers it expedient to provide a scheme for waiver as well as lump sum payment option up to a specified limit for settlement of dues and closure of old pending litigations. Bigger dealers who are in financial crunch, an option to settle their arrears with payments in instalments is provide

STATEMENT OF OBJECTS AND REASONS

- In all, the scheme safeguards the revenue in respect of un-disputed tax with an incentive towards the partial waiver of disputed tax, interest, penalty or late fee.
- The Bill seeks to achieve the above objectives.

Definitions

(2) In this Act, unless the context otherwise requires,-

*(c) “applicant” means a **person who is liable to pay arrears of tax, interest, penalty or late fee levied or leviable under the Relevant Act or any other person including financial institution who desires to avail the benefit of settlement by complying with the conditions under this Act;***

(d) “arrears” means the outstanding amount of tax, interest, penalty or late fee, as the case may be,-

*(i) payable by an assessee as per any **statutory order** under the Relevant Act; or*

*ii) **admitted in the return** or, as the case may be, the revised return filed under the Relevant Act and which has not been paid either wholly or partly;*

Definitions

*(iii) determined and recommended to be payable by the auditor, in the **audit report** submitted as per section 61 of the Value Added Tax Act, whether the notice under section 32 or 32A of the Value Added Tax Act, has been issued or not, and such arrears of tax, interest, penalty or late fee, pertains to specified period and it also includes the interest payable on the admitted tax under the Relevant Act for the specified period ;*

*(f) “**designated authority**” means an authority appointed u/s 3 of this Act ;*

*(i) “**Government**” or “**State Government**” means the Government of Maharashtra ;*

*(m) “**return dues**” means the amount of tax, interest or late fee, admitted in the **return or the revised return filed** under the Relevant Act in respect of the specified period but which has **remained un-paid** either wholly or partly at any time on or **before the 31st Oct 2023;***

Definitions

- (k) “Relevant Act” means the following Acts (Including Rules & Notifications), namely :*
- (i) the Central Sales Tax Act, 1956 ;*
 - (ii) the Bombay Sales of Motor Spirit Taxation Act, 1958;*
 - (iii) the Bombay Sales Tax Act, 1959 ;*
 - (iv) the Maharashtra Purchase Tax on Sugarcane Act, 1962 ;*
 - v) the Mah. State Tax on Professions, Trades, Callings and Employments Act, 1975*
 - (vi) the Mah. Sales Tax on the Transfer of Right to use any Goods for any Purpose Act, 1985 ;*
 - (vii) the Maharashtra Tax on Entry of Motor Vehicles into Local Areas Act, 1987 ;*
 - (viii) the Maharashtra Tax on Luxuries Act, 1987 ;*
 - (ix) the Mah. Sales Tax on Works Contract (Re-enacted) Act, 1989 ;*
 - (x) the Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002; and*
 - (xi) the Maharashtra Value Added Tax Act, 2002 ;*

Definitions

(l) “requisite amount” means an amount required to be paid by the applicant under this Act and shall be the aggregate of the amount paid during the period specified in clause (b) of the Table given in sub-section (2) of section 10 of this Act towards,-

(i) the amount of un-disputed tax, and

*(ii) the amount of disputed tax, interest, penalty, late fee, **whether levied or not**, as determined under sections 8 and 9 of the Act and as specified in Annexure-A or Annexure-B appended to the Act ;*

(n) “specified period” any period ending on or before the 30/ 6/ 20 17 ;

(o) “statutory order” any order passed under the Relevant Act, raising the demand of tax, interest, penalty or late fee payable by the applicant ;

Definitions

- (g) “**disputed tax**” means the tax other than un-disputed tax as defined in cl. (q) ;
- (q) “**un-disputed tax**” means,-
- (i) the taxes **collected separately** under the Relevant Act ; or
 - (ii) the taxes **shown payable in the return** or the revised return under the Relevant Act; or
 - (iii) an amount claimed by the dealer as deductions as per **rule 57** of the Value Added Tax Rules or similar rules under other Relevant Act ; or
 - (iv) an amount **forfeited** under the statutory order or **excess tax collection** shown in the return, revised return or Audit report, or
 - (v) any amount of tax determined and recommended to be **payable by the auditor, in the audit report** submitted as per sec. 61 of MVAT Act, and **accepted** by the assessee, either wholly or partly ; or
 - (vi) the tax deducted at source (**TDS**) by the employer under the **MVAT Act** ; or

Definitions

- (vii) the **tax collection** made under section 31A of the MVAT Act ;*
- (viii)the **tax payable by the enrollment certificate holder** under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 ;*
- (ix)the **tax deducted by the employer** under the Maharashtra State Tax on Professions, 1975*
- (x)the amount of disallowed set-off under **rules 52A or 52B** of the Value Added Tax Rules, which is eligible to be claimed in the subsequent period ;*

IMP to remember -

*The interest and late fee determined and recommended to be payable by the auditor and accepted by dealer is not included under un-disputed tax and accordingly **Waiver** is allowable for amount of interest and late fee.*

Definitions

Few Examples of Disputed Tax –

- *Tax payable due to non-production or disallowance of Declarations and correspondingly tax payable at higher rate of tax;*
- *Disallowance or reduction of Set-off due to mismatch or other reason;*
- *Enhancement of Sales Turnover on estimated basis;*
- *Tax payable due to dispute regarding tax rate applicable, provided the differential tax is not collected from customer;*
- *Tax payable due to disallowance of goods return, export, branch transfers, resale claims under Bombay Sales Tax Act, and so on*
- *Profession Tax payable by Employer if Profession Tax is not deducted from Wages and Salaries.*

Scheme Operational Period

Period during which the application form is to be submitted –

*The Form should be submitted between the period **01-05-2023 to 14-11-2023** both in **ONE TIME PAYMENT OPTION** as well **INSTALLEMNT OPTION**.*

The requisite amount is to be paid between **1st May 2023** to **31st Oct. 2023** in **ONE TIME PAYMENT OPTION**. *In case of **INSTALLEMNT OPTION** minimum 25% of the requisite amount is to be paid between **1st May 2023** to **31st Oct. 2023** & remaining of requisite amount in three equal quarterly instalments from the date of the application under section 12.*

Eligibility for Settlement

*4. (1) An applicant, can be **registered or unregistered** under the Relevant Act, shall be eligible to make an **application for settlement** of arrears of tax, interest, penalty or late fee in respect of the specified period, whether such arrears are **disputed in appeal under the Relevant Act or not.***

*(2) Even if the applicant, has **availed benefits** under any of the **Amnesty Schemes**, as declared by the Government under any Government Resolution or under the Maharashtra Settlement of Arrears in Disputes Act, **2016** or the Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act, **2019 & 2022**, shall also be eligible to make an application under this Act.*

(3) For the settlement under this Act, the applicant shall comply with conditions stated in section 11.

Eligibility for Settlement

Cases litigated by the State, also eligible for settlement.

*5. Where the GST Department has **filed reference or an appeal** before the Maharashtra Sales Tax Tribunal or the Courts, the demands disputed by the Department including tax, interest, penalty or late fee may be considered for the settlement of arrears by the applicant and the application for settlement may be filed accordingly.*

In such cases, once the amount disputed by the said Department is settled under this Act, there shall be no refund or adjustment of the amount so paid or there shall be no recovery of the waiver already granted under this Act.

Eligibility for Settlement

Adjustment of amt. paid before 01-05-2023 and determination of arrears of tax, interest, penalty or late fee, if any, eligible for settlement.

*6. (1) (a) any payment made in respect of a **statutory order** either in the appeal or otherwise, on or before the **30th April 2023**, shall be adjusted as follows:*

a) the amount of un-disputed tax then b) disputed tax, thereafter, c) the interest and the balance if any towards d) the penalty and the late fee, sequentially ;

*(b) The unpaid balance remaining after adjusting amount as above for the specified period, if any, as on the **1st May 2023** or any **demand raised** for the specified period by any **statutory order** during the period from **1st May 2023 to 31st October 2023**, shall be considered for the settlement under this Act.*

Eligibility for Settlement

6.(2) *The provisions of foregoing clauses in respect of adjustment of amount paid and determination of arrears shall be **applicable mutatis mutandis to the return dues** or, as the case may be, dues as per the recommendations made in respect of tax, interest or late fee by the auditor in the **Audit report**.*

Write off in respect of certain amounts.

7.(1) *Any arrears determined as per any **statutory order** for the specified period, as on the 30TH April 2023, which are rupees **Two Lakhs or less per financial year** under the Relevant Act shall be written off.*

(2) The post assessment interest on such written off dues shall stand waived.

(3) No Form is required to be filled in such cases.

Example of Eligible Amount Calculation -

1) The auditor has shown dues of Tax Rs. 1,50,000 & Interest 90,000/-

The dealer has accepted tax of 1,00,000 & Interest of 60,000/- and made payment of 1,60,000/- before 30-04-2023. How the amount paid will be adjusted (no assessment is done till now)

Undisputed Tax	1,00,000
Disputed Tax	50,000
Interest	10,000
Amount eligible for amnesty – interest Rs.	80,000

2) The appeal was filed against order showing tax dues 2,50,000 + Interest 1,50,000 + penalty 50,000/-

The amount paid was undisputed tax 1,00,000/- + 10% of disputed tax 15,000/-

What will be the amount available for amnesty?

Disputed tax	1,50,000 Less 15,000/-	1,35,000
Interest		1,50,000
Penalty		50,000
Total amount eligible		3,35,000

Payment & Waiver

Determination of requisite amount and extent of waiver.

8. (1) *The requisite amount payable towards the settlement of arrears shall be determined as follows:*

- (a) The payment to be made and amount which will be waved of such undisputed tax, disputed tax, interest, penalty or late fee **for One Time Payment option or Installment option**, shall be as specified in **section 10**, in Annexure-A or Annexure-B, as the case may be;*
- (b) Where arrears determined as per section 6, of tax, interest, penalty or late fee as per any **statutory order** is of **rupees 50 lakh or less** and if, the applicant opts for payment of a **lump sum amount** under One Time Payment option, then the extent of lump sum payment and applicable waiver shall be as specified in Annexure-A or Annexure-B, as the case may be.*

Payment & Waiver

8. (2) *The **payment** of the requisite amount as determined under this section shall be made in the form of Challan prescribed under the Relevant Act or, in **Form-MTR-6** prescribed under the Value Added Tax Rules as the case may be, and shall be made on or before **31th Oct. 2023** to the option opted by the applicant.*

*(3) The payment made on any account on or **before the 30TH April 2023** shall not be considered as a payment towards the requisite amount.*

*(4) Under any circumstances, the applicant shall **not be entitled to any waiver in respect of un-disputed tax.***

(5) The applicant shall be entitled to the waiver of disputed tax, interest, penalty or late fee, to the extent as prescribed in Annexure-A or Annexure-B, as the case may be.

Payment & Waiver

8. (6) If the applicant makes the payment which is less than the requisite amount as determined under this section then, the designated authority shall compute the proportionate amount of waiver admissible under the option opted by the applicant, in proportion to the requisite amount paid by the applicant :

Provided that, the amount so paid shall first be adjusted towards the un-disputed tax and the amount remaining, if any, after such adjustment shall then be adjusted towards the disputed tax, interest, penalty and late fee, proportionately.

(7) No application shall be rejected merely on the ground that the payment made by the applicant during the period as per option opted by the applicant under this Act is less than the requisite amount.

Annexure-A
(see sections 8 and 9)

(for the periods commencing on or after the 1st April 2005 and ending on or before the 30th June 2017)

Sr. No.	Amount	One Time Payment Option		Installment option	
		Amt. to be paid	Amt. of Waiver	Amt. to be paid	Amt. of Waiver
(a)	(b)	(c)	(d)	(e)	(f)
1)	Un-disputed Tax.	100 %	NIL	100%	Nil
2)	Disputed Tax.	50%	50%	56%	44%
3)	Interest payable as per Relevant Act or interest payable as per any statutory order or returns or revised returns.	15%	85%	15%	85%
4)	Penalty as per any statutory order.	5%	95%	5%	95%
5)	Post assessment interest or penalty or both but not levied up to the date of application by the dealer.	0%	100%	0%	100%
6)	Late fee payable in respect of returns filed on or before the 31st Oct 2023.	5%	95%	5%	95%

Annexure-B
(see sections 8 and 9)
(for the periods ending on or before the 31st March 2005)

Sr. No.	Amount	One Time Payment Option		Instalment option	
		Amt to be paid	Amt of Waiver	Amt to be paid	Amt of Waiver
(a)	(b)	(c)	(d)	(e)	(f)
1)	Un-disputed Tax.	100%	NIL	100%	Nil
2)	Disputed Tax.	30%	70%	34%	66%
3)	Interest payable	10%	90%	10%	90%
4)	Penalty as per any statutory order.	5%	95%	5%	95%
5)	Post assessment interest or penalty leviable but not levied up-to application.	0%	100%	0%	100%

Lump-sum Payment/ Installment Scheme

- *Payment of Requisite amount under **one time payment scheme** or **Lump-sum Payment Scheme** is to be done between 01-05-2023 to 31-10-2023.*
- *The dealer is eligible to opt for this scheme only if the statutory dues as per order are equal to or less than Rs. 50 Lakhs.*
- *The dealer opting for this scheme has to pay 20% flat of the total dues irrespective of disputed, un-disputed, interest etc.*
- *The 80% of statutory dues will waived of*
- **Installment Payment Scheme**
- *This scheme is available to dealers whose arrear amt. **exceeds Rs. 50 Lakh.***
- ***Minimum 25%** of requisite amount to be paid between the period **01-05-2023 to 31-10-2023**; and*
- *Remaining requisite amount to be paid in three equal quarterly installments from date of application so that all installments shall be paid within 9 months from the date of application.*

Contd....

Installment Scheme

Delay or short payment of the requisite amount in time –

- *If any installment is paid beyond the due date, interest at the **rate of 12%** per annum will be payable;*
- *In case all installments are not paid within nine months, proportionate benefit shall be granted.*

In All the Cases

- *If requisite amount is short paid, **proportionate benefit** shall be granted.*

No application shall be rejected merely on the ground of less payment of requisite amount.

Comparison of Lumpsum and one time payment scheme

<i>Arrears Type</i>	<i>Arrears as on 1st May 2023</i>	<i>Requisite Amt payable as per Annx - A</i>		<i>Amount of Waver</i>	<i>Requisite amount 20%</i>	<i>Waiver granted</i>
		<i>%</i>	<i>Amt</i>			
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>	<i>(g)</i>
			<i>(b) x (c)</i>	<i>(Note 1)</i>	<i>(d) - (e)</i>	<i>(f) / (c)</i>
<i>Un-disputed Tax</i>	<i>200000</i>	<i>100%</i>	<i>200000</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Disputed Tax</i>	<i>200000</i>	<i>50%</i>	<i>100000</i>	<i>100000</i>	<i>0</i>	<i>0</i>
<i>Interest</i>	<i>300000</i>	<i>15%</i>	<i>45000</i>	<i>255000</i>	<i>0</i>	<i>0</i>
<i>Penalty</i>	<i>100000</i>	<i>5%</i>	<i>5000</i>	<i>95000</i>	<i>0</i>	<i>0</i>
<i>Post assessment interest or penalty</i>		<i>0%</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Total</i>	<i>800000</i>		<i>350000</i>	<i>450000</i>	<i>160000</i>	<i>640000</i>

Comparison of Lumpsum and one time payment scheme

<i>Arrears Type</i>	<i>Arrears as on 1st May 2023</i>	<i>Requisite Amt payable as per Annx - A</i>		<i>Amount of Waver</i>	<i>Requisite amount 20%</i>	<i>Waiver granted</i>
		<i>%</i>	<i>Amt</i>			
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>	<i>(g)</i>
			<i>(b) x (c)</i>	<i>(Note 1)</i>	<i>(d) - (e)</i>	<i>(f) / (c)</i>
<i>Un-disputed Tax</i>	<i>Nil</i>	<i>100%</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Disputed Tax</i>	<i>Nil</i>	<i>50%</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Interest</i>	<i>200000</i>	<i>15%</i>	<i>30000</i>	<i>170000</i>	<i>0</i>	<i>0</i>
<i>Penalty</i>	<i>50000</i>	<i>5%</i>	<i>2500</i>	<i>47500</i>	<i>0</i>	<i>0</i>
<i>Post assessment interest or penalty</i>		<i>0%</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Total</i>	<i>250000</i>		<i>32500</i>	<i>217500</i>	<i>40000</i>	<i>210000</i>

Requisite Amount if entry tax is payable

Requisite amount in respect of the applicant who is liable to pay entry tax under Tax on the entry of Goods into Local Arrears Act, Will be –

- a) Determined in Statutory Order or*
- b) The amount reduced or denied under Rule 53 or Rule 54, respectively, from the sett-off allowable under the Value Added Tax Rules or under corresponding rules under Bombay Sales Tax Rules, **Whichever is Less.***

Requisite Amount if entry tax is payable –

***Example:-** A dealer imported steel bars, angles, joints etc. of Rs. 10,00,000/- during the year 2011-12 and **assessment order is passed** levying tax along with interest and penalty as below –*

- | | |
|---|---------------------|
| <i>• Entry Tax @5% on Rs. 10,00,000/-</i> | <i>Rs. 50,000/-</i> |
| <i>• Interest levied</i> | <i>Rs. 25,000/-</i> |
| <i>• Penalty Levied</i> | <i>Rs. 50,000/-</i> |

Requisite Amount if entry tax is payable

Requisite Amount if entry tax is payable – Example

*a) If the dealer has used those imported goods for the **construction of immovable property**, the set-off is denied u/r 54 of MVAT Rules and thus requisite amount in respect of tax payable will be -*

- Entry Tax @5% on Rs. 10,00,000/- Rs. 50,000/-*
- Set-off denied u/r 54(h) of MVAT Rules Rs. 50,000/-*
- Requisite amount payable (lower of above) Rs. 50,000/-*

b) If the dealer has used those imported goods for the Furniture, the set-off is reduced u/r 53(7A) of MVAT Rules and thus requisite amount in respect of tax payable will be –

- Entry Tax @5% on Rs. 10,00,000/- Rs. 50,000/-*
- Set-off reduce u/r 53(7A) of MVAT Rules @ 3% Rs. 30,000/-*
- Requisite amount payable (lower of above) Rs. 30,000/-*

Requisite Amount if entry tax is payable

Requisite Amount if entry tax is payable – Example

c) If the dealer has used those imported goods for the plant and machinery, no reduction/denial of the set-off will be done u/r 53 or 54 of MVAT Rules and thus requisite amount in respect of tax payable will be -

- Entry Tax @5% on Rs. 10,00,000/- Rs. 50,000/-*
 - Set-off reduced/denied u/r 53 or 54 of MVAT Rules Rs. Nil*
 - Requisite amount payable (lower of above) Rs. Nil*
-
- With respect to the interest levied as per any Statutory Order will be considered for determining the requisite amount and waiver amount in accordance with Annexure-A or Annexure-B depending upon period.*
 - Similarly, with respect to the penalty levied as per any Statutory Order will be considered for determining the requisite amount and waiver amount. In accordance with Annexure-A or Annexure-B depending upon period.*

Calculation if Requisite Amount short paid

Calculation of Waiver in case requisite amount is paid short –

- *Where payment made by the applicant is less than the requisite amount in accordance with the provisions of the Act, the amount of waiver will be admissible in proportion the requisite amount paid by the applicant.*
- *In the case of Short payment of requisite amount, requisite amount paid shall first be adjusted towards the un-disputed tax in full as **No Waiver** in respect of un-disputed tax is allowed. The remaining amount shall thereafter be adjusted proportionately towards the proportionately towards the disputed tax, interest, penalty or late fee.*

Calculation if Requisite Amount short paid

Calculation in case requisite amount is paid short (Example) –

- The applicant has arrears of Rs.15,00,000/- as on 30TH April 23 for the period 2014-15.
- He intended to make the payment under act before 31ST Oct. 2023.
- He is required to pay requisite amount of Rs.7,00,000/- as per applicable % in accordance with Annexure-A.
- However he could pay only Rs.5,00,000/- till 31ST Oct. 2023 and submitted the application for waiver.

Note – 1

- **Share of Amount paid by Dealer [Column (e)] after adjusting the un-disputed tax is calculated in proportion to the other respective requisite amount payable for waiver as per column (d).**
- As the amount paid is 60%, calculated as below
- Total of column (e) minus un-disputed tax viz. 3,00,000 [5,00,000 – 2,00,000] divided by Total of column (d) minus un-disputed tax viz.5,00,000 [7,00,000 – 2,00,000]
- The amount paid in respect each arrears type is calculated at 60% of respective requisite amount payable.

Calculation if Requisite Amount short paid

Calculation of Waiver in case requisite amount is paid short –

As the requisite amount paid is short than required amount, he will be granted proportionate benefit as shown in the Table below –

<i>Arrears Type</i>	<i>Arrears as on 1/5/23</i>	<i>Requisite Amt payable as per Annx - A</i>			<i>Share of Amt paid by dealer</i>	<i>Requisite Amt short paid</i>	<i>Waiver not granted</i>
		<i>%</i>	<i>Req. Amt</i>	<i>Wav. Amt</i>			
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(d 1)</i>	<i>(e)</i>	<i>(f)</i>	<i>(g)</i>
			<i>(b) x (c)</i>		<i>(Note 1)</i>	<i>(d) - (e)</i>	<i>(f) / (c)%</i>
<i>Un-disputed Tax</i>	<i>0</i>	<i>100%</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Disputed Tax</i>	<i>900000</i>	<i>50%</i>	<i>450000</i>	<i>450000</i>	<i>270000</i>	<i>180000</i>	<i>360000</i>
<i>Interest</i>	<i>300000</i>	<i>15%</i>	<i>45000</i>	<i>255000</i>	<i>27000</i>	<i>18000</i>	<i>120000</i>
<i>Penalty</i>	<i>100000</i>	<i>5%</i>	<i>5000</i>	<i>95000</i>	<i>3000</i>	<i>2000</i>	<i>40000</i>
<i>Post assessment interest or penalty</i>		<i>0%</i>	<i>0</i>		<i>0</i>	<i>0</i>	<i>0</i>
<i>Total</i>	<i>1300000</i>		<i>500000</i>	<i>800000</i>	<i>300000</i>	<i>200000</i>	<i>520000</i>

The amount short paid is only 2,00,000/- but reduction in waiver is Rs. 5,20,000/-

Procedure to be Followed

- *The applicant shall make a Application for the settlement of Arrears between **1st May 2023 to 14th November 2023.***
- *Every application shall be accompanied by the proof of payment of full requisite amount in case of One Time Payment option and minimum 25% of requisite amount in case of Installment option & other documents mentioned in Application form.*
- ***Form-I** is notified as application for settlement of arrears of Tax, Interest, Penalty or Late Fee payable as per **Statutory Order.***
- ***Form-IA** is notified as application for settlement of arrears of Tax, Interest, Penalty or Late Fee payable for other than Statutory Order i.e. return dues and audit report dues.*

Procedure to be Followed

Where Appeal is pending before the Appellate Authority or Tribunal or Court –

- *If an appeal is pending before any appellate authority or tribunal or court against any statutory order, the same should be withdrawn fully and un-conditionally by applicant.*
- *Every application shall be accompanied by for Appeal Withdrawal Application [FORM II notified] with acknowledgement and if appeal withdrawal order is issued.*
- *The acknowledgement shall be treated as sufficient proof towards the withdrawal of appeal. However, Appellate authority including Tribunal is required to pass order allowing the withdrawal of appeal as desired by the appellant.*

Where the GST Department has filed reference or an appeal before the Maharashtra Sales Tax Tribunal or the Courts -

- a) If GST Department has filled reference or an appeal before the Maharashtra Sales Tax Tribunal or the Courts, the demands disputed by the said Department including tax, interest, penalty or late fee it may be considered for the settlement of arrears by the applicant and on application it will treated as withdrawn.*

Contd...

Procedure to be Followed

- b) *Once the amount disputed by the said Department is settled under this Act,*
- There shall be no refund or adjustment of the amount so paid; or*
 - There shall be no recovery of the waiver already granted under this Act.*

If set-off or Refund under VAT adjusted against CST or Entry Tax –

- Where excess set-off or refund under Value Added Tax Act is adjusted against liability under the Central Sales Tax Act, 1956 or the Tax on Entry Act and*
- Where such adjustment of set-off or refund reduced or denied in the assessment under the Value Added Tax Act the in order to settle dues under the Central Sales Tax Act, 1956 or the Tax on the Entry Act*
- Appeal filed under the Value Added Tax Act needs to be withdrawn fully and unconditionally along with appeal under the Central Sales Tax Act, 1956 or the Tax on the Entry Act, as the case may be.*

Procedure for Settlements

- A. *The applicant shall make a Application for the settlement of Arrears in **Form-I** or **Form-IA** and **submit electronically on MGSTD portal.***
- B. *A separate application for each class of arrears under the Relevant Act, separately for each financial year, to be submitted.*
- *Payable as per any **statutory order** under the Relevant Act;*
 - *Admitted in the **return or revised return** filed and payable;*
 - *Determined and recommended to be payable by auditor in the **Audit Report** submitted and accepted by the assessee.*

Note – **return or revised return**

- *Where an applicant desires to settle the arrears of return dues, he should submit a separate application for each of such return or revised return under each Relevant Act.*
- *However, where an applicant desires to settle the arrears of return dues in respect of more than one return or revised return pertaining to financial year, then he may submit a single application for a financial year.*
- ***Separate Application** needs to be submitted **for each class of arrears and for each period.***

Procedure for Settlements - Attachments

- ***Proof of payment of the requisite amount as determined;***
- ***Copy of statutory order or return or revised return or audit report recommendations or the notice in relation to the initiation of any proceedings against which settlement is sought for;***
- ***Original order of withdrawal of Appeal or in case the said order is not received the acknowledgement of request letter submitted for withdrawal of Appeal to the designated authority with Form I;***
- ***Copies of Challans of payment of amount paid after the date of order or against the outstanding dues in other cases till 30TH April 2023.***
- ***In the case of payment by installment option, communicate payment of all installments with challan copies. [FORM VII notified]***

Instructions - Verification of Application

- *Designated Authority will **verify correctness** of particulars furnished in application and documents submitted with records with reference to the records available with assessing or any other authority.*
- *On Verification, if it is noticed that the said application is **incorrect or incomplete or requisite amount paid is deficient**, then the designated authority shall issue **defect notice**, as far as possible, **within 15 days** from the date of receipt of application and intimate the defects [only once allowed].*
- *The applicant **within 15 days** of the receipt of defect notice **shall correct** the defects and make payment, if short paid, and submit the details. However **payment, if any, made after 31ST Oct. 2023 shall not be considered as payment of requisite amount.***
- *If the designated authority is satisfied regarding correctness and completeness of application, he will compute requisite amount and extent of waiver considering requisite amount paid.*

Instructions - Verification of Application

- *If the designated authority is satisfied that the applicant has paid the requisite amount, he will **pass and order** (Form III notified) and*
- *Provide copy of the same to applicant **within 3 months** from last date specified for payment of requisite amount under One Time Payment option or last installment of requisite amount under installment option.*
- *Where the **applicant fails to correct defects** communicated, the designated authority may after giving opportunity of being heard and recording reasons in writing pass appropriate order giving **proportionate benefit** as may be available.*
- *applicant shall be discharged of his liability to the extent of the amount of waiver specified in the order of settlement*

Order for Settlements

*On rejection of such application and if the applicant had withdrawn the appeal to apply for settlement, then the said original **appeal** under the Relevant Act shall be **reinstated** on application made in this behalf to the appellate authority under the Relevant Act subject to the provisions of section 14.*

13. (3) Rectification *the designated authority may, on its own motion or on application of the applicant, within six months from the date of the receipt of the order of settlement by the applicant, rectify any error apparent from the record :*

*Provided that, the application for rectification shall be **made within sixty days** from the date of the receipt of the order of settlement by the applicant :*

*Provided further that, no order **adversely affecting** the applicant shall be passed without giving him a **reasonable opportunity of being heard.***

Appeal

Appeal against order passed under this Act.

14. (1) *An appeal against any order passed under this Act shall lie to,—*

- (a) the concerned Deputy Commissioner of State Tax (Administration), if the order is passed by the authority subordinate to him;*
- (b) the concerned Joint Commissioner of State Tax (Administration), if the order is passed by the Deputy Commissioner of State Tax;*
- (c) the concerned Additional Commissioner of State Tax, if the order is passed by the Joint Commissioner of State Tax.*

(2) The appeal shall be filed within sixty days from the date of receipt of any order passed under this Act and any appeal filed thereafter shall not be entertained.

(3) The appellate authority as specified in sub-sec (1) of this section shall, after making such further enquiry, as may be necessary, pass such order, as it thinks just and proper.

*(4) There shall be **no second appeal against an order passed under sub-section (3) of this section.***

Review of order passed under this Act.

15. (1) Any order passed under this Act may be reviewed by the **Commissioner**, on his own motion, at any time **within twelve months** from the date of service of order.

(2) After noticing any error in such order, in so far as it is prejudicial to the interest of revenue, the Commissioner may serve on the applicant a notice and pass an order to the best of his judgment, where necessary within the time limit prescribed in subsection (1).

Bar on reopening of settled cases under Relevant Act.

16. Subject to other provisions of this Act, an order of settlement issued under this Act shall be conclusive as to the settlement of arrears covered under that order, and the matter covered by such order of settlement shall not be re-opened in any proceeding of review or revision or any other proceedings under the Relevant Act, except any proceedings on account of specific observations made by the Comptroller and Auditor General of India.

Revocation of order of settlement.

*17. (1) Notwithstanding anything contained in section 16, where it appears to the designated authority that, the applicant has obtained the benefit of settlement, by **suppressing any material information** or particulars or by furnishing any **incorrect or false information**, if any, or **suppression of material facts, concealment** of any particulars is found in the proceedings related to search and seizure under the Relevant Act, then the designated authority, for the reasons to be recorded in writing and after giving the applicant an opportunity of being heard, may within two years from the end of the financial year in which the order of settlement has been served, revoke the said order issued under sub-section (1) of section 13.*

Revocation of order of settlement.

*17. (2) If an order of settlement is revoked under sub-section (1), the assessment, re-assessment, rectification, revision, review or appeal, as the case may be, under the Relevant Act, covered by such order of settlement, shall, notwithstanding anything contained in sections 11 and 16, **stand revived or reinstated immediately upon such revocation**, and such assessment, re-assessment, rectification, revision, review or appeal, as the case may be, shall be **decided in accordance with the provisions of the Relevant Act**, as if no order of settlement of the arrears of tax, interest, penalty or late fee has ever been made. However, where the period of limitation for re-assessment, rectification, revision or review under the Relevant Act is expiring within two years from the date of the order of revocation then, notwithstanding anything contained in the Relevant Act, the re-assessment, rectification, revision or review under the Relevant Act shall be made by the respective authorities **within two years from the date of the order of such revocation**.*

No refund under this Act.

18. Under no circumstances, the applicant shall be entitled to get the refund of any amount paid under this Act :

Provided that, in case the order of settlement is revoked or rejected under the provisions of this Act, the amount paid by the applicant under this Act shall be treated to have been paid under the Relevant Act.

Power of Commissioner under this Act.

19.(1) The Commissioner may, from time to time, issue instructions and directions as he may deem fit to the designated authorities, for carrying out the purposes of this Act.

(2) The Commissioner may, by an order, prescribe the forms for the purpose of this Act and the manner in which the form shall be submitted.

Power to remove difficulty.

20. (1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, as occasion arises, by an order published in the Official Gazette, do anything not inconsistent with the provisions of this Act, which appears to it to be necessary or expedient for the purpose of removing the difficulty :

Provided that, no order shall be made after the expiry of a period of one year from the date of commencement of this Act.

(2) Every order made under sub-section (1) shall be laid, as soon as may be, after it is made, before each House of the State Legislature.



Avoid Stress Gain
Relief..!

ONE STEP TOWARDS CLEARING YOUR DUES

AMNESTY SCHEME 2023



Government of Maharashtra
**DEPARTMENT OF
GOODS & SERVICES TAX**

Golden Opportunity to wipe out dues under the Acts such as MVAT, BST, CST etc.

- ▶ Amnesty Scheme for dues in respect of the periods upto 30th June 2017
- ▶ For arrears above Rs. 2,00,000/-, 50 to 70% waiver in Disputed Tax, 85 to 90% waiver in Interest and 95% waiver in Penalty.
- ▶ For dues above 50 Lakhs, option of payment in installments available.
- ▶ Write off of dues as per statutory orders of Rs. 2,00,000/- or less
- ▶ For arrears upto Rs. 50 Lakhs, dealers can avail option of lump sum payment of 20% of the arrears and get waiver of the balance arrears.
- ▶ Duration of Amnesty Scheme 2023; 1st May 2023 to 31st October 2023.
- ▶ Pay requisite amount and file application well in advance.



For more information about the scheme you can contact:- Website: www.mahagst.gov.in | Help Desk Phone No.: 022-23760188 | Email Id: amnestyscheme2023@gmail.com

Revocation of Cancellation of GST Registration

. [TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUBSECTION (i)]

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS
NOTIFICATION
NO. 03/2023 – CENTRAL TAX
New Delhi, dated the 31st March, 2023**

G.S.R.....(E).—In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Central Government, on the recommendations of the Council, hereby notifies that the registered person, whose registration has been cancelled under clause (b) or clause (c) of subsection (2) of section 29 of the said Act on or before the 31st day of December, 2022, and who has failed to apply for revocation of cancellation of such registration within the time period specified in section 30 of the said Act as the class of registered persons who shall follow the following special procedure in respect of revocation of cancellation of such registration, namely:—

Revocation of Cancellation of GST Registration

NOTIFICATION NO. 03/2023 – CENTRAL TAX

(a) the registered person may apply for revocation of cancellation of such registration upto the 30th day of June, 2023;

(b) the application for revocation shall be filed only after furnishing the returns due upto the effective date of cancellation of registration and after payment of any amount due as tax, in terms of such returns, along with any amount payable towards interest, penalty and late fee in respect of the such returns;

(c) no further extension of time period for filing application for revocation of cancellation of registration shall be available in such cases.

Explanation: For the purposes of this notification, the person who has failed to apply for revocation of cancellation of registration within the time period specified in section 30 of the said Act includes a person whose appeal against the order of cancellation of registration or the order rejecting application for revocation of cancellation of registration under section 107 of the said Act has been rejected on the ground of failure to adhere to the time limit specified under sub-section (1) of section 30 of the said Act.



Mahendra jain & co
mahendrakjain1@yahoo.com
98224-68680