

OFFICE OF THE COMMISSIONER OF TAXES & EXCISE
PANDIT NEHRU COMPLEX, GURKHABASTI, AGARTALA.

Dated, Agartala, 5th September, 2012.

M E M O R A N D U M

**Sub: Guideline for Scrutinisation of Returns furnished by the dealers
under the Tripura Value Added Tax Act, 2004.**

In order to make the scrutiny of tax returns furnished by the VAT dealers and effective exercise, all Superintendents of Taxes posted in Charges are hereby directed to follow the guidelines given below:

1. Criteria for selection of dealers for scrutiny of returns:

Scrutiny of returns of all the 'A' and 'AA' category dealers should be done compulsorily. At least 25% of other category dealers should also be selected for scrutiny of returns. While selecting the dealers for scrutiny, priority should be given in following cases:

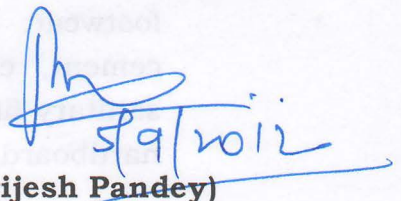
- (i) The dealers who have evaded tax in the previous period / year.
- (ii) Sales Turnover shown in the return is less than 75% of purchase / saleable stock for the relevant period.
- (iii) Tax charged is at the lower rate than that of rate of VAT Schedule.
- (iv) The tax return shows huge unsold stock.
- (v) In case, the Input Tax Credit claimed by the dealer exceeds output tax.
- (vi) Habitual defaulters in submission of return.
- (vii) The dealer dealing in commodities prone to tax evasion like footwear, stone chips, stone boulders, readymade garments, cement, electrical & electronic goods, cosmetics, motor parts, sanitary fittings, hardwares, flooring items, plastic goods, plywood, hardboard, laminated board / sheet, etc.

2. The steps to be followed in course of scrutiny of returns:

- (i) Cross checking of the volume of purchases recorded in the permit (Form XXIV) register maintained by the charge offices as well as

- utilization of Form XXVI and the volume of purchase shown in the return.
- (ii) Ascertain whether sales shown in the returns are justified compared to purchases.
 - (iii) Verify whether tax charged, collected and deposited is in accordance with the scheduled rate mentioned in the Act.
 - (iv) Verify whether input tax credit availed by the dealer is proper and correct.
 - (v) Ascertain whether purchase statement in Form XXXVII and sales statement in Form XXXVIII are furnished alongwith return and whether purchase & sale reflected in the statements are matching with the return.
 - (vi) Verify whether payment of tax and submission of return / revised return is within the time prescribed. If not, whether due interest is paid or not.
 - (vii) Verify whether sales shown in return under different rates of tax are in conformity with the purchase and saleable stock.
 - (viii) Any other measures required to be taken considering the circumstances of the case(s).
3. If any concealment of sale or evasion of tax is detected in course of scrutiny of return, the concerned Superintendent of Taxes should initiate proceedings as per the provisions of the TVAT Act, 2004 and ensure realisation of tax dues from the dealer.
4. The Inspector of Taxes and other office staff can be engaged in scrutiny but overall monitoring and responsibility shall lie with the concerned Superintendent of Taxes.

Henceforth, all the Charge Superintendents of Taxes are directed to follow the above guidelines strictly.



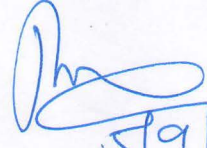
(Brijesh Pandey)
Commissioner of Taxes
Government of Tripura

To

The Superintendent of Taxes, Charge – I / II / III / IV / V / VI / VII / VIII,
Agartala / Bishalgarh / Udaipur / Belonia / Teliamura / Ambassa /
Dharmanagar / Kailasahar.

Copy to:

1. The P.S. to the Hon'ble Minister, Finance Department for kind information of the Hon'ble Minister.
 2. The Addl. Chief Secretary, Government of Tripura for kind information.
 3. The Joint Commissioner of Taxes, Agartala.
 4. The Deputy Commissioner of Taxes, Churaibari / Agartala.
 5. The Assistant Commissioner of Taxes, Agartala.
 6. The Superintendents of Taxes, Registration Cell / Vigilance Cell, Agartala.
 7. All Superintendents of Taxes, Head Quarter, Agartala.
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8. The Assistant Statistical Officer, Statistical Section, O/o the Commissioner of Taxes & Excise, Agartala with request to upload the Memo in the Official website www.tripurataxes.nic.in
 9. Guard File.


5/9/2012

(Brijesh Pandey)

**Commissioner of Taxes
Government of Tripura**