



**COMMERCIAL TAXES DIVISION
FINANCE, REVENUE AND
EXPENDITURE DEPARTMENT
ANNUAL REPORT
2011-12**

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PREFACE

Commercial Taxes Division of Finance, Revenue and Expenditure Department is one of the major revenue collecting wings in the state. The revenue is collected in the form of various levies such taxes, penalties, fees etc., under the various acts enforced by the division.

Just as in preceding years, this year also the division is bringing out the Annual Report for the year 2010-11 reflecting its achievements and activities towards strengthening of the state revenue from various taxes and cesses as well.

It may be mentioned here briefly that during the period under report, the Commercial Taxes Division was able to achieve a collection of ` 176.78 crores against the target set for Rs. 156.75 crores, thus, exceeding the target by ` 20.03 crores.

The revenue head-wise bifurcation of achievement is mentioned in the report along with other relevant details.

All the officers and staff of the Division have put relentless efforts in realization of the revenue that surpassed the set target during the year under report. I have the confidence that they will keep up working hard to maintain this positive trend in future too.

Shri. Karma Gyatso, IAS

Chief Secretary-cum-Financial Commissioner

The Chief Secretary cum Financial Commissioner holds the charge of Commissioner of Commercial Taxes Division. He is vested with the power to act as final appellate authority. The Special Commissioner

functions as the head of office, hence, planning, policy implementation, monitoring and day to day functioning of the division is carried out under his directions. The administration of the division is divided into two zones. The North-East Zone has its office in Gangtok, and South-West in Jorethang, South Sikkim. Recently an office has been set up at Geyzing, West Sikkim.

The officers at level of Joint Commissioner, Deputy Commissioner and Assistant Commissioners hold respective territorial and financial jurisdictions. The Commercial Taxes Inspectors and Assistant Inspectors assist assessing authorities in assessments and collection of taxes by conducting survey/inspections and verifications. The two main Check posts at Rangpo and Melli are under the control of Deputy Commissioner and Assistant Commissioners respectively. Ramam, Reshi and Suminkhor Check posts are under the superintendence of Assistant Inspectors. Commercial Tax Inspectors, Assistant Inspectors and Checkers are posted at these check posts.

I. ACTS ADMINISTERED BY THE COMMERCIAL TAXES DIVISION:

1. Sikkim Sales Tax Act, 1983
2. Central Sales Tax Act, 1956
3. Sikkim Value Added Tax Act, 2005
4. Sikkim Ecology Fund and Environment Cess Act, 2005
5. Sikkim Tax on Professions, Trades, Callings and Employment Act, 2006
6. Sikkim Transport Infrastructure Development Fund Act, 2004
7. State Income Tax Manual, 1948 (Discontinued w.e.f. 16.06.2008 vide Circular no.2/Fin/Adm)

II. OFFICES/SECTIONS UNDER THE DIVISION:

1. Commercial Taxes Division (Head Office)
Sonam Tshering Marg, Secretariat Annexure-I, Gangtok
2. Office of the Joint Commissioner of Commercial Taxes (south/West Section), Jorethang, South Sikkim.
3. Office of the Joint Commissioner, Profession Tax and Environment Cess, Lower Secretariat, N.H.Way, Gangtok.
4. Office of the Assistant Commissioner of Commercial Taxes, Rangpo Check Post.
5. Office of the Commercial Taxes Inspector, Melli Check Post
6. Raman Check Post, West Sikkim
7. Reshi Check Post, East Sikkim
8. Office of the Assistant Commissioner, Geyzing, West Sikkim

III. SANCTIONED STRENGTH AND MANPOWER IN POSITION IN COMMERCIAL

TAXES DIVISION:

Sl. No.	Designation	Sanctioned Strength	Present Strength
1	Commissioner	1	0
2	Special Commissioner	1	1
3	Additional Commissioner	1	0
4	Joint Commissioner	4	1
5	Deputy Commissioner	6	7
6	Assistant Commissioner	10	10
7	Under Secretary/Adm	1	1
8	Accounts Officer	1	0
9	Assistant Director	1	1
10	Office Superintendent	1	1
11	Senior Accountant	1	2
12	Inspector	18	7
13	Stenographer	2	2
14	Accountant	5	5
15	Jr. Accountant	4	0
16	UDC.	1	3
17	LDC.	10	9
18	Accounts Clerk	4	3
19	Programmer	1	1
20	Computer Operator	4	4
21	Assistant Inspector	10	8
22	Checker	20	20
23	Driver	12	12
24	Peon	8	7
25	Private Secretary	-	1
26	Head Assistant	-	1
	Total	127	107

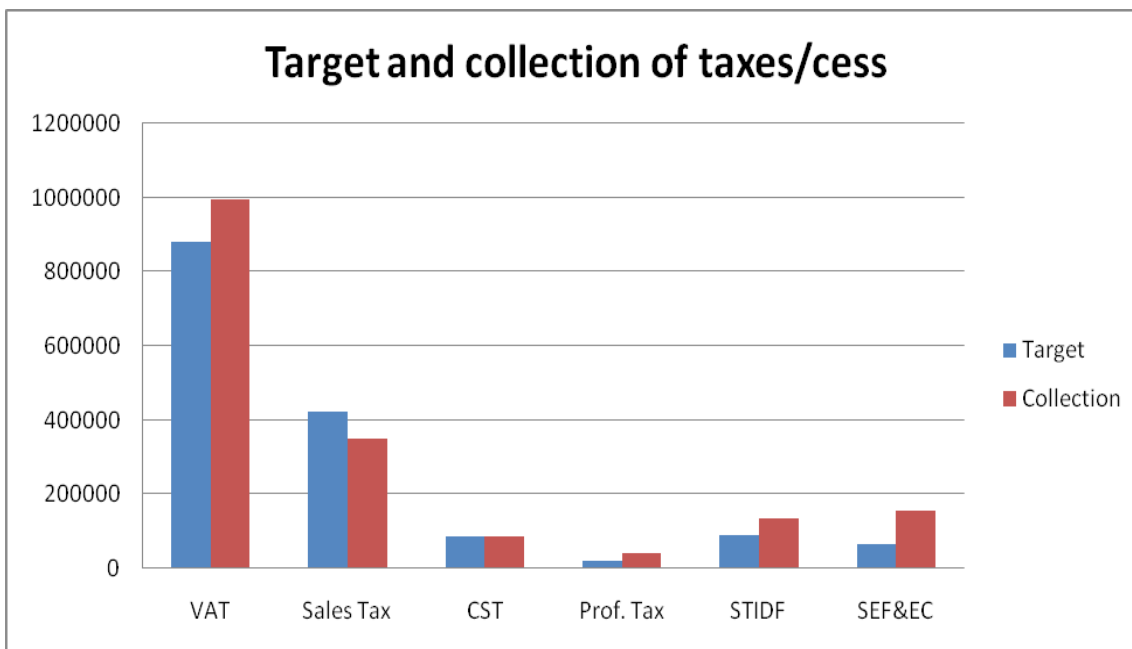
IV. TARGET AND COLLECTION FOR THE YEAR 2010-11

Sl.No.	Tax/Cess	Target	Collection	(` in thousands)	
				Increase(+) Decrease(-)	% Increase
1.	VAT	880900	993678	112778	13.00

2.	Sales Tax	423400	348682	(-)74718	-
3.	CST	88000	85005	(-)2995	-
4.	Prof. Tax	20000	42843	22843	114.21
5.	STIDF	90000	133905	43905	49.00
6.	SEF&EC	65000	157225	92225	142
7.	State I.T.	200	6475	6275	3138
TOTAL		1567500	1767813	200313	12.77

The table above shows that the total revenue target set for the year 2010-11 was ` 156.75 crores against which the Commercial Taxes Division was able to achieve a collection of ` 176.78 crores. Thus the target was exceeded by ` 20.03 crores (13%).

The chart below shows the graphical representation of taxes and cess collected against the target set for the year 2010-11.



V. DETAILS OF THE COLLECTION OF TAX/CESS

a. Value Added Tax (VAT)

Target: ` 88, 09, 00,000

Achievement: ` 99, 36, 78,000

SOURCE: All the vat able items except liquor, petroleum items and molasses as listed in the Schedule II, III, VI and V of the Sikkim Value Added Tax Act, 2005.

Bifurcation of Collection of Taxes from following sources:

i. Tax paid (Automobile Dealers) :	₹ 38,30,746
ii. Admitted Tax (Dealers) :	₹ 26,79,69,699
iii. Imposition of Penalty:	₹ 16,79,760
iv. Special Waybill:	₹ 97,595
v. Sale of Statutory Forms:	₹ 6,36,800
vi. NOC Fee:	₹ 3,63,400
vii. Tax Deducted at source:	
a. Remitted by cheque:	₹ 41,40,00,000
b. Book adjustment:	₹ 30,51,00,000
TOTAL	₹ 99,36,78,000

PAST COLLECTIONS:

(₹ in crores)

YEAR	TARGET	COLLECTION
2005-06	20	25.92
2006-07	22	43.47
2007-08	37	49.44
2008-09	55.37	69.05
2009-10	65	77.35
2010-11	88	99.36

b. SALES TAX:

Target:	₹ 42,34,00,000
Achievement:	₹ 34,86,82,000

SOURCE: Liquor & petroleum products:

PAST COLLECTIONS:

(₹ in crores)

YEAR	TARGET	COLLECTION
1997-1998	13.00	12.71
1998-1999	15.50	13.06
1999-2000	16.00	13.64

2000-2001	16.50	24.50
2001-2002	21.50	35.00
2002-2003	21.50	41.38
2003-2004	27.00	48.87
2004-2005	35.00	48.07
2005-2006	24.00	23.43
2006-2007	24.00	26.74
2007-2008	25.00	25.89
2008-2009	29.00	26.06
2009-2010	32.48	36.82
2010-2011	42.34	34.86

c. CENTRAL SALES TAX

Target: ` 8, 80, 00,000
Achievement: ` 8, 50, 05,000

SOURCES: Exported items

a. Cardamom: ` 27,39,595
b. Hides & Skins: ` 25,735
c. Admitted tax through Return Filing: ` 82239670

PAST COLLECTIONS:

(` in crores)

YEAR	TARGET	COLLECTION
2005-06	3.00	7.30
2006-07	4.00	4.67
2007-08	4.00	5.99
2008-09	2.00	4.51
2009-10	2.00	7.66
2010-11	8.80	8.50

d. SIKKIM TAX ON PROFESSIONS, TRADE, CALLING AND EMPLOYMENT

Target: ` 2, 00, 00,000
Achievement: ` 4, 28, 43,000

SOURCE: As per the entries made in the Schedule of the Sikkim Tax on Professions,

Trades, Callings and Employments Act, 2006

PAST COLLECTIONS

(` in crores)

YEAR	TARGET	COLLECTION
2006-07	1,00,00,000	18,69,416
2007-08	2,00,00,000	85,00,000
2008-09	1,50,00,000	1,54,57,000
2009-10	1,75,00,000	2,13,31,000
2010-11	2,00,00,000	4,28,43,000

e. SIKKIM TRANSPORT INFRASTRUCTURE DEVELOPMENT FUND

Target: ` 9, 00, 00,000

Achievement: ` 13, 39, 05,000

SOURCES: Petroleum products like petrol and diesel @ ` 2 per litre under the first Schedule (section 4) of the STIDF Act, 2004.

PAST COLLECTIONS:

(` in crores)

YEAR	TARGET	COLLECTION
2005-06	3.00	00.58
2006-07	7.50	6.69
2007-08	7.50	8.50
2008-09	9.00	8.55
2009-10	8.55	9.06
2010-11	9.00	13.39

f. SIKKIM ECOLOGY FUND ENVIRONMENT CESS

Target: ` 6, 50, 00,000

Achievement: ` 15, 72, 25,000

SOURCES: Dealers, manufacturers, state and Central Government Departments, PSUs, Autonomous bodies or other organizations whoever brings non-biodegradable

items specified in Schedule II of the act in the state from outside/ Hotels, resorts, lodges, or motels on its annual turnover under section 5 of the act.

PAST COLLECTIONS:

(` in crores)

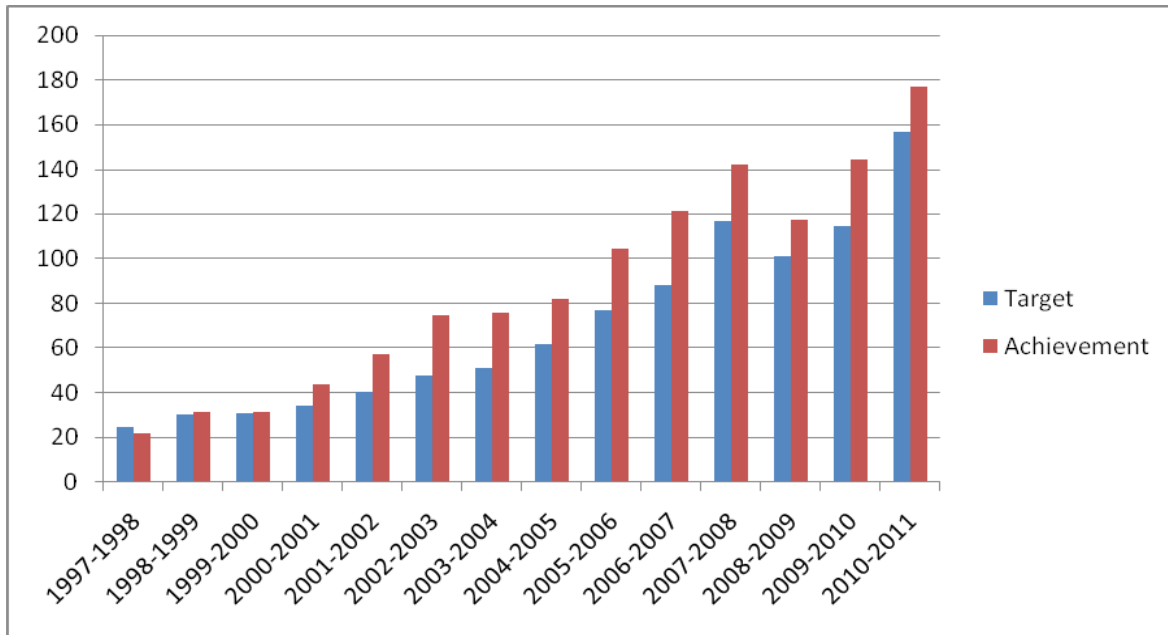
YEAR	TARGET	COLLECTION
2007-08	1.5	3.22
2008-09	4.20	7.97
2009-10	5.00	11.18
2010-11	6.5	15.72

COLLECTION OF REVENUE BY THE DIVISION FOR THE LAST THIRTEENTH YEARS

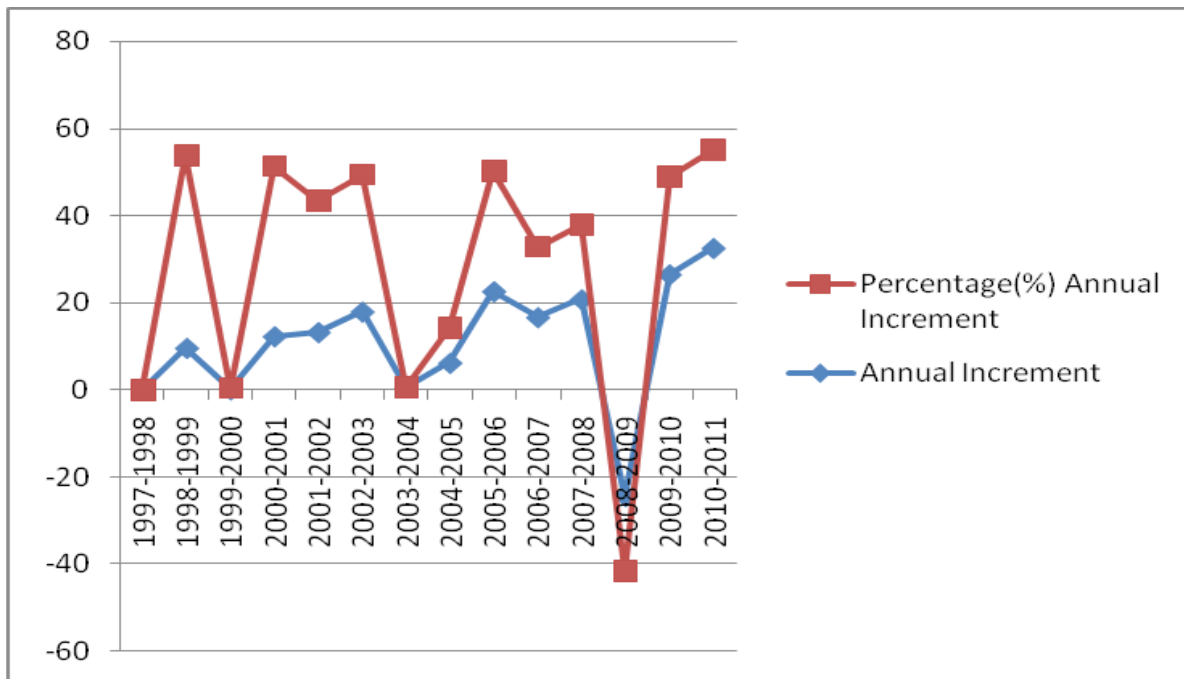
(` in crores)

Year	Target	Actual Achievement	Decrease(-) Increase(+)	Annual Increment	Percentage (%) Annual Increment
1997-1998	24.86	21.77	-3.09	0.00	0.00
1998-1999	30.50	31.38	0.88	9.61	44.14
1999-2000	31.00	31.48	0.48	0.10	0.32
2000-2001	34.50	43.78	9.28	12.30	39.07
2001-2002	40.50	57.03	16.53	13.25	30.26
2002-2003	47.50	74.98	27.48	17.95	31.47
2003-2004	51.00	75.63	24.63	0.65	00.01
2004-2005	62.00	81.82	19.82	6.19	08.00
2005-2006	77.00	104.46	27.46	22.64	27.67
2006-2007	88.00	121.34	33.34	16.68	16.20
2007-2008	117.00	142.12	25.12	20.78	17.12
2008-2009	101.07	117.69	16.62	-24.43	-17.18
2009-2010	114.78	144.20	29.42	26.51	22.52
2010-2011	156.75	176.78	20.03	32.58	22.59

**Chart Showing Comparative Achievement
(1997-98 to 2010-11)**



**Annual Increment and Percentage Annual Increment
(1997-98 to 2010-11)**



VI. REPORTS FROM VARIOUS SECTIONS:

A. ADMINITRATIVE SECTION:

- North/East Division office Headed by the Deputy Commissioner has been setup at Old Secretariat.
- Office of Assistant Commissioner (West) has been set up at Gyalsing, West Sikkim
- Four Computer Operators were appointed through open competitive exam. Interview for filling up the 6 (six) vacant post was held ;
 - a). 50% amongst the Muster Roll drivers working under Finance, Revenue & Expenditure Department
 - b). 50% Open competitive exam for direct recruitment.
- One Assistant Inspector and two Checkers were appointed on contract basis for LANCO Power Project, Suminkhor, and Check post.
- The annual transfer and posting of check post staff made as usual.

Training:

1. Advance Training in GST Policy and Administration was conducted by the Foundation for Public Economics & Policy Research, New Delhi from 3rd May to 7th May, 2010. The following officers attended the training:
 - i. Shri. Ajay Raj Gurung, Assistant Commissioner
 - ii. Shri. R.B. Rai, Assisstant Commissioner
 - iii. Shri. Sashi Bhusan Rasaily, Assisstant Commissioner
 - iv. Shri. Dorjee Wangchuk Bhutia, Assisstant Commissioner
 - v. Shri. M.P. Tamang, Assisstant Commissioner
 - vi. Shri. Anil Rai, Assisstant Commissioner
 - vii. Shri. Samrat Pradhan, Programmer
2. Training on Refresher Course on Office Rules and Procedure was conducted by the AATI, Government of Sikkim from 7th to 11th June, 2010. The following officials attended the said training:
 - i. Shri. Tshering Dorjee Bhutia, Commercial Tax Inspector
 - ii. Shri. Pranai Rai, Commercial Tax Inspector
 - iii. Ms. Leezum D. Lepcha, Commercial Taxes Division
 - iv. Ms. Usha R. Pradhan, Commercial Taxes Division
 - v. Ms. Pema Lhaden Lepcha, Commercial Taxes Inspector

3. The training on “Transition to Goods and Services Tax- Lesson from VAT Regime” was conducted by Gulati Institute of Finance and Taxation, Trivandrum, Kerala. The following officials attended the training:

Group –I (13th to 17th September, 2010)

- i. Shri. M. N. Dahal, Deputy Commissioner
- ii. Shri. Manoj Rai, Deputy Commissioner
- iii. Shri. P.D. Rai, Deputy Commissioner
- iv. Shri. Kesav Subba, Deputy Commissioner
- v. Shri. Ajay Raj Gurung, Assistant Commissioner
- vi. Shri. Dorjee Wangchuk Bhutia, Assistant Commissioner
- vii. Shri. R. B. Rai, Assistant Commissioner
- viii. Shri. M.P. Tamang, Assistant Commissioner
- ix. Shri. Anil Rai, Assistant Commissioner
- x. Shri. Sashi Bhusan Rasaily, Assistant Commissioner
- xi. Shri. Bikash Diyali, Assistant Director

Group-II (27th Sept to 1st October, 2010)

- i. Smt. Vidhya Subba, Joint Commissioner
- ii. Ms. C.C. Bhutia, Joint Commissioner
- iii. Shri. Raju Dong, Deputy Commissioner
- iv. Shri. S.K. Pradhan, Deputy Commissioner
- v. Ms. Kamala Rai, Assistant Commissioner
- vi. Shri. Rabindra Rai, Assistant Commissioner
- vii. Smt. Sarda Gurung, Assistant Commissioner
- viii. Shri. John Lepcha, Assistant Commissioner
- ix. Shri. B.S. Subba, Commercial Taxes Inspector
- x. Shri. Samrat Pradhan, Programmer

4. Training programme on GST was held at NIPFP, New Delhi from 17th to 21st January, 2011 and the following officers attended the training:

- i. Shri. S.K. Pradhan, Deputy Commissioner
- ii. Ms. Kamala Rai, Assistant Commissioner

5. Training on Development Administration conducted at HIPA, Shimla, Himachal Pradesh from 1st November, 2010 to 30th April 2011 (Six Months) was attended by:

- i. Shri. P. D. Rai, Deputy Commissioner

Transfer and Posting:

The following officials were transferred from the division to other departments:

- i. Ms. C.C. Bhutia, Joint Commissioner
- ii. P.K. Rai, Assistant Commissioner

The following officials were transferred to the Commercial Taxes Division:

- i. Smt. Purnima Pradhan, Senior Accountant
- ii. Smt. Anita Pradhan, Senior Accountant

Promotion:

The following officials were promoted during the year:

- i. Shri Keshav Subba, Assistant Commissioner to Deputy Commissioner
- ii. Shri. Anil Rai, Inspector to Assistant Commissioner
- iii. Shri. M.P.Tamang, Inspector to Assistant Commissioner
- iv. Shri. John Lepcha, Inspector to Assistant Commissioner

Amendment of Acts and Rules:

- ii. In Section 2 of the Sikkim Value Added Tax Act, 2005, a new clause for clause (xxviii) was substituted to widen the definition of "Sale".
- iii. Clause (xxix) of section 2 of the Sikkim Value Added Tax Act, 2005 was amended so as to empower the State Government to exclude any such levies under any other Act in force, from being part of the sale price for levy of tax.
- iv. Section 10 of the SVAT Act, 2005 was amended for Levy of tax on purchases
- v. Sub-section(5) of section 13 of the SVAT Act, 2005 was amended for Levy of tax on transfer of property in goods involved in the execution of Works Contract
- vi. Section 18 of the SVAT Act, 2005 was amended regarding Information of awarding of Works Contract
- vii. Section 19 of the SVAT Act, 2005 was amended for deduction of at source from the payment to dealer.
- viii. Section 21 of the SVAT Act, 2005 was amended regarding Input Tax Credit
- ix. Section 24 of the SVAT Act, 2005 was amended wherein it empowers the State Government to amend or alter any of the items and rates of tax.
- x. Section 29 of the SVAT Act, 2005 was amended for imposition of penalty for failure to get registered. New section 29A has been inserted for exemption from registration to certain class of contractor involved in execution of works contract.
- xi. Section 38 of the act was amended and new sub-section (4A) has been inserted for assessment of tax.
- xii. New section (42A) has been inserted after section 42 of the act for reassessment.

- xiii. New section (53A) has been inserted after section 53 of the act for suspension on issue of prescribed declaration Forms
- xiv. Section 55 of the act was amended and a new sub-section (11) has been inserted.
- xv. New sub-section 59A has been inserted after section 59 of the act for penalty for non-maintenance of books of accounts by the dealer.
- xvi. Section 60A of the act was amended to enroll transporter, carrier of goods or transporting agents under the act.
- xvii. New sub-section (64A) has been inserted after section 64 of the act for Survey and Verification.
- xviii. New sub-section (72A) has been inserted after section 72 of the act for penalty for purchases made without declaration in prescribed Forms or manner.

B. ACCOUNTS SECTION:

The Budget allocated for the financial year 2010-11 was ` 9413000/-for the Income Tax Section and ` 27549000/- for the Commercial Taxes Section. The Head wise budget provision and expenditure are as follows:

STATEMENT OF BUDGET EXPENDTURE FOR THE YEAR 2010-11

Head of Accounts	Budget Provision	Expenditure
2020.00.101.00.44.01. Salary(Non-Plan)	3697000	3696445
11.T.E.	90000	73796
13.O.E.	280000	206270
50.O.C.	5346000	5345720
TOTAL	9413000	9322231
2040.00.101.00.44.01 Salary (Non-Plan)	20501000	20501000
11.T.E.	515000	509189
13.O.E	2669000	2662519
14.RRT	220000	218756
50.O.C	3644000	3613624
TOTAL	27549000	27505088

STATEMENT OF THE REVENUE RECEIPTS REALISED IN THE YEAR 2010-11

(` in thousands)

Heads/Sub-heads of development as per development Programme	Budget Estimate		Collection
	Original	Revised	
0021 - Taxes on Income other than Corporation Tax			
104 - Taxes on Income levied under State	200	200	6475*
0028 - Other Taxes on Income & Expenditure			
107 - Taxes on Professions, Trade, Callings & Employment	19000	20000	42843

0040 - Taxes on Sales, Trade etc.			
101 - Receipts under Central Sales Tax	20000	88000	85005
102 - Receipts under Sales Tax	365000	423400	348682
110 - Trade Tax	800000	880900	993678
Total collection under 0040	1185000	1392300	1427365
0045 - Other Taxes & Duties on Commodities & Services			
112 - Receipts from Cesses under Other Acts			
01 - Receipts under the Sikkim Transport Infrastructure Dev Fund	90000	90000	133905
02 - Receipts under the Sikkim Ecology Fund and Environment Cesses Act	60000	65000	157225
Grand Total	1354200	1567500	1767813

*Collection of arrears of state income tax

C. STATE INCOME TAX SECTION:

Assessment and collection of state income tax has been discontinued. However, collection of arrears till the financial year 2007-08 are being done.

D. COMPUTER SECTION:

Cheque Processing Software:

The Dealers/Firms/Organizations/Departments paying or deducting taxes and cesses in form of cheques deposit the same in any of the designated banks, viz., State Bank of Sikkim, Axis Bank and Sisco Bank. The entries of the cheques are made in the software deployed by Commercial Taxes Division. The details of cheque received by these designated banks are forwarded electronically to the Computer Cell of Commercial Taxes Division. Based on the information received from the designated banks the division generate Challans and are sent to State Bank of Sikkim for remittance.

During the Financial Year 2010-2011 the total Revenue collected was ` 1184337289/- (Rupees. One Hundred Eighteen Crores Forty Three Lakhs Thirty Seven Thousand Two Hundred Eighty Nine only) through various Branches of Axis Bank, SISCO Bank and SBS through cheque deposits. The table below represents its break up Head Wise:

Levy of Tax	Head	Amount
Profession Tax	0028.107	` 11184567.00

CST	0040.101	` 106993970.00
LOCAL SALES TAX	0040.102	` 205834921.00
VAT	0040.110	` 648840670.00
STID CESS	0045.112.01	` 124211295.00
ENVIRO CESS	0045.112.02	` 87271866.00
TOTAL		` 1184337289.00

C-Form and Form XX Computerization

Computer Cell, Commercial Taxes achieved a new milestone by computerizing issue of both C-Form and Form XX. For issue of electronically generated C Form the dealer has to provide invoice wise purchase details. The computer section makes the entries based on the details provided by the dealers. The concern authority, after necessary approval, print out the forms.

Official Website

The official website of Commercial Taxes Division under the name www.sikkimtax.gov.in has been undergoing a complete makeover. The official website would be one stop information provider. Very soon the Computer Cell would be launching the new version.

Mission Mode Project

NeGP (National e-Governance Project) comprises of 27 Mission Mode Projects (MMPs) encompassing 9 Central MMPs, 11 State MMPs and 7 Integrated MMPs spanning multiple Ministries/ Departments. "Mission Mode" implies that the objective and the scope of the project are clearly defined, that the project has measurable outcomes and service-levels, and the project has well-defined milestones and timelines for implementation.

MMPs are owned and spearheaded by various Line Ministries concerned for Central, State, and Integrated MMPs. The concerned Ministry/ Department are entirely responsible for all decisions related to their MMPs. However, decisions impacting NeGP as a whole are taken in consultation with DIT.

Additionally, wherever required by the concerned Ministries/ Departments, DIT provides necessary support for project formulation and development.

Every State has the flexibility of identifying up to 5 additional State-specific MMPs (relevant for economic development within the State). In cases where Central Assistance is required, such inclusions are considered on the advice of the concerned Line Ministries/ Departments.

The Mission Mode project for commercial taxes has been initiated by Govt. of India so that apart from the software to administrator VAT in respective States now States should try and build better services delivery mechanism for dealers which should be technology driven. States should have such a system under which dealers get web-based solution to access various services offered by department without having him to come to office. The various services that the Commercial Taxes, Govt. of Sikkim would launch shortly are as follows:

1. *E-Registration*
2. *E-Payment*
3. *E-Filling of Returns*
4. *E-C Forms*
5. *E-Waybills*
6. *E-Notices*
7. *E-Grievances*
8. *SMS*
9. *HelpDesk*

M/s Wipro was engaged by NIC, Karnataka to prepare DPR for MMP-CT for State of Sikkim. The first draft DPR was forwarded by NIC, Karnataka in the month of May 2010 and on 07th June 2010 after making necessary changes on the DPR, final copy was submitted to the Division. The Total Projected fund for MMP-CT was ` 624.18 Lakhs with Govt. of India contributing 70.61% and State Govt. contributing 29.39% as per the DPR. On 14th July 2010 the DPR was forwarded to Ministry of Finance along with the Letter from the Principal Secretary Finance requesting Govt. of India to fund the Mission Mode Project to the tune of 100% vide letter no. 02/fin/adm dated 12/07/2010.

In reply a letter was received from the Ministry of Finance vide letter no. S.31012/15/2010-SO(ST) dated 3rd August 2010 informing that for North Eastern States a proposal seeking cabinet approval to provide central funding to the tune of 90% has been forwarded and that commitment of 10% funding from the State of Sikkim is sought.

On 27th August 2010 a meeting was called at Ministry of Finance, GOI under the chairmanship of Shri. Sunil Mitra, Revenue Secretary, GOI inviting the States to give presentation on the DPR prepared.

In that same meeting the DPR of Sikkim was approved but the projected cost was brought down from ` 624.18 Lakhs to ` 564.77 Lakhs. The Revenue Secretary also directed the States to go head with hiring of Implementation partner meanwhile the funds would be transferred to States.

As per the deadline set by Govt. of India, the Commercial Taxes Division proposed to hire the Implementation partner on nomination basis in the month of October 2010 but the Authorities recommended that RFP/NIT should be floated for hiring Implementation Partner. The first installment of ` 50 Lakhs was released in form of D.D by Ministry of Finance, GOI to kick start the project. The D.D was handed over to the officials of Finance Department in the Month of November 2010 for needful actions.

The proposal to seek cabinet approval for floating RFP/NIT and other proposals for executing Mission Mode Project was submitted in the month of December 2010. The Project e-Mission team was constituted to prepare the RFP/NIT documents the Commercial Taxes Division.

On 10/02/2011 cabinet approved the proposal for floating RFP (Request for Proposal) for engaging IT firm for executing two jobs under Mission Mode Project namely: System Integration and Program Management. On 3rd March 2011 the Committee finalized the RFP/NIT documents and the proposal to float RFP was sent to Finance Department.

8th March 2011 RFP was released in two local papers and one National paper inviting companies to file in their bids to execute the MMP-CT. From 17th March 2011 to 21st March 2011 evaluation of bids received was done. After the Final evaluation company called KELTRON successfully cleared the Bidding process and on 26nd April 2011 work order was issued to KELTRON.

On 6th July Final Agreement is signed between KELTRON, Consortium Partner Payoda Technologies and Commercial Taxes to kick start the project. By 1st Week of October 2011 Commercial Taxes Division would “go live” with Mission Mode Project.

Goods and Services Tax (GST)

The then Finance Minister Mr. P. Chidambaram, in the Union Budget for 2006-07 discussed GST for the first time and proposed to set April 1, 2010 as the date for introducing GST in India. It was followed by formation of the Empowered Committee of State Finance Ministries and Joint Working Group. It has been quite a journey since then.

VAT covers mostly goods whereas GST is an extended version of Value Added Tax (VAT) and covers all goods and services. The Empowered Committee of State Finance Ministers released the first discussion paper on GST in November 2009. This paper highlighted dual GST System, CGST for the Centre and SGST for the State.

Taxes merged under Central GST (CGST):

- Central excise Duty, Additional Excise Duties
- Additional Customs Duty(counterveiling duty), Special Additional Customs Duty
- Service Tax
- Cesses and Surcharges

Taxes under State GST (SGST):

- VAT/Sales Tax
- Tax on Interstate Sales (CST) – This has to be phased out with introduction of SGST.
- Local Taxes - Entertainment Taxes, Luxury Taxes, Tax on lottery, betting etc
- Service Tax
- Entry Tax not in Lieu of Octroi

Some goods/taxes are kept outside the purview of GST like Purchase Tax, Tax on Alcohol, Tax on Petroleum Products (crude, motor spirit, high speed diesel etc).

Centre can only tax goods at production stage and on Services. The States can only tax sale of goods. Hence, States cannot tax services and Centre cannot tax sales of goods. GST will change the current taxation. All these needs to be changed with the GST and hence would require amendments in the Indian Constitution. The Finance Ministry of India placed the One Hundred and Fifteenth Constitutional Amendment Bill in the Lok Sabha on 22nd March, 2011. This Amendment Bill is significant as it introduces the Goods and Service Tax (GST) in the Indian Constitution..

Introduction of Goods and Services Taxes marks the most significant and major reform in Indian tax system. GST is probably the most important economic reforms in India as it is expected to bring economic benefits once it is implemented. The Finance Minister in the FY 2011-12 Union Budget has proposed to introduce GST by April 1, 2012.

RIGHT TO INFORMATION ACT 2005

The Right of Information Act 2005 (RTI) is an Act of the Parliament of India to provide for setting out the practical regime of right to information for citizens. This law was passed by Parliament on 15 June 2005 and came fully into force on 13 October 2005.

The act has been given the status of a fundamental right under Article 19(1) of the Constitution. The act has its territorial extent to whole of India except the state of Jammu and Kashmir which is covered under a State-level law.

Under section 5(1) and (2) of the Right to Information Act, 2005 the Commercial Taxes Division has designated a State Public Information Officer and a Assistant State Public Information Officer to deal with providing information to persons requesting for the information under this Act.

The table below represents the statement of monthly report of total numbers of applications received and

Month	Total numbers of applications pending as on the end of the last month	Total no. applications received during the month	Total (2+3)	Total no. of applications disposed off during the month	Total numbers of applications pending (4-5)	No. of cases disposed off by furnishing information	No. of cases disposed off by deemed refusal u/s 7(2)/18(1)
1	2	3	4	5	6	7	8
April	Nil	01	01	01	Nil	01	Nil
May	Nil	01	01	Nil	01	01	Nil
June	01	01	02	02	Nil	02	Nil
July	Nil	04	04	01	03	01	Nil
August	03	01	04	01	03	01	Nil
September	03	Nil	03	01	02	01	Nil
October	02	02	04	02	02	02	Nil
November	02	03	05	01	04	01	Nil
December	04	Nil	04	01	03	01	Nil
January	03	03	06	03	03	03	Nil
February	03	01	04	02	02	02	Nil
March	02	01	03	02	01	02	Nil

disposed off by the commercial taxes division.

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