

CIRCULAR NO. 11 / 2014

Sub:- KVAT ACT – Electronic process for diary submission, issue of defect notice and settlement of demands by e-payment - Instructions issued reg.

Read: Circular No.48/2008, 5/2011,

The department has prescribed registration, filing of returns and enclosures, payment of tax, issuance of statutory forms, goods consignment declarations, closing stock, audited statements etc. by electronic means. The above facilities have improved the user experience of the dealers in complying statutory requirements. Taking the step forward in improving the effective administration, it has been decided to implement online diary for the monitoring of officers performance and to implement electronic processes for creation of demands and collection of arrears. Accordingly modules have been developed in KVATIS for the following.

1. Submission of online work diary.

KVATIS has been facilitated submission of work diary by all officers online. The diary submitted by the assessing officers will be available to the respective controlling officer (Inspective Assistant Commissioner / Deputy Commissioner) for verification and approval. The approved diary will be available to the Deputy Commissioner for verification and submission to the Commissioner. From 01-04-2014 onwards, all assessing officers shall use the online forms in KVATIS for submission of work diary to the controlling officers. The controlling officers shall verify the work diaries of officers through KVATIS. The Deputy Commissioners shall verify the diaries in KVATIS and submit the consolidated diary to the Commissioner through KVATIS by the 5th of the subsequent month. The manual diary shall be dispensed off w.e.f 01-04-2014.

2. Defect Notice under Section 67 of the KVAT Act.

For effectively monitor the timely remittance of collected tax by the dealer, it is important to identify the return defaulters and non-filers of statutory statements. Therefore electronic process has been developed to identify defaulters and to enforce the provisions of the KVAT Act which covers:

- 1) Issue defect notice under section 67 of the KVAT Act and serving notice online.
- 2) Online filing of reply to defect notice by the dealer
- 3) Confirmation of penalty
- 4) Service of demand notice online
- 5) e-Payment of demand / arrear

Hence from 1st April 2014 onwards, all defect notices and demand notices under Section 67 of the KVAT Act shall be generated online and the dues shall be paid by e-payment.

Commissioner