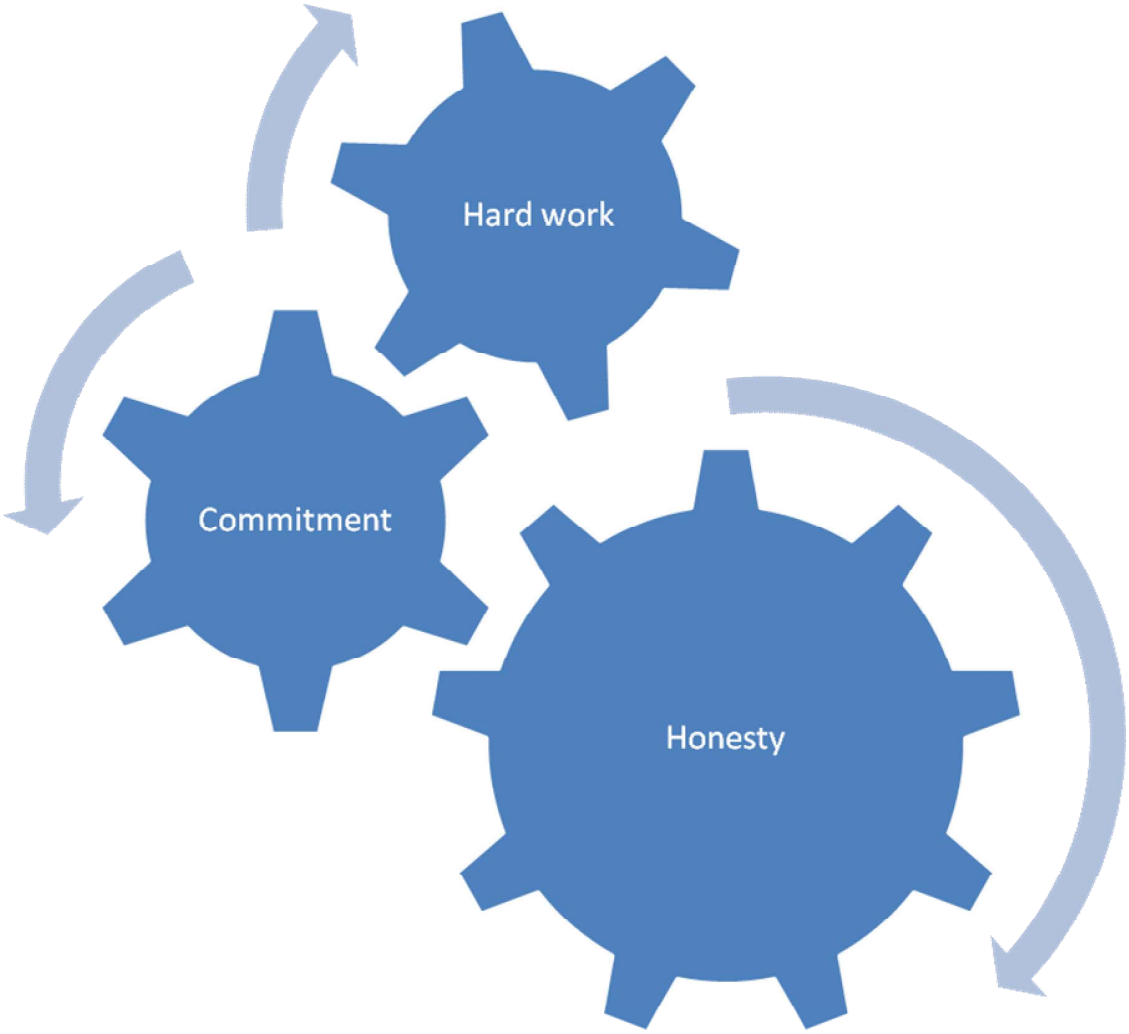

THE BEST TAX ADMINISTRATION

SCRUTINY MODULE – PRESUMPTIVE TAX DEALERS

(ScMpt)

VERSION- I

STATE GST DEPARTMENT

GOVT OF KERALA

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Foreword:

What is the objective of the Department? Why do we exist as tax officials? The answer to these questions is revenue collection. The next question comes to mind is who pays taxes? The answer is PEOPLE. The poorest of the poor and the well to do, all have to pay indirect taxes upon buying any goods and services. Do these people know that they pay taxes but the tax sits with the dealer and dealer is legally bound to remit the collected tax to Government treasury?

Why people without any question pay taxes. Because they feel and believe that the Government is having an exclusive department to have oversight over these issues 'the State Department of Goods and Services Tax'. They have faith in the officers of the Department. The officers are entrusted with the mandate by the Act to ensure that the collected tax reaches to Government treasury. This is our primary responsibility. All the tax authorities are accountable to these taxpaying people.

Out of our plethora of works, the most important work is scrutiny of the filed returns and later assessments, if there is short remittance of taxes. For scrutiny the officer have to go through multiple records and various data fields to do correlation. The process is very tedious and requires complete knowledge of laws and processes. Therefore, in order to bring in efficiency, an innovative SCRUTINY MODULE SOFTWARE is developed. This software is having algorithm as per the Laws and Rules. It is easy to operate. The way we do scrutiny, in the same flow the steps have been structured in the module. The officer needs to do data feeding in the blank fields and automatically the calculations are done and the output i.e. Turnover calculation and Tax figures are received. The data feeding is to be done from the statutory documents by keeping the copy of the same in the Assessment file. Based on the output, wherever needed further hearing is to be conducted and assessment can be finalized by giving full opportunity to the Dealers. This is the way the scrutiny and assessments will be completed as per the law.

In order to further facilitate this work, it was felt that the best practices in health sector to have Standard Operation Practices (SoP) to be introduced in the tax administration. With this thinking, this SoP for ScM for Presumptive Tax Dealers is drafted. All officers may study the SoP and keep it handy while working on the Scrutiny Module for Presumptive Tax dealers.

I have no doubts that we will succeed in doing the work professionally as planned and this will be a GOLD STANDARD for completing the VAT works with utmost efficiency. I urge all the officers to take efforts to mitigate the small problems then and there. You may study the module and give your suggestions to improve the system.

Dr Rajan Khobragade

Prl Secretary & Commissioner

General Instructions regarding Scrutiny Module for

Presumptive Tax Dealers (ScMpt)

All the supervisory officers and assessing authorities at the field may note that-

1) The module is for the scrutiny of presumptive dealers, other than Medicine dealer (1st proviso to Sec.8(e)) and petroleum dealer.
2) Officer may get well acquainted with the Act and Rules relating to presumptive tax dealers before using the scrutiny module.
3) Officer may thoroughly go through the SoP with regard to Presumptive scrutiny module (SoP for ScMpt) before using the scrutiny module,.
4) Fill the columns carefully. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.
5) The Assessing authority while conducting book verification and processing of records allow eligible turnover exemption, reduction in tax rate and eligible input tax credit to the dealer. In case of purchase suppression detected, the commodity is not identifiable, then the tax is calculated at the RNR for taxable turnover which comes outside the purview of presumptive eligibility. The supporting proof shall be obtained and kept in file.
6) The description column should be filled properly.
7) The username and password is common for all Scrutiny Modules. The same user name and password shall be used for Scrutiny Module for Presumptive dealers. The login and password shall not be shared with anyone by the officers.
8) Any other quarries regarding Presumptive Scrutiny module should only be send to email id ScMpt.ctd@kerala.gov.in
9) Utmost care should be taken before submission. Once submitted, the scrutiny already done and submitted cannot be cancelled. In such scenario, it has to be done manually and the notice, Order and supporting proofs shall be uploaded. The reason for wrong submission shall be intimated to the Deputy Commissioner, who in turn will verify the reason for wrong submission and will inform the same to ScMpt.ctd@kerala.gov.in with a copy marked to the Commissioner.
10) The amount payable under Amnesty Scheme for eligible Assessment year has been shown at the end of the Scrutiny Report. The Assessing authority along with pre assessment Notice shall intimate the dealer the amount payable under Amnesty Scheme. Under no circumstances pre

assessment notice without Amnesty calculations shall be served to the Dealer.

11) It is also informed herewith that before submission of in the ScM, the assessing authorities **shall take the printout of scrutiny reports and shall file in the assessment files.**

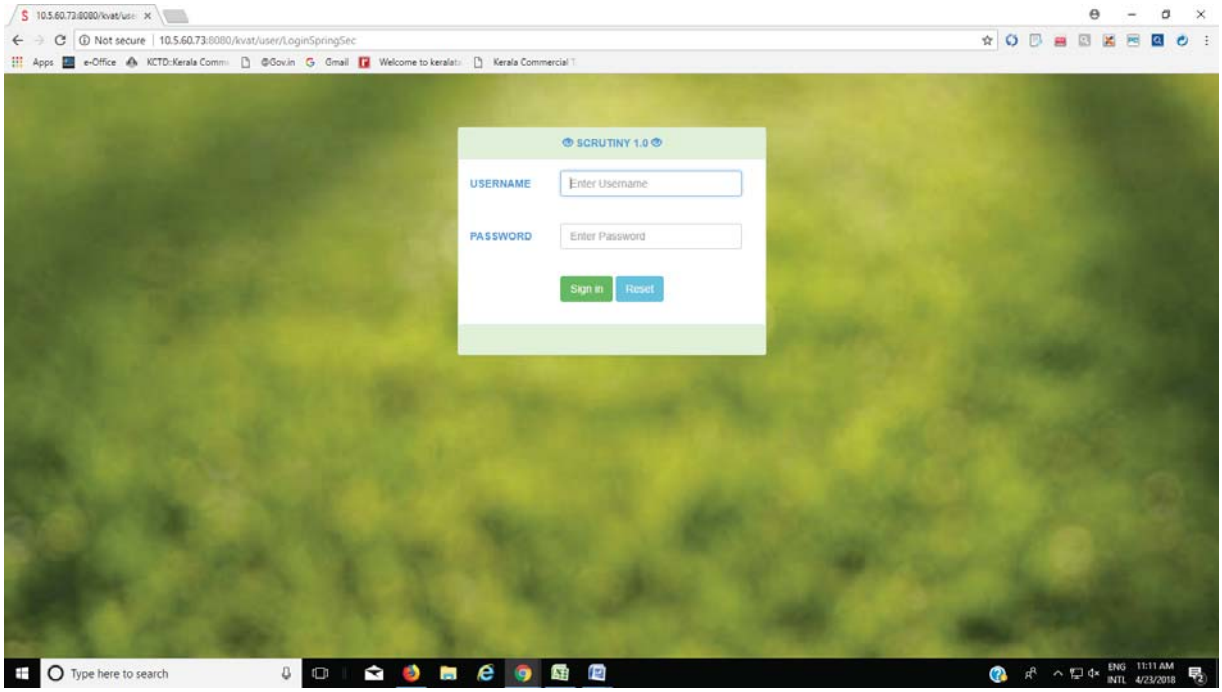
12) **The Dy Commissioner/ IAC shall give the approval to the Pre Assessment notice and final order only after verifying hard copy of the Scrutiny Report.**

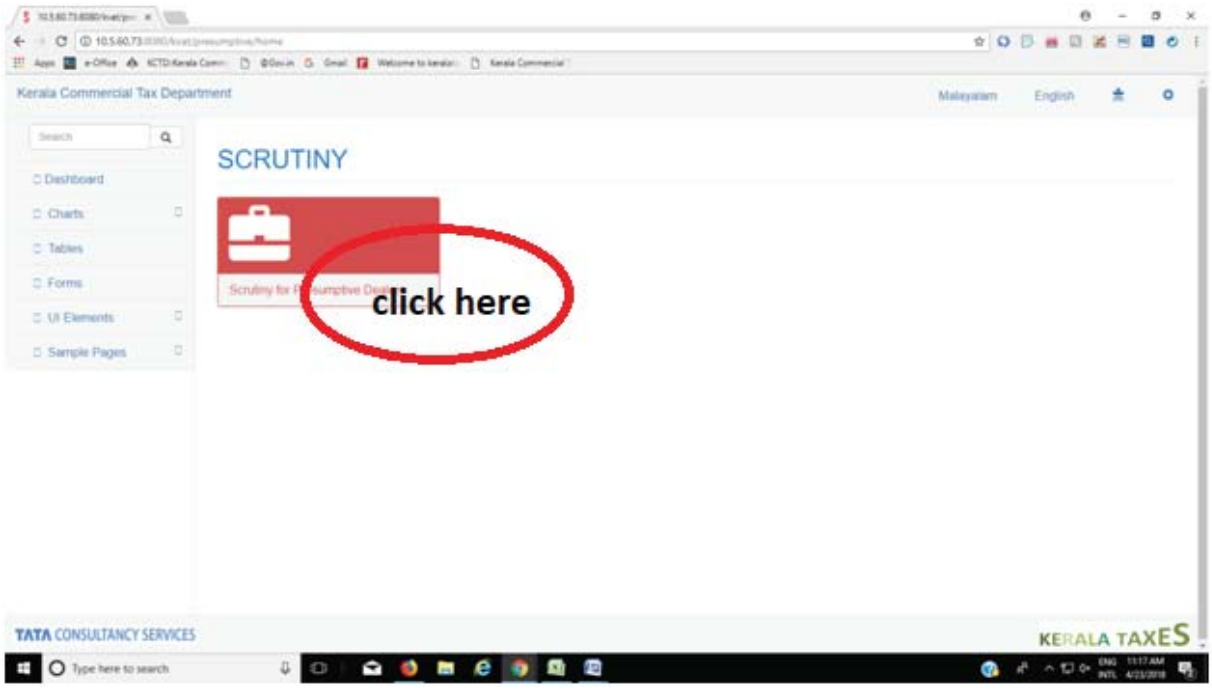
13) The Department shall do awareness campaign to orient all the Presumptive Tax Dealers regarding the amnesty calculations.

14) Dy Commissioner may locally inform all the Dealers to make use of Government declared amnesty to Presumptive Tax Dealers.

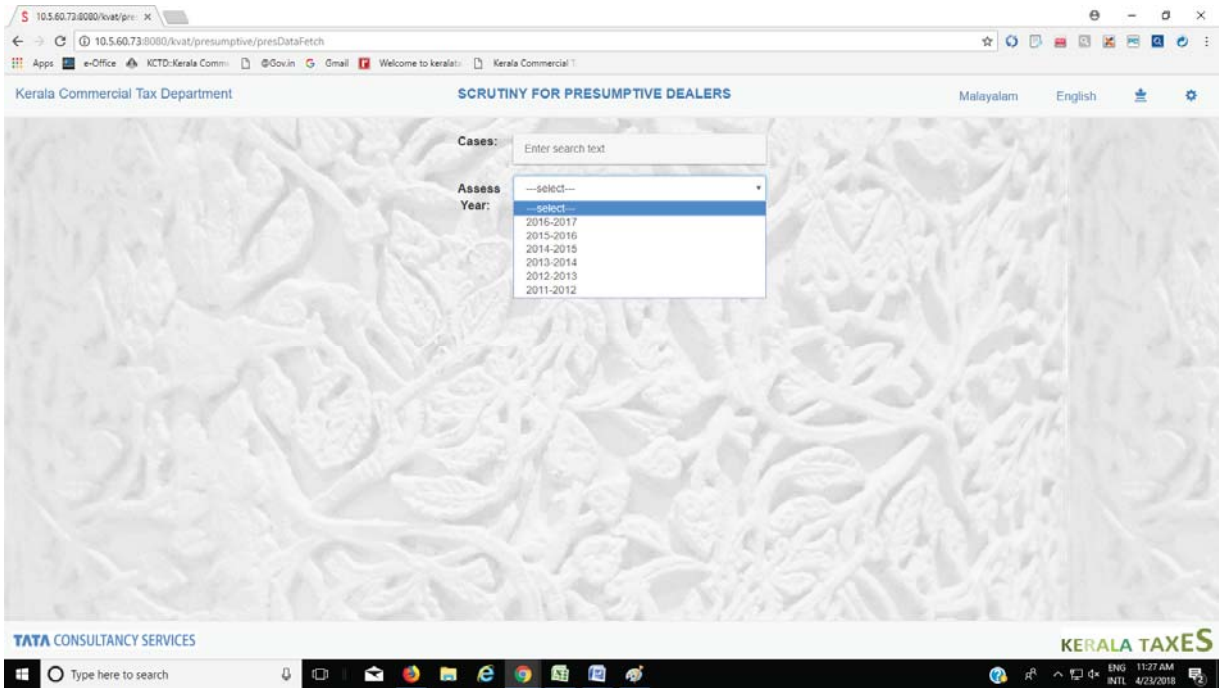
SCRUTINY MODULE FOR PRESUMPTIVE TAX DEALERS (ScMpt) for 2011 to 2016

Enter the url 10.5.60.73:8080. In Login page, enter User Name and Password.

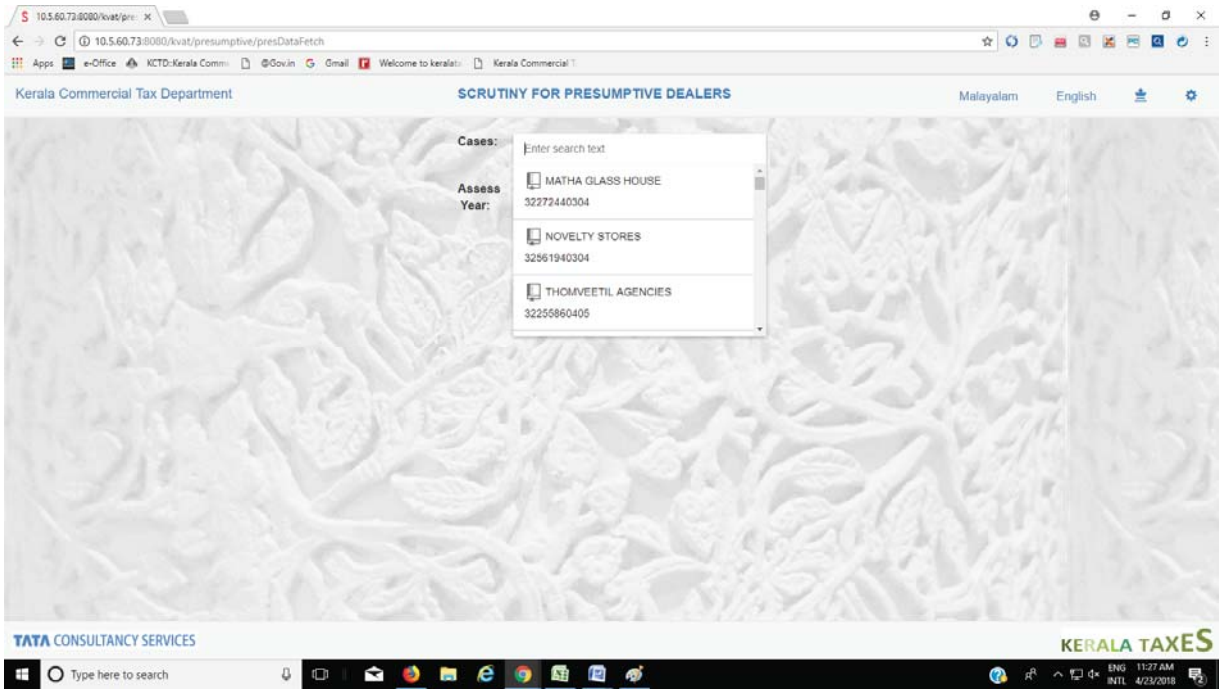




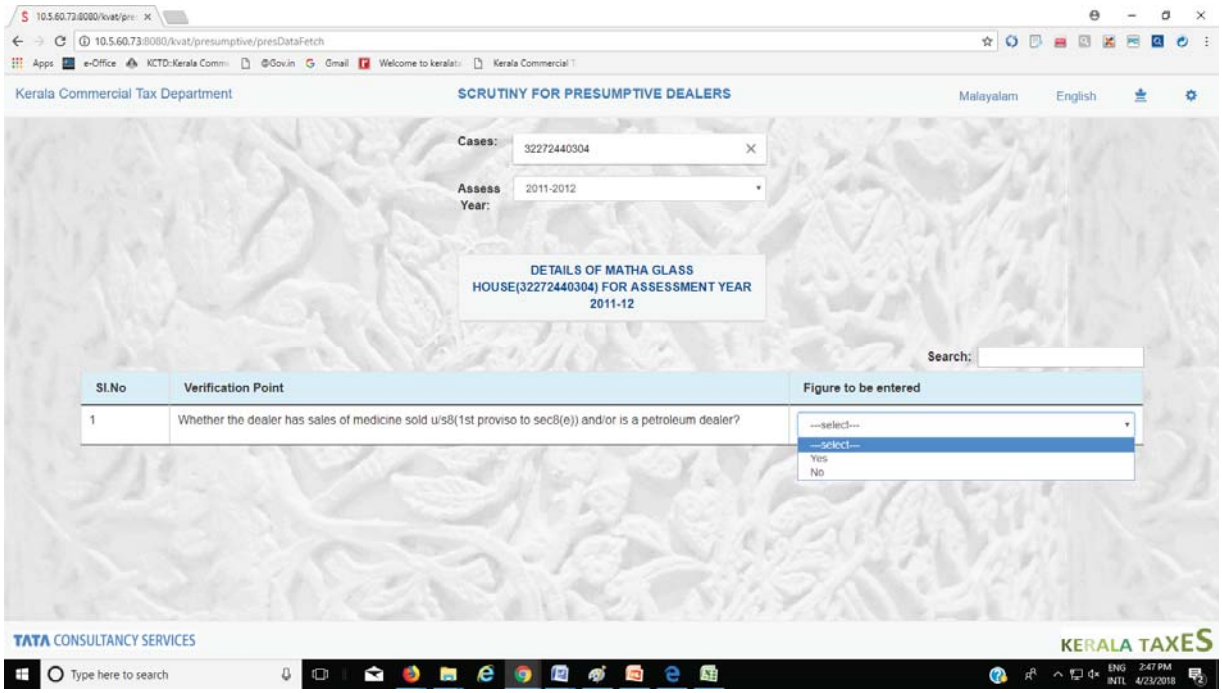
Select Assessment Year



Select Dealer

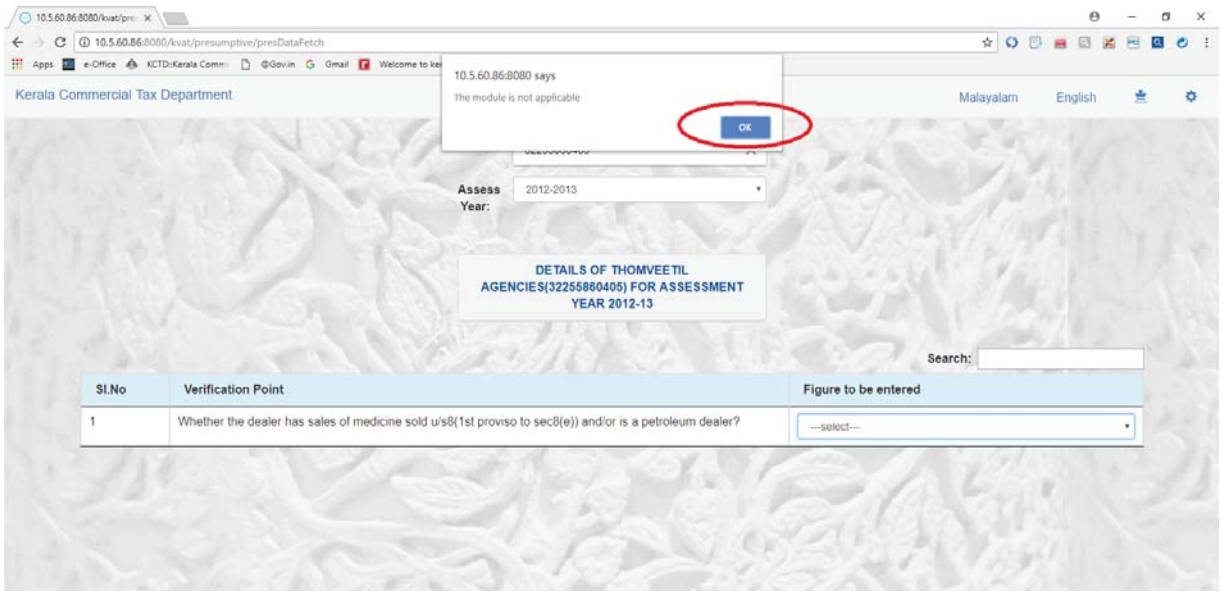


Answer the question Whether the dealer has sales of medicine sold u/s8(1st proviso to sec8(e)) and/or is a petroleum dealer? **Yes or No.**

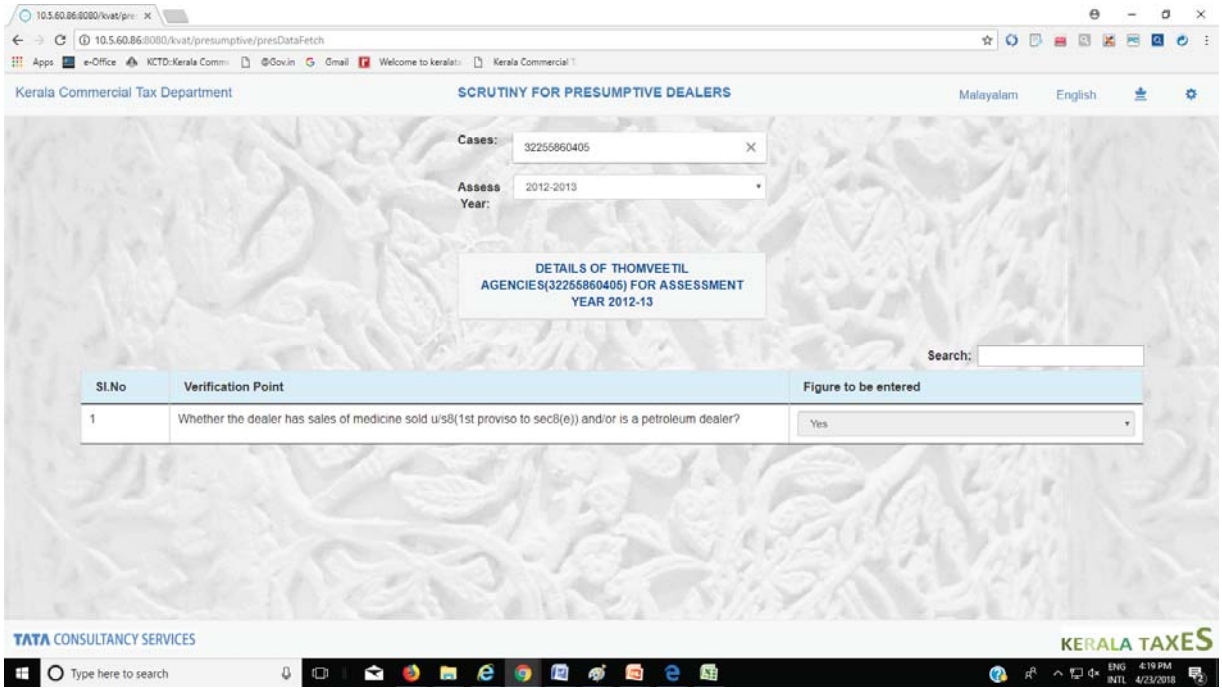


A) Whether the dealer has sales of medicine sold u/s8 (1st proviso to sec8(e)) and/or is a petroleum dealer? **Yes**.

Result is as follows. The module is not applicable.



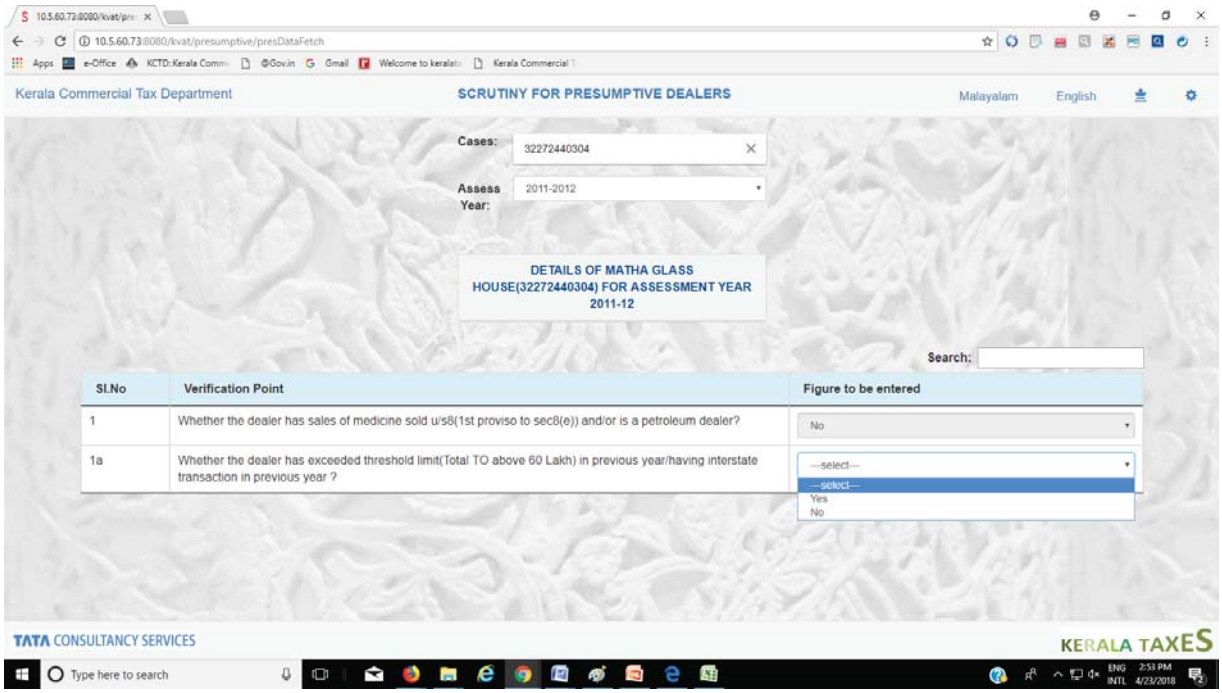
Enter Ok button



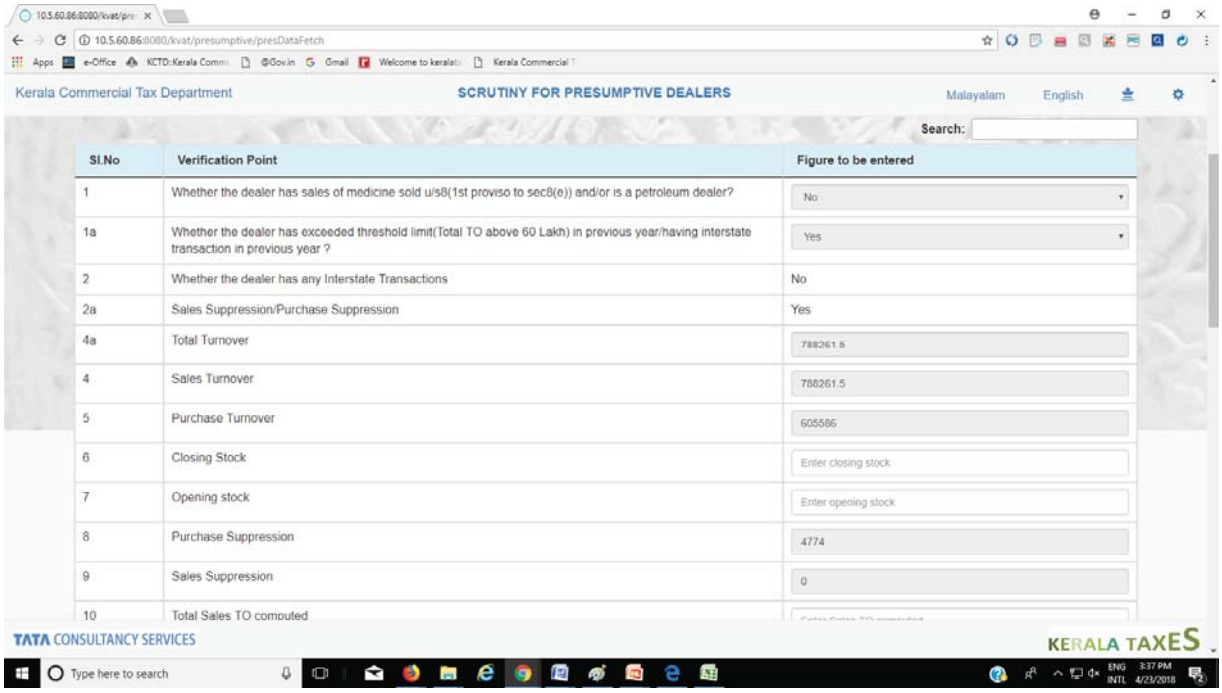
The scrutiny is completed.

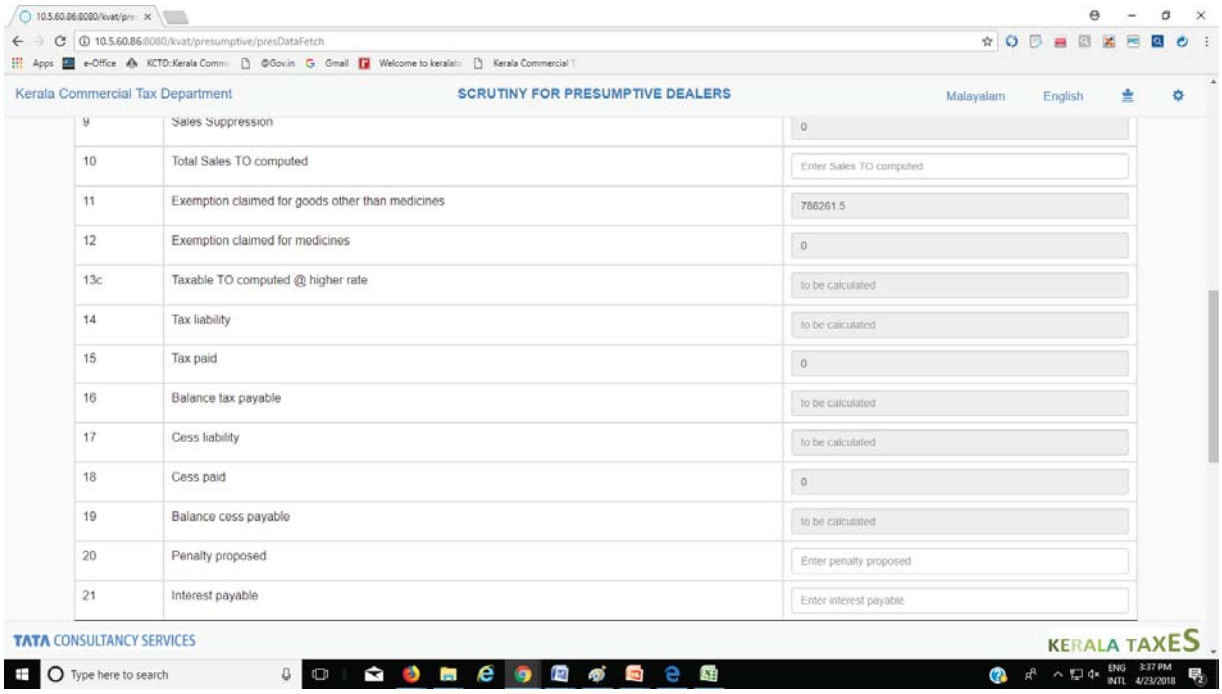
Whether the dealer has sales of medicine sold u/s8(1st proviso to sec8(e)) and/or is a petroleum dealer? **No**

Answer the question Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ?**Yes/No**

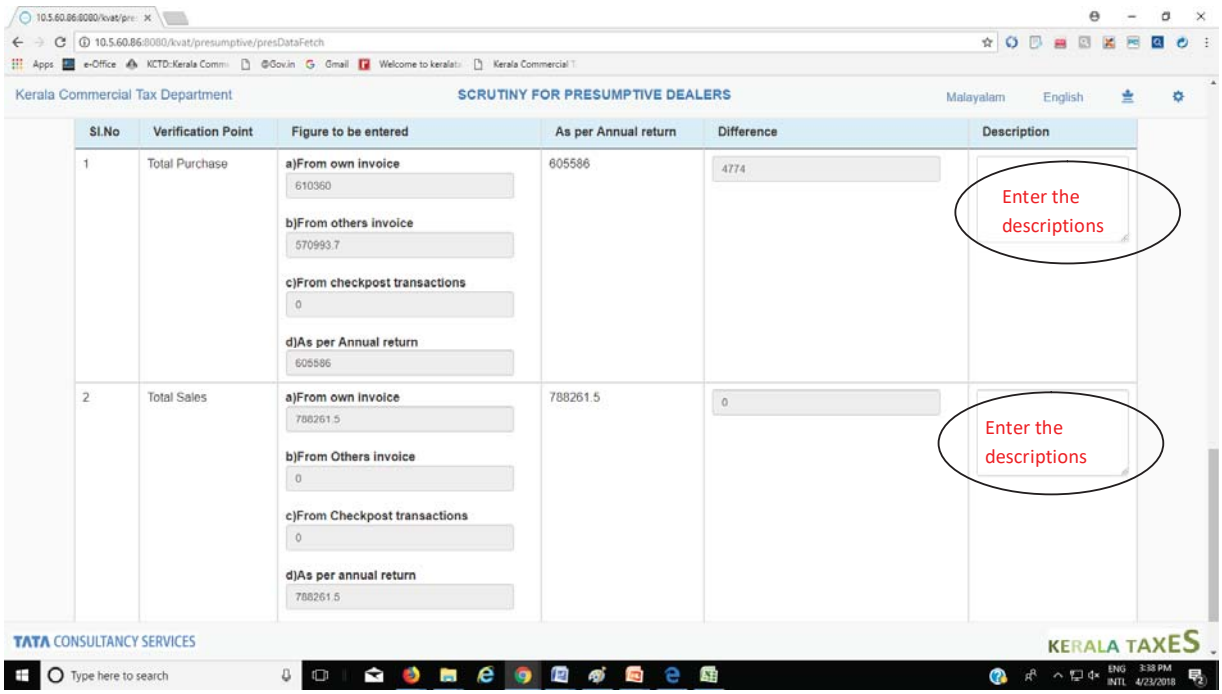


B) Whether the dealer has exceeded threshold limit (Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **Yes**



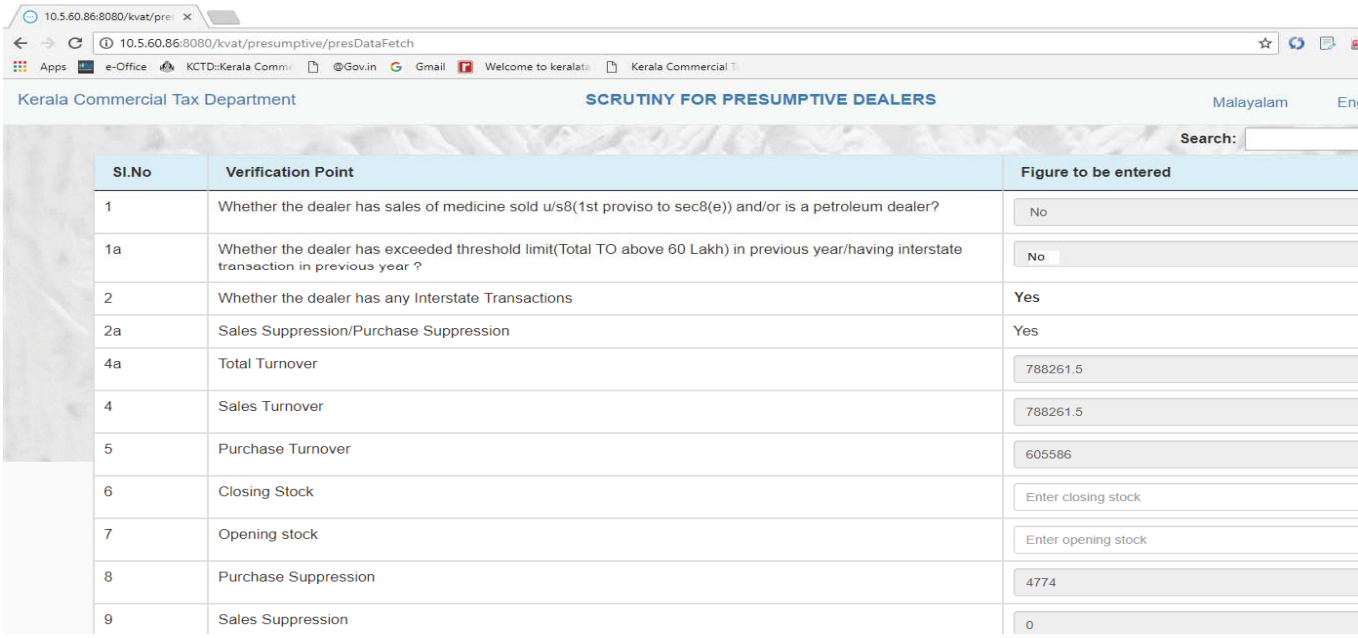


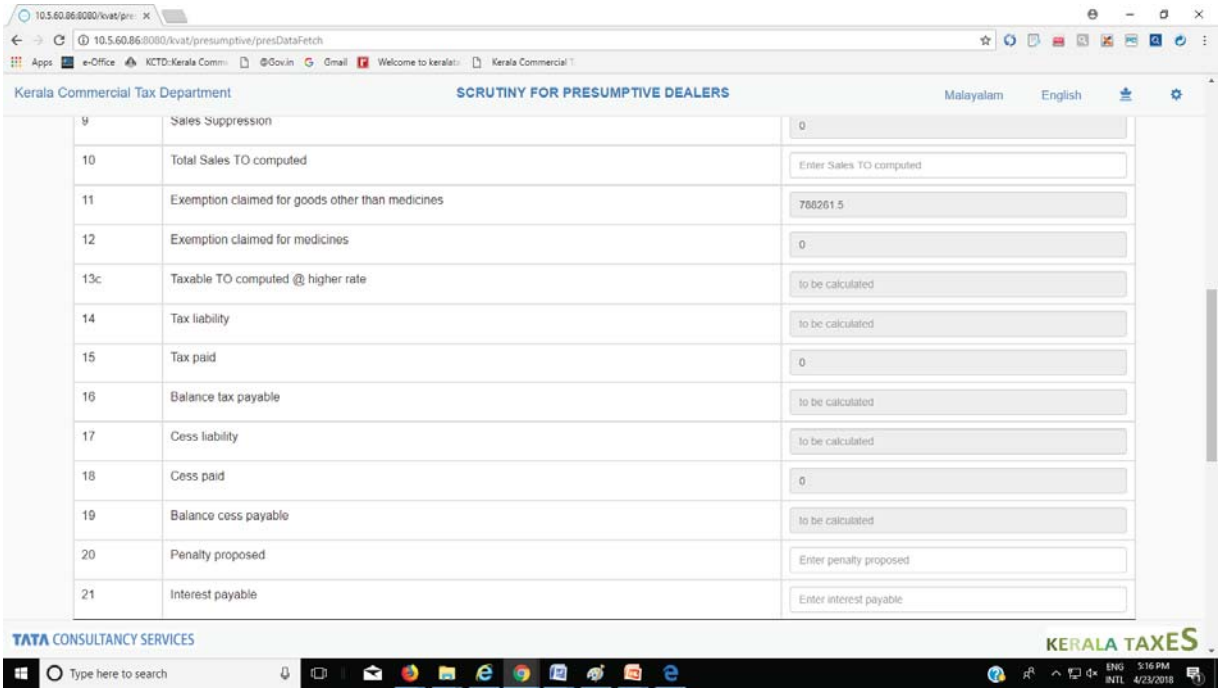
Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.



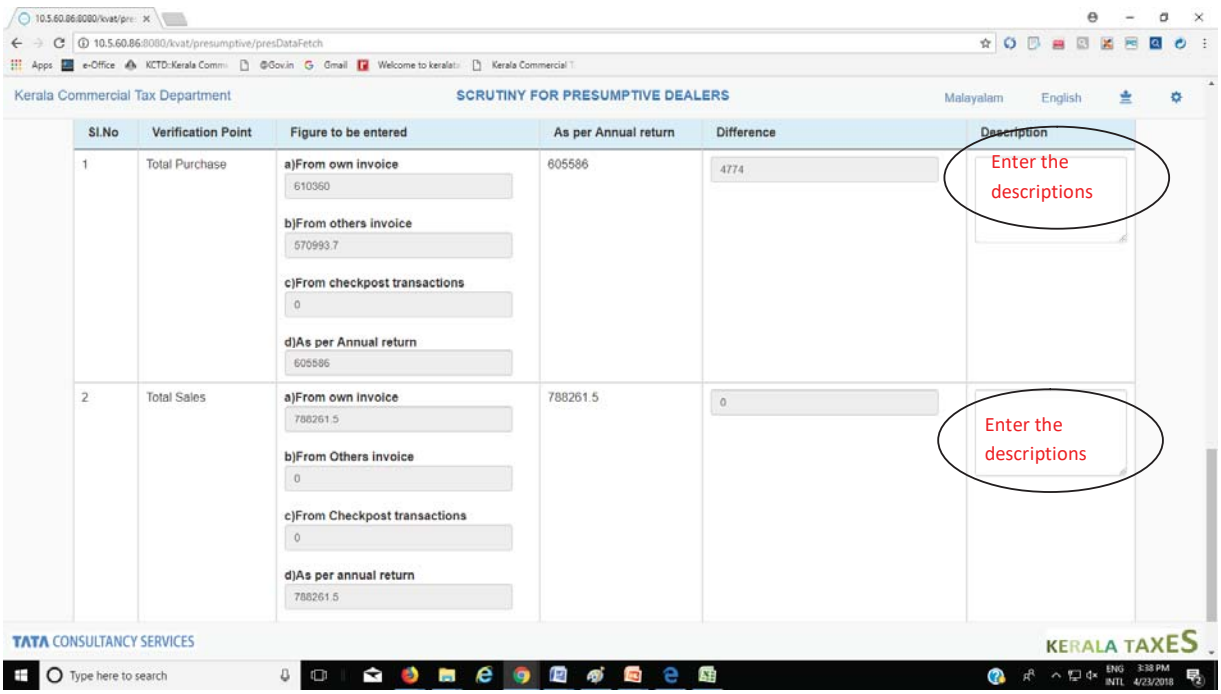
c) Whether the dealer has exceeded threshold limit (Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

If Interstate transaction **Yes**, Purchase/Sales suppression **Yes**



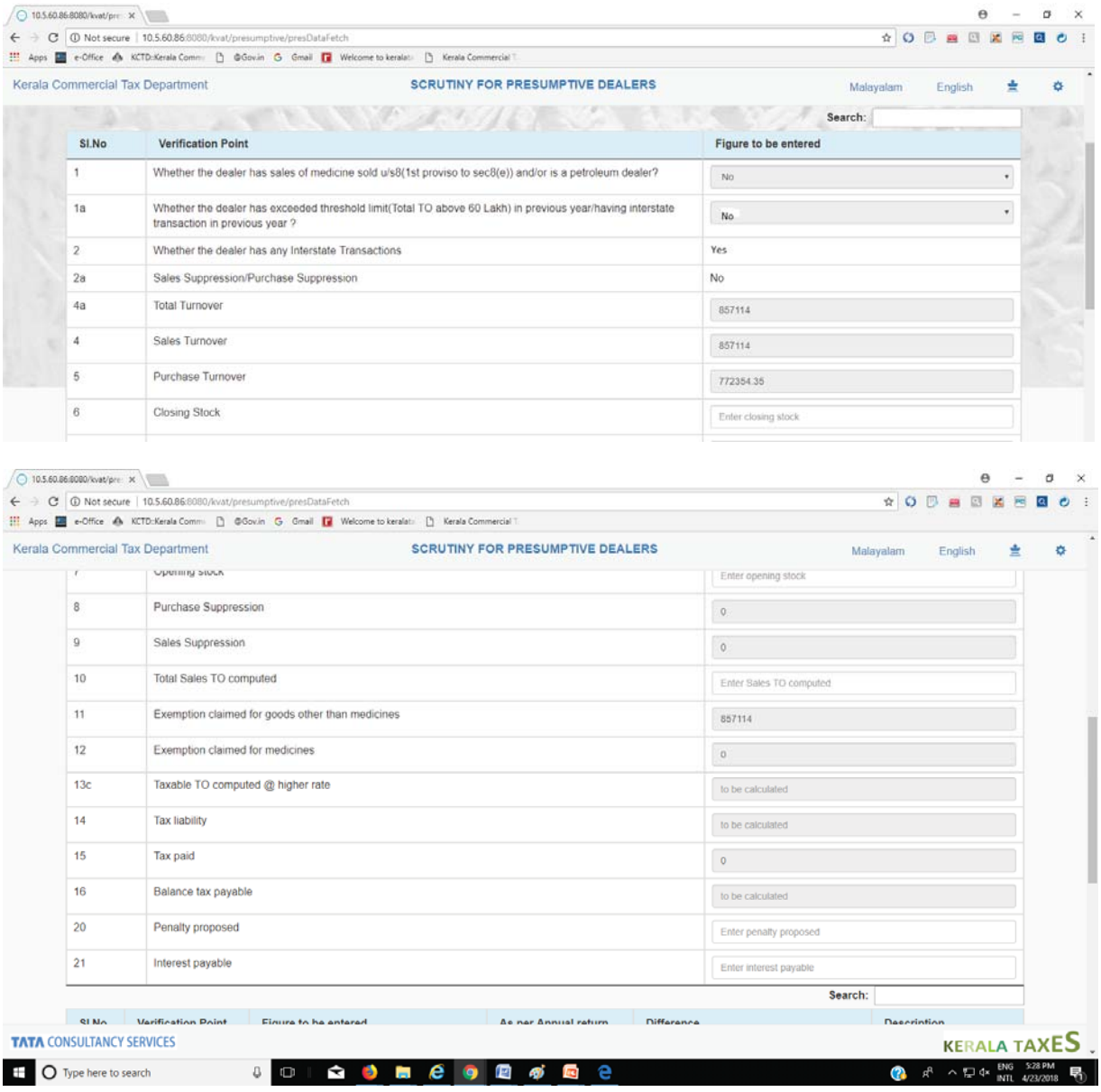


Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.

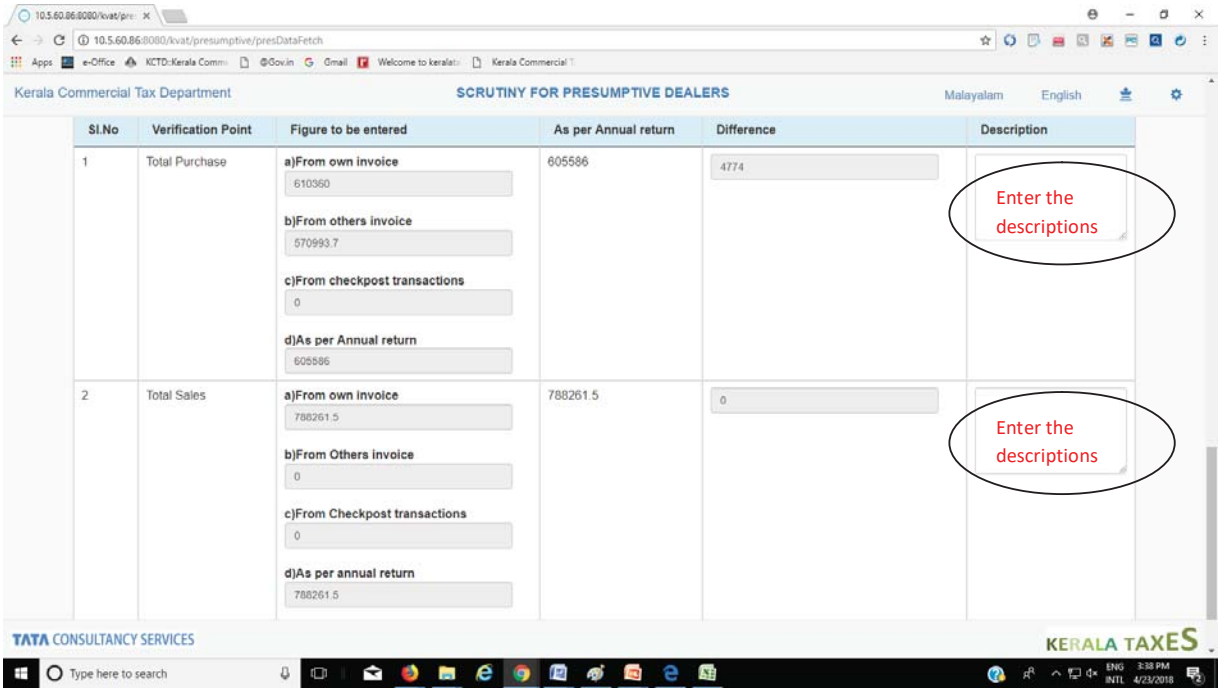


D) Whether the dealer has exceeded threshold limit (Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

If Interstate transaction **Yes**, Purchase/Sales suppression **No**



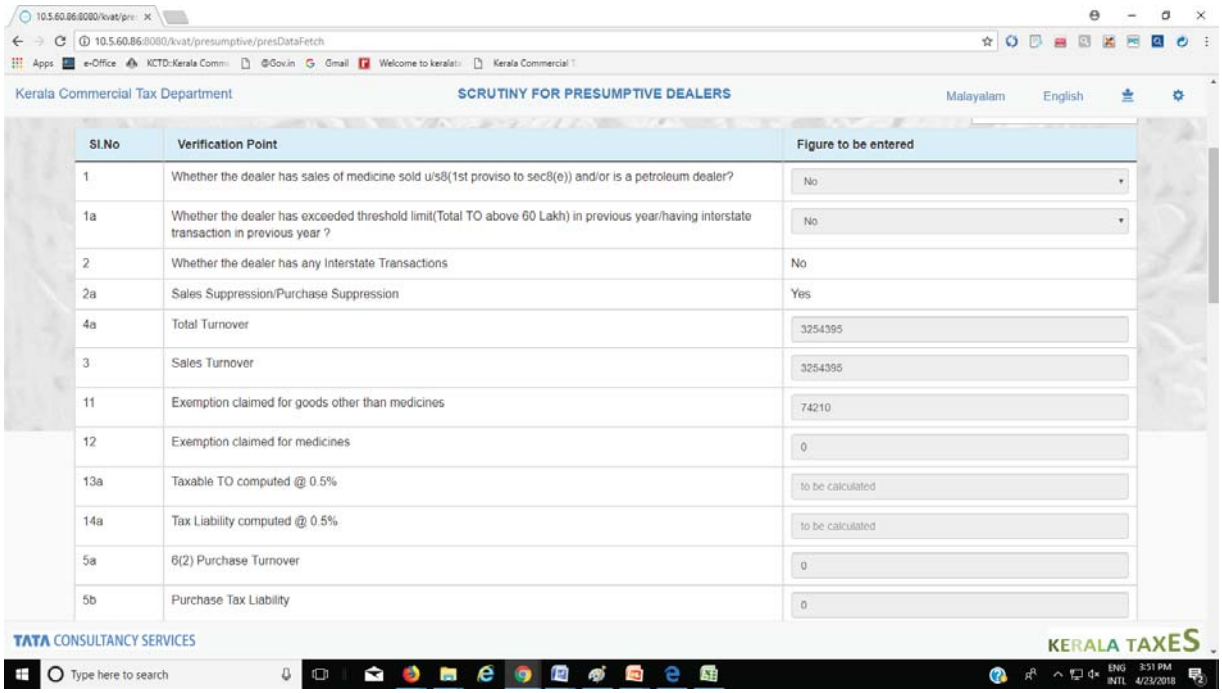
Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.

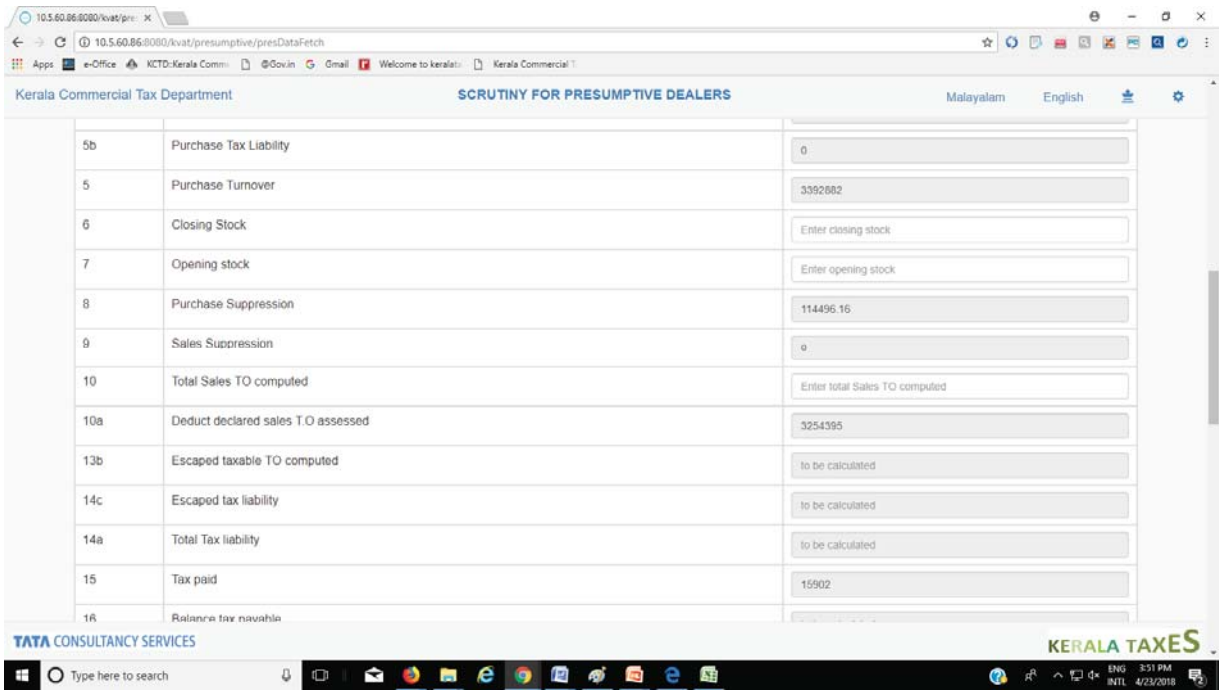


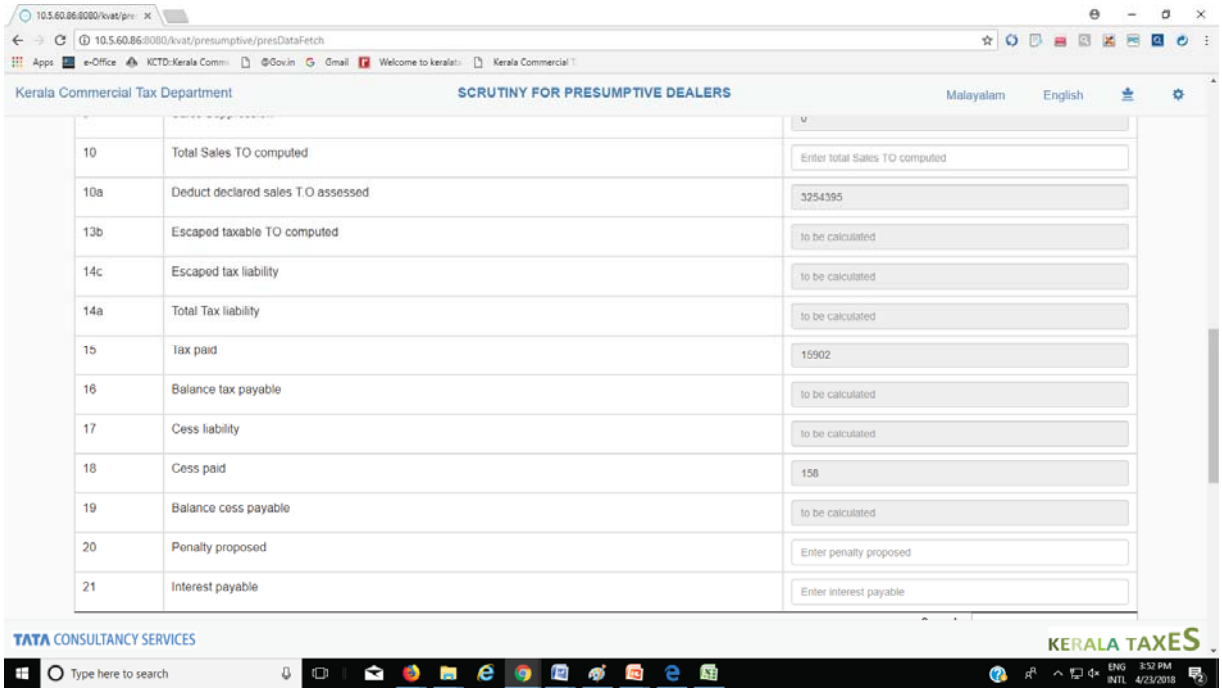
E) Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

Interstate transaction, **No**

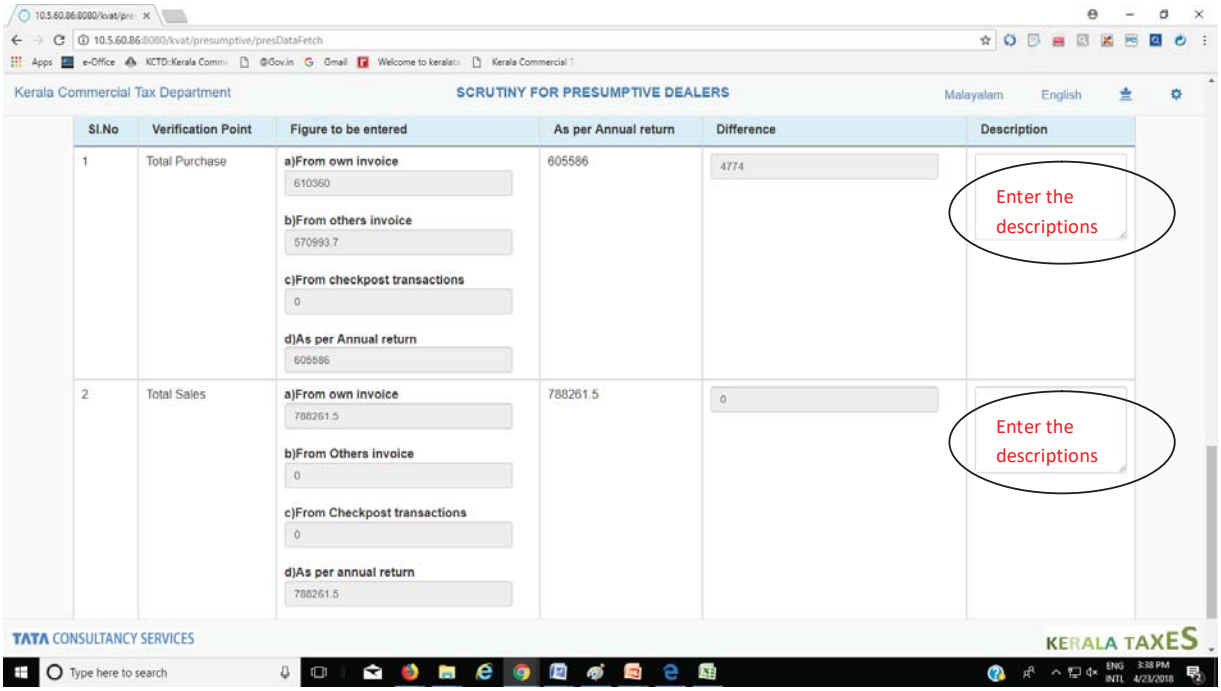
Purchase/ Sales suppression **Yes** and Total Turnover **below 60 Lakhs and above 20 Lakhs**







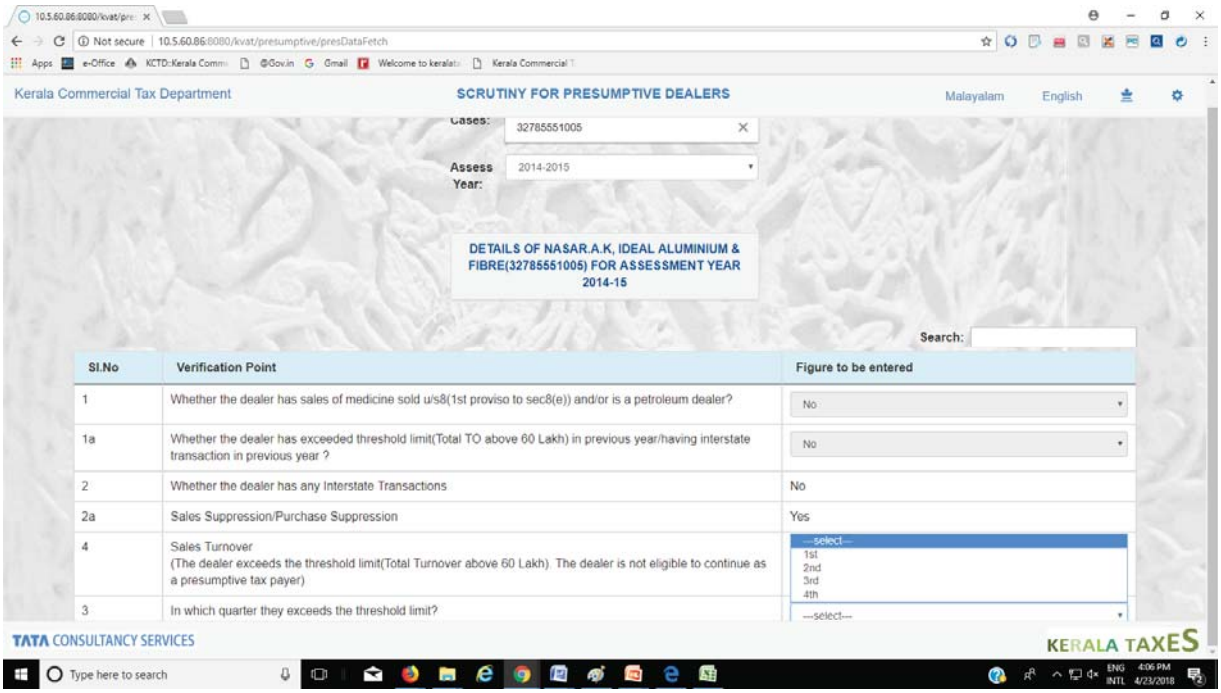
Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.



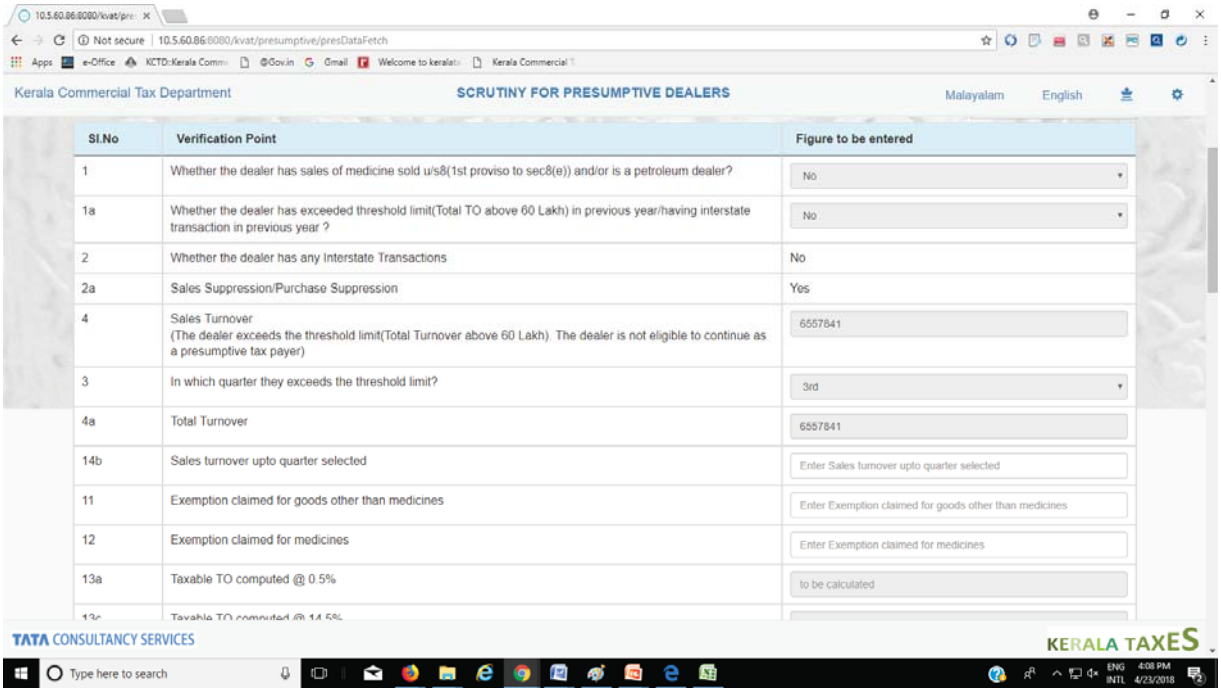
F) Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

Interstate transaction, No

Purchase/ Sales suppression **Yes** and Total Turnover **above 60 Lakhs**.



First enter in which quarter he has exceeded the threshold limit.(Total Turnover 60Lakhs)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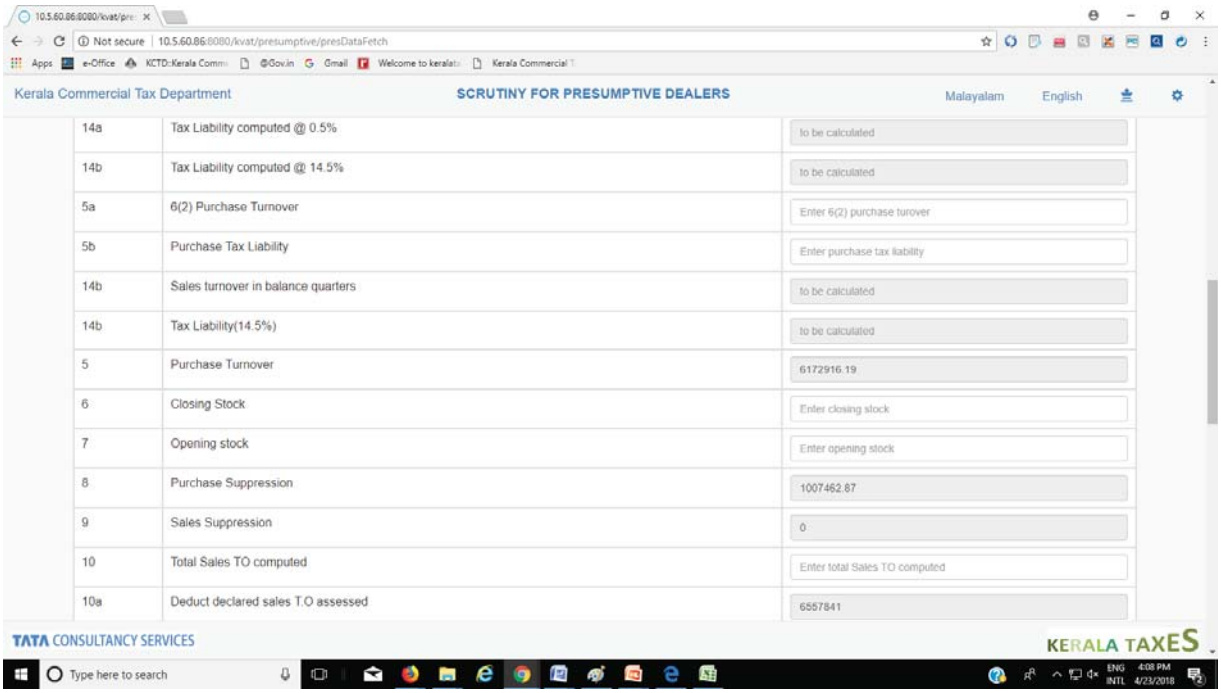
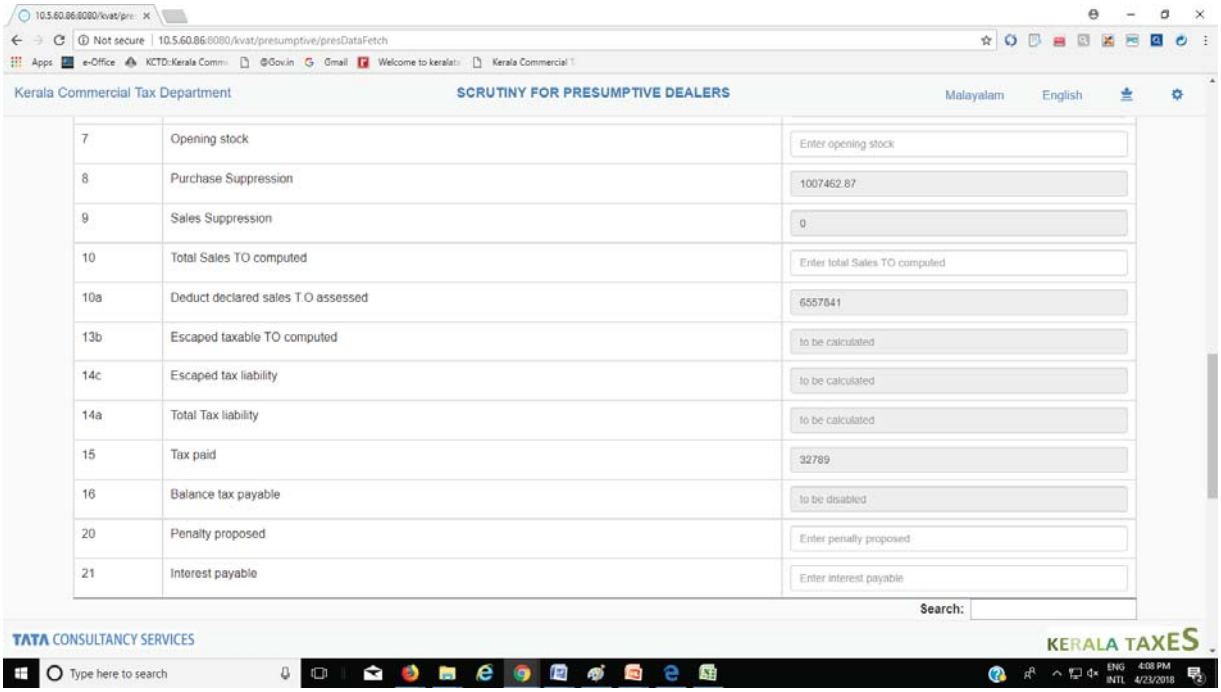
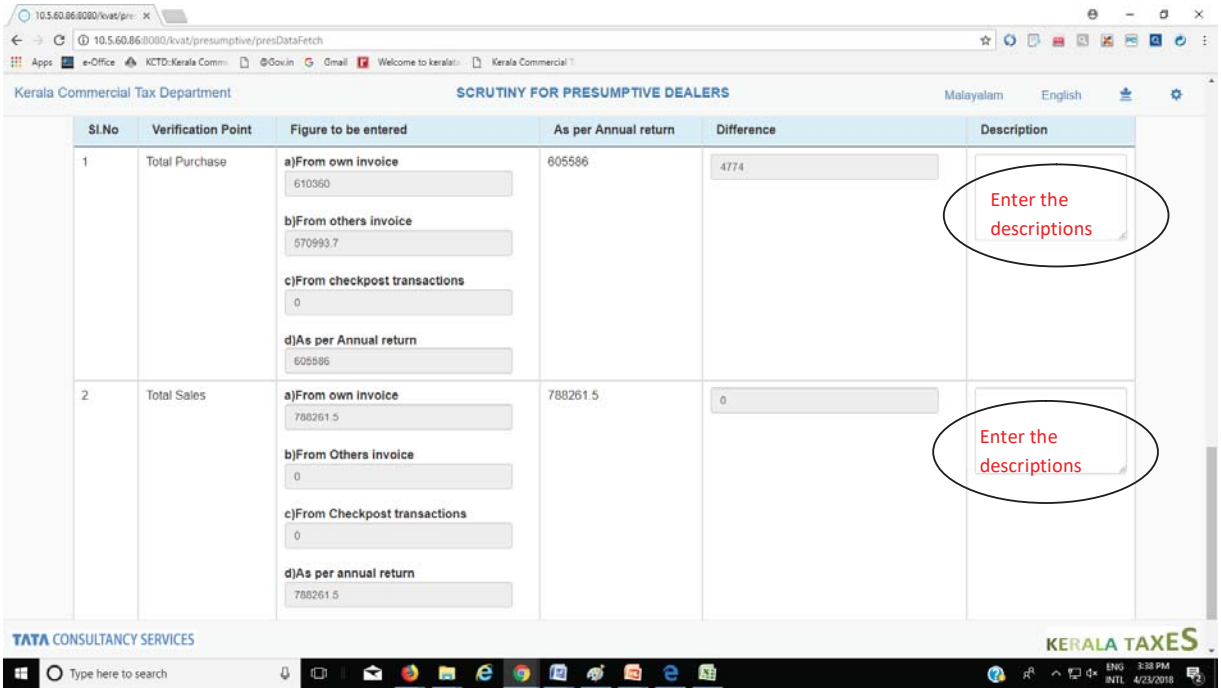
Kerala Commercial Tax Department
SCRUTINY FOR PRESUMPTIVE DEALERS
Malayalam
English
Sl.No
Verification Point
Figure to be entered
1
Whether the dealer has sales of medicine sold u/s8(1st proviso to sec8(e)) and/or is a petroleum dealer?
No
1a
Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ?
No
2
Whether the dealer has any Interstate Transactions
No
2a
Sales Suppression/Purchase Suppression
Yes
4
Sales Turnover
(The dealer exceeds the threshold limit(Total Turnover above 60 Lakh). The dealer is not eligible to continue as a presumptive tax payer)
6557841
3
In which quarter they exceeds the threshold limit?
3rd
4a
Total Turnover
6557841
14b
Sales turnover upto quarter selected
Enter Sales turnover upto quarter selected
11
Exemption claimed for goods other than medicines
Enter Exemption claimed for goods other than medicines
12
Exemption claimed for medicines
Enter Exemption claimed for medicines
13a
Taxable TO computed @ 0.5%
to be calculated
TATA CONSULTANCY SERVICES
KERALA TAXES
Type here to search


Not secure | 10.5.60.86:8080/kvat/presumptive/presDataFetch
Kerala Commercial Tax Department
SCRUTINY FOR PRESUMPTIVE DEALERS
Malayalam
English
14a
Tax Liability computed @ 0.5%
to be calculated
14b
Tax Liability computed @ 14.5%
to be calculated
5a
6(2) Purchase Turnover
Enter 6(2) purchase turover
5b
Purchase Tax Liability
Enter purchase tax liability
14b
Sales turnover in balance quarters
to be calculated
14b
Tax Liability(14.5%)
to be calculated
5
Purchase Turnover
6172916.19
6
Closing Stock
Enter closing stock
7
Opening stock
Enter opening stock
8
Purchase Suppression
1007462.87
9
Sales Suppression
0
10
Total Sales TO computed
Enter total Sales TO computed
10a
Deduct declared sales T.O assessed
6557841
TATA CONSULTANCY SERVICES
KERALA TAXES
Type here to search



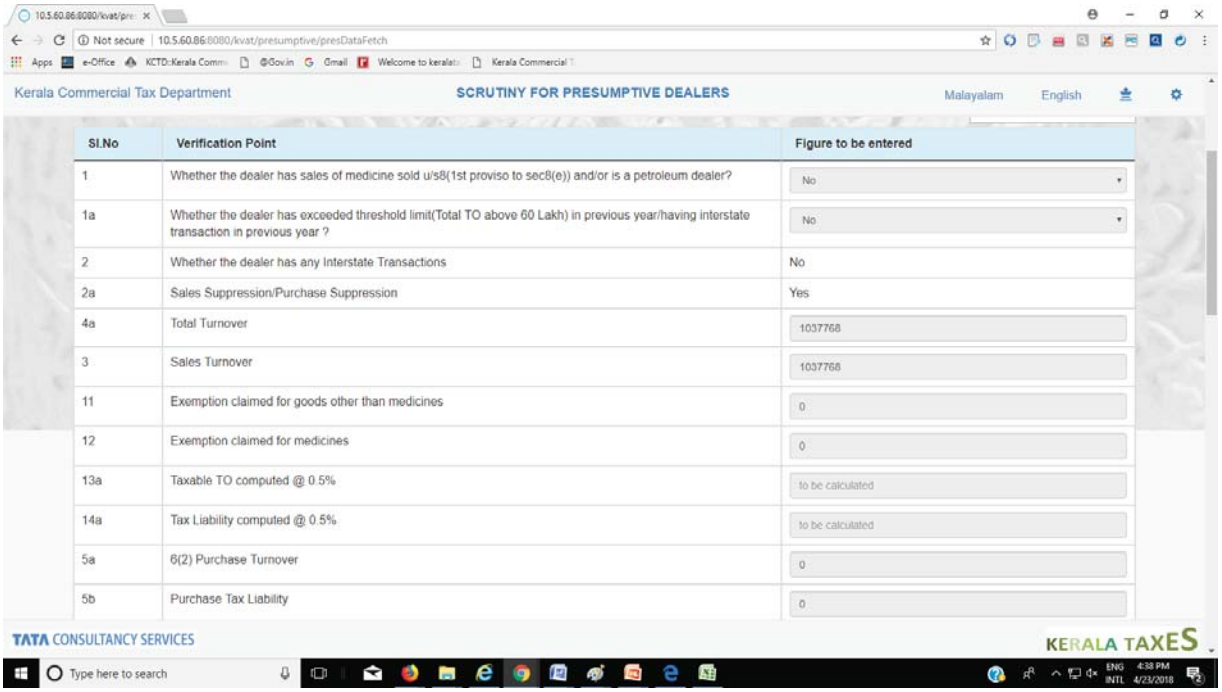
Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.

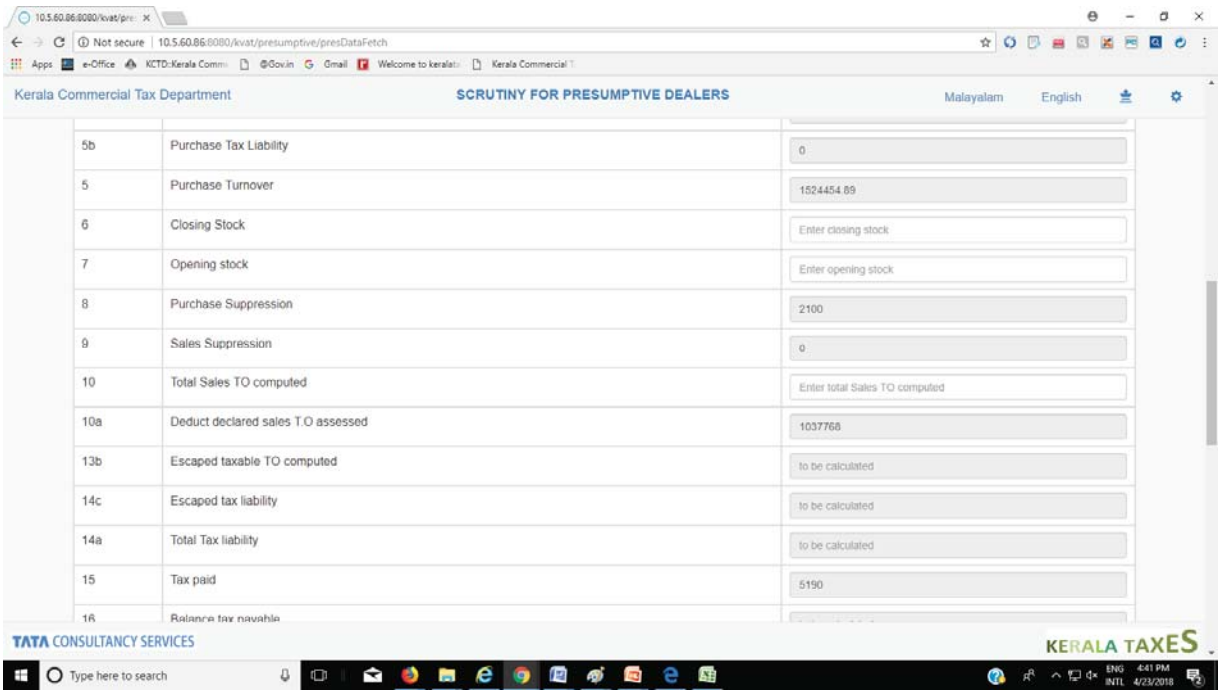


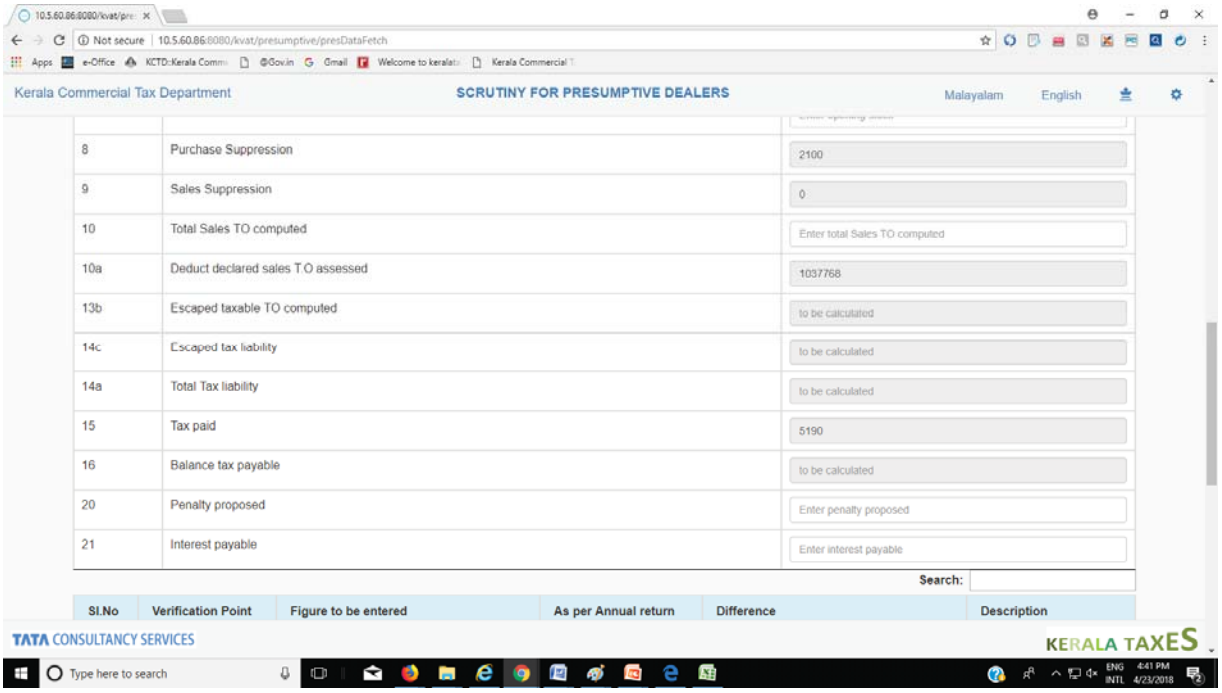
G) Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

Interstate transaction, **No**

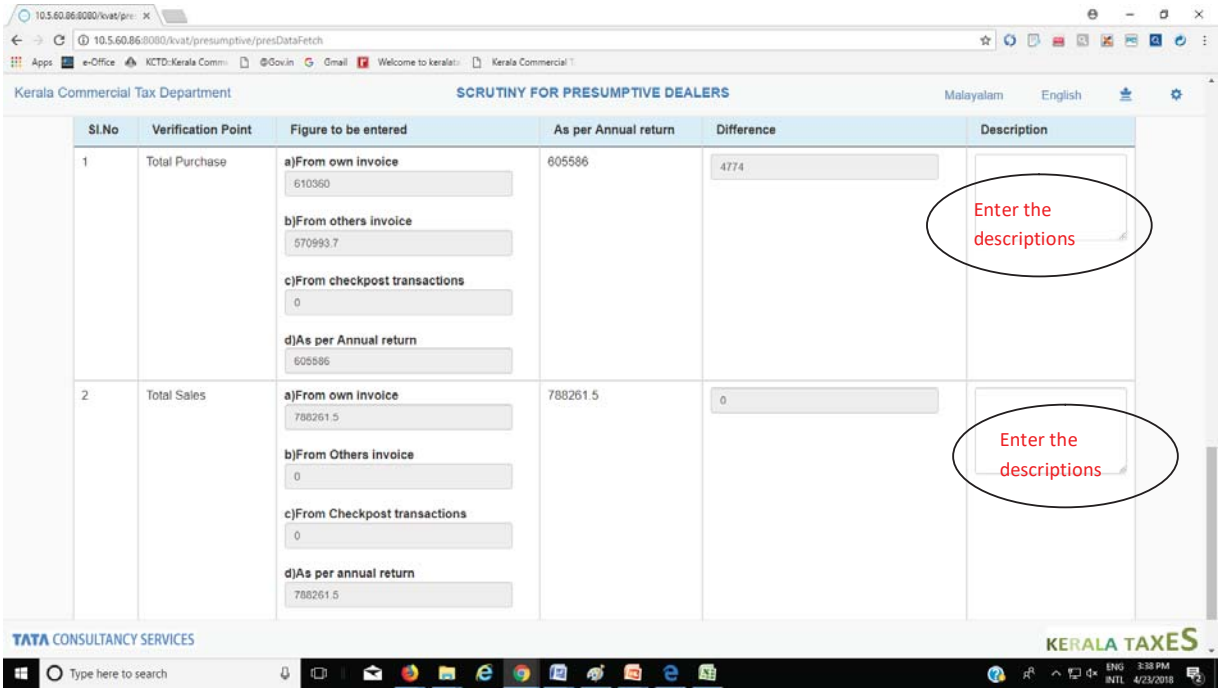
Purchase/ Sales suppression **Yes** and Total Turnover **below 20 and above 10 Lakhs**.







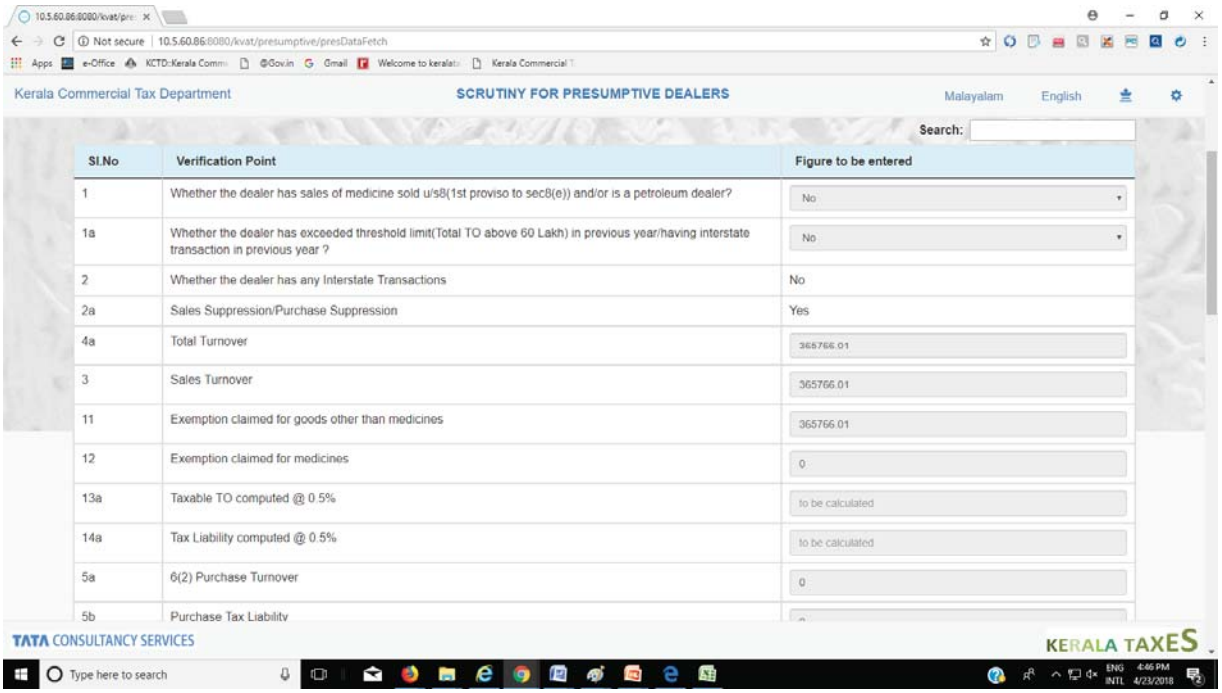
Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.

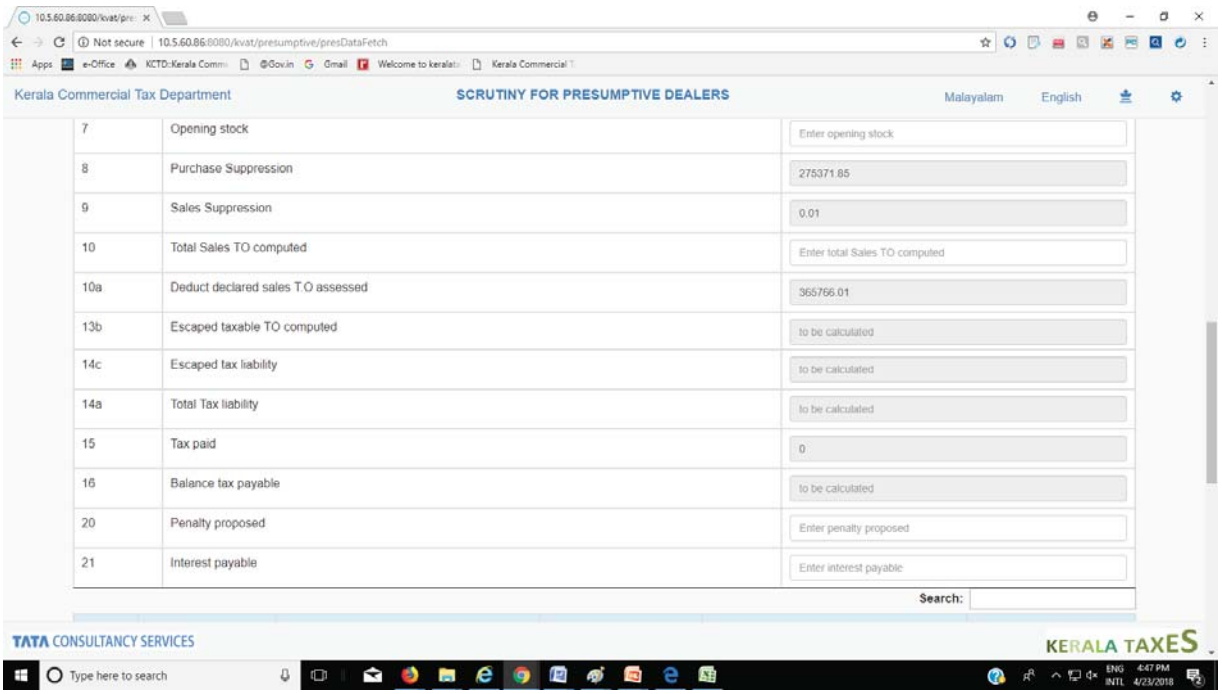


H) Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

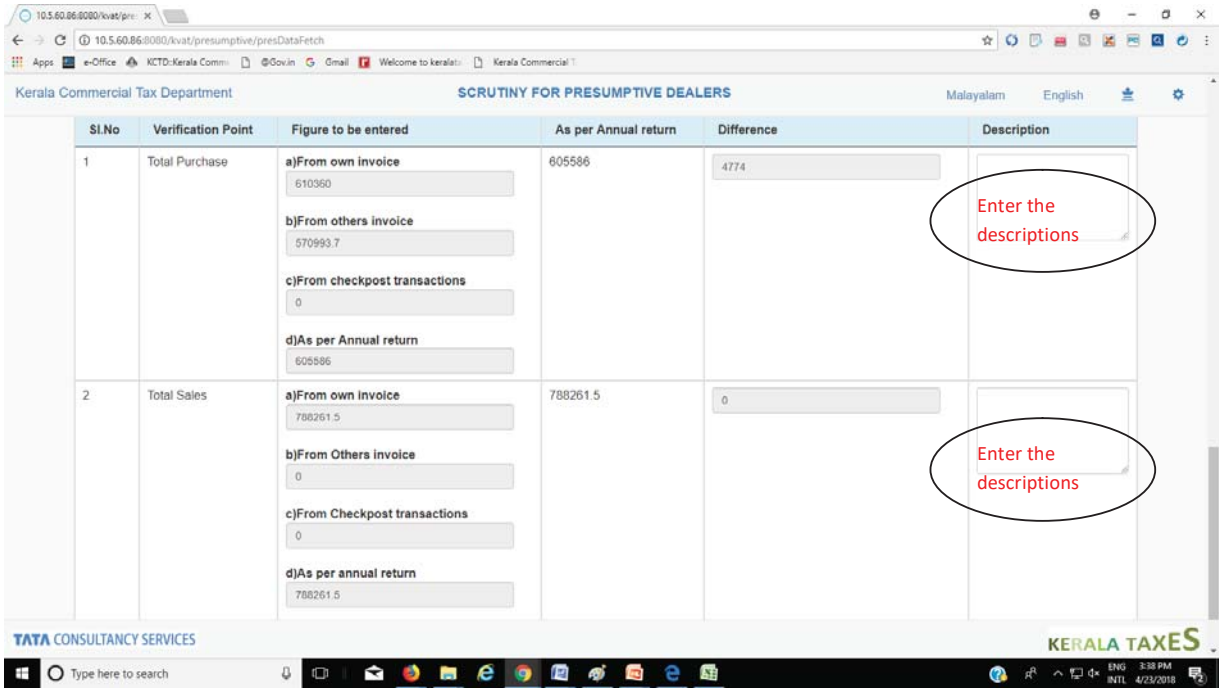
Interstate transaction, **No**

Purchase/ Sales suppression **Yes** and Total Turnover **below 10 lakhs**.





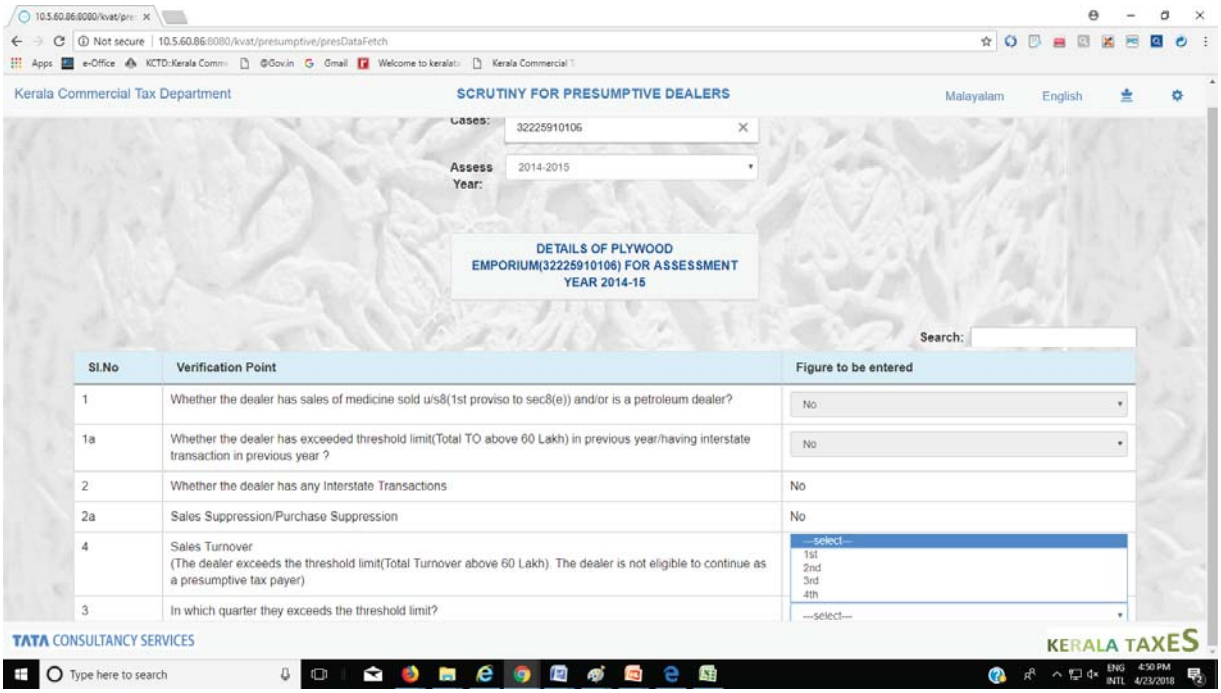
Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.



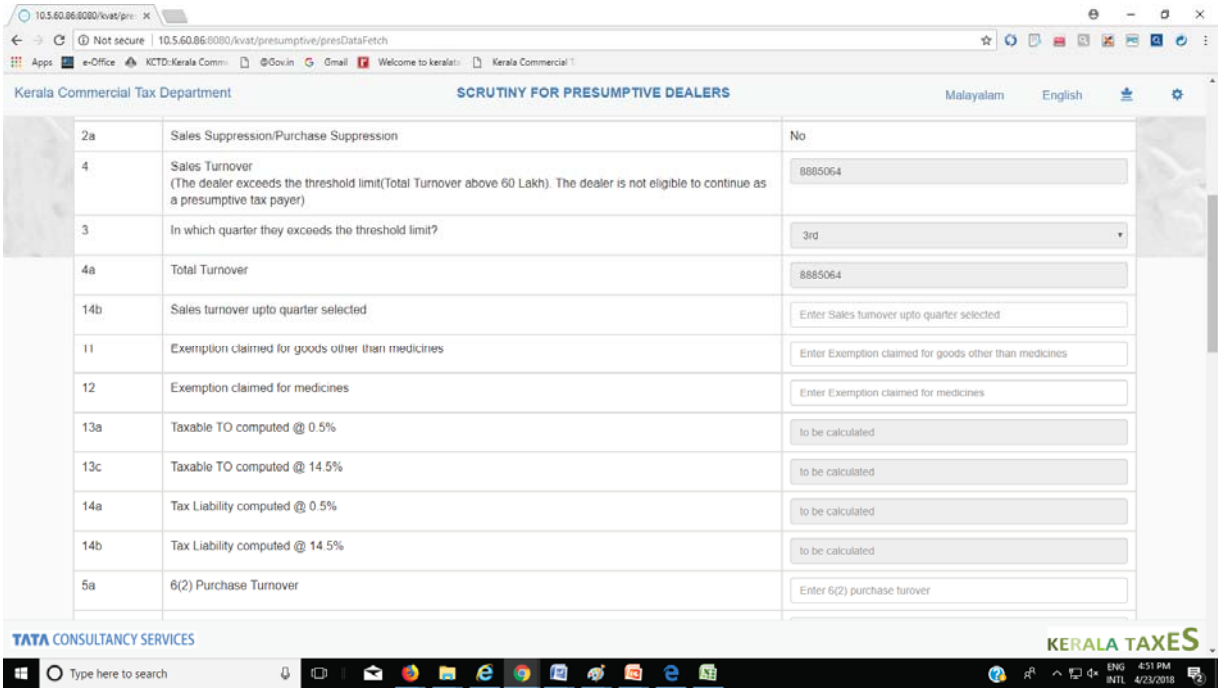
l) Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

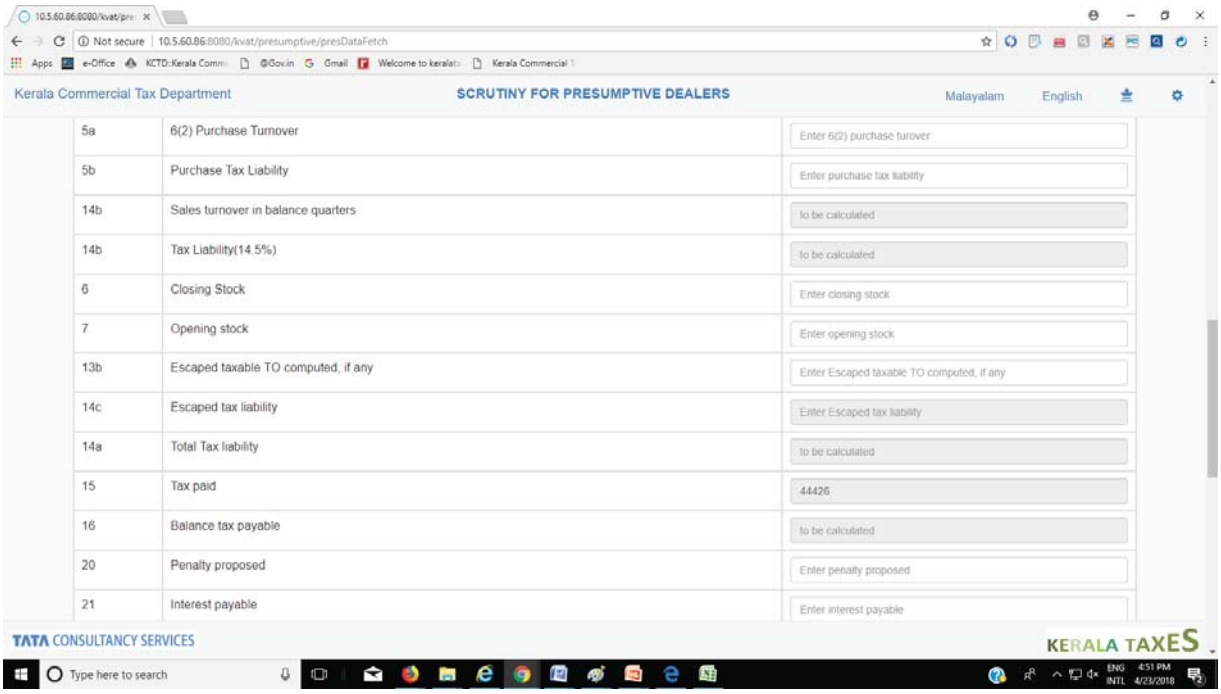
Interstate transaction, No

Purchase/ Sales suppression **No** and Total Turnover **above 60 Lakhs**.

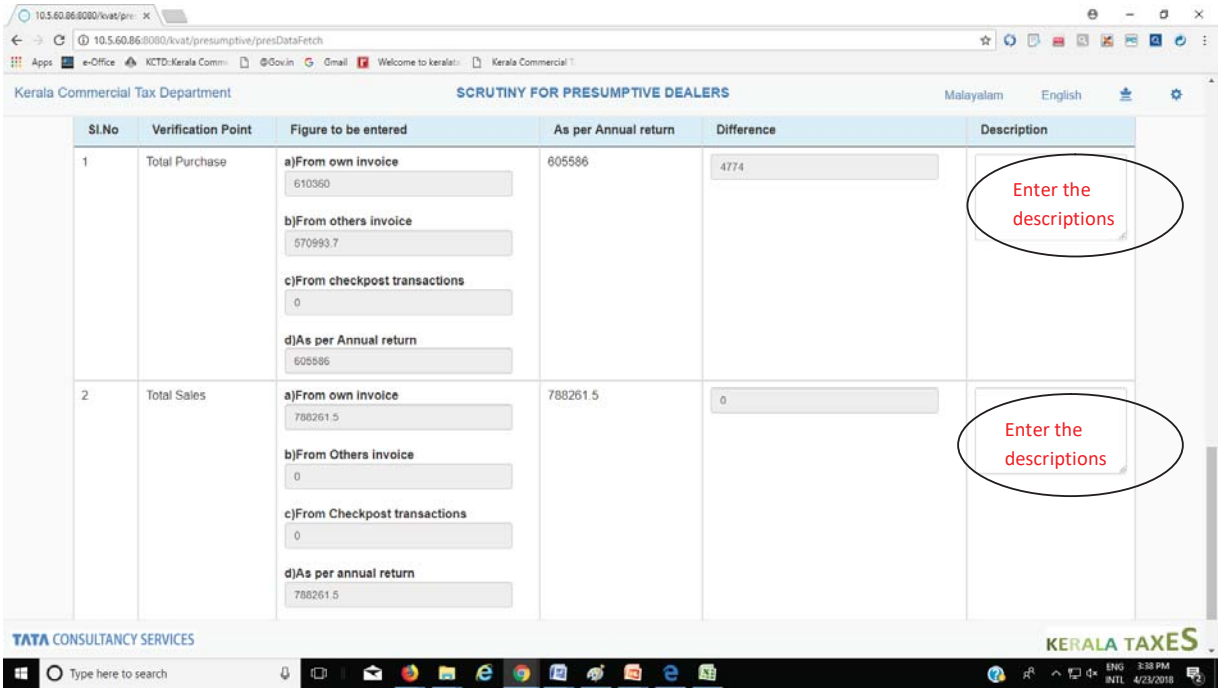


First enter in which quarter he has exceeded the threshold limit.(Total Turnover 60Lakhs)





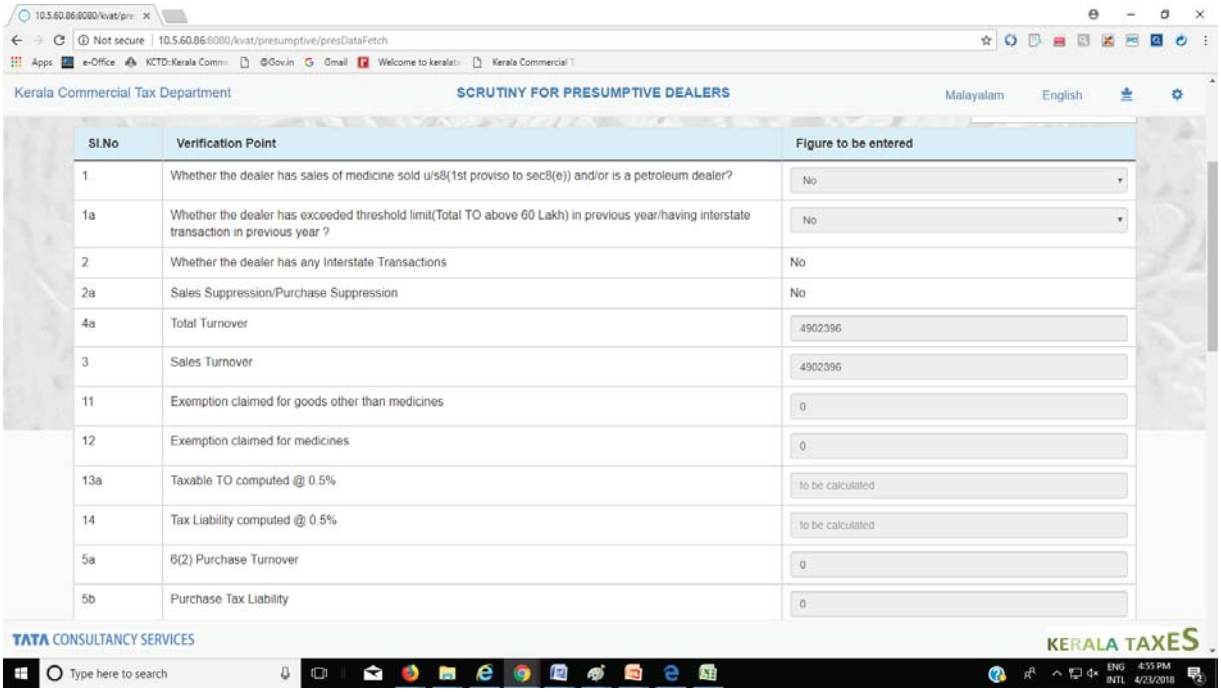
Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.

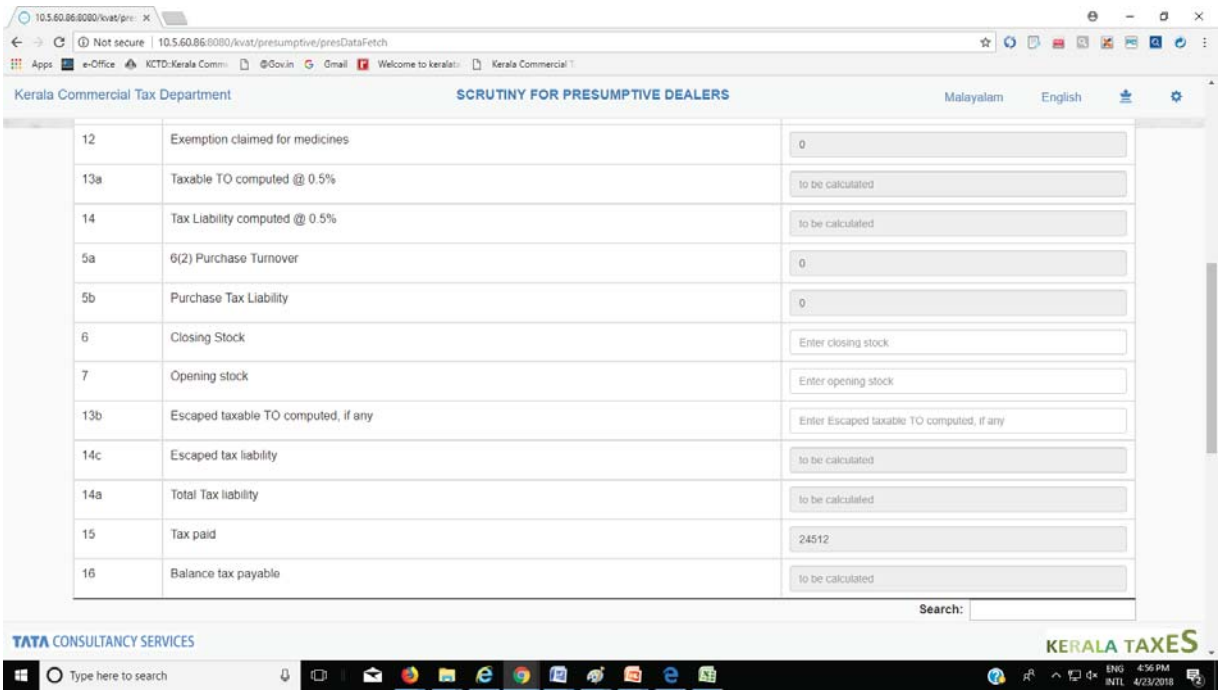

Kerala Commercial Tax Department
SCRUTINY FOR PRESUMPTIVE DEALERS
Malayalam
English
Sl.No
Verification Point
Figure to be entered
As per Annual return
Difference
Description
1
Total Purchase
a)From own invoice
610360
b)From others invoice
570993.7
c)From checkpost transactions
0
d)As per Annual return
605586
605586
4774
Enter the descriptions
2
Total Sales
a)From own invoice
788261.5
b)From Others invoice
0
c)From Checkpost transactions
0
d)As per annual return
788261.5
788261.5
0
Enter the descriptions
TATA CONSULTANCY SERVICES
KERALA TAXES

J) Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

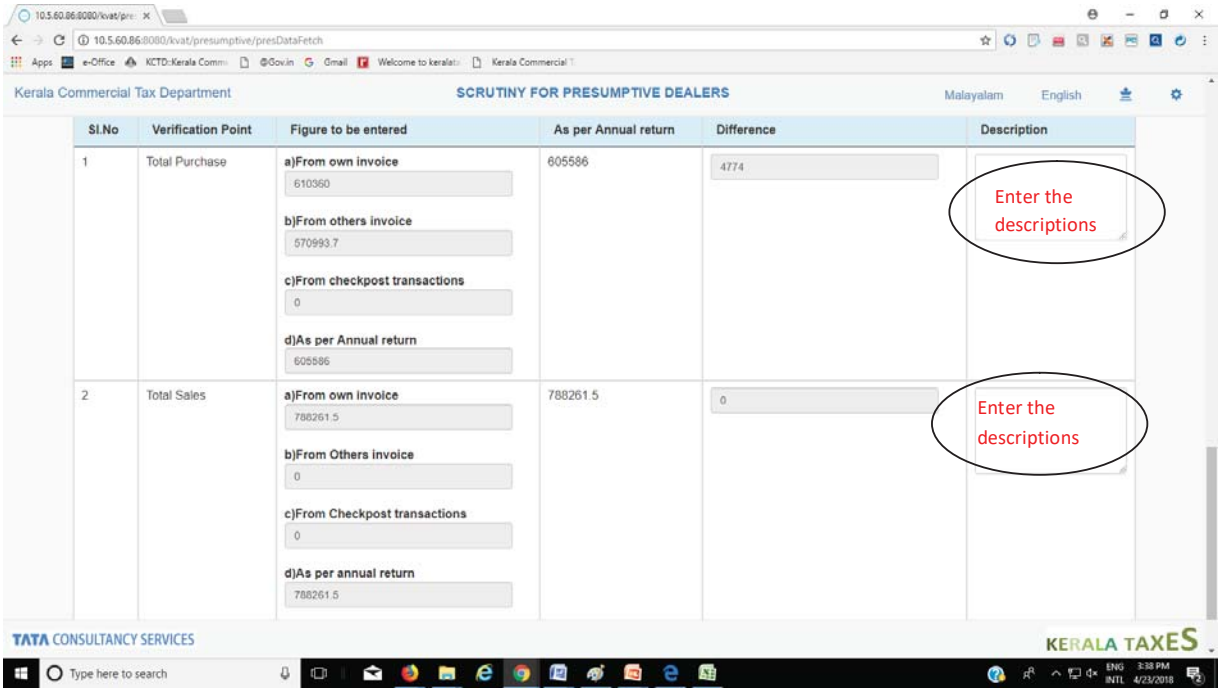
Interstate transaction, **No**

Purchase/ Sales suppression **No** and Total Turnover **below 60 Lakhs above 20 Lakhs**.





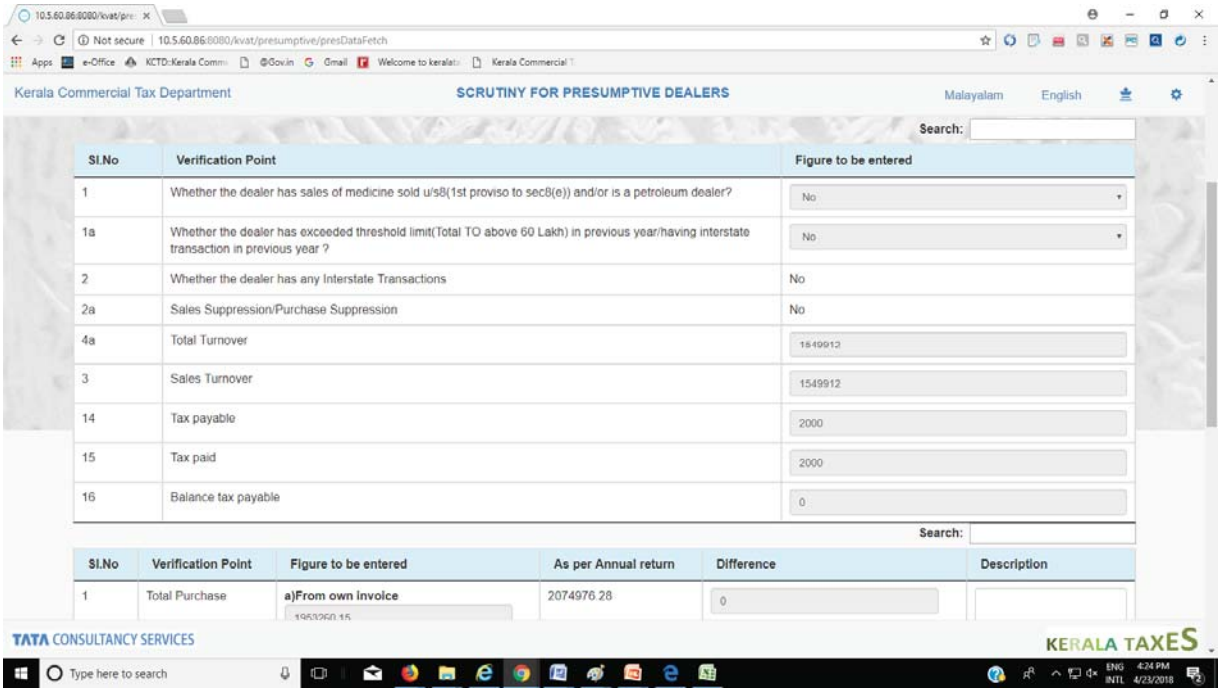
Fill the columns accordingly. While computing the total sales turnover, stock analysis should also be considered along with sale/purchase suppression aspect.



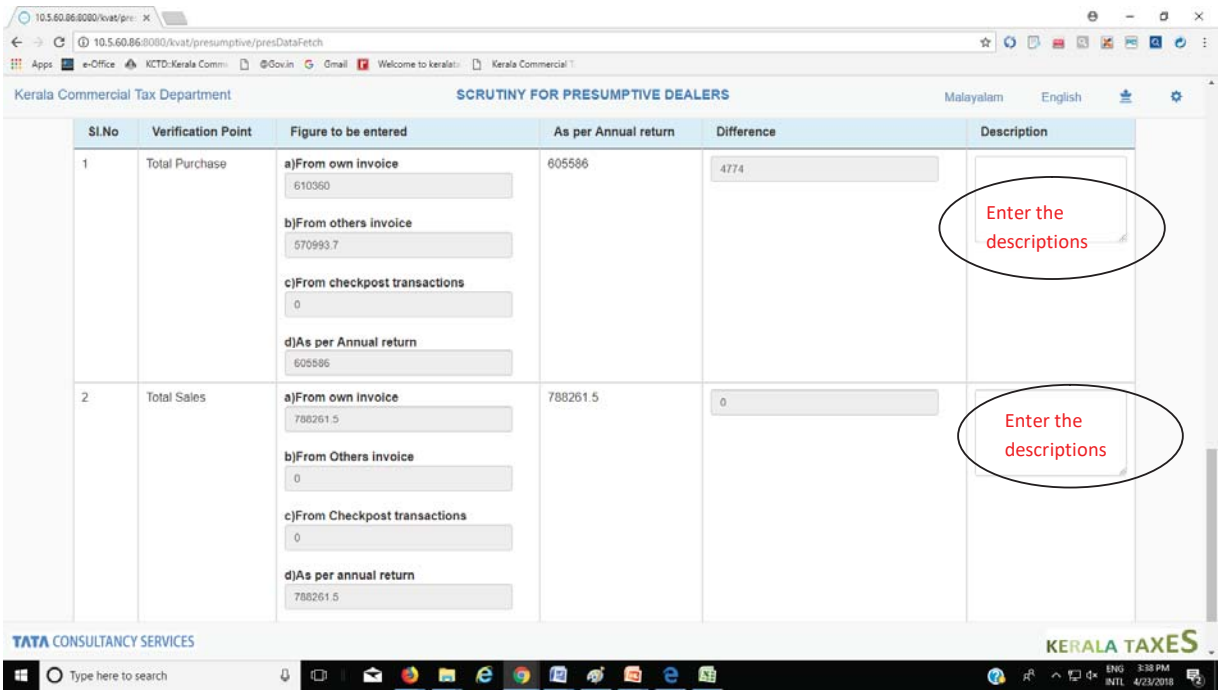
K) Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

Interstate transaction, **No**

Purchase/ Sales suppression **No** and Total Turnover **below 20 Lakhs above 10Lakhs**.



If the assessing authority found any stock suppression, the assessment should be completed accordingly.


Kerala Commercial Tax Department
SCRUTINY FOR PRESUMPTIVE DEALERS
Malayalam
English
Sl.No
Verification Point
Figure to be entered
As per Annual return
Difference
Description
1
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a)From own invoice
610360
b)From others invoice
570993.7
c)From checkpost transactions
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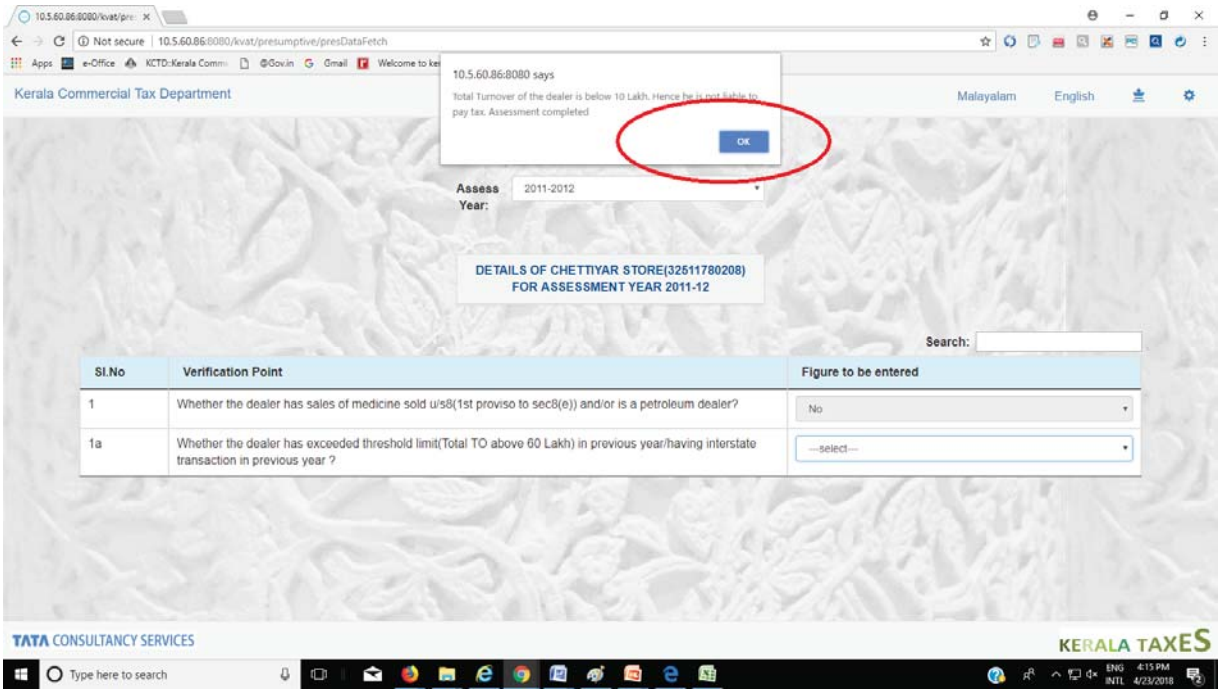
d)As per Annual return
605586
605586
4774
Enter the descriptions
2
Total Sales
a)From own invoice
788261.5
b)From Others invoice
0
c)From Checkpost transactions
0
d)As per annual return
788261.5
788261.5
0
Enter the descriptions
TATA CONSULTANCY SERVICES
KERALA TAXES

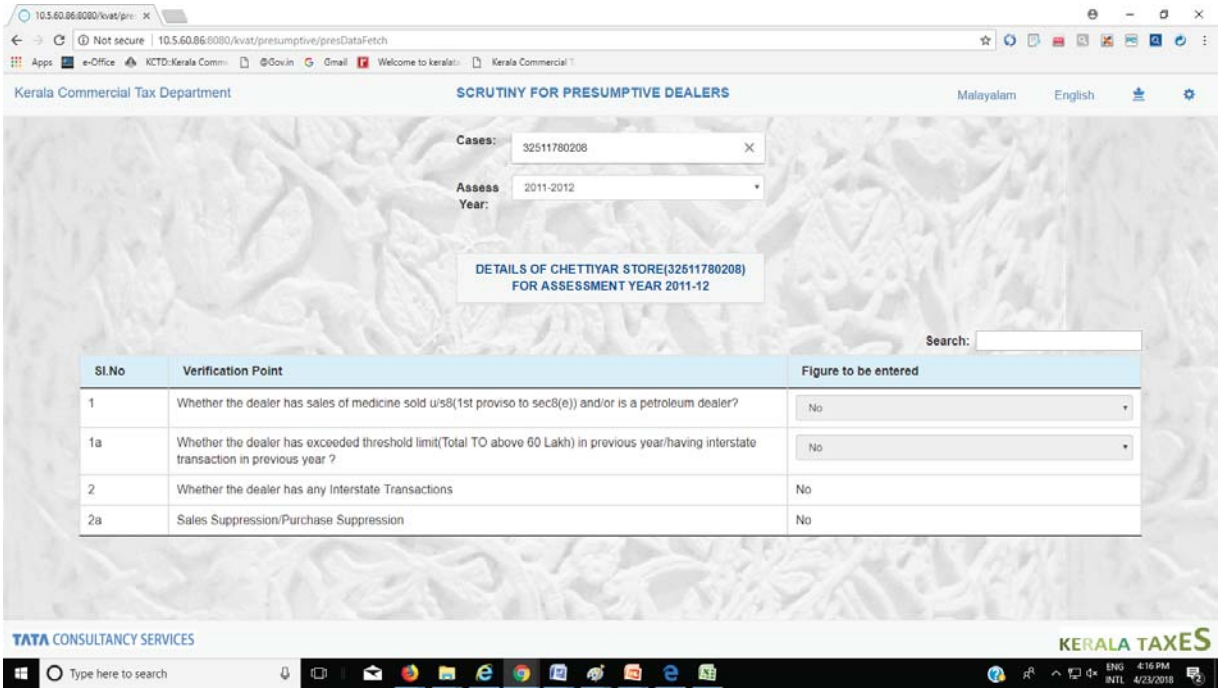
L) Whether the dealer has exceeded threshold limit(Total TO above 60 Lakh) in previous year/having interstate transaction in previous year ? **No**

Interstate transaction, **No**

Purchase/ Sales suppression **No** and Total Turnover **below 10 Lakhs**.

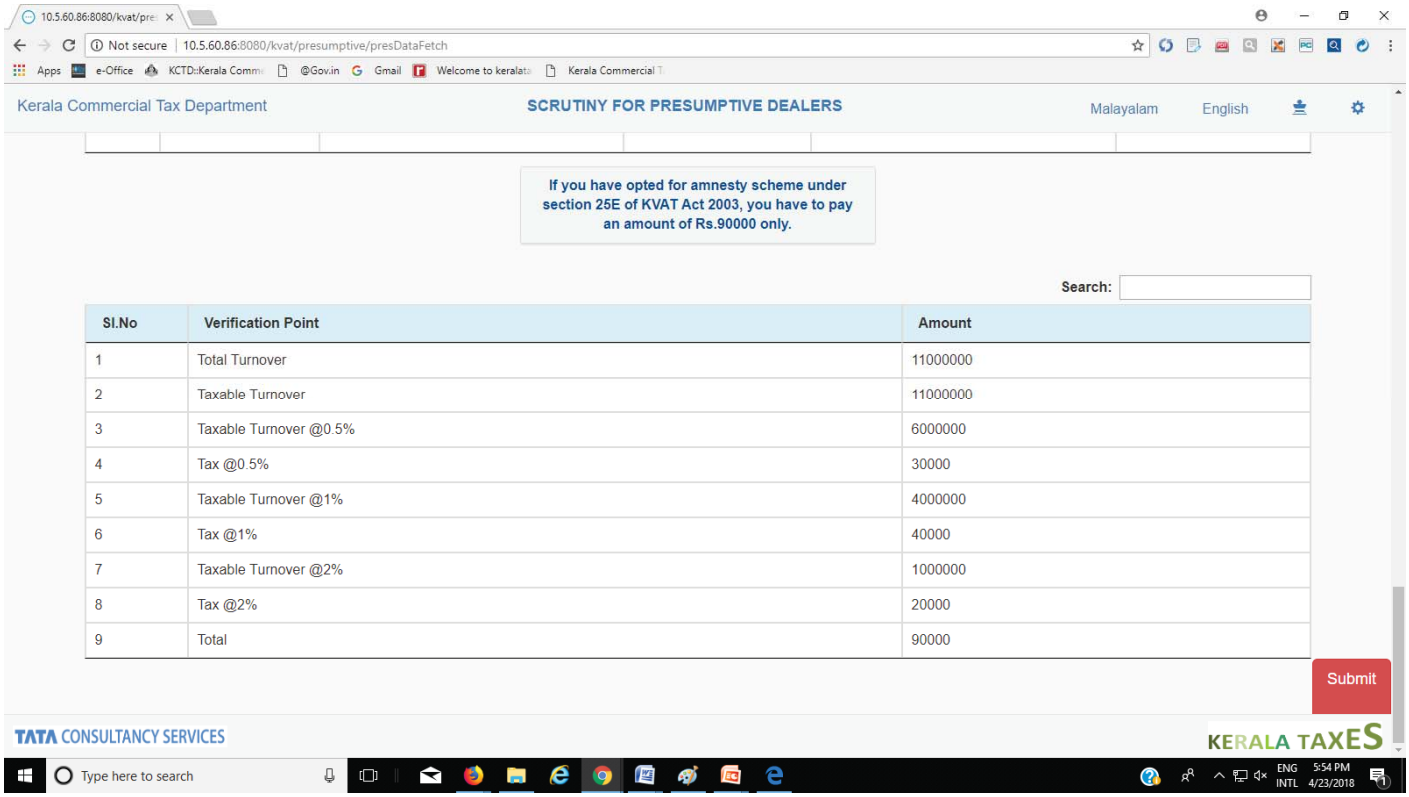


Enter Ok button

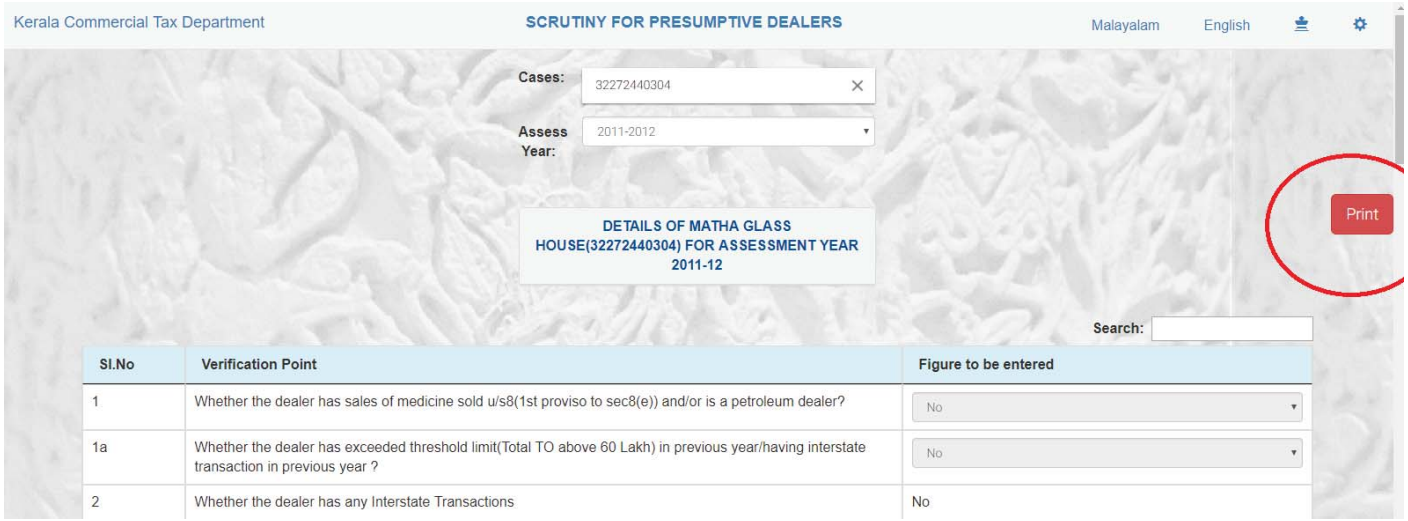


The scrutiny is completed.

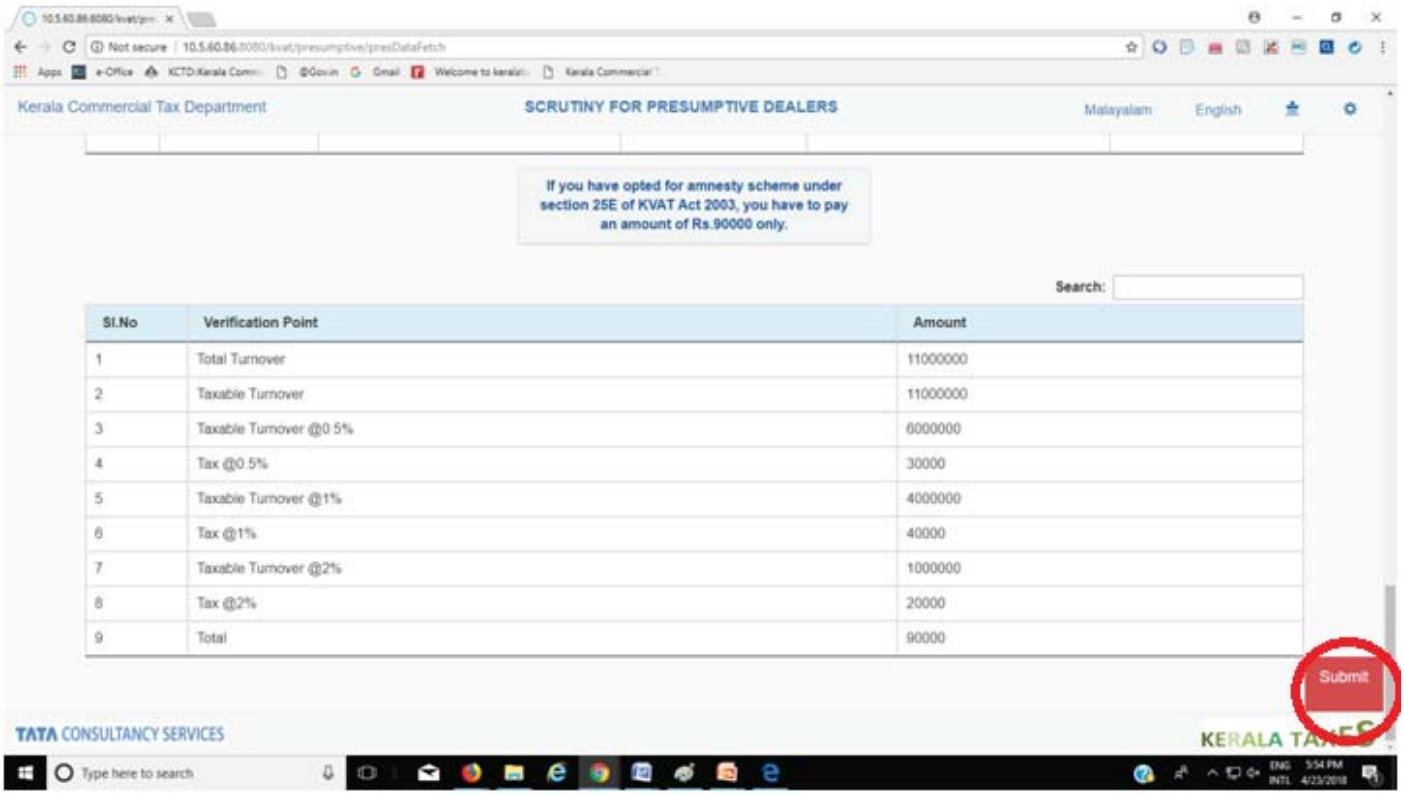
If the dealer is eligible to get amnesty under section 25E in an assessment year , details of amnesty amount is shown in the last portion of the scrutiny report itself



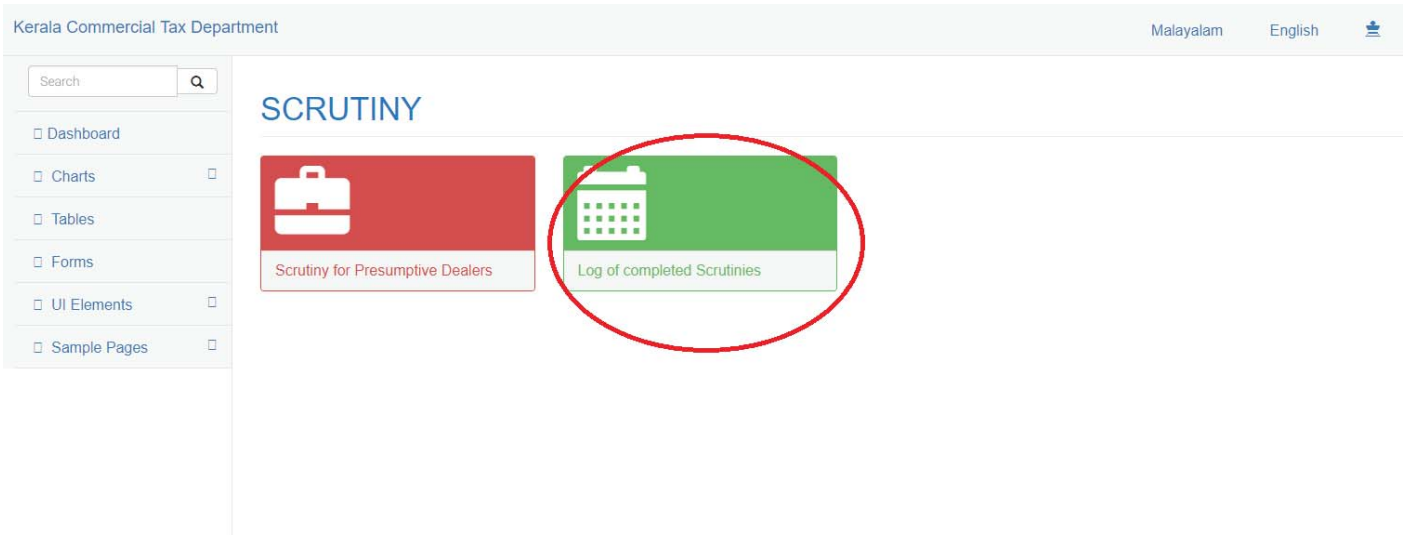
After completing the scrutiny, Take print out of the scrutiny report, before submission.

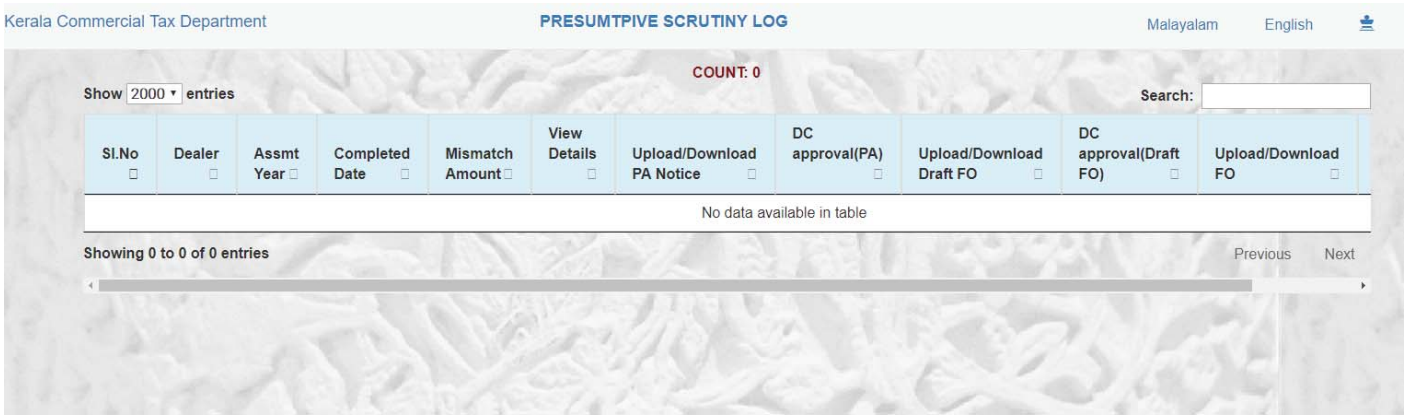


After taking print out, Enter submit button.



Details of completed cases can be seen in Log of completed scrutiny report.





Should you require any clarifications send the email on ScMpt.ctd@kerala.gov.in