

**CIRCULAR No. 16/07**

Sub:- Kerala Value Added Tax Act,2003 – Tax administration – transfer of files between Special Circles and Ordinary Circles- instructions issued-reg.

The intention of creating Special Circles is to get senior officers in the Department to handle files with greater revenue importance. With efflux of time the revenue potential of dealers has undergone change, so that at present a considerable number of dealers with high revenue potential are being handled in Ordinary Circles while some files with low revenue potential are continuing in Special Circles.

So in the interests of better tax administration it is found imperative to have a re-arrangement of files between the Special Circles and Ordinary Circles. The following instructions are issued in this regard:

1. Effective 1-4-07, files relating to dealers paying tax of five lakhs rupees and above in a year (2006-07) and those relating to exporters will be handled by Special Circles. All other cases, including Iron & Steel, Chicken, Hill Produce, etc. will go to the Ordinary Circles in case the tax payment is less than Rs.5 lakhs. Works Contract files will also continue with the present assessing officers.
2. The transferred files will be assigned new TIN. On getting the files, assessing authorities in the receiving offices shall forthwith take steps for issuing the new TIN to such dealers and cancel old registrations. This shall be done within three days on getting the files so that the dealers shall not be put to any inconvenience owing to the transfer of files.
3. It is also noticed that a uniform pattern of assigning numbers for presumptive tax dealers and CST holders has not been adopted. So the pattern of assigning registration numbers has to be rationalized.

4. Effective 1-4-07, all Presumptive Tax Dealers will have a prominent **P** added after their Identification Number to indicate that he/she is a Presumptive Tax Dealer.
5. Similarly, the practice of giving separate CST registration numbers to those registered under the CST Act will also be dispensed with, and a prominent **C** will be added after their TIN to indicate he/she is a CST registration holder.
6. While transferring the files, the dealers shall be informed immediately by their new assessing officer.
7. The transfer and assigning of new numbers shall be completed latest by 30<sup>th</sup> of April, 2007, the period statutorily fixed for renewal of the registration of the year 2007-08 under section 16(7) of the said Act read with Rule 17(17) of KVAT Rules, 2005.
8. On getting the renewal application along with the prescribed fee from registered dealers this year, Registration Certificates shall be handed over to the dealers if their Application for Registration in Form 1/1A is available in office in complete shape; in case all details are not available, Form 1/1A should be got filled up afresh along with accompanying enclosures, and only thereafter should the Registration Certificates be handed over.
9. Care should be exercised in getting the details filled up. The completed application forms shall be consolidated and sent to the Nodal Officer of the Tvm/Ekm/Kzd Regional Data Entry Centre (DC Tvm/Ekm/Kzd respectively).
10. Dealers will not be permitted after the 31<sup>st</sup> of May 2007 to do business without having a copy of their Registration Certificate.

All supervisory officers shall see that the above instructions are strictly complied with by all officers under their jurisdiction without fail.

COMMISSIONER