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Sub:- Revival of return data entry in KVATIS in the revised return format – capturing of advance tax and ITC on capital goods against form 25-B details – Release of Revised Return Format - backlog entry - reg.

(1) As per SRO 7/2008, the return formats have been revised. The revised return formats were enforced w.e.f 1st April, 2008. Due to certain technical issues the revised formats were not provided in KVATIS. So E-filers were permitted to file manually prepared return during these periods. Now, the revised return formats are ready for release in KVATIS. The modifications are made in such a way to minimize manual intervention to the least possible so as to ensure that the system is streamlined and it reflects the correct and complete data of the dealers in respect of their declared business transactions. As part of these modifications, the credits summery of the dealer will be generated by the system automatically, based on the primary inputs so that there will be no room for manipulation or human errors.

(2) KVAT Act envisages collection of advance tax on certain commodities. So far advance tax certificates were given manually by the assessing authorities or check posts, as the case may be. Further, the dealer is entitled to claim ITC on capital goods in installments based on the Form 25-B certificates. In order to synchronize these procedures with the said modifications and to update the database the following instructions are issued;

(a) The backlog return data entry shall begin from the "Return period of April, 2008" on wards continuously in order both in the case of e-filers and the routine return data entry done in the assessment offices.
 (b) It is proposed to provide Advance tax entry facility in the KVATIS with effect from 1st September, 2008 and thereafter all advance tax payment certificates are to be generated through KVATIS which will automatically fetch in the return module of the respective dealer. Where, in any circumstances advance tax have been collected without generating certificate from KVATIS, the assessing authorities shall enter such details in the advance tax module in the respective month itself on the basis of the cash receipt or chalans filed before him either by the dealer or from any other authorities in the department so that

the dealer can get credit on such payments in the respective month itself.

(c) As Advance Tax details need to be reflected in the dealer's account while entering return particulars (both in e-Filing and in assessment office),the backlog details starting from April 2008 has to be entered in KVATIS with high priority so that the e-filers can view this details while e-filing.   At present facility for entering the advance tax remittance details at assessment offices for capturing the backlog details has been provided in KVATIS. The backlog details of advance taxes paid by the dealers from 1st April, 2008, whether at the assessment offices or at check posts are to be entered in the system from the assessment offices immediately.

(d) Likewise monthly credit on ITC on capital goods eligible for set off sanctioned against Form 25B will be automatically generated by the system based on the one time input of primary data. An input screen for capturing the backlog details has been released in KVATIS. For this, the ITC availed, current Installment No and the balance amount has to be entered with respect to the March 2008 return (submitting on April 2008).   Thus, the system will calculate month wise installments for subsequent months automatically. These data has to be entered in the system with high priority using the said screen immediately so that the e-filers can view this details while e-filing their returns.

(e) E filers should file the hard copy of returns for July '08 as done for the earlier return periods of 2008 and should file the e returns normally from the return period August 2008. They should complete the backlog return entries before the due dates of the return period of August 2008.

Any wrong entries in the above fields will generate wrong outputs in the monthly returns and so the genuineness of the data entered shall be ensured. Both the e-filers and the assessing authorities concerned.

The detailed operational procedures in this regard will be issued by ITMC.

All concerned are directed to see that the above instructions are complied with.

Commissioner