

Circular No. 45/2014
Q1/27906/2014

Office of the Principal Secretary/
Commissioner of Commercial Taxes,
Chepauk, Chennai – 5.

Dated 7.10.2014

**Thiru K. RAJARAMAN, I.A.S.,
Principal Secretary/Commissioner of
Commercial Taxes,
Chepauk, Chennai – 600 005.**

Sub : SOTR meeting convened by the Chief Secretary on 19.9.2014 –
Instruction to inspect the places of business of non-filers – Reg.

1. In the SOTR meeting convened by the Chief Secretary on 19.9.2014, the Finance Secretary directed that action should be taken to inspect the premises of all non-filers to verify whether they are doing business at the registered place of business and to determine their tax liability.
2. Taking into consideration of the available limited resources, the following instructions are issued to comply with the Government directions:-
 - (i) In every Circle, one non-filer should be chosen by the Joint Commissioner, Enforcement in his/her jurisdiction, applying the following criteria for inspection:
 - a) The dealer should be an assessee, i.e. either they should have tax liability or claimed ITC in the previous months.
 - b) The place of business of the dealer should not have been audited or inspected within the past period of 6 months.
 - c) First time defaulter should not be included.

- d) The dealers who carried out ITC in the previous months, but failed to submit Annexure-V along with Form-I return, should be given top priority.
- e) The non-filers who fail to respond to the notices issued for filing the returns should be given top priority.
- (ii) The list of non-filers, one for each Assessment Circle should be taken on the first working day of every month and the inspection may be organized on the 2nd and 3rd working day of the month.
- (iii) The inspection should not exceed one day. The proposal based on the inspection should be evolved immediately and sent by e-mail to the Assessing Officer directly with copy marked to Enforcement and Territorial Deputy Commissioner and Joint Commissioner within first week of the month.
- (iv) The proposal should lead to make the provisional assessment of the dealer for the month for which the return is not filed and any other tax liability/ITC reversal relating to the year.
- (v) The Assessing Authority should issue notice based on such proposal and pass orders before the expiry of the month.
- (vi) By organizing such inspection and making provisional assessment, a deterrent and clear message should go to all the assesseees that if they fail to file monthly return in time, they may have to face the visit and inspection by the Enforcement Wing Authorities.
- (vii) At the end of every month, the Joint Commissioner(Enf.) should send a compliance report in the following format:

Sl.No.	Name and Address of the dealer	TIN No.	Date of Inspection	Brief Remarks on result of inspection
(1)	(2)	(3)	(4)	(5)

(viii) In the first week of every month, the Territorial Joint Commissioner should send the following report:

Total number of non-filers in the previous month	Number of dealers inspected by the Enf.Wing	Number of proposals received	Number of proposals implemented	Total demand raised	Demand collected	Balance demand to be collected
(1)	(2)	(3)	(4)	(5)	(6)	(7)

3. The receipt of this circular may be acknowledged at once and similar acknowledgements may be obtained from the subordinate officials.

Sd/- K. Rajaraman
Principal Secretary/
Commissioner of Commercial Taxes

To

All the Joint Commissioners, Enforcement and Territorial.

Copy to:

1. All the Additional Commissioners, O/o.PS/CCT, Chepauk, Chennai – 5.
2. The Joint Commissioner (Admin), O/o.PS/CCT, Chepauk, Chennai – 5.
3. The Deputy Commissioner (GS), O/o.PS/CCT, Chepauk, Chennai – 5.
4. All the Joint Commissioners (CT), Deputy Commissioners (CT) & Assistant Commissioners(CT), O/o.PS/CCT, Chepauk, Chennai – 5.
5. The Joint Commissioner (Computer Systems), Chennai – 6 for uploading in the internet and intranet websites.
6. The Director, Commercial Taxes Staff Training Institute, Chennai – 6.
7. Stock File/Spare

/Forwarded by order/

Deputy Commissioner(SMR)