

TRADE CIRCULAR

No. VAT/Refund-Return/ACST (VAT-2)
Trade Circular No. 7 T of 2013

Mumbai Dated: - 21/10/2013

Sub.:- Correction of mistakes made by the dealers or miscellaneous refunds of excess payment of taxes...

Ref: - Trade Circular No. 17T Dated 25.11.2011.

The payment of tax under MVAT Act, 2002 and CST Act, 1956 by way of e-payment was made mandatory from March, 2011. It has been reported to this office by some of the dealers and the Banks that they made certain mistakes while making e-payment. They had accordingly approached this office for rectification of the said mistakes. Considering the difficulty faced by the dealers and the Banks, a procedure for correction of such mistakes was laid down vide Trade Circular No. 17 T of 2011 Dt. 25.11.2011 keeping in view of the administrative requirements the procedures enunciated in the said circular are being modified as under :

1. Correction of the mistakes of the dealers in making payment of taxes:

a) Payment made against Wrong TIN -

In the case where the dealer has mentioned incorrect TIN while making the e-payment, the application for correction shall be made by the dealer to the concerned **Deputy Commissioner of Sales Tax, Returns and Recovery Branch**. Along with the application the dealer shall submit a photocopy of the relevant challan and (where ever applicable) a No Objection Certificate (N.O.C) as per **annexure A** from the dealer whose TIN was wrongly mentioned while making the e-payment. A format of the requisite N.O.C is enclosed with this circular. An opportunity of hearing will be allowed to the applicant. In eligible cases the



necessary correction will be made by the concerned **Deputy Commissioner of Sales Tax, Returns and Recovery Branch.**

b) Payment made by mentioning wrong period or wrong Act-

- i) In the case where the dealer has mentioned incorrect period and/or the incorrect Act while making the e-payment, the application for correction shall be made by the dealer to **the concerned Return and Recover Branch officer or to the officer before whom any proceedings of the said dealer are open.** An opportunity of hearing will be allowed to the applicant. After due verification and confirmation the concerned officer i.e. the DC, AC or the STO, as the case may be, shall make necessary corrections in the Mahavikas.
- ii) In the cases where department itself has noticed such incorrect data entry then the **concerned officer** shall make necessary corrections in the Mahavikas in appropriate cases.

The corrections as per i) and ii) above need not be authenticated by the supervisory officer.

c) Double payment of taxes by the dealer -

Where the dealer has made double payment of taxes then the dealer shall make application/for refund of excess amount at the end of the year containing the period for which the payment was made twice to the respective **Joint Commissioner of Sales Tax (Refund) or Concerned Joint Commissioner of Sales Tax (VAT-ADM).** Such application will be treated as miscellaneous refund application and will be taken up for disposal on priority.

2. Amount paid by the dealer but not available on Mahavikas :

If a dealer has paid the tax amount in the form of physical challan but the said challan is not available on Mahavikas then in such cases the said challan amount needs to be certified by the concerned Bank and also needs to be confirmed by the Treasury Bank (RBI/SBI/SBH). After confirmation from the Treasury Bank the challan may be uploaded by the concerned officer on Mahavikas with prior approval of immediate controlling supervisory authority.

3. Procedure to be followed in the cases of excess e payments made by the banks :

Dealers make e payment of taxes in the authorized Banks and the Banks in turn remit these payments to the Reserve Bank of India (R.B.I). Some of the Banks have informed the Department that they have made excess payments to the R.B.I. than what has been paid by the dealer to them and have applied for refund of the amounts paid in excess by them. It is made clear that such excess paid amounts will not be refunded by the Department. The Banks shall follow the following procedure, as may be applicable, in their case, for the refund of excess amount remitted by them to the R.B.I.

a) e payment remitted twice by the Bank to the R.B.I.:

If the Bank has remitted e- payment of a particular amount in respect of a particular TIN for a particular period and by mistake has again remitted the same amount on the same TIN for the same period then it shall apply to the **Joint Commissioner, Returns and Recovery Branch, Mumbai** for N.O.C. by the Department to be issued to the Pay and Accounts Officer for refund of the excess amount. The Joint Commissioner of Sales Tax Returns and Recovery Branch, Mumbai shall confirm the fact and in due cases shall freeze the challan related to latter of the two payments in Mahavikas. Subsequently he/she shall issue N.O.C. to the Pay and Accounts Officer for appropriate action in respect of the refund of the excess amount paid by the Bank.

b) e payment remitted in excess by the Bank to the R.B.I.:

If the Bank has remitted excess amount to the R.B.I. than what has been paid by the dealer then it shall apply to the **Joint Commissioner of Sales Tax Return Branch, Mumbai** for N.O.C. The Joint Commissioner of Sales Tax Returns and Recovery Branch Mumbai shall confirm the facts and make necessary changes in Mahavikas with prior approval of the **Additional Commissioner of Sales Tax, Returns and Recovery Branch, Mumbai**. Subsequently, he shall issue N.O.C. to the Pay and Accounts Officer for appropriate action in respect of the refund of the excess amount paid by the Bank.

- c) **Uploading of the e payment scroll on the web site www.mahavat.gov once but remittance to the R.B.I. made twice by the Bank :**

If the Bank has uploaded e payment scroll on the web site www.mahavat.gov once but has remitted the e payment scroll amount twice to the R.B.I. then it shall apply to the Joint Commissioner of Sales Tax Returns and Recovery Branch Mumbai for N.O.C. who shall confirm the facts and issue N.O.C. to the Pay and Accounts Officer for appropriate action in respect of the refund of the excess amount paid by the Bank.

The N.O.C. to be issued by the department in all the cases as per a),b) and c) above, to the Pay and Accounts Officer shall be in the format as per Annex B.

This circular cannot be made use of for legal interpretation of provisions of law as it is clarificatory in nature. If any member of the trade has any doubt, the same may be referred to this office for further clarification. You are requested to bring the contents of this circular to the notice of all the members of your association.



**Commissioner of Sales Tax,
Maharashtra State, Mumbai**

No. VAT/Refund-Return/ACST (VAT-2)

Trade Circular No. 7 T of 2013

Copy forwarded to:-

1. The Special Commissioner of Sales Tax.
2. All the Addl. Commissioner of Sales Tax.
3. All the Joint Commissioner of Sales Tax.
4. All the Dy. Commissioner of Sales Tax.
5. All the Asstt. Commissioner of Sales Tax.
6. All the Sales Tax Officers.

Mumbai Dt: - 21/10/2013



**Addl. Commr of Sales Tax (VAT-2),
Maharashtra State, Mumbai.**

Annexure A

NO OBJECTION CERTIFICATE

This is to certify that the payment of Rs _____ for the period _____ to _____ is made as e-Payment on _____ (day) through the bank _____ branch _____ against TIN _____ against VAT / CST. However, the said payment is not made by me.

Hence, I have no objection to withdraw credit from my TIN viz., _____ and adjust / refund of said payment to whom so it may concern.

(Signature) Stamp / Seal

Date :-

(Name of the dealer / Authorized Signatory)

Place :-

TIN :-

Annexure B

NO OBJECTION CERTIFICATE

No : STO/RET Br/ /B- ,Mumbai Dt :

This is to certify that M/s _____ (Name and place of the Bank) has informed this office that it has

- a) Remitted Rs. _____ in excess to the R.B.I. than paid by M/s holder of TIN _____ for the period _____ to _____ on account of the double payment or the excess payment.
- b) Remitted more amount to the R.B.I. on account of more than once uploading of the scroll (Details attached).

I have verified the relevant details and have no objection for the refund of the amount which is found to be paid in excess by M/s. _____ holder of the TIN _____ to the R.B.I. on account of (a) / (b) above.

Joint commissioner of Sales Tax,

Return and Recovery Branch, Mumbai

Seal :

Date :

Place :