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PUNJAB STATE TRANSMISSION CORPORATION LIMITED

Regd. Office: PSEB Head Office, The Mall, Patiala.
(O/O Financial Advisor, Budget Section)
3rd Floor, Shakti Sadan, Opp Kali Mata Mandir, Patiala.
Phone/fax No. 0175-2206523.

F.R. Circular No.:- 1/2013

To

1. All Er.-In-Chiefs/Chief Engineers, PSTCL.
2. CAO/Corporate Accounts & FA, PSTCL.
3. All Dy. CEs/SEs, PSTCL.
4. All Dy. CAOs/Dy. FAs, PSTCL
5. Company Secretary, PSTCL
6. All Addl. SEs/Sr. Xens, PSTCL.
7. All AOs/PSTCL.

*Se Xen / Technical Audit
(Civil)
PSTCL, PTA.*

Memo No. 1479/1590 / FR- 40

Dated: 14-06-2013

Subject: Guidelines regarding the Service Tax-Voluntary Compliance Encouragement Scheme (ST-VCES) - 2013.

Government of India vide Chapter VI of The Finance Act-2013 has introduced Service Tax - Voluntary Compliance Encouragement Scheme 2013. A notification no 10/2013-Service Tax dated 13th May 2013, containing the procedure for adoption of the scheme, has been issued.

PSTCL has already issued guidelines for proper compliance of Service Tax provisions vide FR circular no. 2/2012 dt. 03.10.2012. Apart from other requirements, DDOs are required to take Service Tax registration, to deposit Service tax and to file returns as per the provisions of Finance Act and Service Tax rules.

Currently most of the DDOs have taken the registration, deposited the Service Tax and furnished the return with the concerned department. In some cases, there may be default in taking Service Tax registration and depositing the Service Tax. In such cases, they are advised to avail benefits under the subject cited scheme by submitting declaration on the prescribed format (VCES-1) to the Designated Authority. Salient features of the scheme are as under :-

Applicability:

1. This scheme is applicable for the service tax (including cess) due or payable during the period 1st Oct. 2007 to 31st Dec. 2012, but not paid till 1st Mar. 2013.
2. This scheme is applicable to all the DDOs of PSTCL who are making or are supposed to make the payment of Service tax as Service provider or Service receiver.
3. This scheme is applicable even if any DDO has not taken the registration of Service Tax or has taken the registration late.

Diary No. 366 /Dy. CE/IT & TA

Dated 21/6/13

Ineligibility:

1. If a notice or an order of determination under section 72 or section 73 or section 73A of the Finance Act has been issued or made before the 1st day of March, 2013 to any DDO, then he/she becomes ineligible under this scheme.
2. If any DDO has furnished a Service Tax Return and disclosed true liability but not paid the disclosed amount of service tax or a part thereof, he/she shall not be eligible to make declaration for the period covered by the said return.
3. Similarly where a notice or an order of determination has been issued to any DDO in respect of any period on any issue, no declaration shall be made by such DDO of his Tax dues on the same issue for any subsequent period.

Benefits:

1. Immunity from the levy of penalty, interest or any other proceedings under the Finance Act.
2. To avail the benefit specified in above para, tax dues declared under the ST-VCES, 2013 can be paid in two installments without payment of Interest. First installment not less than 50% on or before 31st Dec. 2013 and balance in second installment on or before 30th June 2014.

Procedure:

1. The eligible DDOs under this scheme will have to take the registration of Service tax (if not already taken) before opting this scheme.
2. A declaration in Form VCES-1 (Annexure -A) in duplicate has to be submitted to the respective Service tax designated authority on or before 31st Dec 2013 and take acknowledgement of declaration in Form VCES-2 (Annexure -B).
3. The calculation sheet as exist in Part B of Form ST-3 i.e. Service tax half yearly return can be used for calculating the Tax dues (returns period wise and service wise).
4. Deposit first installment of Tax dues not less than 50% on or before 31st Dec. 2013 and balance in second installment on or before 30th June 2014.
5. DDOs are required to obtain the Acknowledgement of discharge in Form VCES-3 (Annexure -C) that shall be issued by the tax authority after receiving the total tax dues.
6. The amount deposited under this scheme is non-refundable.
7. Where a DDO fails to pay the Tax dues, either fully or in part, as declared by him, such dues along with interest thereon shall be recovered under the Provision of Section 87 of the Chapter.

8. Where the Commissioner of Central Excise has reasons to believe that the declaration made by a declarant under this scheme was substantially false, he may, for reasons to be recorded in writing, serve notice on the declarant in respect of such declaration requiring him to show cause why he should not pay the tax dues not paid or short-paid.

9. Any Service Tax which becomes due or payable by the declarant for the month of January, 2013 and subsequent months shall be paid by him in accordance with the provisions of the Finance Act along with applicable interest for delay in payment thereof.

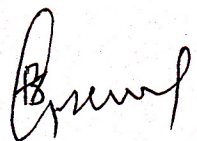
If anything remains unpaid by 30th June 2014, it can be paid alongwith applicable Interest upto 31st Dec 2014. In case it is paid after 31st Dec 2014, then penalty will also be leviable alongwith interest.

The above instructions are in the nature of guidelines to implement the provisions of Govt. of India, Finance Ministry's notification no.10/2013 dt. 13.05.2013 and Chapter VI of Finance Act. If at any point there is any contradiction with the rules/provisions of the ST-VCES 2013, then instructions as contained in notification no.10/2013 dt. 13.05.2013 and chapter VI of Finance Act shall have overriding effect.

All the DDOs are advised to visit the www.cbec.gov.in, www.servicetax.gov.in sites for any further clarification.

This issues with the approval of competent authority.

DA/As above


Accounts Officer/Budget,
For Financial Advisor,
PSTCL, Patiala.

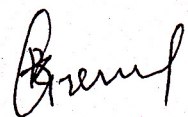
Endst No: 1594/96 /FR-40

Date: 14-06-2013

Copy of the above is forwarded to the following for information please:-

1. Sr. PS to CMD/ PSTCL, Patiala.
2. Sr. PS to Dir./Admn., PSTCL, Patiala.
3. Dy. Secy. to Dir./Technical, PSTCL, Patiala.
4. Sr. PS to Dir./F&C, PSTCL, Patiala.
5. PS to FA, PSTCL, Patiala.
6. Sr. Executive Engineer/IT & Technical Audit, PSTCL, Patiala with a request to upload the above on PSTCL website.

DA/As above


Accounts Officer/Budget,
For Financial Advisor,
PSTCL, Patiala.

FORM VCES-1

[In duplicate]

Declaration under sub section (1) of section 107 of the Act.

[See rule 4]

(Please read the instructions carefully before filling the form)

1.	Name of the declarant	
2.	Address of the declarant	
3.	Telephone No.	
4.	E-mail id	
5.	Service Tax Code (STC No.)	
6.	Details of tax dues*	
A.	Service tax	
B.	Education cess	
C.	Secondary & Higher Education Cess	
D.	Amount under section 73A of the Finance Act, 1994	
E.	Total Tax dues* [A+B+C+D]	

*Furnish a calculation sheet separately [for the purposes of calculation of tax dues, the manner of calculation as prescribed in S. No. 3F (I), or as the case may be, the Part 'B' of Form ST-3, as existed during relevant period may be used and calculation of tax dues may be furnished tax return period wise, and service wise if the tax dues relates to more than one service.]

VERIFICATION

I.....(name in block letters) son/daughter of Shri..... solemnly declare that I have read and understood the Service Tax Voluntary Compliance Encouragement Scheme as contained in Chapter VI of the Finance Act 2013, and to the best of my knowledge and belief -

- (a) the information given in this declaration and the enclosures accompanying it are correct and complete and the amount of tax dues and other particulars shown therein are truly stated;
- (b) the tax dues declared above do not attract the provisions of sub-section (1), including the provisos thereto, of section 106 of the Act;

(c) no inquiry, investigation or audit is pending against the declarant as on the 1st day of March 2013 as envisaged in sub-section (2) of section 106 of the Act;
 I further declare that I am authorised to make this declaration and verify it on behalf of the declarant in the capacity as

Enclosures:

S. No.	Details of enclosure/statement annexed
1	Calculation sheet in respect of tax dues (refer S. No. 6 above and the instructions)
2	Any other documents (please specify)

Signature of the declarant/authorised person with stamp

Place:

Date:

Declaration No.

Date

(To be assigned by the department)

Instructions:

1. The Scheme has been prescribed in the Chapter VI of the Act. The provisions contained therein may please be read carefully (refer www.cbec.gov.in).
2. This Form shall be submitted to the Central Excise Officer notified as designated authority under section 105(c) of the Act.
3. The tax dues may be computed separately for each service if the tax dues relates to more than one service during the period of declaration.
4. For calculation of tax dues, the manner as prescribed at S. No. 3F (I), or as the case may be the Part 'B' of the Form ST-3, as existed during the relevant period, may be used and calculation of tax dues may be furnished tax return period wise
5. Calculation sheet showing the tax dues calculation may please be enclosed with this declaration.
6. Obtain an acknowledgment from the designated authority in form VCES -2.
7. The declarant may approach the designated authority for any clarification.

FORM VCES-2

[Acknowledgment of declaration issued under sub-section (2) of section 107 of the Act]. [See rule 5]

No.

Receipt of a declaration filed under sub-section (1) of section 107 of the Act, as per the details below, is acknowledged.

1 Declaration No. Date

2 Name of the declarant

3 Address of the declarant

4 STC No.

5 Tax dues declared

6 Schedule for payment of tax dues

A Minimum amount to be paid on or before the 31st Dec, 2013 (50% of the tax dues)

B Remaining tax dues to be paid on or before the 30th June, 2014 [Amount at S. No. 5(-) Amount at S. No. 6A]

C Any tax dues remaining unpaid as on 1st day of July, 2014 shall be paid before the 31st December, 2014 along with interest, as prescribed under section 75 or as the case may be, section 73B of the Finance Act, 1994 for the period of delay starting from the 1st day of July, 2014.

Signature, name and seal of designated authority

Place:

Date:

Instructions:

1. This acknowledgment has been issued on the basis of declaration furnished by the declarant and it does not certify the correctness of the declaration made. This declaration does not certify payment of any tax dues.
2. Certificate of discharge in form VCES -3 shall be issued only upon full payment of tax dues along with interest if any, as per the details at S. No. 6 above.
3. If any amount declared as tax dues under the Scheme remain unpaid as on 1.1.2015, the same shall be recoverable under section 87 of the Finance Act, 1994.
4. For any clarification, the declarant may get in touch with the designated authority

FORM VCES-3

ACKNOWLEDGEMENT OF DISCHARGE

[Issued under sub-section (7) of section 107 of the Act]

[See rule 7]

No.

This acknowledgment of discharge has been issued under sub-section (7) of section 107 of the Act, to ACKNOWLEDGE that the tax dues declared under sub-section (1) of section 107 of the Act have been paid, in respect of declaration so made as per the following details.

1. Declaration No. Date

2. Name of the declarant

3. Address of the declarant

4. STC No.

5. Tax dues declared under the Scheme

6. Payment of tax dues

A. Tax dues paid on or before 31.12.2013

B. Tax dues paid after 31.12.2013 but on or before 30.6.2014

C. Tax dues paid after 30.6.2014 but on or before 31.12.2014

D. Interest paid under section 107 (4) on amount mentioned at '6C'

E. Total amount paid (A+B+C+D)

7. Details of challan(s)

Challan No(s)(CIN)

Amount

Signature, name and seal of designated authority
Place: _____ Date: _____