

OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES, ODISHA, CUTTACK

No.III-11/4/2015-Policy-CCT 11097/CT

Dt: 19/7/2016

CIRCULAR

Sub: In the matter of inclusion of tax evasion report in the assessment proceeding under Section – 4. of Odisha VAT Act, 2004.

It has come to my notice that some doubt still persists amongst officers as to whether tax evasion reports can be used as materials in the assessment proceeding for same tax period(s) u/s 42A of OVAT Act, 2004.

Section 42 A of OAVT Act has been inserted to conduct regular assessment of dealers, in lieu of tax audit and audit assessment, who have large tax payment or large turnover or who have been granted provisional refund under Section 58. At the time of assessment, the dealer is required to produce such books of account and documents relying on which the assessing authority can quantify proper tax liability of the dealer. If any tax evasion report(s) for such tax period(s) is available with the assessing officer, the same shall be taken into consideration in the same proceeding U/s. 42 A of OVAT Act instead of opening another parallel proceeding.

Therefore, it is now clarified that tax evasion report, when available, shall be taken up in the assessment proceeding u/s 42A of the OVAT Act. The assessing officer should also provide a copy of the tax evasion report, if demanded by the assessee dealer, only after production of book of accounts by the assessee dealer or at any other stage deemed appropriate by the assessing officer. The assessee dealer must be given a reasonable opportunity to defend his case vis-a-vis the tax evasion report, before completion of the assessment by the assessing officer.



19.7.16
Commissioner of Commercial Taxes
Odisha, Cuttack