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FINANCE DEPARTMENT

NOTIFICATION

The 29th March, 2017

S.O (Policy)
3.4.2017
S.R.O. No.152/2017— Whereas certain check posts and barriers are established at different places of Odisha under the Odisha Sales Tax Act, 1947 and under the Odisha Value Added Tax Act, 2004 in different notifications of the Government of Odisha in the Finance Department at different point of time to prevent or check avoidance or evasion of tax ;

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And Whereas, the check posts and barriers as aforesaid are established in places like Jamashola and Badadalima in Mayurbhanj district, Laxmannath in the Balasore district, Luhurachati in the Baragarh district, Girishola and Chikiti in the Ganjam district, Govindpur in the Jharsuguda district, Champua and Nalda in the Keonjhar district, Biramitrapur in Sundargarh district, Birahandi, Sunki and Chatua in the Koraput district, Dandasara in the Nawarangpur district, Kereda in the Rayagada district, Riverjonk in the Nuapada district and Chitrakonda in the Malkanagiri district;

And whereas, the importance of check gates have been marginalised on the following grounds:—

- (i) There has been a paradigm shift in administering taxes with the introduction of VAT in 2005 as compared to Sales Tax regime. With computerisation, all types of statutory forms like Way bills, C-Forms etc. are issued online. E-Way Bills are prefilled way bills and the transactions through e-way bills are captured online in the VATIS and thus the information is available to the Commercial Tax Organisation and can be cross checked with the return in the system itself,
- (ii) Moreover, there has been huge development in road communications. Roads have been constructed and by-passes have been created. A trucker, if he wants, can avoid the check gates and come into the states or go out using the many alternative routes available. With so many different routes available, a limited

number of check gates on specified routes are rendered less effective in terms of detecting and preventing tax evasion,

(iii) With the technological changes, the mode of enforcement of various laws needs to be changed. The risk-weighted systems are now in vogue. Therefore the system of present static check gates checking every vehicle appears to have outlived its utility,

(iv) Mobile enforcement using modern tools and devices will be adopted. It will substitute the enforcement activities presently undertaken at check gates,

(v) The abolition of border check gates will promote "Ease of Doing Business" and facilitate tourism in the state. It will save time, fuel consumption and reduce traffic jam;

Now, therefore, in exercise of the powers conferred by sub- section (1) of Section 74 of the Odisha Value Added Tax Act, 2004 (Odisha Act 4 of 2005), read with Section 22 of the Odisha General Clauses Act, 1937 (Odisha Act 1 of 1937), the State Government do hereby rescind all notifications issued earlier relating to establishment of check posts and barriers at different places in the State of Odisha with effect from the 1st April, 2017.

[No. 8481-FIN-CT1-MEET-0005/2015/FIN.]

By Order of the Governor

N. K. RAUTRAY

Additional Secretary to Government