



**The Malad  
Chamber of  
Tax  
Consultants**



**Price ₹ 5/-  
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# MCTC Bulletin

*Duty • Determination • Dedication.....leads to Success*

**Regd. Office** : B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai 400 064 E-mail: maladchamber@gmail.com  
**Admn. Office** : C/o. Hiten Shah : Office No. 1, Ekveera Apartment, 32, Underai Road, Malad (W), Mumbai – 400 064. Tel. No. 022-2880 3123

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## *President's Communiqué*



Dear Members,

Warm greetings to all. Once again a fresh new year is knocking and we all are busy making several plans for it. I have found that it is way too easy to allow the multitude of issues that we must deal with over the course of the year to accumulate and that every so often we need to step back, breathe in/breathe out and reset our priorities. What better time than the New Year! And our new year starts with the MVAT audit.

In our 4th Study Circle Meeting on 11<sup>th</sup> Dec, 2011 on "Practical issues on MVAT Audit" we had overwhelming response from the participants. We all were benefited by the knowledge of CA Mayur Parekh. I am sure his presentation on the subject will help the members to complete MVAT audit with quality and on time.

We are thankful to our Past President Shri Kishorbhai Vanjara who had sponsored the 4<sup>th</sup> Study Circle Meeting.

On 12<sup>th</sup> February, 2012, Sunday, we have organised a full day seminar under the auspicious of Shri Rajubhai J. Chokshi Oration Fund. The Subject and the Speaker will be announced shortly.

Our world is a much different place than it was just a year ago. Today, more than ever, we need to break out of our normal routines, get out of our comfort zones and look not only with a fresh perspective but with the intent to adapt and improve. I therefore feel that this is the perfect time to move everything aside for a moment and reprioritize the things that are important in our personal and professional lives.

I, for one, am looking forward to 2012!

Merry Christmas and Best wishes for the New Year.

With warm regards,

**Brijesh Cholera**  
*President*

For Query & Submission of forms for Membership/Seminar please contact any of the following Office Bearers

NAME	CONTACT NO.	E-MAIL ID
<b>BRIJESH M. CHOLERA</b> , PRESIDENT	9821405200	brijeshcholera@gmail.com
<b>SACHIN R. GANDHI</b> , VICE PRESIDENT	9821482020	sachin23gandhi@yahoo.co.in
<b>VISHAL J. SHAH</b> , HON. TREASURER	9869147065	vishalshahassociates@yahoo.com
<b>KISHOR HAPANI</b> , HON. SECRETARY	9820438125	kishor_hapani@rediffmail.com
<b>VIPUL M. SOMAIYA</b> , HON. SECRETARY	9223418790	vipulsomaiya@gmail.com

**Life Membership Fees ₹ 1,500 • Ordinary Membership Fees ₹ 300 p.a. • Admission Fees : ₹ 100**



## SALES TAX UPDATE

By CA Nitin D. Kenia and CA Bharat K. Gosar

### Circulars issued by the Commissioner under the M.V.A.T. Act, 2002

#### No. 16T of 2011 dated 11-11-2011

The Commissioner has specified documents required to be submitted physically along with audit report u/s. 61 of MVAT Act, 2002 viz., a statement of submission of audit report, a duly signed copy of acknowledgment generated after uploading of audit report and a copy of Part I of Form e704 along with certification duly signed by the auditor. These documents shall be required to be submitted to the concerned LTU officer by a Large Tax Payer dealer. Other dealers in Mumbai are required to submit these documents to the Desk Audit Cell at Vikrikar Bhavan, Mazgaon, Mumbai, For rest of Maharashtra, dealers other than large tax payer dealers will be required to submit these documents to the Joint Commissioner of Sales Tax, VAT (ADM).

#### No. 17T of 2011 dated 25-11-2011

Considering the genuine difficulties faced by the dealers, the Commissioner has laid down the procedure for correction of mistakes made by dealers while making payment of tax. If any payment has been made against wrong TIN or with wrong period or under wrong Act, then an application can be made to the Joint Commissioner (Return Branch) for correction of mistake. Similarly, if double or multiple payment has been made for a particular period, then an application can be made to the refund branch without uploading Form 501 and such applications will be taken up for disposal on priority basis.

### Notifications issued by the State Government under the M.V.A.T. Act, 2002

Notification No. VAT 1511/CR-96/ Taxation-1 dated 25-10-2011

*Vide* this Notification, certain amendments are made to the Notification No. VAT 1511/CR.57/ Taxation-1, dated 30-4-2011.

*Vide* Notification dated 30-4-2011, taxation system for liquor dealers was changed with effect from 1st May, 2011. Certain errors were crept in this Notification. Now, these errors are rectified by issuing Notification dated 25-10-2011.

#### Notification No. VAT. 1511/CR-139/ Taxation-1 dated 25-10-2011

*Vide* this Notification, certain amendments are made to Rule 54(i), which is relating to disallowance of set off.

With effect from 1st May, 2011, taxation system on sale of all types of liquor covered by Schedule Entries D-1, D-2 and D-3 except wine covered by D-3A was changed. Tax is leviable at MRP value on first point of sale and subsequent buyers were not entitled to claim set off due to disallowance of set off under Rule 54(i). Now, relaxation is made in the Rule. As per the amended Rule with retrospective effect from 1-5-2011, purchase of liquor covered under Schedule Entries D-1, D-2 and D-3 is eligible for set off if the same is sold outside Maharashtra or India or transferred to interstate branch or agent.

## SERVICE TAX UPDATE

By CA Rajkamal Shah

### Service Tax — Statute Update – December, 2011

#### 1. Retrospective amendment for Mid-day Meal Scheme

Government has granted exemption to Mid-Day Meal Scheme under Outdoor Catering Service, retrospectively from 10-9-2004. Earlier the exemption was granted from 3-9-2010.

#### 2. Escort charges collected by Police

The CBEC has clarified that services tax is payable under Security Agency's Service in relation to escorting of cash provided to banks by Police Authorities as it is not a statutory or sovereign function.

#### 3. Revised Concept Paper on Taxation of Services based on Negative List

The CBEC has placed the revised concept paper on taxation of services based on negative list in public domain. The views and suggestions are to be submitted to CBEC by December 15, 2011.





## DIRECT TAXES – LAW UPDATE

By CA Haresh P. Kenia

- **INCOME TAX (SEVENTH AMENDMENT) RULES 2011 – AMENDMENT IN RULE 114 AND SUBSTITUTION OF FORM 49A — CORRIGENDUM TO NOTIFICATION NO. 2394(E), DATED 17-10-2011 {202 TAXMANN 46 (ST.)}**

*Notification No. 58/2011 [F.No. 133/48/2011-SO(TPL)]/S.O. 2468[E], dated 29-10-2011*

The CBDT has notified new Forms for making PAN Application. Form 49A – for Individuals who are citizens of India, HUF and other entities which are registered or formed in India and Form 49AA – for Individuals who are not citizens of India and other entities formed or registered outside India. The forms appended to this new notification shall be regarded as the forms which have been notified.

- **INCOME TAX (EIGHTH AMENDMENT) RULES 2011 – AMENDMENT IN RULES 31A AND 37BA {202 TAXMANN 45 (ST.)}**

*Notification No. 57/2011 [F.No. 142/23/2011-SO(TPL)]/S.O. 2429[E], dated 29-10-2011*

The CBDT has amended the due dates for filing quarterly returns in Forms 24Q and 26Q for Government and Non-Government Deductors w.e.f. 1st November, 2011 as per following table :—

Sr. No.	Quarter ending	Due Date for Government Deductors	Due Date for Non-Government Deductors
1	30th June	31st July	15th July
2	30th September	31st October	15th October
3	31st December	31st January	15th January
4	31st March	15th May	15th May

Further, in rule 37BA, in sub-rule (2), for clause (i), the following clause shall be substituted, namely:—

- "(i) where under any provisions of the Act, the whole or any part of the income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, credit for the whole or any part of the tax deducted at source, as the case may be, shall be given to the other person and not to the deductee:

*Provided that the deductee files a declaration with the deductor and the deductor reports the tax deduction in the name of the other person in the information relating to deduction of tax referred to in sub-rule (1)."*

- **PUBLIC PROVIDENT FUND (AMENDMENT) SCHEME, 2011**

*Notification [F.No. 1/9/2011-NS-II], dated 25-11-2011*

The Central Government has w.e.f. 1st December, 2011 increased the annual PPF subscription amount from ₹ 70,000/- to ₹ 1,00,000/-. Further, the subscriptions made to the fund on or after the 1st day of December, 2011 and balances at the credit of the subscriber shall bear interest at the rate of 8.6 per cent, per annum.

## FORTHCOMING EVENTS

### FULL DAY SEMINAR UNDER THE AUSPICIOUS OF SHRI RAJUBHAI J. CHOKSHI ORATION FUND

Day & Date	Sunday, 12th February, 2012
Time	9.30 a.m. to 5.00 p.m.
Speaker	Eminent Speakers
Subject	On Direct & Indirect Taxes





**4TH STUDY CIRCLE MEETING ON PRACTICAL ISSUES ON MVAT AUDIT  
ON 11TH DECEMBER, 2011, SUNDAY**



From L to R : Kishor Hapani (Hon. Jt. Secretary),  
CA Mayur Parekh (Speaker), Brijesh Cholera (President),  
Sachin Gandhi (Vice President)



CA Mayur Parekh



Attentive Participants

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