

**GOVERNMENT OF WEST BENGAL
DIRECTORATE OF COMMERCIAL TAXES
14, BELIAGHATA ROAD, KOLKATA-700015**

TRADE CIRCULAR NO. 01/2015

DATED: 27.03.2015

SUBJECT: SETTLEMENT OF DISPUTE

Amendments have been made in the West Bengal Sales Tax (Settlement of Dispute) Act, 1999, by the West Bengal Finance Act, 2015 (West Ben. Act III of 2015), with effect from 25th March, 2015, in terms of Notification No. 447-F.T. dated 24th March, 2015, and Notification No. 448-F.T. dated 24th March, 2015, for settlement of dispute related to tax, penalty or interest arising out of an assessment under any of the following Acts:

1. The West Bengal Value Added Tax Act, 2003;
2. The West Bengal Sales Tax Act, 1994;
3. The Central Sales Tax Act, 1956;
4. The Bengal Finance (Sales Tax) Act, 1941;
5. The Bengal Raw Jute Taxation Act, 1941;
6. The West Bengal Sales Tax Act, 1954; and
7. The West Bengal Motor Spirit Sales Tax Act, 1974

The application for settlement is to be filed before the appropriate Senior Joint Commissioner in Form 1 of the West Bengal Sales Tax (Settlement of Dispute) Rules, 1999, in respect of any period ending on or before 31st March, 2010, for which an application for appeal or revision has been filed on or before 31st January, 2015 and which has not been finally heard and is still pending.

The dispute can be settled upon payment of a fraction of disputed tax as shown in the table below. The amount of arrear interest related to arrear tax in dispute and penalty in dispute, if any, will be waived fully.

| Sl. No. | Dispute related to: | Amount to be paid for settlement: |
|----------------|--|---|
| 1. | Arrear tax for non-furnishing/ non-production of statutory Certificates/Declarations | 100 % of remaining balance amount of arrear tax in dispute after adjusting Certificates/ Declarations in possession of applicant, or the amount already paid towards such arrear, whichever is higher; |
| 2. | Arrear tax for disallowance of any claim of input tax credit | 15 % of arrear tax in dispute or the amount already paid towards such arrear, whichever is higher; |
| 3. | Any other arrear tax not covered by serial Nos. 1 and 2 above | 55 % of arrear tax in dispute or the amount already paid towards such arrear, whichever is higher; |
| 4. | Any arrear interest related to arrear tax in dispute | Nil; |
| 5. | Any arrear penalty related to assessment for the eligible period | Nil; |

Any application pending before the West Bengal Taxation Tribunal, High Court or Supreme Court can also be settled provided leave is sought from the Tribunal or respective Court.

The last date for filing application for settlement is the 31st July, 2015.

Following is a summary of procedure to be followed for settlement of dispute for general information.

How to apply for settlement: The application for settlement of dispute is to be made in Form 1 in duplicate along with the documents mentioned therein, including the proof of payment. The application can be downloaded from website www.wbcomtax.gov.in/sod/e_SOD.html

An application in Form 1 (in duplicate) will cover only one case of appeal or revision. Separate application is to be submitted for each case.

How to make payment for settlement: Before submission of application the amount to be paid for settlement is to be computed according to percentage mentioned in the table on page 1 and payment is to be made to the Directorate of Commercial Taxes through GRIPS. For making payment **User Type** is to be selected as 'SOD' along with appropriate Act. However, for making payment towards the Bengal Finance (Sales Tax) Act, 1941, the Bengal Raw Jute Taxation Act, 1941, the West Bengal Sales Tax Act, 1954 and the West Bengal Motor Spirit Sales Tax Act, 1974, link to 'WBST' is to be selected.

Documents required: The details of documents to be furnished along with Form 1 are given at serial number 16 in the Form itself. If the application relates to settlement of arrear tax in dispute for non-furnishing or non-production of certificates or declarations, then a statement containing details of such certificates or declarations received till the date of application, including the amounts covered therein, is also required to be submitted along with such application. Separate statements are to be furnished for separate types of declaration forms or certificates.

Designated authority: Filled in applications in Form 1, in duplicate, are to be submitted to the Senior Joint Commissioner of the concerned Circle, and for dealers registered under the Corporate Division, to Additional Commissioner of Corporate Division. An applicant who does not have any registration at present shall submit such application to the concerned Senior Joint Commissioner having jurisdiction in respect of his erstwhile registration.

Sd/- 27/3/15
(Binod Kumar)
Commissioner,
Commercial Taxes, W.B.

Memo. No. 279CT/PRO
3C/PRO/2012

Date: 27.03.2015

Copy forwarded to the Senior Sr.JCCT/ISD for information and for uploading it on the official website of the Directorate for information of all concerned.


27/03/15
(Adesh Kumar)
Sr.JCCT & PRO