

**“Mah. Tax Settlement Scheme 2022
(MTS Scheme/ Amnesty Scheme 2022)**

by

CA Deepak Thakkar, Mumbai

24 April 2022

at

**JB Nagar Andheri East CPE SCM
of WIRC of ICAI**

Mah Amnesty Scheme 2022 for settlement of Arrears

Objects & Reasons: To unlock huge arrears of Revenue for periods upto 30 Jun 2017;
To reduce pending litigations under State Tax Laws, then Dept can focus on GST;
To provide Relief measures to dealers adversely impacted by Covid-19 Pandemic:

- 1) Maharashtra Act # 29 of 2022 dt 28 March 2022 called as:
 - **“Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act, 2022” (MST Amnesty Scheme, 2022)**

Duration of Scheme: 1 Apr 2022 to 30 Sept 2022

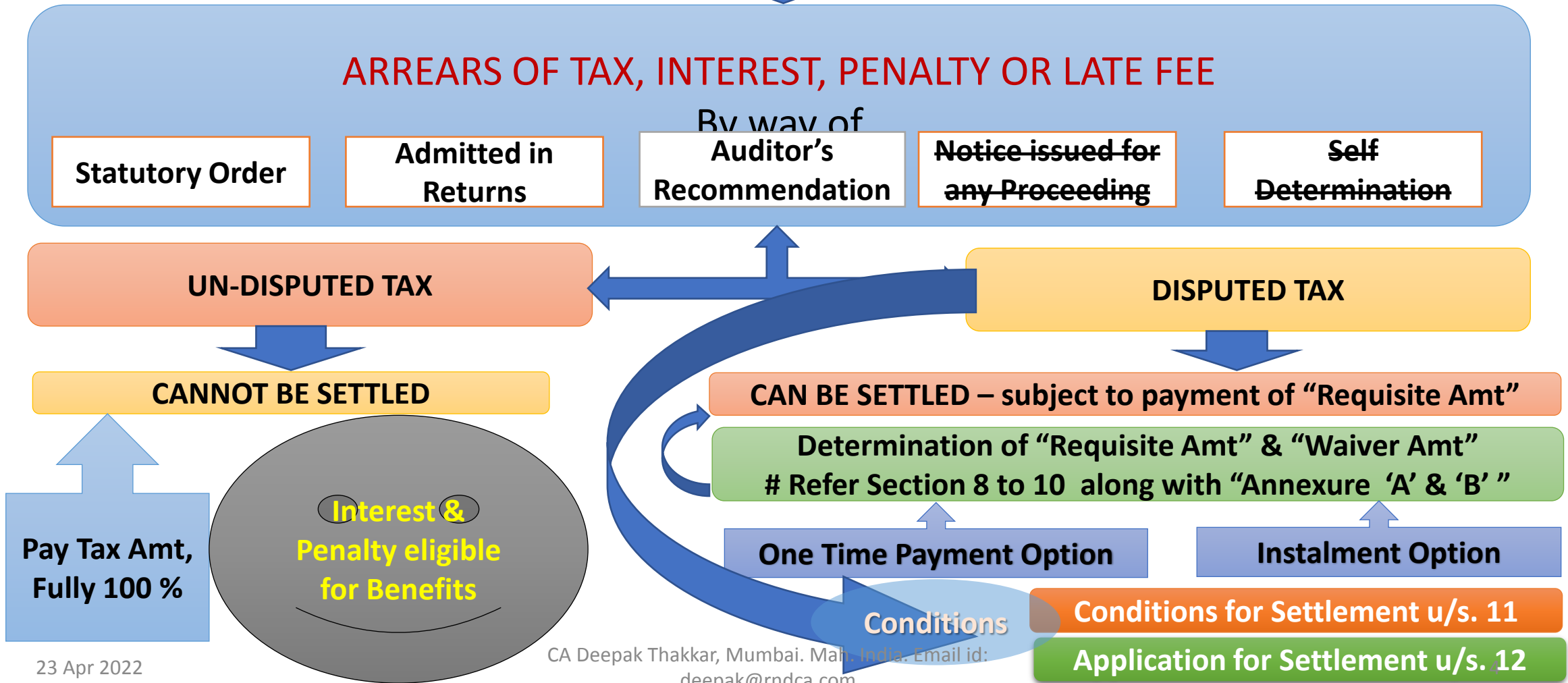
- 2) Mah. Notifn dt 30 March 2022: Delegating powers & duties by Commr;
- 3) Instructions for Amnesty by Mah. Commr of State Tax dt 30 Mar 2022
- 4) USER-MANUAL for Uploading Online Amnesty Applications
- 5) FAQ regarding Amnesty Appln. Filing & Uploading.TXT FILE
- 6) Trade Circular# 1T dt 20 Apr 2022 issued by Hon'ble Shri Rajeev Kumar Mital, Commr of State Tax, Mah, thru the Desk of Shri RD Adsul, JC HQ 1;

“The Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act, 2022”

1. Important Terms/ Definitions
2. Eligibility for Settlement
3. Determination of “Arrears”, “Disputed & Undisputed Tax”, “Requisite Amount” & “Extent of Waiver” i.e. Benefits of Settlement of Arrears
4. Payment of “Requisite Amount”, Conditions for Settlement & Application
5. Conditions & Online filing, Procedural aspects:
 - Conditions for Eligibility for Settlement
 - Payment of Requisite Amount & Application submission
 - Verification by Designated Authority (DA) & Issue of Defect Notice
 - Compliance by Applicant
 - Order of Settlement for Full/ Proportionate benefit;
 - Rectification & Review of Settlement Order
6. Appeals, Re-opening and Revocation of Settlement
7. Certain Imp Issues under Amnesty
8. Case Studies & Procedural aspect by CA Janak Vaghani

Mah. Amnesty Scheme 2022, at Glance

Applicability of Amnesty



Acts covered under Mah. Amnesty Scheme 2022

“Relevant Act” [Sec. 2(k)]: means the following Acts, namely :-

- (i) MVAT Act (The Maharashtra Value Added Tax Act, 2002)
- (ii) CST Act (The Central Sales Tax Act, 1956);
- (iii) BST Act (The Bombay Sales Tax Act, 1959);
- (iv) WCT Act (The Mah. Sales Tax on the T.O.P. in Goods involved in the Execution of Works Contract (Re-enacted) Act, 1989);
- (v) LEASE Act (Mah. Tax on Trf of Right to use any Goods for any Purpose Act, 1985);
- (vi) ET-MV Act (The Mah. Tax on Entry of Motor Vehicles into Local Areas Act, 1987);
- (vii) ET-Goods Act (The Mah. Tax on the Entry of Goods into Local Areas Act, 2002);
- (viii) LUXURY Tax Act (The Maharashtra Tax on Luxuries Act, 1987);
- (ix) PT Act (The Mah. Tax on Professions, Trades, Callings & Employments Act, 1975);
- (x) PTS Act (The Maharashtra Purchase Tax on Sugarcane Act, 1962);
- (xi) MST Act (The Bombay Sales of Motor Spirit Taxation Act, 1958);
- [Settlement of Arrears of Tax, Int, Penalty or Late fee, for periods upto 30 June 2017](#)

“arrears” [S.2(d)]: means Outstanding amt of tax, interest, penalty or late fee as under:

(i) Payable by an assessee as per any Statutory order under the Relevant Act; or

“Statutory Order” [Sec. 2(o): Any Order passed (upto 30 Sept 2022 [Sec. 6(1)(b) & Para 3.1 of Cir); Approach to concerned Authority-Para 3.4 of Cir]

ii. Return dues admitted in the returns or revised returns, but not paid; or

[Sec. 2(m)] Amt admitted but remained un-paid, either wholly or partly, on or before 1 April 2022; “**Tax dues**” remained un-paid is an “Undisputed Tax”

iii. Determined & Recommended by Vat Auditor, as payable in Audit Report u/s 61 of MVAT Act and accepted partially or wholly. (Whether Recovered Notice u/s 32 or 32A of MVAT Act is issued or not); or

[Sec. 2(q)(v)] Amt Recommended as Payable by Vat Auditor in Form 704, then, Tax Liability accepted by the dealer is “Undisputed Tax”

iv. Such Arrears include Interest payable on admitted tax; (from due dt of tax payable till dt of payment as per Para 3.5 of Circular); (Rate of Int wef 1 Dec 2015: @ 1.25% for 1st mth; @ 1.5% for next 2 mths; then @ 2% p.m. beyond 3 mths:)

~~(i) In respect of which **Notice is issued** in relation to any proceeding, where **Communication or Intimation u/s 63(7) of MVAT Act is issued to assessee (Para 3.8.2.d of Cir # 9T dt 8-3-19)**; or~~

~~(ii) **Self Determined** by assessee, where **No notice** is issued in relation to any proceeding **(Para 3.8.2.e of Cir # 9T dt 8-3-19)**; **Assessment for other transactions/issues, can be done [Sec. 14(2)(a) of Ordinance]**~~

Adjustment of any payment made till 31 Mar 2022 under the Relevant Act to determine Arrears of Dues for settlement (Sec. 6 of MTS Act 2022):

- 1) “Any Payment made in respect of a Statutory Order, either in appeal or otherwise, till 31 March 2022, shall first be adjusted towards Un-disputed tax, then Disputed tax, thereafter towards interest and the balance towards Penalty & late fee, **sequentially**, Notwithstanding anything contained in the Relevant Act (e.g. Sec. 40 of MVAT Act)”;
(Refer Para 3.7 of Circular)
- 2) After adjustment as stated above, the Outstanding Arrears as on 1 Apr 2022, shall be considered for settlement under this Scheme;
- 3) Above Sequence of adjustment be followed *mutatis mutandis* for Return Dues as well as Audit Report Recommended Dues;
- 4) Any payment made till 31 Mar 2022, shall not be considered as payment of “Requisite amount” [Sec. 8(3) of MTS Act 2022]; However, It shall be adjusted as above;
- 5) **Any recovery made by Nodal Officer, or any payment made on any account, by dealer during the Scheme, shall be treated as Requisite Amt** provided application is made for settlement; **However, Part payment made in Appeal filed after 1 Apr 2022 & Not withdrawn, will not be treated as RA; (Para 9.4 of Circular);**

“Undisputed Tax” Sec. 2(q) & “Disputed Tax” Sec. 2(g)

“Disputed tax”: means other than “Un-disputed tax”: **“Un-disputed tax”**: means:

(i) **Taxes Collected** separately

(iii) **Tax Deduction claimed by dealer** in Returns or any proceedings
(Not claimed, but allowed in Order?)

(ii) Taxes shown as payable in Return or Revised Returns

- ‘tax’ is “Undisputed Amt”; But interest, penalty or late fees are “Disputed Amt”, eligible for settlement

(iv) **Amt forfeited** under statutory order or **excess tax collection** shown in Return / Rev. Return or VAT Audit Report

(v) **VAT Auditor’s Recommendation to pay tax** as per Report & **Accepted by Assessee, either wholly or partly;**

(vi) **TDS deducted** on Works Contract by Contractee;

(vii) **TCS collected** u/s 31A of MVAT Act

(viii) Tax **payable** by Profession Tax **EC holder**;

(ix) Tax **deducted** by Profession Tax **RC holder** (Employer)

(x) **Set-off disallowed u/R 52A (PSI manufactured goods) or 52B (Aerated drinks, Cigars, Mobiles), in the period of purchase, which is claimable in the period of sale (MVAT Rules)(Para 7.6 of Circular)**

“Disputed Tax”- Examples as per Para 7.8 of Circular

- Disallowance of Setoff: For any reason
- Additional demand on account of non-production of CST Forms
- Disallowance of Claims e.g. Stock transfers, High-seas sales, Tax-free sales, exports, deemed exports, sale-in-transit, labour charges, etc
- Dispute about classification/ rate of tax
- Enhancement in taxable sales turnover
- Vat levied on service tax element in case of composition of WC
- Dues of Interest/ penalty/ late fees = Disputed dues (Para 7.9)

“requisite amount” [Sec.2(I)] : means

Amt Payable and Aggregate Amt Paid, during the period specified u/s 10(2)-Table-Clause (b):

- (i) Un-disputed Tax Amt: Payable Fully i.e @ 100% ; and
- (ii) Amount of Disputed tax, interest, penalty, late fee, whether levied or not, Payable @ Specified % ;

- @ Specified % as per Annexure ‘A’ & ‘B’ for All Acts as determined u/s 8, except for “Entry Tax” u/s 9, of (Amnesty Act) MST Act 2022

“Requisite amount” shall be paid using Challan prescribed under Relevant Act or in Form MTR-6 under MVAT Rules, as the case may be, before the date specified u/s 10(2)-Table-Clause (b) of this Act) [Sec. 8(2)]

Arrears of Periods upto 31 March 2005 & from 1 Apr 2005 to 30 Jun 2017

“Annexure”[S.2(a)]: means the *Annexure* appended to (Amnesty Act) MST Act 2022 i.e. Annexure ‘A’ & ‘B’;

Section 8 & 9 provides for **extent of payment** of Un-disputed tax, Disputed tax, interest, penalty or late fee & **amt of waiver** shall be as per **Annexure ‘A’ & ‘B’**:

- Annexure ‘A’: Arrears for Periods from 1 Apr 2005 to 30 Jun 2017
- Annexure ‘B’: Arrears for Periods upto 31 March 2005

Section 10 provides for **Time Limit/Due dates** for payment of Requisite Amt & Submission of Application, in case of OTP Option and Instalment Option

- **Sec. 7: Write off of certain Arrears: any arrears determined as per any statutory order** for the specified period, **as on the 1st April 2022, which are INR 10,000 or less, per financial year** under the Relevant Act **shall be written off, including post assessment interest on it;**
- **Note 1: Concerned JC will write off, suo motu; Dealers to be intimated of Write-offs, by DA by 30 Jun 2022; (Para 6 of Circular);**
- **Note 2: No such write off, if dues are as per: Returns/ Vat Audit Report/ Statutory order passed after 1 Apr 2022; (Para 3.5 & 3.6 of Circular)**

Annexure 'A' : Applicable for Arrears for periods from 1 Apr 2005 to 30 Jun 2017

Sr. No.	Particulars (Sec. 8 to 10)	One Time Payment Option (OTP Option)		Instalment Option, where Arrears > INR 50 Lakhs	
		Payable % Amt	Waiver % Amt	Payable % Amt	Waiver % Amt
1	Un-disputed tax	100 %	0 %	100 %	0%
2	Disputed tax	50 %	50 %	56 %	44 %
3	Interest Payable as per Statutory Order / Return/ Revised Self determination Not covered	15 %	85 %	15 %	85 %
4	Penalty (O/s) as per Statutory Order	5 %	95 %	5 %	95 %
5	Post Assmnt Interest & Penalty, which is leviable but not levied till Date of Appln	0 %	100 %	0 %	100 %
6	Late fees Payable in respect of Returns filed upto 31 Mar 2022	5 %	95 %	5 %	95 %

7. "Where amt of Arrears as per any Statutory Order is upto INR 10 Lakhs, Applicant may Opt for Lumpsum Payment @ 20 % instead of paying Requisite Amt as above"

Annexure 'B' : Applicable for Arrears for periods upto 31 March 2005

Sr. No.	Particulars (Sec. 8 to 10)	One Time Payment Option (OTP Option)		Instalment Option, where Arrears > INR 50 Lakhs	
		Payable % Amt	Waiver % Amt	Payable % Amt	Waiver % Amt
1	Un-disputed tax	100 %	0 %	100 %	0%
2	Disputed tax	30 %	70 %	34 %	66 %
3	Interest Payable as per Statutory Order / Return/ Revised Self determination Not covered	10 %	90 %	10 %	90 %
4	Penalty (O/s) as per Statutory Order	5 %	95 %	5 %	95 %
5	Post Assmnt Interest & Penalty, which is leviable but not levied till Date of Appln	0 %	100 %	0 %	100 %
6	Late fees was Not Leviable	NA	NA	NA	NA

7. "Where amt of Arrears as per any Statutory Order is upto INR 10 Lakhs, Applicant may Opt for Lumpsum Payment @ 20 % instead of paying Requisite Amt as above"

“Requisite amount” in case of “Entry Tax” Settlement

- Sec. 9 of MTS Scheme Act 2022: For Entry Tax (ET) on Goods, other than Motor Vehicles:

Requisite amount payable is, whichever is lesser of the following:

- Amount of Entry Tax determined in the statutory order, or
- Amount of Entry Tax reduced as per Setoff Retention u/r 53/ 54 of MVAT Rules;
 - **Generally “Requisite Tax amt” is, Amt of Retention u/r 53 or Denial u/r 54 of MVAT Rules**
- Statutory order under ET Act is only pre-requisite & Not under MVAT/BST (Para 8.2 of Cir);
- Interest/ Penalty as per statutory order, shall be settled as per Annexure ‘A’ & ‘B’, depending on the Option as per which the Requisite amt is paid & application made;
- For Entry Tax Return dues, follow Annexure A/B u/s 8 of Scheme (Para 8.1 of Circular);
- **Lump sum/ Instalment Option is not available for ET Settlement** (Para 8.2 of Circular);
- Post assessment interest/penalty waiver is automatic, no need to compute (Para 8.4 of Cir);
- If Requisite Amt paid before specified date then balance amt will be waived;
- On such Settlement, Applicant is not entitled to claim set-off of any amt, including any amt paid till 31 Mar 2022, under MVAT Rules/ BST Rules;
- Provisions of Sub-section (2), (3), (6) & (7) of Sec. 8 shall apply mutatis mutandis;

Annexure 'A' : Arrears of Entry Tax for periods from 1 Apr 2005 to 30 Jun 2017

Sr. No.	Particulars of Entry Tax on Goods (Other than Motor Vehicles); Requisite Amt of Entry Tax = Lower of ET determined as per Statutory Order OR ET Reduced as per Setoff Retention u/r 53/54 (Sec. 9)	One Time Payment Option (OTP Option)			
		Payable % Amt	Waiver % Amt	Lumpsum & Instalment Option, Not Available for Entry Tax Settlement	
1	Requisite Amt Lower of Entry Tax	100 %	0 %		
2	Add: Further RA payable:				
3	Interest Payable as per Statutory Order / Return/ Revised Self determination Not covered	15 %	85 %		
4	Penalty (O/s) as per Statutory Order	5 %	95 %		
5	Late fees Payable in respect of Returns filed upto 31 Mar 2022	5 %	95 %		
6	Post Assmnt Interest & Penalty, which is leviable but not levied till Date of Appln	0 %	100 %		

Duration of Payment of Requisite Amt (RA) & Submission of Application for Amnesty 2022 (Table u/s 10(2) of MTS Sch Act 2022)

Sr #	Particulars	Option 1: OTP Option	Option 2: Instalment Option, where Arrears > INR 50 Lakhs
(b)	Duration in which Amt to be Paid	1 Apr 2022 to 30 Sept 2022	<p>Minimum 25% of RA to be paid during 1 Apr 2022 to 30 Sept 2022</p> <ul style="list-style-type: none"> ➤ Remaining Amt in 3 Equal Quarterly Instalments from the Date of Application; (i.e. say before 14 July 2023) ➤ All Instalments shall be paid within 9 months from the Date of Application; (i.e. say before 14 July 2023) ➤ Proviso 1: Late paid Instalment, attracts Interest @ 12% per annum; ➤ Proviso 2: If All Instalments are not paid within 9 months from the Date of Application, Proportionate Benefit as specified in Sec. 8 & 9 shall be granted;
(a)	Duration in which Application (in Form I/IA) to be submitted	1 Apr 2022 to 14 Oct 2022	<p>Appln between: 1 Apr 2022 to 14 Oct 2022; Furnishing self-certified Challans of Instalments paid with details in Form VII;</p>

Consequence of Short Payment of “Requisite Amt”

Section 8(6) & 8(7) of MTS Scheme Act 2022: In case of short payment:

- No rejection of application, merely for short payment of requisite amt;
- Proportionate waiver shall be calculated & allowed by Designated Authority, under the option opted by Applicant; **Give hearing opportunity to Applicant (Para 9.3, 13.4 & 14 of Circular);**
- Balance demand recoverable as per Relevant Act **(Para 14 of Cir);**

➤ **Sequence of adjustment of such payment:**

Un-disputed tax shall be paid fully, No waiver;

Hence, such amount paid shall first be adjusted towards Un-disputed tax and the remaining amt, if any, proportionately towards Disputed tax, interest, penalty and late fee;

Conditions for Settlement of arrears (Sec. 11 of MTS Scheme Act 2022)

- 1) Withdraw Appeal (Format of Appln in Form II), if any, (Filing of appeal is not a pre-condition for eligibility under Scheme- Para 3.1 of Circular), fully & un-conditionally, pending before Appellate authority/ Tribunal/ Court in respect of any statutory order;
 - Where the Penalty/Interest order passed separately, is in appeal, but it is associated with levy of tax/ disallowance of certain claims which is also in separate appeal then both appeals need to be withdrawn; Other appeal relating to only penalty not associated with any tax levy, (e.g. u/s 61 for default in vat audit) may be opted for settlement keeping intact the appeal for tax issues (Para 3.3 & 10.3 of Circular);
 - Appeal = Appeal, Reference, Writ petition, SLP (Para 10.1 of Circular);
 - OR get the Appeal decided during the Scheme Period (Para 10.2 of Circular);
 - Where audit objections are there, Appellate Authority will not allow withdrawal of appeal but they shall dispose off such appeals expeditiously; (Para 10.4 of Circular);
- 2) Where excess set-off or refund under MVAT Act was adjusted against liability under CST Act/ Entry Tax Act and in such case when Appeal is pending under MVAT, CST, ET Act, then Withdraw all such Appeals, fully & un-conditionally; (Para 10.3 & Example 6 of Circular);
- 3) Acknowledgement of application for withdrawal of appeal shall be treated as sufficient proof of withdrawal of appeal; [Submit online application](#) for settlement of Arrears attaching Documents as mentioned in FAQ, User Manual & Instructions issued by Commr; (Para 12 of Circular);

Eligibility for settlement of arrears (Sec. 4 & 5 of Amnesty Scheme Act 2022)

1) Registered Persons as well as Un-Regd Persons, both are eligible;

'Applicant' means a person liable to pay OR a person who desires to avail benefit; [Sec. 2(c) of MTS Amnesty Scheme Act 2022];

[For PT EC/RC, to obtain Regn for future liability- Para 5.3 of Circular]

2) Application for settlement can be made, for Arrears as per any statutory order, **whether disputed in appeal or not**; (Para 3.1 of Circular)

3) Applicants who had applied for Amnesty Scheme-1995, 1999, 2004 or has taken benefit of Settlement of Arrears in Dispute Act, 2016 or 2019, are also eligible; (Para 5.4 of Circular)

4) All conditions stated in Sec. 11 or other provisions of this Act, shall be complied with;

5) Cases litigated by the State, also eligible for settlement: Where the Department has filed reference or an appeal before MST Tribunal or Courts, the demands disputed by the said Department including tax, interest, penalty or late fee may be considered for the settlement of arrears by the applicant and the application for settlement may be filed accordingly. **Neither refund or adjustment of such amount paid can be claimed by the Payer, Nor recovery of such waived amt will be done by the Dept. Refer Para 4 of Circular;**

Quantification? Appeal withdrawal?? Appeal Order???

Conditions for Application for Settlement of arrears

Section 12 of MTS Scheme Act 2022 deals with this aspect:

- 1) Make a separate application for each class of arrears, i.e. for Statutory order (in [Form I](#)), for Returns and for Vat Audit Report (in [Form IA](#)), under Relevant Act;
- 2) Make a separate application for each Financial Year (FY);
- 3) For Returns arrears settlement, make a separate appln for each of such return; However, for one FY, Single appln may be made;
- 4) Submit application to Designated Authority, in form & manner as prescribed by Commr; [Online filing Forms, Attaching Challan of Requisite payment & Docs stated in Appln form; \(e.g. Statutory Order, Ack of Appeal withdrawal appln, etc\)](#)
- 5) Submit Application, on or before the last date specified u/s 10(2)(a) i.e. 14 Oct 2022;
- 6) If payment of Requisite Amt is in time, then delay in Appln upto 30 days, may be condoned by the Designated authority, after recording the reasons;

Notice to cure defect in Application

(Commissioner's Instructions dt 30 Mar 2022 & Para 13.1 of Circular)

- If Appln is incorrect/ incomplete or there is a deficiency in payment of Requisite amt, **Defect Notice, Only Once**, to be issued by Designated Authority (DA) **within 15 days** of application, intimating the defect & payment to be made (Para-c);
- Applicant shall **cure the defect within 15 days** of getting defect notice & submit the relevant Docs/Paid Challan (Para-d);
- Payment after the date specified in this Act, is not permitted;
- Upon receipt of satisfactory compliance in response to defect notice, DA shall pass Settlement order as per Sec. 13 of this Act (Para-e);
- If Applicant fails to comply to Defect notice, DA shall pass appropriate order as per Sec. 13 of this Act (Para-h).

Order of Settlement (Sec. 13) & its Rectification; Review (Sec. 15)

- If payment of Requisite Amt (RA) & Appln is proper, then Order of Settlement (in Form III) shall be passed by Designate Authority (DA) & provide its copy to Applicant, **within 3 mths from the last date specified for payment of RA;**
- Applicant shall be discharged of his liability to the extent of waiver amt specified in Settlement Order; (Para 15 of Circular);
- If Deficiency is there in Payment/ Appln then DA shall give hearing opportunity to Applicant then may reject the appln, by an order in writing (in Form III);
- On such rejection, the withdrawn appeal shall be reinstated on Appln made in this behalf to the Appellate Authority, subject to **appeal provisions u/s 14 of this Act;**
- DA may on his own motion or on application (in Form V), by Applicant within 60 days of receipt of Settlement order, rectify any error apparent from the record, within 6 mths from the date of receipt of Settlement order; Applicant shall be given a (Notice in Form IV), reasonable opportunity of hearing before passing any adverse order;
- Commr may Review **any order**, on his own motion, after (giving Notice in Form VI) for hearing the Applicant, pass the best judgment order within 12 mths from the date of service of original order; (Para 19 of Circular);

Appeal against any Order passed under this Act (Sec. 14)

- Appeal shall lie to concerned DC (Adm), if Order is passed by his subordinate;
- Appeal shall lie to concerned JC (Adm), if Order is passed by DC;
- Appeal shall lie to concerned Addl Commr, if Order is passed by JC;
- Appeal shall be filed within 60 days of receipt of order;
No condonation of any delay;
- Appellate Authority, after making such further enquiry, pass just & proper order;
- Second Appeal, not provided for;
- (Para 18 of Circular);

Bar on reopening of settled cases under Relevant Act

Section 16 of MTS Scheme Act 2022:

- Order of settlement shall be conclusive as to settlement of arrears/ matter covered under that order;
- Such matter shall not be reopened in any proceeding of review/ revision/ any other proceedings under the Relevant Act;
- On account of specific observations made by CAG, any proceeding under the Relevant Act may be initiated;

Revocation of order of Settlement (Para 16 of Circular);

Section 17 of MTS Scheme Act 2022: Settlement order can be revoked, where it appears to the Designated Authority that benefit of settlement is obtained:

- I. by suppressing any material information or particulars
 - II. by furnishing any incorrect or false information
 - III. by suppression of material facts
 - IV. by concealment of any particulars in search & seizure proceedings
- Before passing revocation order, hearing opportunity must be given to the applicant (by issuing [Notice in Form VIII](#)) and reasons must be recorded in writing;
 - Limitation period for revocation is 2 years from the end of F.Y. in which order of settlement is served. i.e. say FY 2022-2023 + 2 Yrs = 31 Mar 2025;
 - Once the order of settlement is revoked, the proceeding (assessment, revision, etc) under Relevant Act stands revived/ reinstated immediately upon revocation;
 - Limitation for passing order under Relevant Act :- Order in such revived or reinstated proceeding must be passed within 2 years from the date of revocation order.
 - Original appeal under the Relevant Act shall be reinstated on application made to Appellate Authority;

No refund under Settlement Scheme (Para 17 of Circular);

Section 18 of MTS Scheme Act 2022:

- *Under no circumstances, the applicant shall be entitled to get the refund of any amount paid under this Act.*
- *Proviso: In case of Revocation/ Rejection of Settlement order, the amount paid by the applicant under this Act, shall be treated to have been paid under the Relevant Act.*

Power of Commissioner & Govt.

Section 19 & 20 of MTS Scheme Act 2022:

Commissioner's powers:

- To issue instructions & directions as deem fit, to Designated Authority for carrying out the purpose of this Act;
- To prescribe Forms & manner of its submission under this Act.

Government's powers:

- To do anything consistent with the provisions of this Act, which appears to it to be necessary or expedient **for the purpose of removing the difficulty in giving effect to the provisions of this Act**, by an order published in the *Official Gazette*, *within* one year from the date of commencement of this Act;
- Every such order made, shall be laid, as soon as may be, before each House of the State Legislature.

Certain Imp Issues for Amnesty

1. **Return dues: Interest payable upto 31 Mar 2022 or Actual date of payment?**
2. **Vat Audit Report dues: Sec 32A for Recovery of accepted amt, inserted from 1 May 2013; Statement of submission by Dealer, alongwith Form 704, inserted by Notification dt 23 Aug 2013; So for periods upto YE 31 Mar 2012, how to determine Disputed & Un-disputed Tax, as required u/s 2(q)(v) of Settlement Act,2022? (Para 3.6 of Circular dt 20 Apr 2022)**
3. **Vat Audit Report dues: Un-accepted amt: Whether Arrears? Disputed Tax? Undisputed Tax? Interest payable upto 31 Mar 2022 or Actual date of payment?**

Whether Returns & Vat Audit Report significant when Statutory Order is passed?

Note: For FY 2017-18: Assessment: Time barring under MVAT Act:

(i) u/s 23(2) where returns are filed within time; 4 yrs i.e. 31 March 2022;

(ii) u/s 23(3) where returns are filed late; 5 yrs i.e. 31 March 2023;

(iii) u/s 23(6) where turnover was not disclosed or tax paid at lesser rate or setoff/ deduction wrongly claimed; 6 yrs i.e. 31 March 2024;

4. **Self determination of liability, Not covered:** Penalty leviable u/s 61(2) for No Audit/ Delayed Audit; Pending CST declarations;etc.....
5. Department will endeavour to complete pending proceedings; (Approach to Authorities by Dealers); Dealers are requested to take benefit of Settlement Scheme; (Para 21 of Circular); Communicate with Nodal Officer/ JC/ Commr, for any issue (Para 22 of Circular);

Questions



Thank You All ***** Best Wishes

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