
OVERVIEW

This Report contains 27 paragraphs including one review, relating to non levy/short levy of taxes, fees, interest and penalty etc. involving Rs.71.89 crore. Some of the major findings are mentioned below:

I. GENERAL

Total receipts of the State during 2004-2005 amounted to Rs.9,937.27 crore of which revenue raised by the State Government was Rs.3,783.35 crore. The revenue raised by the State Government constituted 38 *per cent* of the total receipts of the State and showed one per cent decrease over 2003-2004.

(Paragraph 1.1)

The arrears of revenue as on 31 March 2005 in respect of some principal heads of revenue amounted to Rs.725.33 crore of which Rs.174.96 crore were outstanding for more than five years.

(Paragraph 1.5)

In respect of taxes administered by the Finance Department, such as Sales tax and other taxes, 95,632 assessments were completed during 2004-2005 leaving balance of 80,329 cases pending for assessments as on 31 March 2005.

(Paragraph 1.6)

Test check of records of sales tax, taxes on vehicles, state excise, forest receipts, other tax and non tax receipts conducted during the year 2004-2005 revealed under assessment/short levy/short demand and loss of revenue amounting to Rs.119.89 crore in 938 cases. The concerned Departments accepted under assessment, short levy etc., of Rs.2.66 crore pointed out in 2004-2005 and earlier years and recovered Rs.0.17 crore.

(Paragraph 1.7)

II. SALES TAX

A review on Working of the Recovery Offices of the Sales Tax Department, revealed the following:

Rs.33.72 crore remained unrealised due to failure of three recovery officers in filing/delay in filing certificate and non servicing of demand notice.

(Paragraph 2.2.8)

Failure of recovery officers to issue inter state certificate resulted in non realisation of revenue amounting to Rs.5.39 crore.

(Paragraph 2.2.9)

Revenue amounting to Rs.5.90 crore remained unrealised due to lack of coordination between assessing officers and recovery officers.

(Paragraph 2.2.11)

Revenue amounting to Rs.1.44 crore in 56 cases remains unrealised due to non pursuation of cases of warrant of arrest.

(Paragraph 2.2.13)

Failure of the assessing officer to cross verify declaration forms resulted in evasion of tax of Rs.1.94 crore including interest.

(Paragraph 2.3)

Failure of the assessing officer to assess the entire turnover of a dealer resulted in short levy of tax of Rs. 4.26 crore including interest

(Paragraph 2.4)

Assessing officers failed to complete assessments of three dealers within the period of limitation resulting in loss of Rs.3.10 crore.

(Paragraph 2.5)

Interest of Rs.1.55 crore in 26 cases were short levied/non levied by the assessing officers.

(Paragraph 2.6)

Failure of the assessing officers to detect suppression of turnover resulted in short levy of tax of Rs.1.54 crore including penalty.

(Paragraph 2.7)

Short levy of tax of Rs.2 crore (including interest) due to incorrect acceptance of invalid forms by the assessing officer.

(Paragraph 2.9)

Incorrect grant of exemption from payment of tax resulted in short levy of tax of Rs.39.68 lakh.

(Paragraph 2.10)

Incorrect adjustment of tax by the assessing officer resulted in short demand of tax of Rs.35.94 lakh.

(Paragraph 2.12)

III. OTHER TAX RECEIPTS

Failure to levy and collect professional tax from 112 persons resulted in non realisation of revenue amounting to Rs.6.77 lakh.

(Paragraph 3.2)

IV. TAXES ON MOTOR VEHICLES

Laxity on the part of the State Transport Authority (STA), Assam in enforcing the rules as well as improper monitoring of receipt of authorisation fee and composite fee of national permits resulted in non realisation of revenue amounting to Rs.20.31 lakh.

(Paragraph 4.2.2)

Lack of monitoring at apex level resulted in non deposit of revenue of Rs.1.83 crore to Government account.

(Paragraph 4.2.4)

Failure of the Department to review the combined registers and raise demand for payment of taxes on vehicles resulted in non realisation of Rs.28.30 lakh.

(Paragraph 4.3)

V. NON TAX RECEIPTS

Failure of the Department to check illegal felling and removal of timber despite having forest protection force, protection squads and check gates led to loss of revenue of Rs.1.27 crore.

(Paragraph 5.2)

Government sustained loss of revenue of Rs.1.50 crore due to transportation loss of crude oil and non payment of royalty thereon by the lessee.

(Paragraph 5.4)