Office of the
Commissioner of Sales Tax,
Maharashtra State,.
8th Floor, Vikrikar Bhavan,
Mazgaon, Mumbai-400 010.

TRADE CIRCULAR

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No. VAT/ AMD-1009/IB/ADM-06 Mumbai Dt : 27th September 2010.
Trade Cir. 21T of 2010

Sub : Mandatory Electronic payment under MVAT Act, 2002 and CST Act, 1956 for Quarterly Return filers.

Ref. :
1. Government Resolution No.Misc-1008/CR-8/Treasury-5 dated 31st October 2008.
2. Government Resolution No.VAT-2009/CR-88/Taxatin-1 dated 2nd January 2010.
3. Government Notification, Finance Department No. VAT-1510/CR-64/Taxation-1 dated 26th May 2010.
4. Trade Circular No. 8T of 2010 dated 6th February 2010
5. Government Notification, Finance Department No. VAT-1510/CR-90/Taxation-1 dated 28th July 2010.

Gentlemen/Sir/Madam,

You are aware that by notification cited at Ref.-3, e-payment was made mandatory for dealers liable to file monthly returns. The State Government, in furtherance of its pursuit towards e-governance has issued a notification cited at Ref.-5. With this, it is now mandatory for the dealers liable to file monthly as well as quarterly returns, to make electronic payment of any amount payable under the MVAT Act and CST Act.

2. The aspects of electronic payment are explained below:-

(1) **Class of Dealers now liable for mandatory e-payment:-** The scheme of e-payment is now extended to the Quarterly filers. Therefore, every dealer who is liable to file **Quarterly return** shall make payment of tax, interest, penalty or fees payable under the MVAT Act and CST Act, electronically.

(2) **Date of effect: -** The aforesaid class of dealers with effect from **1st October 2010** shall make electronic payment through authorized Banks.

(3) **Authorized Banks:-**

(i) The banks Integrated with Department's Web-site:-The gateway for the purpose of e-payment has been provided at the Sales Tax Department's Web-site i.e. www.mahavat.gov.in (MSTD website) for the banks which are integrated with this Web-site. The list of the Banks Integrated with MSTD Web-site is as under:-

(1) IDBI;

(2) Corporation Bank;

(3) Union Bank of India;

(4) Bank of Maharashtra;

(5) Indian Bank.

(ii) Further, the dealer can also make payment electronically directly from the Web-site of the following Banks. The link to these Banks is also provided at MSTD Web-site. The path is: **www.mahavat.gov.in>e-payment>List of Banks>E-payment directly from Banks Web-site>**

1.	State Bank of India;	8.	State Bank of Bikaner and Jaipur ;
2.	State Bank of Hydrabad;		
3.	State Bank of Travancore;	9.	State Bank of Patiala
4.	State Bank of Mysore;	10.	Bank of Maharashtra;
5.	Punjab National Bank;	11.	Bank of Baroda.
6.	Bank of India	12.	IDBI
7.	Corporation Bank	13.	Union Bank of India
14	Indian Bank		

(4) **Procedure to be adopted for e-payment: -** As explained above it is now mandatory for the dealer who files Quarterly return to make electronic payment. The dealer may adopt the following procedure to make e-payment:

(i) From the Gateway provided at MSTD Web-site:-

(a) Dealer having a net banking account in the banks i.e. IDBI, Corporation Bank, Union Bank of India, Bank of Maharashtra or Indian Bank may make electronic payment with the use of gateway provided at MSTD Web-site.

(b) The dealer who makes e-payment from MSTD Web-site is requested to follow the following procedure:-

(a) Visit MSTD Web-site. The desired path is **>e-Services Info.>e-payment>Download Application Software >Download Desktop Application.**

(b) Click on the **"Download Application Software"** and download the same. This is an Adobe Air Software. A dialog box "Run" will appear. Click on the "Run" and save the application.

(c) Thereafter, download and install **"Desktop Application."** A short-cut will be created at the Desktop. **The Step-wise demo for making e-payment from MSTD Web-site is as under:-**

- **Step1:** Download "Application Software" from MSTD Web-site. If not downloaded previously.
- **Step2:** Install the "Desktop Application". If not downloaded previously. After that a shortcut will be created on the Desktop.
- **Step3:** Open the application. Enter TIN as Login ID. Click on "Sign in button".
- **Step4:** A Chalan in MTR Form No.6 shall be displayed. It shall contain TIN and name of the dealer by default.
- **Step5:** Select type of ACT for which you desire to make e-payment. Account Head Field shall automatically get populated in the 'Account Head' Window. Similarly current date shall get populated automatically in 'Date' Window. Then Select:-
  - (a) Period;
  - (b) Amount;
  - (c) Location i. e. Name of Sales Tax Office Location. e. g. Mazgaon, Pune etc. under which the dealer is registered;
  - (d) FORM ID:- "Form ID" Window is linked with "Remark". Once appropriate field is selected from the "Form ID" Window, its corresponding field shall automatically get populated in the "Remark" Window.
- **Step6:** Select the Bank from the drop down list provided at the bottom of the Chalan for making e-payment.

- **Step7:** Use password of e-services for entering into e-payment gateway.
- **Step8:** Ensure correctness of the details filled by clicking on 'Validate' button. After validation, 'pay' button shall get activated.
- **Step9:** Once 'pay' button is clicked, GRN (Government Reference Number) shall be generated.
- **Step10:** Payment summary shall be displayed. Check it and if found correct, again click on 'pay' button, which shall direct you to the Bank's website.
- **Step11:** Use login ID & password provided by the Bank to enable you to make e- payment.
- **Step12:** On Bank site, give instructions to the Bank to debit your account & credit the sales tax account.
- **Step13**: After successful e-payment, cyber receipt inter-alia showing details as Bank/ Branch Name, Period, TIN, CIN, date & time of payment, amount of payment, GRN shall be generated.
- **Step14:** Dealer may download, save or print the cyber receipt from Bank's Web-site as a proof of payment made.

  Note:- Step1 and Step2 are one time activities.

(ii) <u>Directly from Web-site of the Authorized Banks:-</u>

(a) The dealer having net Banking account in banks authorized for e-payment can directly make the payment from the Web-site of that Bank. The link to make e-payment directly from the Banks Web-site is provided on MSTD Web-site. The path is **>e-payment>list of Banks for e-payment>e-payment directly from Banks Web-site>**

(b) In case of e-payment directly from the Banks Web-site the dealer is requested to follow the procedure as given under:-

- **Step1:** Approach the desired Bank (stated in Para (3)(ii)) for opening the Net Banking Account (If not opened earlier).
- **Step2:** Logon to the Banks Web-site, and find out the option for tax payment under MVAT Act or CST Act. Enter the user ID and password at appropriate place. After performing this action Bank Account can be accessed. [This procedure varies from the Bank to Bank. Each bank has explained the procedure for the e-payment on their Web-site. Please follow the procedure explained by these Banks]
- **Step4:** A Chalan in MTR Form No.6 shall be displayed. Fill the TIN, Name of the Dealer correctly at the suitable place.

➢**Step5:** Select type of ACT for which you desire to make e-payment. Account Head Field shall automatically get populated in the 'Account Head' Window. Similarly current date shall get populated automatically in 'Date' Window. Then Select:-

(a) Period;

(b) Amount;

(c) Location i. e. Name of Sales Tax Office Location. e. g. Mazgaon, Pune etc. under which the dealer is registered;

(d) FORM ID:- "Form ID" Window is linked with "Remark". Once appropriate field is selected from the "Form ID" Window, its corresponding field shall automatically get populated in the "Remark" Window.

➢**Step8:** Ensure correctness of the details filled. To submit to the Bank click on the submit button. This procedure varies from the Bank to Bank. Each bank has explained the procedure for the e-payment. Please follow the procedure explained by these Banks

➢**Step9:** After click on the submit button the Bank will ask to confirm the details filled in the Chalan. After confirmation the Bank will debit the Amount stated in the Chalan.

➢**Step10:** After successful e-payment, cyber receipt inter-alia showing details as Bank/ Branch Name, Period, TIN, CIN, date & time of payment, amount of payment etc shall be generated.

➢**Step14:** Dealer may download, save or print the cyber receipt from Bank's Web-site as a proof of payment made.

(5) **Queries regarding e-payment:-**

(i) USE OF FORM FOR PAYMENT:-

(a) Under the Maharashtra Value Added Tax Act, 2002 different forms have been prescribed for e-payment and manual payment. In case of e-payment it is mandatory to use Chalan Form MTR-6. For manual payment under MVAT Act, 2002 Chalan Form-210 is to be used.

(b) The dealers liable to file Six-monthly returns may make manual payment or may opt for e-payment. In case of e-payment these dealers shall also make payment in Chalan Form MTR-6. However, in case of Manual payment these dealers shall make the payment in Chalan Form-210.

(c) Under the Central Sales Tax Act, 1956 the dealer shall use Chalan MTR-6 for e-payment as well as manual payment. Needless to state that now it is mandatory for the dealers who are liable to file Monthly or Quarterly returns to make e-payment. Hence they should use Chalan Form MTR-6.

(d) The said Form of Chalan for CST manual payment is also made available on MSTD Web-site. The path is **www.mahavat.gov.in>download>Forms>CST Act>MTR-6 at serial no.31.**

(ii) PAYMENT OF WORKS CONTRACT TDS:-

(a) The Employer who deducts Tax at Source is liable to make the payment of said TDS within 21 days from the expiry of the month during which tax is so required to be deducted.

(b) If said employer or dealer is liable to file VAT returns monthly or quarterly then it is mandatory to make e-payment. For such e-payment, procedure explained supra shall be applicable.

(c) The dealer shall first select MVAT Act, then from the dropdown menu of Form ID option shall select the option as 405. The corresponding remark window will populate "TDS payment" automatically.

(d) As explained earlier dealer liable to file Six-monthly return may opt for e-payment or manual payment. The manual payment of TDS shall be in Form-210.

(iii) E-PAYMENT WITH THE USE OF RTGS OR NEFT FACILITY:-

(a) Due to certain unforeseen reason, if it is not possible to make e-payment through their own Bank account then such dealer may utilize RTGS (Real Time Gross Settlement) or National Electronic Fund Transfer (NEFT) facility.

(b) At present this facility is provided by IDBI Bank and Corporation Bank.

3. Dealers having any queries in this respect may contact helpdesk or refer FAQ published on the MSTD Web-site

Telephone Numbers are :-(022) 23735601, 23760773, 23760763, 23760766 and 23760903. The dealers situated outside Mumbai may contact to their nearest Sales Tax office.

4. The names of the concerned Bank Officials along with their Contact numbers are available on the Web-site. **The path is >e-payment>Help Desk>** For queries related e-payment these Bank officers may also be contacted.

5. The dealers who have some problems may also write to E-mail Id: e-payment@mahavat.gov.in

6. This circular cannot be made use of for legal interpretation of provisions of law, as it is clarificatory in nature. If any member of the trade has any doubt, he may refer the matter to this office for further clarification.

7. You are requested to bring the contents of this circular to the notice of all the members of your association.

Yours faithfully,

(Sanjay Bhatia)
Commissioner of Sales Tax
Maharashtra State, Mumbai.

No.VAT/AMD-1009/1B/ADM-6 Mumbai, Dt. : 27th September 2010.
Trade Cir. No. T of 2010

1. **Copy forwarded To:**
   - (a) All Addl. Commissioners of Sales Tax in the State.
   - (b) All Joint Commissioners of Sales Tax in the State.
   - (c) The Joint Commissioner of Sales Tax (Mahavikas) with request to upload this Trade Circular on the Departments web-site.
   - (d) All Sr. Dy. Commissioners of Sales Tax in the State.
   - (e) All Dy. Commissioners of Sales Tax in the State.
   - (f) All Asstt. Commissioners of Sales Tax in the State.
   - (g) All Sales Tax Officers in the State.
2. **Copy forwarded with compliments for information to:**
   - (a) The Officer on Special Duty, Finance Department, Mantralaya, Mumbai.
   - (b) The Under Secretary, Finance Department, Mantralaya, Mumbai.
   - (c) The Accounts Officer, Sales Tax Revenue Audit, Mumbai and Nagpur.
3. Copy to all Desks and Desk Officers in the office of the Commissioner of Sales Tax, Maharashtra State, Mumbai.

(G. B. Indurkar)
Joint Commissioner of Sales Tax,
(HQ) 1, Maharashtra State,
Mumbai.