



E-filing of Service Tax Return & E-payment of Service Tax

Bimal Jain

FCA, ACS, LLB, B.Com (Hons)

Member of Indirect Tax Committee of PHD & FICCI

Member of GST committee of NIRC-ICAI/ICSI

Member of Indirect tax faculties of ICAI/ICSI/ICWAI

Contents

-  **Relevant Provisions**
-  **Process to be followed**
-  **Question & Answer**

Service Tax Rules – Rule 7

- **Report – 15 Lakhs Registered User – 6 Lakhs filing Return**
- **Notification No 43/ 2011–ST dated. 25 August 2011 → W.E.F 1/10/2011 – Mandatory – All Assessee – To File Service Tax Return Electronically** - Irrespective of their Service tax liability in the preceding F.Y.
- **Before:**
 - Every taxpayer has to file half-yearly returns in ST -3 (Triplicate), either electronically or manually.
 - W.e.f 1/4/2010 – Notification No. 1/2010-ST Dated 19/2/2010 → e-filing compulsory for the taxpayers who had paid Service tax amounting to Rs. 10 Lakhs or more (including the amount paid by utilization of CENVAT credit) in the preceding F.Y.

Pre-requisite for e-filing

■ Get Registered with ACES:-

- Fill the “ACES DECLARATION FORM” – www.aces.gov.in and deposit it with the concerned Range Superintendent.
- Please ensure to fill email-id correctly in the form because T-PIN and password will be communicated by the department to this email-id only.
- After receiving the T-PIN and Password, visit the website www.aces.gov.in and Click on the service tax button provided on the left side of ACES Homepage to login.
- Enter the T-PIN and password to log into the system. For first time login, ACES will mandatorily prompt for changing the password.

Pre-requisite for e-filing

- Get Registered with ACES:-
 - Set the new password & Note that user id (called as T-PIN) once selected can never be changed, even during the course of first time login.
 - For second and every subsequent login into ACES, take the note of this user-id and Password as set above
- Important Action: Those who are not registered → Pls get registered NOW.



How to file Return electronically

- Two Methods of filling the return electronically:-
 - Online filling of data in service tax return and then submit it.
 - Offline filling of data using excel utility and then upload it.

Online filing of Data & Submit

- Login into ACES by entering the user-id and password → Home page of the assessee will appear.
- Go to 'RET' Main menu - Click on the 'Fill' option of 'Fill ST-3' sub-menu i.e. RET Menu → Fill ST-3 → Fill.
- Page will appear listing the Premises code and Address of the registered premises of the Assessee. Premises code will appear as hyperlink → Click on the hyperlink to prepare the ST-3 Return
- After filling the Service Tax return correctly, Click on the 'SAVE' Button appearing on last page and confirmation page of ST-3 will appear.
- To Amend, Click on the 'Modify' button or 'Save' to store the Return in the database

Online filing of Data & Submit

- Return saved in ACES can be amended before submission by the assessee by clicking on the “Amend ST-3” button under “Fill ST-3” sub-menu.
- To submit the ST-3 Return to the department, press “SUBMIT” button.
- Confirmation will appear for successful submission of ST-3 Return displaying the Unique No. for such Return.
- Return after submission can be revised once in 90 days by clicking on the “Revise ST-3” option of “Fill ST-3” submenu.

Offline filing of Data & Upload

- Click on the 'Download' button provided on the left side of ACES Homepage and download excel utility by clicking on the hyperlink "Download ST3 Return Excel Utility"
i.e. RET → e Filing → Download Excel Utility
- Use the excel utility to prepare ST-3 return and click on "Validate & Submit" button on the last page to generate XML file.
- The XML file will be saved in the same folder where the download utility is saved by the user.
- To upload the ST-3 Return, login into ACES by entering the user-id and password. Click on "Upload File" option of "e-filing" submenu under "RET" Main Menu
i.e. RET Main Menu → e-filing → Upload file

Offline filing of Data & Upload

- Click the “Save” button to save the return in the database of the assessee or Else click on “SUBMIT” button to file the return.
- Confirmation will appear for successful uploading of Return without any Unique No.
- After uploading, click on “View Status” option of “e-filing” submenu under “RET” Menu to view status of Return.
- A return will be considered as filed only when its status is shown as ‘FILED’ which should be appeared on or before the last due date of 25th April/25th October, as the case may be, for treating the return ‘filed on time’.
- Further, Assessee can also → ‘VIEW’, ‘SAVE’ AND ‘PRINT’ ST-3 RETURN at any time by clicking on the button ‘view ST-3’ under ‘RET’ menu after successful login into ACES.

Late Filing of ST - 3

- Rule 7C of STR read with S. 70(1) of the Finance Act
- Where Service tax payable is nil, officer may, on being satisfied that there is sufficient reason for not filing the return, reduce or waive the penalty

Period of Delay	Penalty/late fee before finance bill 2011	Penalty/ Late fee After Finance Act, 2011 (W.e.f. 01.04.2011)
for delay up to 15 days	INR 500	INR 500
for delay beyond 15 days but up to 30 days	INR 1,000	INR 1,000
for delay beyond 30 days	INR 1,000 + INR 100 per day from 31st day subject to a maximum amount of Rs 2,000.	INR 1,000 + INR 100 per day from 31st day subject to a maximum amount of Rs 20,000.

Payment of Service Tax

- Rule 6(1) of STR read with S. 68 of the Finance Act
- By 5th/ 6th of Next Month – Manual/ e-payment
- Qtr – Individual/ Proprietorship or Partnership Firm
- March – 31st March – All cases
- Accrual basis/ Collection basis for specified 8 Services w.e.f 1/4/2011
- Detailed process for e-payment & e-filing → Read Circular No. 919/9/2010-CX., dated 23-3-2010 on “E-payment of taxes/duties and e-filing of returns — Procedure”

e-Payment of Service Tax

- Assessee should open a net banking account with one of the authorized banks (currently there are more than 28 banks, list of which is available on the EASIEST (Electronic Accounting System in Excise and service Tax) website of CBEC, maintained by NSDL (<https://cbec.nsdl.com/EST/>)).
- For effecting payment, assesseees can access the ACES website (<http://www.aces.gov.in/>) and click on the e-payment link that will take them to the EASIEST portal (<https://cbec.nsdl.com/EST/>) or they can directly visit the EASIEST portal.

e-Payment - Procedure

- To pay Excise Duty and Service Tax online, the assessee has to enter the 15 digit Assessee Code allotted by the department under erstwhile SACER/SAPS or the current application ACES.
- There will be an online check on the validity of the Assessee Code entered.
- If the Assessee code is valid, then corresponding assessee details like name, address, Commissionerate Code etc. as present in the Assessee Code Master will be displayed.
- Based on the Assessee Code, the duty/tax i.e. Central Excise duty or Service Tax to be paid will be automatically selected.
- The assessee is required to select the type of duty/tax to be paid by clicking on Select Accounting Codes for Excise or Select Accounting Codes for Service Tax, depending on the type of duty/tax to be paid.
- At a time the assessee can select up to six Accounting Codes.

e-Payment - Procedure

- Assessee should also select the bank through which payment is to be made.
- On submission of data entered, a confirmation screen will be displayed. If the taxpayer confirms the data entered in the screen, it will be directed to the net-banking site of the bank selected.
- The taxpayer will log in to the net-banking site with the user ID/password, provided by the bank for net-banking purpose, and will enter payment details at the bank site.
- On successful payment, a Challan counterfoil will be displayed containing CIN, payment details and bank name through which e-payment has been made. This counterfoil is proof of payment made.

System requirement for ACES

- To use ACES following systems requirements are recommended:-
 - Processor: Intel Pentium III and higher
 - RAM: 256 MB and higher
 - HDD: 80 GB and more
 - Web Browser: IE 6.0 and above, Netscape 6.2 and above
 - MS Excel 2003 and above for using offline utilities
 - Sound Card, Speakers/Headphones, Colour Monitor for using Learning Management Systems (LMS)

Help for Assessee

- Service Desk with National toll-free No. 1800 425 4251, which can be accessed by between 9 AM to 7 PM on all working days (Monday to Friday). Besides, e-mails can be sent to aces.servicedesk@icegate.gov.in. All the calls/e-mails will be issued a unique ticket number, which will be attended to by the Service Desk agents for appropriate response.
- A Learning Management Software (LMS) has been provided on the ACES website, which is a multimedia-based self-learning online tutorial guiding the assesseees in a step-by-step processes to use ACES.



Thank You !

Bimal Jain

FCA, ACS, LLB, B.Com (Hons)

Email: bimaljain@hotmail.com

Mobile: 9810604563