

OFFICE OF THE TRANSPORT COMMISSIONER-CUM-CHAIRMAN,
STATE TRANSPORT AUTHORITY, ODISHA, CUTTACK.

No. 6553 ITC

Dated 04.08.2020.

ORDER

It is noticed that during July, 2020, some goods carriage and Educational Institution vehicle owners have paid tax after extended grace period during July 2020 online and due to error occurred in Vahan application, system could not calculate amount of penalty due under the OMVT Act and OMVT Rules.

Rul-9 (1) of OMVT Rules provides that due date of payment of tax and addl. Tax shall be the date of expiry of the period for which tax has been last paid. Sub-rule(2) of said rules provides that fifteen days from the due date of payment shall be deemed to be the grace period after which Taxing Officer shall levy penalty as specified below.

- (i) If paid within fifteen days after the grace period- Penalty to be charged 25% of tax and addl. Tax due.
- (ii) If paid after fifteen days but within one month after the grace period- Penalty to be charged 50% of tax and addl. Tax due.
- (iii) If paid after one month but within two months after the grace period- Penalty to be charged equal to the tax and addl. Tax due (i.e. 100%).

The goods carriages had been allowed to pay tax and addl. tax on quarterly tax basis as per notification issued by the Government.

Educational Institution buses are liable to pay tax at annual rate under section 4 of OMVT Act, 1975.

Due to lock down declared by Government of India and Government of Odisha to prevent COVID-19, the Government in Transport Department notification No.3774/T dated 29.04.2020 has extended the grace period of payment tax up to 30.6.2020 in respect of goods carriages for the quarter April-June, 2020 which was subsequently extended up to 15.07.2020 vide notification No.5360/T dated 10.07.2020.

Similarly the Government in Transport Department notification No.3774/T dated 29.04.2020 has extended the grace period of payment tax for the quarter April-June up to 30.6.2020 in respect of Educational Institutional buses.

Goods carriage owners who have paid tax and addl. tax between 16th - 30th July, 2020 for the quarter April-June, 2020, penalty to be charged 25%

of tax and addl. tax due and in cases where such tax/ addl. tax has been paid on 31st July, penalty to be charged 50% of tax and addl. Tax due.

Educational Institutional bus owners who have paid annual tax between 01 to 15th July, 2020, penalty to be charged 25% of annual tax due, where such annual tax has been paid between 16th to 30th July, 2020, penalty to be charged 50% of annual tax due and in cases where such annual tax has been paid on 31st July, 2020, penalty to be charged 100% of annual tax due.

Non-collection of penalty at above rate will lead to audit objection and further litigation.

It is therefore, instructed that penalty at above rate be charged by Taxing Officers from Goods carriage / Educational Institution vehicle owners those who have paid tax / addl. tax after extended grace period during July 2020. This amount may be entered against internal audit of the said vehicles.

All RTOs are instructed to submit compliance by 31.08.2020 that they have checked all the tax and addl. tax paid by the Goods Carriage and Educational Institution Buses and entered the penalty due on above in the internal audit of the such vehicles.


4.8.2020
Transport Commissioner, Odisha.

Memo No. 6554 ITC

Dated 04-08-2020.

Copy forwarded to all Deputy Commissioners Transport / all RTOs for information and necessary action.

Copy to Technical Director, NIC, STA / Copy to Computer Cell for information and necessary action.


4.8.2020
Transport Commissioner, Odisha.