No. 22732 FIN-CT1-TAX-0005-2015

GOVERNMENT OF ODISHA

FINANCE DEPARTMENT

RESOLUTION

The 11th August, 2023

Sub: Write off of arrears including tax, interest and penalty between Rs. 5001.00 to Rs. 25,000.00 in each case relating to the OST Act,1947, OAST Act, 1975, CST Act,1956, OVAT Act, 2004 (except for 6 goods namely; petrol, diesel, ATF, natural gas, petroleum crude oil and liquor for human consumption) and the Odisha Entertainment Tax Act.

A large number of cases on arrear tax, including interest and penalty under the Odisha Sales Tax (OST) Act, Odisha Additional Sales Tax (OAST) Act, Central Sales Tax (CST) Act, Odisha Value Added Tax (OVAT) Act and the Odisha Entertainment Tax Act are pending for recovery. Various efforts are being made for collection of arrear tax revenue. It is found that a large number of arrear tax cases involving small amount are pending since long. The cost of recovery of such arrear tax through recovery proceedings under the Statute would be more than the amount of arrear.

The OST Act,1947 and the OAST Act, 1975 have been repealed. The Odisha Goods and Services Tax (OGST) Act, 2017 came into force with effect from 1st July, 2017. With introduction of the OGST Act,2017, the OVAT Act,2004, and the CST Act,1956 has been repealed except for the aforesaid 6 goods i.e. petrol, diesel, ATF, natural gas, petroleum crude oil and liquor for human consumption.

There are 27,546 number of arrear tax cases including tax, interest and penalty between Rs. 5001.00 to Rs. 25000.00 in each case totaling to Rs. 32,73,97,876.00 relating to the OST Act, OAST Act, CST Act, OVAT Act (except for 6 goods namely; petrol, diesel, ATF, natural gas, petroleum crude oil and liquor for human consumption) and Odisha Entertainment Tax Act, pending for recovery. Settlement of such large number of arrear tax cases involving an amount of Rs.32.74 crore approx. through tax recovery procedure under the statute is quite futile in comparison to man-hours spent or required for the purpose.

Therefore, a proposal to write off all such old arrear revenue including tax, interest and penalty between Rs. 5001.00 to Rs. 25,000.00 relating to the OST Act, OAST Act, Odisha Entertainment Tax Act ,CST Act, OVAT Act, except for 6 goods namely; petrol, diesel, ATF, natural gas, petroleum crude oil and liquor for human consumption under the OVAT Act and CST Act was mooted with a view to reduce the volume of work load of tax recovery. The existing manpower would concentrate in high stake arrear tax cases, which would help in better collection of arrear tax revenue.

After careful consideration, the Government have been pleased to write off arrear tax between Rs.5,001.00 to Rs. 25,000.00 in each case up to the period 31.03.2023, under the OST Act, OAST Act, CST Act, OVAT Act, except for 6 goods namely; petrol, diesel, ATF, natural gas, petroleum crude oil and liquor for human consumption and the Odisha Entertainment Tax Act.

It excludes the arrear tax cases under the Odisha Entry Tax Act, 1999 and the Odisha State Tax on Profession, Trade and Calling and Employment Act, 2000.

This Resolution will only be applicable to arrear tax cases including tax, interest and penalty between Rs.5,001.00 to Rs. 25,000.00 in each case.

Order-Ordered that the Resolution be published in an Extraordinary issue of the Odisha Gazette.

By order of the Governor

(Vishal Kumar Dev)
Principal Secretary to Government

Memo No. 22733 **/F., Date-** 11.08.2023

Copy forwarded to the Gazette Cell of Commerce & Transport Department, Government of Odisha, Bhubaneswar/ the Deputy Director, Secretariat Press, Bhubaneswar for information and necessary action with a request to publish this notification in an extraordinary issue of the Odisha Gazette immediately.

Ten copies of the notification may please be supplied to this Department.

Email- secretariatpressbbsr@gmail.com

deputydirectorpp@rediffmail.com

11/8/2023.
Joint Secretary to Government

Memo No. 22734 **/F., Date-** 11.08.2023

Copy forwarded to the Commissioner of CT & GST, Odisha, Cuttack for information and necessary action.

11/8/2023
Joint Secretary to Government

Memo No. 22735 **/F., Date-** 11.08.2023

Copy forwarded to Sri Tapan Kumar Pattanaik, Sub-Nodal Officer(E-Gazette), FID, Finance Department for hoisting in the Finance website (https:finance.odisha.gov.in).
Email:tkpattanaik@gmail.com

11/8/2023.
Joint Secretary to Government