

GOVERNMENT OF THE NATIONAL CAPITAL TERRITORY OF DELHI
DEPARTMENT OF TRADE AND TAXES: VYAPAR BHAWAN
I.P.ESTATE, NEW DELHI-02

No. F.3(552)/Policy/vat/2015/1097-1103

Dated:30/11/15

ORDER

Value Added Tax is one of the major sources of revenue of the Government of Delhi which is an indirect tax collected by traders from customers on sale of goods and then deposited with the Government. In its effort to collect the due tax, the Government intends to involve market associations. With this objective in view, the Government proposes to introduce a reward scheme for the associations.

OBJECTIVE OF THE SCHEME

It has been decided to introduce a reward scheme to encourage market / trade association for payment of due tax. A portion of the VAT collected in addition to the target from the markets/localities shall be made available for the maintenance and upgradation of that market to foster business and trade.

SALIENT FEATURES OF THE SCHEME

Eligibility Criteria:

The market association, registered under the Society Registration Act 1861, must have at least 50 registered members to be eligible for the reward. The number of members would be frozen at the beginning of the scheme and thereafter at the end of April of each financial year. More than 50% of the members should be registered with the department. The office bearers of the association should be elected through the process of election in accordance with the constitution of the association. Not more than 5% of the registered members should have defaulted in return filing. KCS, liquor, tobacco and petroleum dealers are excluded from the ambit of this scheme.

Enrolment:

The association has to register itself online on the website of the department and upload the list of members with their TIN, Name & Address. If a dealer is a member of more than one market association, the said member can associate with only one market association. Cancelled dealers cannot participate in any association for the purpose of this scheme. Members should be from ward area only.

Target for eligibility for Reward:

1. A tax growth of 25% year-on-year would be the bench mark for the association to become eligible for consideration for the reward.
2. Admitted tax due and paid (VAT/CST) with the return would be accounted for.
3. Refund claimed and credit carried forward would be deducted from the tax collected, meaning thereby that net tax would be compared for working out the growth percentage.
4. Interest, penalty or any other dues pertaining to past period but deposited during the current year would not be taken into account for the reward.

REWARD AMOUNT

1. Reward money shall be 10% of the revenue generated over and above the target set for the year.
2. Rs. Five lacs separately would be made available as reward to top ten associations each all over Delhi.

IMPLEMENTATION :

1. A committee comprising members from Finance Department and Trade & Taxes Department would be constituted to work out the claims of the associations for award under the scheme.
2. The money awarded to the association would be made available for expenditure on proposals put forth by the market association for the upkeep / maintenance of their market / localities.
3. Once the reward amounts are finalized, funds would be placed at the disposal of the civic bodies or any other agency for infrastructure development as decided by the Government.
4. Some of the works which could be sanctioned shall be as follows:
 - (a) Repair of roads & signages
 - (b) Building / maintenance of public conveniences
 - (c) Pedestrinisation of the market
 - (d) Beautification of the area
 - (e) Information kiosks for the help of visitors, etc.
 - (f) Maintenance of parks
 - (g) Setting up of free wi-fi in the market
 - (h) Putting up a gate with name of Market Association
 - (i) Running battery buses in the market area
 - (j) Provision of benches
 - (k) Provision of dustbins in the market

The portion of VAT which is to be earmarked for the purpose would have a separate Head of Account / Sub-Head of Account and a budget allocation would also be made.

(ABHISHEK DEV)
ADDL. COMMISSIONER(POLICY)

No. F.3(552)/Policy/VAT/2015/1097-1103

Dated:30/11/2015

Copy forwarded for information and necessary action to:

1. All Spl./Addl./Joint Commissioners, Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi.
2. Deputy Director (Policy), Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi.
3. Joint Director (IT), Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi for uploading the order on the website of the Department.
4. The President/Secretary, Sales Tax Bar Association (Regd.). Vyapar Bhawan, I.P.Estate, New Delhi
5. All Assistant Commissioners/ AVATOs, Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi
6. PS to the Commissioner, VAT, Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi.
7. Guard File.

(ABHISHEK DEV)
ADDL. COMMISSIONER(POLICY)