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**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No.FIN-TRY-MEET-0004/2014- 2 9 3 8 8 /F.

Bhubaneswar, Dated the 13th November, 2015

OFFICE MEMORANDUM

Sub: Book transfer of revenue deducted at source - VAT and Royalties etc. through Works Module of IFMS & WAMIS.

The Irrigation Projects & Public Works Divisions are making electronic payments into the Bank account of the individual beneficiary through the Central Electronic Payment Cell of the Directorate of Treasuries & Inspection, Odisha, using the Regional Electronic Clearing System of the Reserve Bank of India, PAD, Bhubaneswar.

2. Statutory dues like VAT, Royalty deducted at source from the Contractors/Suppliers Bill by the FA&CAO of Irrigation Projects and Divisional Officer of Public Works Divisions are credited to Part-V of deposit Head. Subsequently the concerned FA&CAO of Irrigation Projects and Divisional Officer of Public Works Divisions pay the statutory dues through electronic cheque in favour of the Revenue Officer (Tehsildar) or the Sales Tax Officer in the designated Bank account or by issuing a banker's cheque from their own establishments Bank account. Subsequently, the Revenue authorities deposit the statutory dues remitted by the Deductors in the Treasury Link Bank branch along with the chalan which is a memorandum of receipt. The above process of remittance of statutory dues is cumbersome and time consuming. The Revenue administering authorities also face a lot of difficulties in reconciliation of the Tax deducted at source causing hardship to the tax payer.

3. In order to overcome the aforesaid difficulties, State Government have decided to re-engineer the existing process of deduction of statutory dues and its remittance. Now, the revenue deducted at source towards VAT/CST/ET and Royalties etc. shall be credited into the corresponding Revenue receipt head such as:- 0040 and 0853 etc. The data relating to deduction made at source indicated at the time of processing and approval of electronic Cheque in the IFMS, will be transferred seamlessly through server based integration with WAMIS to the deductors and the revenue authorities. Since all the Divisions & Irrigation Projects are now required to compile their Account in the WAMIS, the statutory dues deducted will be credited to the appropriate revenue head through transfer credit



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and will be reported to D.A.G, Puri, along with schedule of receipt incase of each revenue head. A copy of the schedule of receipt will also be transmitted to the appropriate revenue authority physically or electronically as the case may be.

4. In terms of SR-397 and SR-411 of the Odisha Treasury Code, Vol.-I, the Divisional Officers of Public Works & Forest Divisions and FA & CAO of Irrigation Projects are also hereby placed in account with the CePC, R.B.I, PAD, Bhubaneswar & E-Kuber in addition to their existing attachment to the District Treasury/Special Treasury/Sub-Treasury and the concerned Agency Bank.

5. Finance Department Notification vide OM No. 26375 Dated 10.9.2014 on electronic disbursement for works expenditure of Irrigation Projects and Public Works Divisions envisaged creation of a facility for accounting adjustment of these Government dues through WAMIS.

6. With integration of IFMS and WAMIS the facility for Book transfer of revenue deducted at source towards VAT and Royalty into the actual receipt head of account have been enabled in the WAMIS System.

7. **Procedure to be adopted by all the Public Works Divisions and Irrigation Projects (FA&CAO):**

IFMS System will not allow generation of electronic cheque for remitting VAT & Royalties from Deposit balance (Part-V) w.e.f 1.11.15.

8. **Clearing of deposit balance available under Part-V of Deposit Head**

All the FA&CAO Divisions and the Public Works Divisions are required to clear the deposit balance available under Part-V Deposits (VAT and Royalties) and bring the same to NIL by 30.10.2015 by remitting the amounts to the concerned Revenue collecting Authorities.

9. **Processing of TDS in IFMS**

The recoveries against VAT and Royalties will be credited directly to HOA- 00-0040-00-111-0222-01049-000-0-0-0 and 00-0853-00-102-0121--02021-000-0-0-0 respectively.

10. **Importing of cheque related data from IFMS to WAMIS**

All the FA&CAO Divisions and the Public Works Divisions will henceforth import the cheque related data from the IFMS and there will be no provision for manual posting of data for the purpose of preparation of monthly accounts.

11. **Generation of TDS Certificate for VAT**

After preparation of monthly Accounts in the WAMIS and submission of the same to the Deputy Accountant General (Works) the Tax Deduction details will be pushed to the Value Added Tax Information System(VATIS) and the VATIS will generate the TDS certificate in FORM 605A in respect of the concerned contractor.

12. **Entry of Master data relating to Tax Payer/Contractor/Supplier for VAT**

All the FA&CAO Divisions and the Public Works Divisions are required to update the contractors master in the WAMIS containing the PAN and TIN numbers of the Contractors.

13. **Tehsil wise Royalty deduction status**

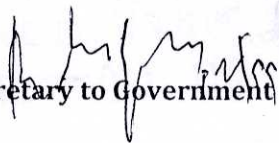
All the FA&CAO Divisions and the Public Works Divisions are required to update the Tehsil of each Work in the Work proposal. The recoveries collected through deduction of royalties will be credited directly to the Head of Account 00-0853-00-102-0217--02021-000-0-0-0. WAMIS will generate the Tehsil wise Royalties deducted status for the accounting month and the same shall be shared with the Tehsils by the concerned Division. The Tehsildar may also download the information from the Treasury Portal by logging into the DDO interface.

14. **Implementation Plan**

Piloting of online submission of VAT/ Sale Tax data to VATIS for two months has been done by Rural Works Bhubaneswar Division. This will be implemented across all the FA&CAO Divisions and the Public Works Divisions with effect from 1.12.2015.

15. **Deemed Amendment to Treasury Code & P.W. D. Code**

The existing provisions of the Odisha Treasury Code & P.W.D code stand amended to operationalize the Book Transfer of the Tax Deducted at Source (TDS). Formal amendment to Odisha Treasury Code & P.W.D Code will follow.


Additional Chief Secretary to Government

