

Pune to have first advisory committee on service tax

Chief Commissioner of Central Excise and Customs R.J. Beley Wednesday announced the setting up of a regional advisory committee (RAC) on service tax for Pune. Through the RAC, tax assesses will get an opportunity to address their doubts about service tax.

Addressing an open house on service tax, organised by the Confederation of Indian Industries (CII) here, Beley said: 'Pune has the fastest rate of growth in the collection of central and excise taxes. It ranks fifth in the country with a service tax collection totalling Rs.18 billion (\$428.6 million). The RAC will be a platform for venting and redressal of queries specific to service tax.'

However, the RAC decision also raises some concerns. According to Beley: 'There might be a serious shortfall this year. We are expecting only Rs.36 billion of sales tax collection this year against Rs.43.2 billion last year.'

'There have been lots of shutdowns in Pune,' he said. Beley pointed at a dip in production at the Tata Motors plant here and also the closure of Akrudi manufacturing facility of Bajaj Auto. 'All this will have an impact on revenue collection,' he added.

In order to keep the revenue collection high, the department has also set up an e-helpline facility that will address queries relating indirect taxes online. A booklet of frequently asked questions (FAQ) and a CD of help-line queries with answers have also been released.

Also present in the open house were CII Pune zonal council chairman Deepak Chhabria, V.S. Krishnan, Commissioner Appeals, Central Excise and Service Tax and Gautam Bhattacharya, Commissioner Service Tax Central Board of Excise and Customs.

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