

कार्यालय, महालेखाकार (लेखा परीक्षा), बिहार, पटना

पत्र संख्या:- राजस्व - ॥

दिनांक :

सेवा में,

लेखा शाखा

जिना परिवहन पदाधिकारी
कैलिया

विषय :- निरीक्षण प्रतिवेदन संख्या-राजस्व - ॥

262/16-17

का अग्रसारण

महोदय,

आपके कार्यालय के शीर्ष "0041" & "2041" पर, जिनकी लेखा परीक्षा श्री मनीष कुमार श्रीवास्तव

सहायक लेखा परीक्षा अधिकारी एवं सर्वश्री

शुभानु कुं. सि-ए। एवं नीरज कुमार

सहायक लेखा परीक्षा अधिकारी ने दिनांक 15.02.17 से 27.02.17 तक की थी, आपको सूचनार्थ एवं आवश्यक कार्रवाई हेतु अग्रसारित की जा रही है।

2. उक्त निरीक्षण प्रतिवेदन की निम्नलिखित कंडिकाओं की ओर आपका ध्यान आकृष्ट किया जाता है।
कंडिका संख्या 01, 27, 16 तक

3. अनुरोध है कि इस प्रतिवेदन पर की गई कार्रवाई को बताते हुए प्रतिवेदन के प्राप्त होने के एक महीने के भीतर पूर्ण उत्तर अपने नियंत्रण पदाधिकारी के मंतव्य के साथ इस कार्यालय को भेज दें।

4. कंडिका 01, 27, 05 तक पर उत्तर भेजने में शीघ्रता की जाए, क्योंकि अगले लेखा परीक्षा प्रतिवेदन में शामिल करने के लिए मामले पर ड्राफ्ट पारा बनाये जाने की संभावना है।

5. इस प्रतिवेदन का लेखा परीक्षा टिप्पणी टेस्ट ऑडिट नोट के संबंध में कोई उत्तर देने की आवश्यकता नहीं है, क्योंकि उत्तर की जांच अगली लेखा परीक्षक द्वारा की जायेगी।

6. यह निरीक्षण प्रतिवेदन उप महालेखाकार (राज्य राजस्व) द्वारा अनुमोदित है।

आपका विश्वासभाजन,

डी/

लेखा परीक्षा अधिकारी,
बिहार, पटना

ज्ञापक संख्या:-राजस्व - ॥

- 716 -

दिनांक :-

31.3.17

निरीक्षण प्रतिवेदन की प्रति के साथ अग्रसारित

1. राज्य परिवहन आरक्षण, बिहार, पटना
को प्रतिवेदन की ओर विशेष रूप से ध्यान आकृष्ट कराते हुए।
2. कैलिया, जिना परिवहन, बिहार, पटना
को प्रतिवेदन की ओर विशेष रूप से ध्यान आकृष्ट कराते हुए।
3. कैलिया
को प्रतिवेदन की ओर विशेष रूप से ध्यान आकृष्ट कराते हुए।

मनीष
30/3/17

लेखा परीक्षा अधिकारी
बिहार, पटना

OFFICE OF THE ACCOUNTANT GENERAL (AUDIT), BIHAR, PATNA.

I.R. No. Revenue (HQ) - 262/16-17

PART-I

INTRODUCTORY

1. Name of office inspected : District Transport Office, West Champarn
2. Scope of audit : " 0041 & 2041- Taxes on Motor Vehicles"
3. Period of audit : July 2015 to December 2016
4. General financial position:-

Revenue collected against target for the year 2013-14 to Dec 16 is as under;

Year	Target fixed (in lakh)	Collection (in lakh)	Percentage
2013-14	1521.00	1649.50	108.45
2014-15	1938.00	1830.99	94.48
2015-16	2258.00	1986.00	87.93%
up to Jan 17	2410.00	1626.00	67.46%

5. Whether account records were inspected
audit/ auditors of finance accounts during the
period from July 15 to December 2016 : No
6. General remarks : The irregularities notices during audit
and not settled on the spot is
incorporated in the Part II of this
inspection report.
7. Was the report discussed? Yes, with DTO, Bettih on 27.02.2017

DISCLAIMER

"The report has been prepared on the basis of information furnished and made available by the Office of the District Transport Office, West Champarn Bettih. The Office of the Accountant General (Audit), Bihar, Patna disclaims any responsibility for any misinformation and/ or non-information on the part of auditee Office".

PART – II

“Section-A”

Para 1 Non realization of one time tax from tractors (commercial) Rs 72.45 lakh

Section 5 of the BMVT Act, 1994 levies a tax payable by every owner by (of) a registered motor vehicle at specified rates. As per Bihar Finance Act 2014 (effective from 19th sept 2014)” One time tax for the life time of the vehicle shall be levied on tractor used or kept for use for other than agricultural purpose at the rate of 4.5 percent of the cost of the vehicle excluding Value Added Tax. Further delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994.

During scrutiny of owner and road tax table of VAHAN database of DTO West Champaran in respect of tractor (commercial) registered during May 2015 and Dec 2016, it was observed that 2534 tractors were registered during aforesaid period. Out of 2534 vehicles the tax from 111 vehicles were not realized so far. The taxing officer didn't issue demand notice to realize the dues. This resulted in non realization of one time tax and penalty of Rs 7245084.00 as detailed in **Annexure 1** .

After this pointed out, the DTO stated that demand notice would be issued . Follow up action may be intimated to audit.

Para 2: Non realization of one time tax due to pending registration of tractors (commercial); Rs 23.08 lakh.

Section 5 of the BMVT Act, 1994 levies a tax payable by every owner by (of) a registered motor vehicle at specified rates. As per Bihar Finance Act 2013 (effective from 1st April 2013)” One time tax for the life time of the vehicle shall be levied on tractor used or kept for use for other than agricultural purpose at the rate of two percent of the cost of the vehicle excluding Value Added Tax. The rate was revised to 4.5 per cent w.e.f. 19th Sept 2014. Further delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994. The transport department also issued instruction to levy fine under Rule 4 of BMVT Act 1994 vide letter no. 5276 dated 8.10.10. As per Rule 47 of CMV Rule 1989 certificate of registration pertaining to transport vehicle shall be handed over to the registered owner within the period of thirty days from the date of receipt of an application.

During scrutiny of registration data of VAHAN database of DTO West Champaran in respect of tractor (commercial), it was observed that registration of 36 commercial tractors was still pending (25.02.2017) (out of 2638) at the level of registering authority. Due to pending registration of 178 tractors tax was not collected from these tractors. The date of registration (applied for registration) of these vehicles was during April 2015 and Dec 2016. The registering officer/ taxing officer didn't initiate any action towards issue of certificate of registration and collect the tax. This resulted in non realization of one time tax of Rs. 2307940.2 including penalty as detailed in attached **Annexure 2** .

After this pointed out, the DTO stated that notice would be issued. Follow up ~~action may be intimated~~ to audit.

Para 3 : Non-realization of motor vehicles taxes and Road Safety Cess from transport vehicles: Rs.6.09 lakh

Section 5 of BMVT Act, 1994 levies a tax payable by every owner by (of) a registered motor vehicle. Under Section 9 of the Act, tax is to be paid to the taxing officer in whose jurisdiction the vehicle is registered or to a new taxing authority in case of change of residence/business subject to the production of 'No Objection Certificate' from the previous taxing officer.

The taxing officer shall grant a receipt and tax token under Section 11 *ibid* in the prescribed form in the prescribed manner to every person who pays motor vehicle tax or additional motor vehicle tax. Further under Section 20 *ibid* no motor vehicle shall be used or kept for use within state unless the valid tax token issued under section 11 in respect of the said vehicle has been obtained. To ensure realization of tax in time, the DTO is required to issue demand notice and initiate certificate proceedings where **necessary under PDR Act. Delay in payment of tax beyond 15 days attracts penalty** from 25 per cent to twice of the amount of tax due as per the provision of Section 23 *ibid* read with Rule 4 (2) of BMVT Rule 1994.

Further, a new Section 6A has been inserted in Bihar Vehicle Taxation (Amendment) Act, 2016. This Section provides that "Levy and Collection of Road Safety Cess" will be realized from every vehicle which is liable to pay tax under this Act, other than a vehicle liable to pay one time tax in accordance with the provisions of sub-section (1) of Section 7, at the rate of one per cent of the annual tax payable under this Act on such vehicle. Moreover, where any person liable to pay the cess levied under sub-section (1) fails to pay such cess within the time prescribed under sub-section

(3), such person shall in addition to the cess, pay by way of fine an amount equal to two and a half per cent of the cess due for every month, or part thereof, of default.

In course of test check of registration data and tax clearance table of VAHAN database, it was noticed that 41 owners of transport vehicles out of 2000 vehicle test checked had not paid taxes pertaining to the period during July 2015 and November 2016. Although, no reasons were found recorded for non-payment of tax against defaulting vehicle owners. This resulted into non-realisation of tax of Rs.609459 including penalty and road safety cess as detailed in Annexure.3

After this pointed out, the DTO stated that demand notice would be issued after proper verification. Follow up action may be intimated to audit.

Para 4 Non realisation of trade certificate fee; Rs.19.82 lakh.

Rule 33 of the CMV Rules 1989 provides that for the purpose of the proviso to Section 39 a motor vehicle in possession of a dealer shall be exempted from the necessity of registration subject to the condition that the dealer obtains a trade certificate from the registering authority having jurisdiction in the area in which the dealer has his place of business. Under Rule 34, an application for the grant or renewal of a trade certificate has to be made in Form 16 and shall be accompanied with appropriate fee as specified in Rule 81.

Under Rule 35, if the registering authority is satisfied on application being made for grant or renewal of a trade certificate, that the applicant is a *bona fide* dealer and requires the certificates specified in the application, issue to the applicant one or more certificates, as the case may be, in Form 17 and shall assign in respect of each certificate a trade registration mark. Under Rule 37 such a trade certificate shall be in force for a period of 12 months from the date of issue, or renewal thereof, and shall be effective throughout India. Under Rule 39(1) A trade registration mark and number shall not be used upon more than one vehicle at a time or upon any vehicle other than a vehicle *bona fide* in the possession of the dealer in the course of his business or on any type of vehicle other than the one for which the trade certificate is issued.

The Hon'ble Patna High Court in CWJC No. .3788 of 1995 (R) also stated that dealer is obliged to obtain a trade certificate in respect of all motor vehicles in his possession.

During scrutiny of dealer point registration VAHAN database in respect of registration of vehicles it was observed that 36186 vehicles from 06 dealers were registered during the period April 2015 to December 2016. The licensing authority had

issued one trade certificate to each dealer of motor vehicle despite TC was required for every vehicle under the rule. Thus non adherence of above said rules resulted in non realisation of trade certificate fees of Rs.1982000 as detailed in **Annexure 5**

After pointing out , the DTO stated that necessary guidelines will be obtained from headquarter and further action will be taken accordingly. Follow up action may be intimated to audit

Para 5 Non imposition of road safety cess from motor cycle and LMV (Pvt); Rs 6.19 lakh.

As per Bihar Motor Vehicle Taxation (Amendment) Act 2016 effective from 16.8.2016, every vehicle liable to pay one-time tax in accordance with the provisions of sub-section (1) of section-7, Road safety cess at the rate of one percent of the value of such vehicle shall be levied and collected. Further where any person liable to pay the cess levied under sub section (1) fails to pay such cess within the time prescribed under sub section (3), such person shall, in addition to the cess, pay by way of fine, an amount equal to two and half percent of the cess due for every month, or part thereof, of default.

During scrutiny of registration table and tax clearance table of VAHAN database in respect of motor cycle & Light motor vehicles (NT),of DTO, West Champarn (Bettiah) it was observed that 906 motor cycle and 24 LMV (car) were registered during 16.08.2016 and 03.09.2016. The one-time tax at the rate of seven per cent of cost of vehicle was realized from these vehicles. But road safety cess which was also leviable from 16.08.2016 at the rate of one per cent of the cost of vehicle was not levied from these vehicles. These vehicle were also liable to pay fine @2.5% as per above said provision. The taxing officer didn't initiate any action toward realization of Cess from these vehicles as per provision of the Act till the date of audit this resulted in non-realization of road safety cess amounting to Rs 619206.00 including fine as detailed in **Annexure 6**

After this pointed out, the DTO stated that action would be taken after proper verification. Follow up action may be intimated to audit.

PART – II (B)

Para 6 : Short- realization of motor vehicles taxes from transport vehicles due to wrong assessment of Seating Capacity on Wheel Base Rs. 2.29 lakh.

As per BMVT Act, 1994 and notification no. 1346 dated 4.4.2013 and no. 5367 dated 25.9.2014 issued by department of transport, Govt. of Bihar, the tax on buses will be calculated as per seating capacity on the basis of wheelbase. If vehicles were registered with less seating capacity than its admissible capacity, the vehicle shall be registered as semi deluxe/deluxe category and tax will be calculated accordingly. The DTO and MVI will be held responsible for fixation of seating capacity of buses on the basis of wheel base.

Further, the taxing officer shall grant a receipt and tax token under section 11 ibid in the prescribed form in the prescribed manner to every person who pays motor vehicle tax or additional motor vehicle tax. Further under section 20 ibid no motor vehicle shall be used or kept for use within state unless the valid tax token issued under section 11 in respect of the said vehicle has been obtained. To ensure realization of tax in time, the DTO is required to issue demand notice and initiate certificate proceedings where necessary under PDR Act. Delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994.

In course of test check of “registration data and tax clearance table of VAHAN database” of DTO Bettiah, it was noticed that 23 passenger buses were registered during January 2014 and September 2016. Out of 23 vehicles, all were test checked and found that seating capacity of 8 vehicles on the basis of wheel base were wrongly calculated for 6 to 11 seats less than its admissible capacity as per above notification in ordinary category of bus. Further, it was also noticed that these vehicles were registered neither in semi deluxe/deluxe category with less seating capacity nor paid tax for admissible capacity as per its wheelbase. This resulted not only violation of the gazette notification but also wrong assessment of seating capacity by the inspecting authority/taxing authority to give undue favour to vehicle owner which resulted in loss of govt. revenue of Rs. 2,28,555.00 including penalty as detailed in **Annexure 4**. Further, it has also been observed that in most cases, wheelbase of the vehicles has been shown as “0” in the database for which registration vouchers of those vehicles had been demanded by the audit for further scrutiny but the same was not made available to the

audit. So these cases could not be verified. Then how taxes from these vehicles had been realized may please be stated to audit.

After this pointed out, the DTO stated that demand notice would be issued . Follow up action may be intimated to audit.

Para 7:- Non levy of penalty for belated payment of one time tax on light goods vehicle; Rs.3.48 lakh.

Under the provisions of BMVT Act, 1994 as amended by Finance Act, 2011, one time tax at the rate of 7700 for vehicles with gross vehicle weight upto 1000 kgs and at the rate of 5500 per 1000 kgs of gross vehicle weight for vehicles with gross vehicle weight above 1000kgs and up to 3000 kgs (w.c.f. 1st April 2011) shall be levied at the time of registration of such vehicles. Further the earlier tax paid by such vehicles is to be deducted at the time of one time tax of such type of vehicles. Further Delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994.

During scrutiny of tax clearance table in *VAHAN* database in respect of light goods vehicles, it was observed that 290 light goods vehicles were registered during April 2015 to December 2016. Out of which 20 LMV paid onetime tax (OTT) with delay ranging between 38 to 164 days but penalty was not imposed. This resulted in non realization of penalty amounting to Rs.348150 as detailed in **Annexure 7**.

After this pointed out, the DTO stated that action would be taken after proper verification. Follow up action may be intimated to audit.

Para 8:-Non realization of one time tax from light goods vehicle; Rs.1.14 lakh.

Under the provisions of BMVT Act, 1994 as amended by Finance Act, 2011, one time tax at the rate of 7700 for vehicles with gross vehicle weight upto 1000 kgs and at the rate of 5500 per 1000 kgs of gross vehicle weight for vehicles with gross vehicle weight above 1000kgs and up to 3000 kgs (w.e.f. 1st April 2011) shall be levied at the time of registration of such vehicles. Further the earlier tax paid by such vehicles is to be deducted at the time of one time tax of such type of vehicles. Further Delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994.

During scrutiny of tax clearance table of VAHAN database in respect of Light Goods Vehicle, it was observed that 291 Light Goods Vehicle (registered laden weight upto 3000 kgs) were registered during April 15 and December 16 (one Vehicle having date of registration 8.5.2010). Out of which three vehicles didn't pay any tax so far. This resulted in non realization of one time tax and penalty of Rs.114084.00 as detailed in **Annexure 8 A& 8 B** .

After this pointed out, the DTO stated that demand notice would be issued . Follow up action may be intimated to audit.

Para 9: -Non realization of one time tax from light goods vehicle due to pending registration-Rs.2.81 lakh

Under the provisions of BMVT Act, 1994 as amended by Finance Act, 2011, one time tax at the rate of 7700 for vehicles with gross vehicle weight upto 1000 kgs and at the rate of 5500 per 1000 kgs of gross vehicle weight for vehicles with gross vehicle weight above 1000kgs and up to 3000 kgs (w.e.f. 1st April 2011) shall be levied at the time of registration of such vehicles. Further the earlier tax paid by such vehicles is to be deducted at the time of one time tax of such type of vehicles. Further Delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994.

As per Rule 47 of CMV Rule 1989 certificate of registration pertaining to transport vehicle shall be handed over to the registered owner within the period of thirty days from the date of receipt of an application.

During scrutiny of registration records of VAHAN database in respect of Light goods vehicles, it was observed that certificate of registration was still pending at the level of registering authority for seven LGV. Due to pending registration tax was not collected from these LGVs. The date of registration (applied for registration) of these vehicles was during June 2015 to October 2016. The registering officer/ taxing officer didn't initiate any action towards issue of certificate of registration and collect the tax. This resulted in non realization of OTT of Rs.280500 including penalty as detailed in attached **Annexure.9**

After this pointed out, the DTO stated that notice would be issued . Follow up action may be intimated to audit.

Para 10:-Irregular realization of tax from light goods vehicle.

Under the provisions of BMVT Act, 1994 as amended by Finance Act, 2011, one time tax at the rate of 7700 for vehicles with gross vehicle weight upto 1000 kgs and at the rate of 5500 per 1000 kgs of gross vehicle weight for vehicles with gross vehicle weight above 1000kgs and up to 3000 kgs (w.e.f. 1st April 2011) shall be levied at the time of registration of such vehicles. Further the earlier tax paid by such vehicles is to be deducted at the time of one time tax of such type of vehicles. Further Delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994.

During scrutiny of tax clearance table of VAHAN database and manual taxation register in respect of Light Goods Vehicles, it was observed that one Light Goods Vehicle bearing registration no. BR22G-3725 (registered laden weight of 2450 kgs) having date of registration 16.2.2010 didn't pay one time tax so far. Further, during scrutiny of taxation register, it was noticed that tax of Rs.1180 was realized on 13.1.2010 for the period upto 30.4.2010 and Rs. 13,334 was realized on 29.8.2013 for the period between 1.2.2011 and 31.10.2013 by VAHAN software.

Please explain to audit that how tax was realized on 13.1.2010 (prior to the date of registration ie; 16.2.2010). Moreover, there is nothing on records which shows that tax between 1/5/2010 to 31/1/2011 had been realized.

After this pointed out, the DTO stated that action would be taken after proper verification . Follow up action may be intimated to audit.

Para 11:- Non realization of one time tax from three wheelers (commercial):Rs.1.85 lakh

Under Section 7 of BMVT Act, 1994 as amended by Bihar Finance Act, 2013 (effective from 01 April 2013) states that

(a) Three wheeler with seating capacity not more than 4 persons (excluding driver) a one time tax of Rs.9000 shall be levied for 15 years for new registered vehicle, or a one time tax of Rs.6000 on all three wheelers upto one year of age at the time of registration for a period of ten years from the date of first registration in the State;

(b) Three wheelers with seating capacity upto 7 persons (excluding driver) a one time tax of Rs.13500 shall be levied fro 15 years from new registered vehicles, or one time tax of Rs.9000 on all three wheelers upto one year of age at the time of registration for a period of ten years from the date of first registration in the State. Further, Non payment

of tax within due time attracts penalty under the provisions of Rule 4 (2) of BMVT Rule 1994.

During the course of scrutiny of owner and road tax table VAHAN database, it was noticed that 10 three wheelers out of 1239 three wheelers registered during April 2015 to December 2016 did not pay their one time tax. The taxing authority didn't issue demand notice to realize the due tax. This resulted into non-realisation of one time tax of Rs.184500 including penalty as detailed in Annexure.10

After this pointed out, the DTO stated that demand notice would be issued. Follow up action may be intimated to audit.

Para 12:-Non levy of penalty for belated payment of tax on three wheelers (commercial); Rs.0.29 lakh.

Under the provisions of section 7 of Bihar Motor Vehicles Taxation Act, 1994 amended by Bihar Finance Act, 3 of 2013, three wheeler with seating capacity not more than 4 persons (excluding the driver) a one time tax of Rs. 9000/-and three wheeler with seating capacity upto 7 persons, a one time tax of Rs. 13500/- shall be levied for new registered vehicle. Further Delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994.

During scrutiny of tax owner and tax table of VAHAN database, it was observed that 1239 three wheelers were registered during April 2015 to December 2016. Out of which, 07 three wheelers paid one time tax with delay, ranging between 31 to 42 days. The penalty for belated payment of one time tax was not levied by the taxing officer. Further, the demand notice had not been issued to realise the penalty nor imposed for belated payment of tax. This resulted in non-realisation of penalty of Rs.28500 as details given in Annexure.11

After this pointed out, the DTO stated that demand notice would be issued . Follow up action may be intimated to audit.

Para 13:- Non realization of one time tax from three wheelers due to pending registration-Rs.3.15 lakh

Under the provisions of section 7 of Bihar Motor Vehicles Taxation Act, 1994 amended by Bihar Finance Act, 3 of 2013, three wheeler with seating capacity not more than 4 persons (excluding the driver) a one time tax of Rs. 9000/-and three wheeler with seating capacity upto 7 persons, a one time tax of Rs. 13500/- shall be levied for new

registered vehicle. Further Delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 *ibid* read with Rule 4 (2) of BMVT Rule 1994.

As per Rule 47 of CMV Rule 1989 certificate of registration pertaining to transport vehicle shall be handed over to the registered owner within the period of thirty days from the date of receipt of an application.

During scrutiny of registration records of VAHAN database in respect of Three Wheeler (Commercial) vehicles, it was observed that certificate of registration was still pending at the level of registering authority for 12 three wheelers. Due to pending registration tax was not collected from these vehicles. The date of registration (applied for registration) of these vehicles was in April 2015 to December 2016. The registering officer/ taxing officer didn't initiate any action towards issue of certificate of registration and collect the tax. This resulted in non realization of OTT of Rs.315000 including penalty as detailed in attached **Annexure 12**.

After this pointed out, the DTO stated that demand notice would be issued . Follow up action may be intimated to audit.

Para 14:- Non/short realization of penalty for belated payment of one time tax on taxi/ cab; Rs.0.88 lakh.

Section 5 of the BMVT Act, 1994 levies a tax payable by every owner by (of) a registered motor vehicle at specified rates. As per Bihar Finance Act (effective from 19th September 2014)" One time tax @ 7% of the vehicle cost excluding VAT shall be levied at the time of registration for a period of 15 years for taxi/maxi cab/motor cab. Further delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 *ibid* read with Rule 4 (2) of BMVT Rule 1994.

During scrutiny of registration records and tax clearance table in *VAHAN* database in respect of taxis/cabs (commercial), it was observed that 127 taxis/cabs were registered during April 2015 to December 2016. Out of which 09 taxis/cabs paid onetime tax (OTT) with delay ranging between 30 to 47 days but penalty was not imposed. This resulted in non realization of penalty amounting to Rs.87503 as detailed in **Annexure. 13**

After this pointed out, the DTO stated that notice would be issued . Follow up action may be intimated to audit.

Para 15:- Non realization of one time tax from maxi/cab due to pending registration-Rs.1.67 lakh

Section 5 of the BMVT Act, 1994 levies a tax payable by every owner by (of) a registered motor vehicle on specified rates. As per Bihar Finance Act 2013 (effective from 19th September 2014)“ One time tax @ 7% of the vehicle cost excluding VAT shall be levied at the time of registration for a period of 15 years for taxi/maxi cab/motor cab. Further delay in payment of tax beyond 15 days attracts penalty from 25 per cent to twice of the amount of tax due as per the provisions of section 23 ibid read with Rule 4 (2) of BMVT Rule 1994.

As per Rule 47 of CMV Rule 1989 certificate of registration pertaining to transport vehicle shall be handed over to the registered owner within the period of thirty days from the date of receipt of an application.

During scrutiny of registration records of VAHAN database in respect of maxi/cab vehicles, it was observed that certificate of registration was still pending at the level of registering authority for several LGV. Due to pending registration tax was not collected from these vehicles. The date of registration (applied for registration) of these vehicles was during August 2015 to June 2016. The registering officer/ taxing officer didn't initiate any action towards issue of certificate of registration and collection of tax. This resulted in non realization of OTT of Rs.167034 including penalty as detailed in **Annexure.14**

After this pointed out, the DTO stated that notice would be issued. Follow up action may be intimated to audit

Para 16 :- Difference in sale amount of personalized vehicles resulted in loss of revenue; Rs 5.88 lakh

Under section 7(1) of Bihar Motor Vehicle Taxation Act, 1994, as amended by Finance Act, 2013 one time tax at the rate of seven per cent of the cost of vehicle (w.e.f. 1st April 2013) excluding VAT for fifteen years, shall be levied at the time of registration on personalized vehicles. The transport department issued instruction regarding personalised two wheeler vehicles that the sale price of there two wheelers would not be less than the actual sale price intimated vide letter no. 5618 dated 19.09.16 .

During scrutiny of Owner and tax table of “VAHAN” database in respect of 4968 personalized vehicles, model no. Glamour fi Drum/ kick (two wheelers) registered during 19.09.2016 to 17.12. 2016, the sale amount of 505 vehicles entered in

AUDIT NOTES

The audit of the accounts records of the office of the District Transport Office, East Champarn for the period Jan 2016 to Dec 2016 under the Head “0041” and “2041” Taxes on Motor Vehicles was conducted by Shri Sujit Kr. Sinha, AAO and Shri Neeraj Kumar, AAO (from 06.02.2017) duly assisted by Md. Moinul Haque, Sr. Ar under partial supervision of Shri Manoj Kumar Srivastva AO during the period from 03 Feb 2017 to 14 Feb 2017.

Name and Designation of Officer incharge of Accounts

	S/Shri	Period
1	Md Afzallur Rahman, DTO	26.02.14 to 17.08.15
2	Shri Ravi Kumar, DTO	17.08.2015 to till date

Manoj
30/3/17

Audit Officer/Revenue-II

VAHAN software was less than the actual sale amount Rs 67056.00 notified by the Government for the same maker model of vehicles appeared in VAHAN database. The tax on these vehicle are based on sale amount of vehicle but taxing officer failed to ensure correct entry of sale amount of vehicles resulted in short levy of one time tax Rs. 587616..00 as details given in Annexure.15

After pointing out , the DTO stated that regarding this necessary guidelines will be obtained from headquarter and further action will be taken accordingly.

Follow up action may be intimated to audit