

# THE ANDHRA PRADESH TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS RULES, 1987

[G.O. Ms. No. 570, Revenue (CT-II) Department, dated 9-6-1987 — R.S. to Part I (Ext.), A.P. Gazette, dated 10-6-1987]

## ***PREAMBLE***

In exercise of the powers conferred by Section 30 of the Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987 (Andhra Pradesh Act No. 22 of 1987), the Governor of Andhra Pradesh hereby makes the following rules.

## **PART I**

### ***Rule 1. Short title and commencement.***

- (1) These rules may be called the Andhra Pradesh Tax on Professions, Trades, Callings and Employments Rules, 1987.
- (2) They shall come into force on the 15th day of June, 1987.

### ***Rule 2. Definitions.***

- (1) In these rules, unless the context otherwise requires —
  - (a) “Act” means the Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987;
  - (b) “Form” means a form appended to these rules;
  - (c) “Month” means a calendar month;
  - (d) “Place of work”, in relation to a person or employer, means the place where such person or employer ordinarily carries on his profession, trade, calling or employment;
  - (e) “Section” means a Section of the Act;
  - (f) “Treasury” means a Treasury or Sub-Treasury of the State Government.
- (2) Words and expressions used, but not defined, in these rules shall have the meanings respectively assigned to them in the Act.

## **PART II**

### ***Registration and Enrolment***

### ***Rule 3. Grant of Certificate of Registration.***

- (1) An application for a certificate of registration under sub-section (1) of Section 6 shall be made in Form I. An applicant having places of work within the jurisdiction of different assessing authorities shall make an application for registration separately to each such authority in respect of his place of work within the jurisdiction of that authority.
- (2)(a) On receipt of an application for certificate of registration, the assessing authority shall grant to the applicant a certificate of registration in Form I-A if he is satisfied that the application is in order and that the particulars furnished therein are correct and complete.

(b) If the assessing authority finds that the application is not in order or all the particulars necessary for issue of the certificate of registration have not been furnished, or that the particulars furnished are not correct and complete, he shall direct the applicant to file a revised application or to furnish such additional information as may be considered necessary. After considering the revised application and the additional information, if any, and after making such enquiry as he considers necessary, the assessing authority shall grant a certificate of registration in Form I-A.

***Rule 4. Grant of Certificate of Enrolment.***

(1) An application for a certificate of enrolment under sub-section (2) or sub-section (3) of Section 6 of the Act shall be made in Form II. An applicant having more than one place of work in the State of Andhra Pradesh, whether within the jurisdiction of the assessing authority or outside such jurisdiction, shall be granted only one certificate of enrolment.

(2) Where an applicant has more than one place of work within the State of Andhra Pradesh, he shall make a single application in respect of all such places, naming in such application one of such places as the principal place of work for the purposes of these rules, and submit such application to the assessing authority in whose jurisdiction the said principal place of work is situated.

(3) On receipt of an application in Form II, the assessing authority may call upon the applicant to furnish such additional information or evidence as may be necessary for determining the amount of tax payable by him according to the Schedule to the Act.

(4) After considering the application and such additional information or evidence as may be furnished, and after making such enquiry as he considers necessary, the assessing authority shall grant a certificate of enrolment in Form II-A.

(5) Where the applicant has more than one place of work in the State, as many copies of the certificate shall be issued to him as there are places of work, in addition to the principal place of work.

***Rule 5. Amendment of certificate of registration.***

Where the holder of a certificate of registration granted under Rule 3 desires the certificate to be amended, he shall submit an application for this purpose to the assessing authority setting out the specific matters in respect of which he desires such amendment and the reasons therefor, together with the certificate of registration, and such authority may, if satisfied with the reasons given, make such amendments as it thinks necessary in the certificate of registration.

***Rule 6. Amendment of certificate of Enrolment.***

(1) The certificate of enrolment granted under Rule 4 shall remain valid as long as it is not cancelled under sub-rule (2) of Rule 7.

(2) An application for a revised certificate of enrolment shall be made in Form II. On receipt of such application the assessing authority may call upon the applicant to furnish such additional information or evidence as may be necessary for determining the amount of tax payable by him according to the First Schedule to the Act, and after determining the amount of tax payable by the applicant, the assessing authority shall make necessary amendments in the certificate of enrolment under his dated signature, indicating the year from which the tax at the revised rate shall be payable.

***Rule 7. Cancellation of certificate.***

(1) The certificate of registration granted under Rule 3 may be cancelled by the assessing authority after he has satisfied himself that the employer to whom a certificate was granted has ceased to be an employer.

(2) The certificate of enrolment granted under Rule 4 may be cancelled by the assessing authority after he is satisfied that the enrolled person is dead or his liability to pay tax has ceased.

***Rule 8. Exhibition of certificate.***

The holder of the certificate of registration or the certificate of enrolment, as the case may be, shall display conspicuously at his place of work the certificate of registration or the certificate of enrolment or a copy thereof.

***Rule 9. Issue of duplicate copy of certificate.***

If a certificate of registration or a certificate of enrolment granted under these rules is lost, destroyed, defaced or mutilated or becomes illegible, the holder of the certificate shall apply to the assessing authority for grant of a duplicate copy of such certificate. The said authority shall, after such verification as may be necessary, issue to the holder of the certificate a copy of the original certificate, after stamping thereon the words "Duplicate Copy".

***Rule 10. Certificate to be furnished by an employee to his employer.***

The certificate to be furnished by a person to his employer under the second proviso to Section 5 shall be in Form III or, as the case may be, in Form IV.

### **PART III**

#### ***Returns, Notices and Payment of Tax***

***Rule 11. Commissioner to give a Public Notice.***

The Commissioner shall, in the month of April every year, give a public notice by publication in the local newspapers having wide circulation, directing all persons liable to pay tax under the Act to get themselves registered or enrolled, as the case may be (unless they are already registered or enrolled), and to furnish returns and pay the tax according to the provisions of the Act and these rules.

***Rule 12. Return and assessment.***

(1) The return under sub-section (1) of Section 7 shall be furnished in Form V.

(2) Before an order of assessment is made under sub-section (1) or under sub-section (3) of Section 8, the assessee shall be afforded a reasonable opportunity of showing cause against such assessment and, for this purpose, he shall be served with a notice in Form XI.

***Rule 13. Payment of tax by employers.***

An employer shall make payment of tax and interest and penalty (if any) by deposit of the requisite amount in the Treasury by challan in quadruplicate. The copies marked original and duplicate shall be returned to the employer duly receipted, of which the copy marked duplicate shall be submitted by the employer — other than an officer referred to in Rule 15 — to the assessing authority along with the return prescribed by Rule 12. An officer referred to in Rule 15 shall forward such receipted copies of challans marked duplicate to the assessing authority along with statements prescribed in the said rule.

***Rule 14. Payment of Tax by enrolled persons.***

(1) A person enrolled under sub-section (2) of Section 6 and liable to pay the tax shall make payment of tax within the period prescribed in Section 10 by paying the requisite amount into the Treasury by challan in quadruplicate. The copies marked original and duplicate shall be returned to the person duly receipted, of which the copy marked duplicate shall be submitted by him to the assessing authority as proof of payment of tax.

(2) Where payment of tax, interest and penalty (if any) is required to be made to a Collecting Agent appointed under Section 14, such payment shall be made within such time as may be notified by means of a paying-in-slip duly filled in Form VI in duplicate.

(3) The Collecting Agent shall credit to the treasury by challan in quadruplicate, on or before the 10th of each month, the amount of tax, interest and penalty collected by him during the preceding month under sub-rule (2), and forward the receipted copy of the challan marked duplicate to such authority as may be specified by the Commissioner along with a statement of collection in Form VII signed and verified by him.

***Rule 15. Deduction of Tax Amount from the salary or wages of Employees.***

(1) The drawing and disbursing officer shall be responsible for the deduction of the due amount of tax from the pay bill of the employees. The deduction shall be made every month, and the pay or wages of such an employee for the month of February shall not be permitted to be drawn unless the tax for the period March to February, or part thereof, or from the month in which the employee attracted liability to pay the tax to February, as the case may be, has been fully deducted and a statement showing such deduction has been enclosed with the pay bill. The drawing and disbursing officer shall furnish to the assessing authority, not later than the 30th April, a statement relating to the payment of salary made to the Government servant along with a certificate that the tax payable in respect of the employees for whom they drew salary during the year immediately preceding has been deducted in accordance with the provisions of the First Schedule to the Act. Such statement shall show the name of the employee, the details of salary drawn, the amount of tax deducted therefrom, and the period to which the tax relates.

(2) Notwithstanding the provisions contained in Rule 13 and sub-rule (1) of this rule, the liability of an employee to pay the tax shall not cease until the due amount of tax in respect of him has been fully paid to the Government account, and, without prejudice to the aforesaid provisions, the said amount may be recovered from him if the employer or the assessing authority is satisfied that the amount has not been deducted from his salary or wages.

***Rule 16. Notice under Sections 6(6), 7(3) and 8(6).***

The notice under sub-section (6) of Section 6, under sub-section (3) of Section 7, or sub-section (1) or sub-section (3) of Section 8, shall be issued by the assessing authority in Form VIII.

***Rule 17. Notice under Section 6(5) and Section 12.***

The notice under sub-section (5) of Section 6 or under Section 12 shall be issued by the assessing authority in Form IX.

***Rule 18. Notice of demand under Section 8(4), etc.***

The notice of demand under sub-section (4) of Section 8, and other demands including any penalty or interest imposed under the Act, shall be issued by the assessing authority in Form X.

***Rule 19. Collecting agents to maintain an account of collection of tax, etc.***

Every Collecting Agent shall maintain proper accounts of the tax and other amounts collected by him under the Act. He shall also maintain a register in Form XVII in which he shall enter the tax and other amounts as and when collected.

***Rule 20. Employer to keep account of deduction of tax from salary of the employees.***

Every employer liable to deduct tax shall maintain a register in which shall be entered the amount of salary and wages paid to each of the persons in his employ, and the said register shall contain a column

showing the amount deducted from the salary and wages of the employee on account of the tax.

## **PART IV**

### ***Appeals and Revision***

#### ***Rule 21. Appeal to the Appellate Deputy Commissioner.***

(1) Subject to the provisions of sub-section (1) of Section 15, any person aggrieved by an order passed or proceeding recorded under the provisions of the Act may prefer an appeal to the Appellate Deputy Commissioner of the area concerned:

*Provided that when an appeal pending before an Appellate Deputy Commissioner is transferred to another Appellate Deputy Commissioner under Section 24, the order of such transfer shall be communicated to the appellant or petitioner, to every person affected by the order, the authority against whose orders the appeal or petition was preferred, and to the Appellate Deputy Commissioner.*

(2)(i) Every such appeal shall be in Form XII and verified in the manner specified therein.

(ii) It shall be in duplicate.

(iii) A Treasury challan shall be furnished in support of having paid the fee, calculated at the rate of two per cent of the tax, penalty or interest under dispute, subject to a minimum of rupees fifty and a maximum of rupees one thousand.

(3) The appeal may be sent to the Appellate Authority by registered post, or be presented to that authority or to such officer as the Appellate Authority may appoint in this behalf, by the appellant or by his authorised agent or a legal practitioner.

(4) The Appellate Authority shall, after giving the appellant a reasonable opportunity of being heard, pass orders as laid down in sub-section (4) of Section 15.

#### ***Rule 22. Revision to the Commissioner.***

An application for revision under Section 16 shall be made in Form XII and accompanied by a Treasury challan in support of having paid the fee, calculated at the rate of two per cent of the tax, penalty or interest under dispute, subject to a minimum of rupees one hundred and a maximum of rupees two thousand.

## **PART V**

### ***Miscellaneous***

#### ***Rule 23. Action for default by an Enrolled Person.***

If a person liable to pay tax has wilfully failed to get himself enrolled, then, without prejudice to the action that may be taken against him under sub-section (5) of Section 6, the assessing authority shall, after giving that person a reasonable opportunity of being heard and after such enquiry as may be deemed fit, or otherwise, assess the tax due to the best of its judgment and serve on him a notice of demand in Form XIV to pay the tax within fifteen days of receipt of the notice. Notice of hearing in such a case shall be issued by the assessing authority in Form XIII. The notice under sub-section (6) of Section 6 in respect of persons liable for enrolment shall also be in Form XIII.

#### ***Rule 24. Interest on Tax, if failure to deduct or fails to pay the Tax.***

If the assessee does not deduct the tax at the time of payment of salary or wages, or after deducting fails to pay the tax, or if an enrolled person fails to pay the tax as required by or under the Act, he shall

pay, in addition to the amount of such tax, interest at the rate of two rupees for every one hundred rupees or part thereof for every month or part thereof from the date specified for its payment.

**Rule 25. Rectification of mistakes.**

(1) Any assessing, appellate or revisional authority may, at any time within four years from the date of any order passed by him, rectify any clerical or arithmetical mistake apparent on the record:

*Provided that no such rectification which has the effect of enhancing an assessment or any penalty or fee shall be made unless the assessing, appellate or revisional authority has given notice to the assessee of his intention to do so and has allowed him a reasonable opportunity of being heard.*

(2) Any order passed under sub-rule (1) shall be deemed to be an order passed under the same provision of law under which the original order, the mistake in which was rectified, had been passed.

**Rule 26. Shifting of place of work.**

(1) If the holder of a certificate of registration or a certificate of enrolment in one area shifts his place of work to another area, he shall, within fifteen days of such shifting, give notice thereof to the assessing authority from whose office the certificate was issued, and shall, at the same time, send a copy of such notice to the assessing authority exercising jurisdiction over the area to which the place of work is being or has been shifted.

(2) With effect from the commencement of the month immediately succeeding that in which the notice is given, the assessing authority having jurisdiction over the area to which the place of work has been shifted shall exercise all powers and discharge all functions pertaining to the determination and recovery of tax, and matters ancillary thereto, in respect of the sender of such notice.

**Rule 27. Service of Notices.**

(1) Notices under the Act or the rules made thereunder may be served by any of the following methods, namely —

(i) by delivering or tendering a copy of the notice to the addressee, or to any adult member of his family residing with him, or to a person regularly employed by him; or

(ii) by registered post:

*Provided that, if upon an attempt having been made to serve such notice by any of the above mentioned methods the authority under whose orders the notice was issued is satisfied that the addressee is keeping out of the way for the purpose of avoiding service, or that, for any other reason, the notice cannot be served by any of the above-mentioned methods, the said authority shall order the service of the notice to be effected by affixing a copy thereof on some conspicuous part of the addressee's place of work or residence last notified by him, and such service shall be deemed to have been made on the addressee personally.*

(2) When the serving officer delivers or tenders a copy of the notice to the addressee personally, or to any of the persons referred to in clause (i) of sub-rule (1), he shall require the signature of the person to whom the copy is so delivered or tendered as an acknowledgment of service endorsed on the original notice.

(3) When the notice is served by affixing a copy thereof in accordance with the proviso to sub-rule (1), the serving officer shall return the original to the authority which issued the notice with a report endorsed thereon or annexed thereto stating that he so affixed the copy, the circumstances under which he did so, and the name and address of the person, if any, by whom the addressee's place of work or residence was identified and in whose presence the copy was affixed. The serving officer shall also obtain the signature or thumb impression of the person identifying the addressee's place of work or

residence and annex it to his report.

(4) The authority under whose orders the notice was issued shall, on being satisfied from the report of the messenger or the postal acknowledgment, or by taking such evidence as he deems proper, that the notice has been served in accordance with this rule, record the fact and make an order to that effect.

(5) If the authority is not satisfied that the notice has been properly served, he may, after recording an order to that effect, direct the issue of a fresh notice.

### ***Rule 28. Grant of Copies.***

(1) If any assessee wants to have a certified copy of a document filed by him, or of an order concerning him passed by any authority, he shall make an application to the authority concerned bearing an adhesive court-fee stamp of the value of twenty-five paise for an ordinary copy, or of the value of one rupee and twenty-five paise for a copy which he desires to be supplied within two days of his applying for the same.

(2) On receipt of the application, the said authority shall inform the applicant of the amount of the court-fee stamps required under the provisions of sub-rule (3) for supply of the copy. After the requisite amount of court-fee stamp is furnished by the applicant, the said authority shall cause a certified copy of the document or order to be prepared and granted to the applicant.

(3) An additional fee, in the shape of court-fee stamp, shall be payable for the grant of copies at the rates given below:

(a) For the first 200 words or less of the document — seventy-five paise.

(b) For every additional 100 words or fraction thereof — forty paise.

### ***Rule 29. Refund of Tax.***

Every claim for refund under Section 21 of the Act shall be made to the assessing authority in Form XV and shall be verified in the manner specified therein.

[1] R.S. to Part I (Ext.), A.P. Gazette, dated 10-6-1987.

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