

Reorganization of Commercial Taxes Department | Rajasthan | 25 Sep 2021

Why in News

 On September 24, 2021, Chief Minister Ashok Gehlot approved the changed scenario after the implementation of <u>Goods and Services Tax</u> (GST) and the proposal for restructuring the Commercial Tax Department for its better and effective implementation in the state.

Key Points

- Under this, the number of zones, regular circles and wards will be increased for better administrative arrangements. Also, for the convenience of the taxpayers, the offices of the Appellate Authority have also been approved.
- Along with this, the Chief Minister has given the approval to create 15 additional posts of Rajasthan Commercial Tax Service and Rajasthan Commercial Tax (Subordinate) Service. With this, the number of cadres of the department will increase to 1833.
- Under the proposal, a new zone will be created in Bhiwadi for effective implementation of GST in the state. This will take the number of administrative zones to 16. Zones Jaipur-4 and Jodhpur-2 will be made functional. The number of regular circles will be increased by one and a half times from 82 to 135. The number of regular wards will also be increased from 296 to 320.
- Special circle, works contracts and leasing tax have no relevance after the introduction of GST, hence they are being abolished.
- For the convenience of the taxpayers, the office of the Appellate Authority has been approved in the Kota Zone.
- The **Business Intelligence Unit** is being formed to strengthen the audit and anti-evasion work. This technically competent unit will also include departmental officers and this unit will effectively analyze the data of the GSTN database and e-way bill portal.
- The Anti-Evasion Wing is being renamed as Enforcement Wing. Also, a cyber cell is being set up to identify genuine persons involved in tax fraud activities.
- A three-tier audit structure will be created at the state, zone and regular circle level. Audit of large and complex cases will be ensured at the state and zonal levels.
- The Taxpayer Care Unit is being constituted to resolve the grievances of the taxpayers who discharge their tax obligation honestly. This will include qualified CAs and tax practitioners.
- A Central Registration Unit will be set up to ensure simple, easy and quick registration of dealers. The registration will be done as per the **Standard Operating Procedure (SOP)**.
- To make **Rajasthan State Tax Academy (STAR)** a state-of-the-art training institute, it will be updated incorporating the current changes.
- The Commercial Taxes Department plays an important role in the collection of tax revenue of the State Government. Its contribution to the tax revenue of the state is about 50 percent. The tax revenue target for the financial year 2021-22 is more than Rs 60,000 crore. At present, RGST Act-2017, Rajasthan VAT Act-2003 and Rajasthan Electricity (Duty) Act-1962 are implemented by this department in the state.