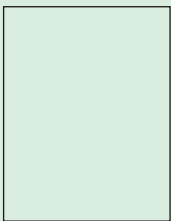# Commercial Tax Computerisation in Uttar Pradesh

The introduction of Commercial Tax Computerisation in UP, has added a new dimension to the department, in dissemination of actual facts related to Commercial taxes at the service of the citizens. It will help the tax department, to effectively monitor the intrastate trade. Traders in Uttar Pradesh will now be able to file their tax returns online with the computerisation of the state's commercial tax department at ease. Necessary amendments are also carried out in the Value Added Tax (VAT) Act.

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NIC-UP in association with Department of Commercial Tax initiated the computerization of VAT (Value Added Tax) system in Uttar Pradesh. The initial version of the application was inaugurated by the Chief Secretary, Government of U.P. on 24th November 2007. Subsequently, the entire application, which is primarily divided into two parts Web Portal & VYAS (VanijYa kar Automation System), was simultaneously rolled out in all the 94 commercial tax assessment offices in a record time of four months.

VanijYakar Automation System (VYAS), is a browser based solution designed to automate almost all the activities related to VAT system. It is a unique user-id/password based single window system to cater the needs of the Traders. The entire activity wise work flow is being captured through Front office and Back office modules of the system. A number of modules such as Receipt, Registry, Return, Challan, Help-desk, Assessment, Administration etc. have been developed and implemented successfully. This Software contains the database of more than five lakh dealers/traders and provisions have been made to capture the photographs and thumb impressions of all the dealers for future purposes. The application has been developed on .NET framework with SQL Server 2005 as the database.

Homepage of Vanijyakar Automation System

VanijYa kar Automation System

❖ Implemented from 1st Jan 2008, the day VAT was adopted in the state
❖ Web based software in Client Server Architecture.
❖ Single window Receipt and Registration process
❖ All 94 locations have a Vyapari Suvidha kendra acting as one stop shop for all type of receipts
❖ Tatkal Registration facility for the dealers
❖ Capturing the Bio-metric data of the Registered dealers
❖ Centralized database of over 5 lakh dealers
❖ Net payment collection over 4200 crores

- ❖ Successfully capturing invoice level data through Online return process
- ❖ MIS system for monitoring and proper management of the applications

NetWork Architecture: U.P. Commercial Tax department was the first department in the state to integrate their local network with UP State Wide Area Network and use this backbone infrastructure. All the 94 locations have been connected to the Central Server through SWAN while the horizontal connectivity has been provided using the RF technology. The Web Server, Data Server and Staging Server are located at NIC Data Centre while Data Mirroring has been done to prevent any data loss. Services of NICSI, Lakshmi Nagar Data Centre were also hired for e-return filing & form 38 download facilities.

Netbanking: The concept of NET Banking was introduced to provide speedy and efficient financial transactions and increase the overall productivity of the department. Backend arrangements were done with State Bank of India and U.P. Treasuries to provide a payment gateway and the dealers/traders were provided the facility of online payment of tax dues using Internet. About 8,000 traders have already used this facility and around 6,000 crores of tax has been collected through NET payment in the current financial year. The dealers have been very appreciative about the new system and the average tax collection through NET banking is about 300 crores per month and increasing. Talks with other banks such as Punjab National Bank, Union Bank of India, Bank of Baroda, Allahabad Bank are in pipeline to start these services using their NET payment facility.

e-Return filing: e-Return filing was enabled to handle the governments decision of making return filing compulsory for all traders having a turn over of more than one crore. An offline module has been provided to all the traders to validate, zip and encrypt the main return details and digital signatures have been used to authenticate the submission of returns. More than one lakh traders have already filed e-Return amounting to five thousand crores. The hardware (availability of network, server resources, and storage capacity) has been scaled up and the application has been fine tuned to handle more than 200-300 concurrent users accessing the application during the peak hours. The 23K records of XML file can

be slipped into SQL table in just 20 seconds.

Input Tax Credit Reports: Input Tax Credit is very vital to the concept of Value Added Tax system. The dealer can claim Input Tax Credit on his purchases on the basis of tax invoices issued by selling dealer. Sector office-wise reports to validate dealer's ITC claim are being generated by the system. These key reports have proven to be one of the major benefits of computerization for the department. The application has also helped in verification of the ITC claims and to manage revenue realization efficiently and timely.

Transit Declaration Form (TDF)/'Bahati' Online : The Commercial Tax Department abolished the check posts from 1st August 2009. Now, the transporters are required to declare route & related information and generate TDF on-line for transit authorization of goods movement through the state or from outside the state. On an average, 6,000 transporters are generating and downloading this form from the website (*http://comtaxup.nic.in*) every day.

Home page of comtaxup.nic.in

Online Forms 38 (declaration for import) download -

Registered dealers can download and submit utilization of forms 38 electronically. They have to register once online to avail this facility and after their details are verified computer generated passwords are issued to them for further transactions. *i*

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