

PRESS NOTE

Increasing GST compliance – Steps taken by the Commercial Taxes Department

Enforcement Wing of Commercial Taxes Department of Karnataka has taken up investigation/inspection of certain taxable persons under GST as part of the drive to increase compliance under the GST.

In the last two weeks, the Enforcement Officers of South Zone, Bengaluru inspected 31 cases and detected that taxable persons have collected GST and failed to pay the net tax liability of Rs.66.02 crore to the Government.

These taxable persons were involved in business of providing services like Engineering Design services, Rental services, Parking services, Hotels etc., Works Contractors and Manufacturers.

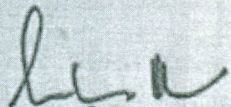
The details of tax liability detected is as below:

- | | | |
|-------------------|---|----------------|
| 1) Services | - | Rs.35.03 crore |
| 2) Manufacturers | - | Rs.22.74 crore |
| 3) Works Contract | - | Rs.8.14 crore |

Out of total tax liability detected, Rs.15.10 crore has been collected and efforts are being made to collect balance tax along with penalty and interest.

There are other issues that are under investigation and final quantification of the GST liability not paid along with penalty and interest will be known only after conclusion of the proceedings.

The Commercial Taxes Department of Karnataka will continue to increase vigilance on GST non-compliance in the coming days.


Commissioner of Commercial Taxes
(Karnataka), Bengaluru.
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Karnataka, Bangalore.