Trade Notice - Service Tax

Automation of Central Excise and Service Tax (ACES) - Implementation of in Delhi Service Tax Commissionerate

OFFICE OF THE COMMISSIONER OF SERVICE TAX

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Members of the trade and public are hereby informed that the Central Board of Excise & Customs has developed a new software application called Automation of Central Excise and Service Tax (ACES), which aims at improving tax-payer services, transparency, accountability and efficiency in the indirect tax administration. ACES is being rolled-out in phases from 30.09.2009 in Delhi Service Tax Commissionerate. ACES aims at automating all major processes in Central Excise and Service Tax through a workflow-based application. It will replace the current applications of SERMON, SACER, SAPS, STREMS, used in Central Excise and Service Tax for capturing returns and registration details of the assessees. Using the ACES application, the users will be able to take registration online, electronically file statutory returns, claims, intimations and permissions, refunds and requests for provisional assessment, view and track the status of their documents online. Besides, they will also get business related alerts/messages.

The ACES application has interfaces for:

 - Service Tax Assessees and

 - Service Tax Departmental Officers.

In the beginning following modules of ACES are being made available:

  (a) Service Tax Registration (REG)

  (b) Service Tax Returns (ST- 3) (RET)

Other modules namely Provisional Assessment (PRA), Refunds (REF), Dispute resolution (SDR) and Audit (AUD) will be made available in due course.

Registration

To transact business on ACES a user has to first register himself/herself with ACES through a process called 'Registration with ACES'. This registration is not a statutory registration as envisaged in Acts/Rules governing Service Tax but helps the application in recognizing the bonafide users. Described below are steps for taking registration by a new Assessee, existing assessee, non-assessee and a Large Tax Payer Unit (LTU).

(a) New Assessee

  (i) The user needs to log onto the system, through internet at http://www.aces.gov.in

  (ii) He/she chooses the Service Tax button from the panel appearing on the left of the webpage.

   (iii) Clicks the button "New Users Click here to Register with ACES" in the Log-in screen that appears after clicking Service Tax button.

(iv) Fills in and submits the form "Registration with ACES", by furnishing a self-chosen user ID and e-mail ID. User ID, once chosen is final and cannot be changed by the assessee in future.

(v) The system will check for availability of the chosen User ID and then generate a password and send it by e-mail, mentioned by him/her in the Form.

(vi) ACES provides assistance of 'Know your location code' for choosing correct jurisdictional office.

(vii) The user then re-logs-in and proceeds with the statutory registration with Service Tax, by filling-in Form ST-1 by clicking the "Reg" link in the Menu bar that appears on the top of the screen. For security reasons, the password should be changed immediately.

(viii) The system instantaneously generates a registration number after which the registration request goes to AC/DC. Depending on the instructions in force, assessees may be required to submit certain documents to the department for verification. After due processing, the AC/DC generates the Registration Certificate (RC) and a message to this effect is sent to the assessee electronically. The assessee can view this and take a print-out of this.

(ix) Depending on the option chosen by the assessee, the signed copy of the RC can be sent by post or can be collected by assessee in person.

(x) While submitting registration form, whenever the assessee makes a mistake in choosing the jurisdiction (Commissionerate/ Division/ Range), ACES provides a facility to the AC/DC to forward the application to the correct jurisdictional officer to issue registration.

(xi) The registration number will be same as the current 15-digit format with minor change such as

For-PAN based Assessees

   1-10 digits - PAN of the Assessee

   11-12- (SD - Service Tax)

   13-15-Systems generated alphanumeric serial number

For non-PAN based assessee

   1-4 digits TEMP

   5-10 Systems generated alpha numeric number

   11-12 (SD - Service Tax)

   13-15-Systems generated alphanumeric serial number

(b) Existing Assessee

(i) The existing assessees will not have to take fresh registrations. They will have to only register with the ACES application. This can be done in the following manner :

   - ACES application will automatically send mails to   the e-mail IDs of the assessee, as available in the existing registration data base, indicating a TPIN number, and password. The mail will contain a hyperlink to the website.

   - Assessee clicks on the hyperlink and is taken to ACES application

   - Assessee submits the form after filling the requisite information including the password provided in the e-mail, a new User ID and new password. User ID, once chosen is final and cannot be changed by the assessee in future.

On successful registration with ACES, the assessee can   transact business through ACES.

(ii) After introduction of ACES if any assessee does not receive any e-mail from ACES he/she should contact the jurisdictional Range Officer to confirm/modify his e-mail ID in the system after modification, the system will generate a new mail communicating the TPIN and password.

(c) Non-Assessee

(i) This category of registration is given in ACES to any individual, firm or company which requires to transact with the Central Excise or Service Tax Department, though not an assessee such as (a) merchant exporter, (b) co-noticee, (c) refund applicant, (d) persons who have failed to obtain CE/ST registration as required under the law and against whom the Department has initiated proceedings and (e) persons who are required to tender any payment under CE/ST Act /Rules. The Non-assessees are not required to file any tax returns.

(ii) Where such persons desire to seek non-assessee registration they follow same steps as in case of new assessee except that while choosing the registration form in step (vii) they have to choose and fill in the Non-assessee form.

(iii) In case the assessee is taking such registration for claiming any refund or rebate it is mandatory to furnish his/her valid PAN.

(iv) A Non-assessee registration can also be done by the designated officer of the Commissionerate, on behalf of the non-assessee.

(d) Large Tax Payer Unit (LTU) Assessee/Client

(i) The consent form will have to be submitted manually by the New LTU assessees to the jurisdictional LTU office which will be processed off line

(ii) The approved consent form will be uploaded by the competent officer of the Group LTU (GLTU) into ACES

(iii) Any new unit of an existing LTU, which applies for registration with ACES will be automatically attached with the LTU Commissionerate based upon PAN details in the registration form

(iv) As soon as the new or existing unit is attached with the LTU Commissionerate, a suitable intimation will be automatically sent by the ACES to the existing jurisdictional Commissionerate and the pending items of work will be transferred to the LTU Commissionerate

(v) For existing LTU assessees, the process of registration is same as explained in Sub Para (b) above.

IMPORTANT:

(i) The user id once selected will be permanent and cannot be changed. However, it is desirable to frequently change passwords

(ii) The e-mail id should be of 6-12 alphanumeric characters, no special character such as !@#$%*&( )+ or spaces except underscore '-' shall be allowed.

(iii) New assessee seeking registrations in Service Tax will also submit to the jurisdictional Range officer, a printout of the application form submitted online duly signed by the authorized signatory along with required documents.

Returns

The assesses can electronically file statutory returns of Service Tax by choosing one of the two facilities being offered by the department at present: (a) they can file it online, or (b) download the off-line return utilities which can be filled-in off-line and uploaded to the system through the internet.

Steps for preparing and filing returns

(i) Assessee downloads the Offline return preparation utility available at http://www.aces.gov.in (Under Download)

(ii) Prepares the return offline using this utility. The return preparation utility contains preliminary validations which are thrown up by the utility from time to time.

(iii) Assessee logs in using the User ID and password.

(iv) Selects RET from the main menu and further chooses required activity such as e-filing/ amending/Revise return as the case may be and uploads the return.

(v) Returns uploaded through this procedure are validated by the ACES before acceptance into the system which may take up to one business day. Assessee can track the status of the return by selecting the appropriate option in the RET sub menu. The status will appear as "uploaded" meaning under process by ACES, "Filed" meaning successfully

accepted by the system or "Rejected" meaning the ACES has rejected the return due to validation error. The rejected returns can be resubmitted after corrections.

(vi) Returns can also be prepared and filed on line by selecting the 'File Return' option under RET module after logging into the ACES.

(vii) All validations are thrown up during the preparation of the return in this mode and the status of the return filed using the online mode is instantaneously shown by ACES.

(viii) The Service Tax returns can be modified once as per rules up to 90 days from the date of filing the initial return.

Digital Signatures

The ACES application is designed to accept digitally signed documents. However, in the beginning this functionality is not going to be activated. Pending its activation the electronic returns will be filed into ACES without digital signatures. Hence, wherever the returns are submitted through ACES there will not be any requirement to submit signed hard copy separately.

System Requirements for ACES:

To use ACES following systems requirements are prescribed:

- Processor: Intel Pentium III and higher

- RAM: 256 MB and higher

- HDD: 80 GB and more

- Web Browser: IE 6.0 and above, Netscape 6.2 and above

- MS Excel 2003 and above for using offline utilities

- Sound Card, Speakers/Headphones, Colour Monitor for using Learning Management Systems (LMS)

Service Desk

In case of any difficulty in accessing or using the ACES Application, assessees can seek help of the ACES Service Desk by sending e-mail to aces.servicedesk@icegate.gov.in or calling up national toll free number 1800 425 4251 on any working day from Monday to Friday between 9 AM and 7 PM.

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Commissioner, Service Tax