10K city-based firms didn’t pay tax: Govt

City Govt issues notices to all the defaulters under 3A of GST Act

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At times when the Capital is facing serious challenges to revive economic activities amid Covid-19 pandemic, around 10,800 Delhi-based companies haven’t paid their full tax from January to March to Government despite collection from the citizen.

Warning the defaulters, Delhi Government has issued notices to all the defaulters under 3A of GST Act and tax should be paid within 15 days.

Analysing the return filing status of taxpayers, deputy chief minister, Manish Sisodia on Tuesday, said, “Government will take stringent action against the tax defaulters if they do not pay the tax immediately.”

Soon after his meeting with finance department officials, Sisodia said, “I appeal to all the companies who have not deposited the full tax to immediately deposit the amount. This is public money which the companies have collected from the people but did not deposit to the Government. This will affect government work for the development of the citizens, including the fight against the Covid pandemic.”

Sisodia who also holds the portfolio of Finance Minister under trade division of Delhi Government, reviewed the situation with officials in a meeting. “Around 15,000 taxpayers were analysed and nearly 970 taxpayers have not filed returns for 2020-21 from January to March,” Sisodia said.

Appealing all the companies to immediately deposit the taxes, Sisodia said the Delhi has till now evaluated 15,000 companies but in the future evaluation of 7 lakh companies registered under GST will be done. “The Delhi Government will take strict action against all the defaulters after the evaluation, he added.

According to finance department, this year from January-March the tax collection has been only Rs 3,777 crore. “The Delhi Government has received around Rs 2,015 crore lesser tax than that of the last year.” “In 2019, the Delhi Government collected around Rs 5,792 crore as tax returns but this year from January-March the tax collection has been only Rs 3,777 crore,” a Government official said.

Besides, releasing the list of defaulters, Government has also issued notices against 111 liquor companies that did not pay VAT for three month span January to March.

According to the Delhi State Trade and Taxes Department, around 15,000 high turnover taxpayers were analysed and it was seen that almost 970 taxpayers belonging to both Centre and State jurisdiction have not filed returns for Q4 2019-20 and Q1 2020-21.

The extended time period granted for the filing of GST return for Q1 2020-21 got over in July 2020. The Delhi Government is also identifying the taxpayers evading tax. The department has been able to recover Rs. 10 crore from two such defaulting companies in the last one week. The department is also analysing the tax payment profile of such taxpayers along with their overall tax profile in the previous quarters, it said.