

**GOVERNMENT OF HARYANA**  
**EXCISE AND TAXATION DEPARTMENT**

**Memo No. 362/GST**

**Dated: 19.05.2022**

**Subject : Re-Engineering internal processes to implement taxpayer friendly measures in GST.**

The Excise and Taxation Department hosted a conference to discuss re-engineering of internal processes to improve taxpayer experience and taxpayer interaction of GST taxpayers under the administrative control of the State.

The meeting was chaired by Sh. Dushyant Chautala, Hon'ble Dy. Chief Minister, Haryana along with Sh. Anurag Rastogi, IAS, ACS (E&T) and Sh. Shekhar Vidyarthi, IAS, Excise and Taxation Commissioner along with all officers with the rank of DETC and above posted in the Department.

During the discussions, the officers gave a number of suggestions of improving taxpayer experience with the Department. The following suggestions were accepted and will be implemented:

<b>Issues</b>	<b>Decisions</b>

A) It has been observed that many of the officers (especially Tax inspectors) have been visiting taxpayers without proper authorization. However, the GST Act very clearly provides for when, how and under what authorization can an officer visit the premise of a registered taxpayer.

i. No officer / official shall enter the premises of any taxpayer without display of proper Identity card.

ii. No officer who is entrusted any function under the HGST Act, 2017 shall visit the premise of a taxpayer without proper authorization.

iii. Tax inspectors shall not visit any premise except when they are conducting physical inspection under Rule 25 of the HGST Rules, 2017 or if they are part of a search, inspection or an audit operation.

B) It has been observed that inquiry officers while conducting enquiries of complaints repeatedly call the complainants for production of record and giving statement. This leads to harassment of the complainant himself and the same is used as a pressure tactic for the complainant to drop the complaint.

i. While conducting any enquiry suitable opportunity of being heard should be given to the complainant. However, it has been noticed that there is a practice to repeatedly call complainants and associated record of the complaint which ultimately leads to harassment of complainant himself.

ii. Officers conducting enquiries are advised that though a reasonable opportunity of being heard shall be given to the complainant but repeated summons and calling for records should be discouraged.

C) Several cases were reported where communication / summons / letters were being sent to taxpayers and individuals without proper identification or tracking numbers. In many of the cases the authenticity of such communication was also challenged. It was discussed that similar to CBIC a system of centralized generation of online tracking number may be implemented in the State of Haryana

i. In principle it was decided that no letter / communication should be sent from a field office without an ID which is generated from the BO web System.

ii. Under GST all proceedings such as registration, show cause notices, demands, recovery etc. are already 100% online and all communication is also sent online.

iii. In case the system does not provide for specific functions such as summons etc. then the ID can be generated using Enforcement / Enquiry ID module of the BO web system.

iv. If due to any unforeseen circumstances an ID cannot be created on the BO Web system then the ID shall be the E-Office number generated for the file.

v. In case both of them are not feasible then approval for sending a letter with no online ID shall be taken from the immediate superior authority or specific categories may be exempted by the Excise and Taxation Commissioner.

D) There needs to be a mechanism to ensure that there is proper blockage of input tax credit.

In this regard, the Hon'ble Minister was informed that the following Guidelines have already been issued to the field authorities, vide 5960/GST-II, Panchkula, Dated the 24.11.2021 and consequently Instructions were also issued vide 5994/GST-II, Dated the 30.11.2021.

I. All the Joint Commissioner of State Tax shall review the details of ITC blocked above 50 Lakh and all the Deputy Commissioner of State Tax will review ITC blocked from 0 to 50 Lakh, under Rule 86A of HGST Rules, 2017 in their respective district and find out the reasons thereof. This exercise must ensure that the conditions prescribed in sub-rule (1) have been followed while blocking the ITC. In case the blockage is not in accordance with provision of law the same may be cleared immediately and action in respect in of ITC blocked legally, further action may be taken in accordance of law.

II. If on the basis of review done by the officers as mentioned above, the officer is satisfied that conditions for disallowing debit of electronic credit ledger no longer exist, he may allow such debit. Since the back-end system allows for blocking/un-blocking of ITC by Excise and

Taxation Officer of State Tax, the unblocking will be done by the ETO of State Tax after taking due approval/permission from officers mentioned above in para I in writing on file.

III. Sub-rule (3) of Rule 86 A provides that such restriction (blocking of ITC) shall cease to have effect after the expiry of a period of one year from the date of imposing such restriction. In view of the same, ITC blocked for more than one year should also be reviewed on priority.

IV. The GST Policy Wing vide circular no. CBEC-20/16/05/21-GST/1552 dated 02.11.2021 has issued guidelines for invoking Rule 86A of CGST Rules, 2017. The similar circular has also been issued under HGST Act, 2017 under Rule 86A of HGST Rules, 2017.

V. It is also noted that from 1st April,2022 GSTN has initiated automatic un-blocking of ITC, blocked for period of more than 1 year.

This is for strict compliance and urgent necessary action. Difficulty if any, in implementation of the above instructions may please be brought to the notice of the Head Office.

This issues with the approval of Excise and Taxation Commissioner, Haryana.

Addl. Excise and Taxation Commissioner (GST)  
for Excise and Taxation Commissioner, Haryana