PROFESSION TAX FAQs

Registration

1) Who is liable to pay Profession Tax in the State of Maharashtra?

Ans : Any person who is engaged in any profession, Trade, callings and employment in the State of Maharashtra is liable to pay Profession Tax. A person includes Hindu undivided family, firm, company, corporation or other corporate body, any society, club or association.

2) What are the types of Profession Tax payers?

Ans : There are 2 types of Profession Tax payers

a) **Profession Tax Enrollment Certificate (PTEC)** : Any person engaged in Profession, Trade and Callings and falling under one or the other of the classes mentioned in the second column of Schedule I shall obtained PTEC

b) **Profession Tax Registration Certificate (PTRC)** : Every employer who has employed even a single employee whose salary is above the prescribed limit for deducting Profession Tax shall obtain PTRC.

3) What is the time limit to apply for Enrollment / Registration?

Ans : A person / employer shall apply within 30 days of becoming liable to pay tax.

4) Which forms to be used for applying PTEC and PTRC. What is the method of application?

Ans : The person who is liable to obtain PTEC shall apply in Form II and an employer who is liable to obtain PTRC shall apply in Form I. Both the applications shall be made online on Maharashtra Goods and Services Tax Department's (MGSTD) web-site www.mahagst.gov.in

5) Whether I have to create profile for application of PTEC and / or PTRC?

Ans : Every entity who wants to apply for registration for any of the Act govern by MGSTD shall create profile on www.mahagst.gov.in.

a) If any applicant has already obtained registration under any of the Act and wants to apply for registration under another Act shall create his profile by selecting option "Create Profile for New System" under "Log in for e-services". After creation of profile he can use the e-services also.

b) applicant other than 'a' above shall create his profile by selecting option " New Dealer Registration" under "Other Acts Registration".

6) What are the documents required to be uploaded along with application?

a) For PTEC no documents is required to be submitted.

b) For PTRC the list of required documents is given in Trade Circular 20T of 2017 Dt 16/6/2017.

7) What are the penalty provisions, if I apply late for registration / Enrollment?

Ans : As per Section 5(5) of PT Act, where an employer or a person liable to registration or enrolment has failed to apply for such certificate within the required time, the prescribed authority may, impose *penalty of rupees five for each day of delay in case of such employer and rupees two for each day of delay in case of such person*

8) How do I know that the application submitted by me is in order or any query has been raised against my application?

Ans : If the query is raised against the application a defect memo is sent of the registered mail-ID of the applicant. Applicant has to comply the query within 30 days from the date of query raised. If he do not comply within 30 days, his application gets rejected. However he can reapply using the same application again. He can check the status of his application by entering his PAN at "RC Download" in "Other Acts Registration".

a) If the status is shown "With STO" then the application is with nodal officer.

b) If the status is shown as "With Applicant" then either the application is not submitted by the applicant or the officer has raised the query.

9) How do I know that PTEC / PTRC Tax Identification Number (TIN) has been allotted to me?

Ans : a mail is send on registered mail-ID containing digitally signed PTRC / PTEC immediately after granting TINs. The user can check the same by entering his PAN at "RC Download" in "Other Acts Registration". He can download the Registration / Enrollment certificate by clicking 'Print / Preview' button.

10) What are the due date for PTEC payment after obtaining TIN?

Ans : a) If PTEC TIN holder have any previous year's liability shown in the certificate, he has to discharge the same immediately.

b) Current year's tax liability can be discharged upto 30th June of that financial year if the enrollment is taken before 31st May. If the enrollment is taken after that the liability shall be discharged within 30 days from the data of enrollment.

c) For future financial year, he has to discharge his tax liability upto 30th June of every financial year.

11) What are the due dates for making payments of PTRC?

Ans : Due data for making payment is the last date of the month to which the return relates.

12) What are the periodicities for PTRC payment and return after obtaining TIN?

Ans : a) As per Rule 11A employer has to discharge his liability and file the return monthly upto the end of the financial year in which he has obtained PTRC TIN.

b) From next year, if his previous year's tax liability was

i) less than Rs 50,000/- then his periodicity to pay tax and file return for current financial year is annual. **However employer can discharge his liability multiple times by selecting yearly period while making payment**.

ii) Rs 50,000/- or above then his periodicity to pay tax and file return for current financial year is monthly.

13) I want to change the Address of Place of Activity, what is the procedure ?

Ans : The user can apply for amendment by login >> Registration >> Amendment >> Email / Mobile or Other.

14) How to apply for cancellation?

Ans : The user can apply online for cancellation by login >> Registration >> Cancellation.

Payment :

15) Whether it is mandatory for PTRC and PTEC holder to make e-Payment

Ans : As per notification No PFT.1012/ C.R.29/ Taxation-3 Date 14-June-2012 e-Payment is made mandatory for Profession Tax Registration Certificate (PTRC) holders. However, it is optional for Profession Tax Enrollment (PTEC) holders.

16) From which web-site payment can be made?

Ans : e-Payment shall be made through www.mahagst.gov.in >> e-Payment.

17) What are the options available in e-Payment for Profession Tax payers?

Ans : Options available for Profession Tax payers are a) Advance Payment   b) Order Dues Payment.

18) Which option I should select for payment of Profession Tax deducted from the salary of my employees (PTRC) and / or payment of PTEC?

Ans : The tax payer should select 'Advance Payment' option to make payment of PTRC and PTEC.

19) Which option I should select for payment of Profession Tax liability arising out of any order passed by the Profession Tax Department.

Ans : Tax payers shall select 'Order Dues payment' for discharging liability other than 16 above.

20) What is the procedure to make payment?

Ans :   i) go to www.mahagst.gov.in

     ii) put your mouse point on e-Payment. The tile will flip and option will be displayed.

     iii) Select appropriate option

     iv) Enter Your TIN, captcha and Press Next button

     v) Select Act, form ID, Financial Year, Period and Location. Enter the amount and then press Proceed for Payment.

     vi) Agree to refund policy by clicking radio button and then select payment gateway and click on Proceed

     vii) Draft chalan will be displayed

     viii) Click on Make Payment

     ix) Payment gateway page will be displayed Select Bank in which you hold net banking account.

     xi) Click on Proceed for Payment

     xii) Gateway will redirect you to bank web-page

     xiii) enter your login credentials of net banking and make payment.

     xiv) Final receipt in MTR-6 will be generated.

Stepwise detail process is given in the Trade Circular 48T of 2017

21) How to make payment if I don't have net banking account or I don't have account in any of the listed bank for e-payment

Ans : The tax payer can make the payment by using "Payment Across the Bank Counter" provided by GRAS. The detail procedure for generating chalan for "Payment Across the Bank Counter" is given in What's New section under "Process for chalan generation for Payment Across Bank Counter through GRAS."

22) Which period I have to select in chalan while making PTRC payment if my periodicity is monthly?

Ans : While making PTRC monthly payment, in period dropdown, employer shall select succeeding month of the month to which salary pertains.

e.g. select June in the period dropdown to deposit PT deducted from the salary of May. Refer Rule 11 of PT Rule 1975, illustration given under Rule 11 and point no 7 of Trade Circular 48T of 2017 clarifying the Rule.

23) Which period I have to select in chalan while making PTRC payment, if my periodicity is yearly?

Ans : While making PTRC yearly payment in the period dropdown, employer shall select 01/04/YYYY to 31/3/YYYYY i.e. full financial year. The user can discharge is liability multiple times by selecting yearly period.

24) Error is coming as "Balance payable should not be more than zero" though I have made the payment by selecting proper period ?

Ans : Sometime status of the chalan and bank CIN is not updated on real time basis by bank. So if the Chalan Identification Number (CIN) is not available in the payment details then system does not auto populate chalan details in the Draft Return and hence it is resulted into this error. User can obtain the real time status by clicking "Get Status". If the status of the payment is updated as successful from bank then "Get Status" will be converted into "View Chalan". Then this chalan will be auto populated in the return and it will resolve the error.

25) What is the process to generate the chalan if I am unable to take printout at the time of payment?

Ans :

a) After login to the departments web-site www.mahagst.gov.in user can reprint the chalan by path Payments >> Pending Transaction History >> View Chalan. A PDF of chalan will get generated when the user clicks on "View Chalan".

b) If the status of the payment is not updated by the bank on real time basis, the status of the chalan is shown as "Get Status". User can obtain the real time status by clicking "Get Status". If the status of the payment is updated as successful from bank then "Get Status" will be converted into "View Chalan". A PDF of chalan will get generated when the user clicks on "View Chalan".

26) What is the process to correct the period, if I have selected the wrong period in chalan?
Ans : Tax payer shall apply to the Nodal Profession Tax Officer of his jurisdiction for any type of corrections in the chalan.

Profile Creation :

27) Though I have created profile on new system, I am unable to access e-services (file return / Make Amendment application).
Ans: : The dealers / employers who are registered under any of the Acts governed by the Maharashtra Goods and Services Tax Department (MGSTD), shall create their profile through option 'Profile for Registered Dealer' which is available under the 'Login for e-Services' Tile. However it is observed that employers have created profile by choosing the option 'New Dealer Registration' available under 'Other Act Registration' Tile. This option is to be chosen by the dealers / employers who does not have registration under any of the Acts governed by the MGSTD. If the employers have created profiles by using 'New Dealer Registration', they should raise a service request Ticket by using "May I Help You >> Service Request" The issue should be described in details. MGSTD will remove such profile from the system and inform the dealer on the registered mail-ID. After this employer can create profile by using proper option.

Returns :

28) How can I file the PTRC Return ?
Ans :

a) The employer shall use his login credentials for using e-services of www.mahagst.gov.in
b) Click on Returns
c) Select "Return Submission Other Than VAT/CST"
d) Select Act then press Next
e) Select "Return Type" and press Next
f) Select Month and press Next'
g) Select File by clicking Browse button and then Click OK
h) Click on "Upload file"
i) Draft Return will be shown
j) Click on "Submit" and return will get uploaded and final receipt with the return will be generated.

29) What period I should select in the return at "Period Covered by the Return" and in which month I have to show the number of employees

a) If the periodicity is monthly, then user should select succeeding month of the month to which the salary pertains. And he should enter number of employees in the column of Salary month.

e.g. User shall select June in the column "Period Covered by the return", if he is filling return for salary month May. He should enter number of employees in the column May.

b) If the periodicity is yearly, then user should select financial year in the column "Period Covered by the return". He should consider Salaries paid for the month March of previous financial year to February of current financial year.

30) when I am trying to upload return error is coming as "Balance Payable should not be more than zero"?

Ans :

a) As per Rule 11 of the PT Rules 1975, if the employer is monthly, then while making payment, tax payer should select succeeding month of the month to which the salary pertains. It is noticed that employers are mentioning salary month while making payment. SAP system matches return month and payment month. So if the return period and payment period does not matches, then this error occurs. If such error occurs and it is noticed that payment period and return period differs, then tax payer should apply to the concern nodal Profession Tax Officer for period correction. After period correction this error will be resolved. Detailed instructions are given in Trade Circular 48T of 2017 at point no 7. Further the instructions are given by way of pop up window in payment utility.

b) Sometimes the status of the payment is not updated by the bank on real time basis. If the status of the chalan is shown as "Get Status" then this chalan will not get auto populated in return. User can obtain the real time status by clicking "Get Status". If the status of the payment is updated as successful from bank then "Get Status" will be converted into "View Chalan". Then this chalan will get auto populated in the return.

31) When I am trying to upload the return error is occurring as "Period Key does not match"?

Ans : The period mentioned in the template the selected at the time of uploading in SAP should be same. If both the period differs then such error occurs. User should select same period in return as well as uploading utility.

32) At the time of return uploading error is coming as "Credit carried forward cannot be more than excess credit available"

Ans : Excess amount paid over the liability is shown as Refund in the return. Tax Payer has to enter it as excess credit carried forward. Then only system will allow tax payer to use the amount for subsequent period. Or some time the dealer does not enter the late fee and shows entire amount as carried forward. System deducts the late fees if applicable and then remaining amount is posted as carried forward in the system. But tax payer mentions the amount in full as brought forward, then this error occurs. Tax payer should refer his earlier period return to ascertain how much amount is carried forward and then same should be entered as carried forward.