EXCISE AND TAXATION DEPARTMENT PUNJAB

In Punjab, Department of Excise & Taxation looks after the activities of both excise and other commercial taxes in the State. This Department is headed by Excise and Taxation Minister who is incharge of the Department. Financial Commissioner (Taxation) is the Secretary to Govt. of Punjab, Department of Excise and Taxation. Excise and Taxation Commissioner is the head of the Department and is vested with powers under different Excise and Taxation Acts.

The detail of Acts administered by the Department are as under :-

1. EXCISE ACTS

(I) The Punjab Excise Act (1 of 1914)
(II) The East Punjab Molasses (Control) Act(XI of 1942)
(III) The Opium Act (1 to 1878)
(IV) The Medicinal and Toilet Preparations (Excise Duties) Act (XIV of 1955)

2. TAXATION ACTS

(I) The Punjab Value Added Tax Act, 2005 (II) The Central Sales Tax Act, 1956 (III) The Punjab Entertainment Duty Act, 1955 (IV) The Punjab Entertainment Tax (Cinematograph Shows) Act 1954.

ADMINISTRATIVE SETUP

Excise and Taxation Commissioner is the head of the Department and is assisted by five Addl. ETCs at the State level. The Department has three tier structure i.e. State, Division and District level. Working at District level is function based under which each officer in the rank of Excise and Taxation Officer has been assigned specific function like Registration, Scrutiny, Recovery etc. for whole of the District.

ADMINISTRATIVE SETUP AT THE STATE LEVEL

The head quarter of the Department is at Patiala. At the five Additional Excise and Taxation Commissioners assist ETC in functioning of the Department. One of them is from IAS cadre, one from State Civil Services cadre and remaining three are officers from the Department only. The work among five Addl. ETCs has been divided in the following manner:-

- i) **Addl. ETC(VAT)** Addl. ETC (VAT) looks after the work relating to Punjab Value Added Tax Act, Central Sales Tax Act, Entertainment Duty Act, Entertainment Tax (Cinematograph Shows) Act. This officer is incharge of the total sales tax collection in the State.
 - ii) **Addl. ETC(Excise)** Addl. ETC(Excise) looks after the work related to Excise Act and Rules, auction of liquor vends and other excise related activities.
- iii) Addl. ETC(Enforcement) The officer is incharge of the enforcement and information

collection centres set up at the various inter-state border points.

- iv) **Addl. ETC(Admn.)** Addl. ETC(Admn.) looks after the administrative work relating to officers and staff of the Department.
- v) **Addl. ETC(Inspection/PAC)** This officer looks after the matters relating to PAC and Inspection.

At the State level, there is a functional distribution of work as mentioned above. In addition to the above functions, there are certain other functions which are also classified at the State level.

- i) **Director(Investigation)** Director(Investigation) is an officer of the rank of Joint Excise and Taxation Commissioner who monitors the (Enf.) work. The enforcement wing has been divided into five mobile wings, each headed by AETC(Mobile Wing) who is assisted by ETOs (Mobile Wing) and Inspectors. The primary function is to prevent evasion of tax by conducting checking of goods while in transit.
- ii) Legal Wing This wing is headed by District Attorney who is an officer on deputation from Legal Department of the State . One DETC has been designated as DETC(Legal) assisted by one AETC(Legal) & two ETOs and One TI to look after the work of this wing. This wing coordinates with the district AETCs to ensure timely & proper follow up of taxation matters pending before VAT Tribunal, Punjab & Haryana High Court and Supreme Court of India.
 iii) Distilleries Wing The supervision and control of eight distilleries, two breweries, one winery and eighteen bottling plants in the State is primary function of this wing. It is headed by an officer in the rank of Deputy Excise and Taxation Commissioner(Distilleries) at the State Head Quarter.
- iv) **Training Wing** This wing is headed by an officer of the rank of Joint Excise and Taxation Commissioner, who is responsible for imparting training to Excise and Taxation Officers and Inspectors on various Taxation Acts administered by the Department. At the moment, the emphasis is on training of department official on VAT and related issues.
- v) **Intelligence Bureau** In the Head Office a separate agency known as Excise Intelligence Bureau under the charge of Superintendent of Police (Excise) with supporting staff consisting of one Excise Inspector and one Clerk is functioning. The main work of the Excise Intelligence Bureau is to collect intelligence in respect of smugglers of liquor and bootleggers etc. from within and outside the state. Similarly, one Deputy Superintendent of Police, each for the Division of Jalandhar, Ferozepur had been provided for detection of illicit distillation and allied crimes at the divisional level.
- vi) **Investigation and Research Unit** Investigation and Research Unit is working at the State Head Quarter. It comprises of one Research Officer appointed from the cadre of Economic and Statistical Organisation Punjab, one Excise and Taxation Officer and supporting staff. This unit has been assigned the job of collection of information/data from field officers as also from other states and tabulating the same for further use by the department in formulating the policies.
- vii) **Computerization Wing** The Government of Punjab has embarked on reform program to modernize its tax administration. The key focus is on improving operational efficiency, enabling voluntary compliance and enhancing tax payer's convenience. The Department has already implemented the project on computerization of VAT Information System (COVIS) which included designing of a statewide I.T. infrastructure with the central server at Patiala. All Excise and Taxation district offices are linked with the Central Server through leased-lines and V-Sat

and formulation of centralized data base. The Department has engaged Earnest & Young as I.T. auditors for the Department. The Department has a separate agency known as Excise & Taxation Technical Services Agency (ETTSA) to look after the technical and other modernization related issued of the department.

ADMINISTRATIVE SETUP AT THE DIVISIONAL LEVEL

- i) **DETC(Division)** There are five divisions in the State, Jalandhar, Faridkot, Ferozepur, Patiala and Ludhiana each headed by a Dy. Excise and Taxation Commissioner. These officers are incharge of the divisions and act as collectors for the purposes of Excise administration.
 - ii) **DETC(Appeal)** At each division, there is an officer posted as Dy. Excise and Taxation Commissioner (Appeals) who looks after the appellate work of the Designated Officers within the division.
- iii) **Joint Director(Investigation)** As mentioned above in each division, there is posted an officer designated as Joint Director(Investigation) who is in the rank of Dy. Excise and Taxation Commissioner and looks after the enforcement work and ICCs.

It is significant to note that at the divisional level, the work of excise and commercial taxes are combined while commercial taxes are organized on the basis of functional jurisdiction, Excise functions on territorial jurisdiction.

ADMINISTRATIVE SETUP AT THE DISTRICT LEVEL

Territorially the Department has been divided into 23 districts and each district is headed by an officer in the rank of Asstt. Excise and Taxation Commissioner. Each Asstt. Excise and Taxation Commissioner looks after work related to both excise and commercial taxes. Each AETC is responsible for superintendence and the control of all the officers working under him, performing various functions under the Act administered by the Department.

- i) **On Excise Side** Each AETC is assisted by ETO(X) at the district level and Excise Inspectors in their respective excise circle levels.
- ii) **On Commercial Taxes Side -** ETOs function as designated officers who inturn report to the district AETCs. Each Excise and Taxation Officer is assisted by Taxation Inspectors. In each district, number of designated officers, depends upon the number of registered dealers in that district. Each designated officer is of the rank of Excise and Taxation Officer and is assisted by one Taxation Inspector, Steno and Supporting Staff.

In addition to the above officers, there are Superintendents, Senior Assistants, Stenographers, Clerks and other office staff posted at various levels to assist the officers in their normal discharge of duty.