



TRADE NOTICE NO 40 /2013-ST dated 17.02.2014

Sub :- Procedure for Surrender and Cancellation of Service Tax Registration.

Attention of the trade is invited to the provisions of sub-rules (7) and (8) of the Rule 4 of the Service Tax Rules, 1994, which provide for surrender of registration certificate in the case of an assessee who ceases to provide the taxable service for which he is registered. The Superintendent of Central Excise after ensuring that the assessee has paid all the Service Tax dues may cancel such registration certificate.

2. Taking note of the fact that large number of assesses are inactive and number of applications are pending for surrender/cancellation of service tax registration, following guidelines are issued detailing the procedure to be followed in this regard.

3. An application for surrender/cancellation of the service tax registration is to be made for following reasons:-

- a) Assessee's turnover is below the threshold limit.
- b) Change in the constitution of assessee, say from partnership to company or amalgamations.
- c) Death of proprietor.
- d) Assessee closing down the taxable service business.
- e) Assessee has taken centralized registration and hence wants to surrender his other previous multiple registrations pertaining to various branches.
- f) Assessee has shifted its office from the jurisdiction of one Division/Commissionerate to another and instead of requesting for change in the location code and premises code of the assessee, a fresh registration has been taken for the new address. Therefore, a need arises for surrender of the old registration.
- g) Due to technical error in the system, the assessee has been issued multiple registrations for the same address. In that case, the additional registrations are required to be surrendered.

4. Assessee who wish to surrender their registration certificates shall file their application on-line using the ACES module on www.aces.gov.in. On successful filing of the online application, the assessee shall submit the copies of documents mentioned at para 5 along with signed copy of the printout of the application generated by the ACES System to the jurisdictional Group Superintendent or Superintendent(s) of the Registration Cell' in the concerned Divisional office. For, surrendering application, submitted by an assessee who had obtained registration

prior to 01.04.2010 and not migrated to ACES, requirement of online filing of application has been done away with and for this purpose the procedure given in para 8.1 below may be referred to.

5.1 All the assessees falling under category (a) to (g) of Para 3 are required to submit following documents:

(i) Application Form & Undertaking to surrender the Service Tax Registration (Annexure-I)

(ii) Copies of last six ST-3 returns filed with the department from the date of taking registration till the date of surrender but up to a maximum of last six returns only.

Where the assessee has not filed ST-3 returns for the period mentioned above, on account of the reasons that the turnover is within the threshold limit of small service providers exemption then it is not necessary for him to file fresh return for surrender purpose only. He can apply for waiver of penalty under Rule 7C of STR for non-filing of returns. Instructions have been issued for waiver of penalty for non filing of return where total turnover was less than threshold limit. The fact of non-filing of return should be clearly mentioned in the undertaking.

(iii) Copies of Profit & Loss account and Balance Sheet from the date of taking registration to the date of surrender, but for a maximum of last 3 financial years only. However, if Balance Sheet or Profit & Loss Statement has not been prepared, the applicant may submit copies of Income Tax Return for the said period. If said return has also not been filed then applicant should provide appropriate evidence like Bank Statement so as to enable the department to verify the reason stated for surrender. [Not required for category (e) & (g)]

(iv) Details of Show Cause Notice pending adjudication, details of confirmed demands, details of court cases, details of audit conducted, etc. as per Annexure-II.

5.2 In case of an assessee falling under category (c) of para 3 above, the death certificate of the proprietor needs to be enclosed along with the application form.

5.3 In case of change of constitution [category (b) of para 3] the necessary documents like Partnership deed or Articles of Association etc. showing change of constitution may be enclosed along with application for surrender. In case of merger or acquisition necessary documents such as Order passed by the Hon'ble High Court or Article of Association to that effect, may be enclosed alongwith the application of surrender.

5.4 In case of assessee taking centralized registration [category (e) of para 3], the copy of centralized registration certificate, showing the premises for which surrender application is being submitted, should also be enclosed along with the application for surrender.

5.5. For cases covered by category (g) of Para 3 above, copy of registration certificate for which the applicant wants to continue with should also be submitted along with the application for surrender.

5. After submission of the required documents as per above details the Superintendent concerned may require further information like reconciliation of the income shown in the Profit & Loss Account with the taxable income declared in ST-3 return. However, reconciliation information would not be necessary in case of assessee taking centralized registration or in case of shifting of office from one jurisdiction to other jurisdiction or in case of technical error resulting in multiple registration or in case of turnover as per income statement/Profit & Loss account being below the exemption limit.

7. The assessee should submit the required documents with proper indexing of all enclosures. As far as possible all these documents will be verified by the Superintendent or Inspector at the time of its submission itself. In case of any deficiency, the same shall be informed to the assessee at the time of receipt of the documents. It may be noted that if the assessee fails to submit the complete set of hard copies within 15 days of submission of on-line application, it is liable to be rejected.

8.1 In case the applicant has taken Service Tax registration prior to 01.04.2010 and has not migrated to ACES system, it is not necessary for such assesses to migrate to ACES for surrendering their registration. They can apply for surrender of registration by a manual application, alongwith other documents as required, without filing the online surrender application. Instruction have been issued to liberally cancel the registration for assessee who had taken registration in the past when there was no threshold limit. Further, in those cases the intimation regarding the cancellation shall be sent by post.

8.2 The assesseees who have misplaced the User-id & Password for transacting in ACES may approach the 'Help Desk' of the respective Division along with filled in application Form (format enclosed as Annexure-III) for generating T-pin. Using the T-pin generated by the System, which will be received by the applicant through e-mail.

9. The Superintendent shall process the application for surrender of registration and after successful cancellation of the registration, will inform the assessee through e-mail, and then the assesseees can make surrendering application through ACES.

10. In case of any difficulty, Assistant Commissioner/Deputy Commissioner of the concerned Division may be approached for the resolution of grievance.

11. Surrender Application shall be accepted in person between 3.00 to 5.00 PM in the division.

12. All the trade Associations are requested to bring the contents of this Trade notice to the attention of their members, in particular and the trade in general.



(R. SEKAR)
COMMISSIONER
SERVICE TAX-II, MUMBAI

Encl: Annexure-I to III

F. No. V/STII/Tech/05/2013
Mumbai, the Feb 2014

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Copy to:

1. The Chief Commissioner, Central Excise, Mumbai Zone-I,
2. The Chief Commissioner, Central Excise, Mumbai Zone-II,
3. The Director General of Service Tax, Mumbai,
4. The Commissioner (Service Tax), CBEC, New Delhi,
5. The Commissioner, Service Tax-I, Mumbai,
6. The Addl. Commr. (Audit), Service Tax-II,
7. The Addl. Commr. (Anti- Evasion), Service Tax-II,
8. The Addl./Joint Commr. (Tech), Service Tax-II,
9. The Asst/ Dy. Commr., Service Tax, Mumbai, Div-IV, V, VI,
The Asst/ Dy. Commr., P&V, Audit, Anti-Evasion, TAR, Adjudication, Legal,
Tribunal & Review, Stats, ACES, RTI, Data Analysis and Research Cell,
10. The P. A. to the Commissioner, Service Tax-II, Mumbai, for record.
11. As per mailing list,
12. Notice Board,
13. Master File.

ANNEXURE-I

APPLICATION FORM & UNDERTAKING FOR SURRENDER OF SERVICE TAX
REGISTRATION

(TRADE NOTICE No. issued by
Commissionerate)

Service Tax-II,

To

Superintendent of Service Tax,
Group _____
Division _____
Service Tax-II, Mumbai Commissionerate.

Sir/Madam,

Sub : Surrender of Service Tax registration- reg.

I/We _____, Partner/Proprietor/Director/Legal heir of
M/s. _____, (address _____) declare that I/we
want to surrender the service tax registration for the following premises:

- i) Service Tax Registration No _____
- ii) Address of the premise _____

2. I/We want to surrender registration for the following reasons. (specify one of
the reason as mentioned at Para 3 of the Trade Notice No. _____).

- i) _____

3. I/We further declare that we have taken the registration in the year
_____. I/we/Deceased person have paid all Service Tax dues including the
interest or penalty wherever applicable and presently there are no Service Tax dues
pending against the registered assessee for which we are making the application for
surrender.

4. I/We further declare that we have filed the following returns:-

Period	Return Filed (Yes or No)	Date of Filing return	Whether manual/ electronic

We are enclosing copies of ST-3 return (maximum of last six returns)

5. We are also enclosing copies of Profit & Loss account and Balance Sheet for
the past three financial years. We further declare that as we are carrying out
business from other premises also, (in addition to the premise for which we are
surrendering registration) therefore, the profit and Loss account submitted by us
also include the value of transaction carried out from the premise for which
registration is sought to be surrendered.

6. I/WE declare that we have not prepared Profit & Loss and Balance Sheet.
Therefore, we are submitting copy of Income Tax Return filed by us for the
year _____, _____, and _____. We further declared
that as our taxable income is below the Income Tax threshold limit, hence we have
not filed Income Tax Return. Therefore, I am submitting following document to
satisfy the correctness of reason for surrender of registration:

i) _____
ii) _____

7. I/We/Legal heir undertake that if any service tax dues are found to be recoverable from us in future, I/We shall pay the dues to the department as and when demand is made by the department.

8. I/We hereby undertake if any Govt. dues are found to be recoverable from the registrant whose legal constitution has been changed and as we are the new owner of the erstwhile entity, I/We shall pay the dues as and when demanded by the department.

9. I/We further undertake that as we have taken centralized registration including for the premises mentioned above, we undertake that if any govt., dues are found to be recoverable from the registration mentioned above, we shall pay the service tax dues as and when demanded by the department.

10. We are enclosing print out of online application for surrender duly signed by us along with the copies of ST-3 returns and Profit and Loss account as mentioned above.

11. It is requested to accept application for cancellation of registration in terms of Rule 4(7) and 4(8) of Service Tax Rules, 1944 as we have complied with the provisions of the said Rules. In case any clarification is required, we may be contacted on e-mail address _____ and Mobile No. _____ of Shri _____, Designation _____ for this purpose.

(Signature)

Name _____
(partner/proprietor/Director/Other (Specify))

Encl :

- 1) Signed copy of printout of surrender application.
- 2) Copies of ST-3 returns for period _____
- 3) Copies of Profit & Loss account and Balance Sheet for the period _____
- 4) Any other documents - like Income Tax Return or _____
- 5) Copy of Death Certificate/Proprietorship Deed/Memorandum of Association /Service Tax Registration Certificate

- (i) Above format may be typed and printed for submission
- (ii) Delete/cancel whatever is not applicable

ANNEXURE-II

Information regarding pending Show Cause Notices, Confirmed Demands, etc., for the branch/assessee whose registration is proposed to be cancelled.

1) Details of SCN issued which are pending adjudication-

Address of premise or Branch	STC No.	SCN No. & Date	Period covered	Issue in brief	Amount demanded (in Rs.)	Authority to whom SCN is answerable i.e. Commr., /ADC /JC/DC/AC/Supdt.
1	2	3	4	5	6	7

2) Whether any case is pending with Appellate Authorities/Court. If yes, provide following details with regard to each authority as mentioned below, in the prescribed format as under:

Authorities

- Commissioner (Appeals),
- Tribunal,
- Settlement Commission,
- High Court,
- Supreme Court ,

Address of Branches	STC No.	Order No & Date appealed against	Authority and place where appeal is pending	Issue in brief	Amount demanded (showing duty & penalty separately)		Date of filing appeal	If filed with Stay Application, the Stay Order No. & date,
					S.Tax	Penalty		
1	2	3	4	5	6		7	8

3) Details of cases which have been decided and where No appeal has been filed,

Address of Branches	STC No.	Order No & Date	Issue in brief	Amount confirmed (in Rs.)	Whether S. Tax/ interest/ penalty paid, if yes, the amount thereof
1	2	3	4	5	6

4) Whether audit has been conducted by Service Tax/Central Excise authorities of the concerned Branch. If yes, provide following details:-

Address of Branches	STC No.	Whether Audited or not	If audited, period covered in Audit	If audited, Audit Report and Date (enclose copy)
1	2	3	4	5

- 5) Whether Audit has been conducted by CERA for the Branch?
If yes, provide following details Branch wise:

Address of Branches	STC No.	Whether Audited or not	If audited, period covered in Audit	Audit Report and Date (enclose copy)
1	2	3	4	5

- 6) Details of any investigations initiated against the branch or assessee on the issue of Service Tax where search has taken place or statement has been recorded. Please furnish details.

Signature
(Name & Designation)

ANNEXURE - III

DECLARATION FORM FOR ACES T-PIN

1. Name of registered Assessee	:	_____
2. TDS (if any) PAN based Service Tax Code	:	_____
3. Registration no	:	_____
4. Division	:	_____
5. Group No.	:	_____
6. Correct and valid email id for official correspondence	:	_____
6. Repeat email id	:	_____
7. Constitution of the Firm	:	_____
8. Contact Person Name	:	_____
9. Contact Phone Number	:	_____

DECLARATION

_____ hereby declare that I am duly authorized by M/s. _____ to sign this declaration and the contents of this declaration are true and correct.

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Signature

Name : _____

Designation : _____

Date : _____

To,

Assistant Commissioner of Service Tax

Division -

Service Tax-II Mumbai.