

GOVERNMENT OF ANDHRA PRADESH  
COMMERCIAL TAXES DEPARTMENT

Office of the Commissioner (CT)  
Andhra Pradesh, Hyderabad

CCT's Ref No. A I(1)/26/2014,

Dated:17-06-2015.

**C I R C U L A R**

Sub: APVAT Act & CST Act – Invoice matching system- Purchase, sale Invoice details effected to VAT dealers to be filed along with monthly Returns-Certain instructions issued - Regarding.

Ref: 1) GO Ms No 26, Rev CT Dept dated 05-02-2015.  
2) Circular communicated by JC (CT) Enft-I through Email  
Dated 26-02-2015.  
3) Circular in CCT's Ref No AI (1)/26/2014, dated 26-03-2015.

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In continuation to the instructions issued earlier, the following instructions are issued with immediate effect.

1. Every VAT dealer is required to **submit the details of invoices** of purchases and sales effected from/to VAT dealers in Annexures I and II before **filing the monthly returns**.
2. In the VATIS, a provision is made such that for any tax period, the details of invoices can be filed from the first day of the tax period till the date of filing of the return for that tax period. For example for the tax period of July 2015, the details of Invoices for the tax period can be filed from 01-07-2015 onwards till the date of filing of the return. The dealer has got the facility to modify the details, through Edit Option, till the date of filing of the return.
3. The purchases filed by one dealer will be compared with the sales details furnished by the corresponding sellers and the system will generate mismatch reports on daily basis dynamically.
4. **The mismatches in sales and purchases will be available on a daily basis in the user login of all the VAT dealers.** If any purchase invoice reported by the dealer is not reported by the seller or if there are any variations in the Sale invoices reported by the seller, the same will be known to the purchaser, who can contact the seller to reconcile the figures
5. The dealers are also required to file VAT 200A for the tax period June 2015 onwards in VATIS, mandatorily.
6. All the dealers are to be informed to utilize the above mentioned facility and start uploading the details of invoices of purchases and sales for the tax period of June 2015 with immediate effect.

7. Before filing return in VAT 200 for the tax period of June 2015, the dealers are required to reconcile their purchases/ sales with the counter party sellers/ purchasers and confirm Annexure-I and Annexure-II and also file VAT 200A.
8. The dealers are required to file the monthly returns within the due date prescribed in the APVAT Rules, that is on or before 20-07-2015 for Jun2015 tax period. Before filing the return, the reconciliation of purchase-sales with corresponding dealers shall be completed. The invoice details shall also match with VAT200A and VAT200 filed for the relevant Tax Period. Thus two types of mismatch reports will be generated (i) mismatch in invoices reported by buyer and corresponding seller (ii) mismatch in turnovers between aggregate value of Invoices and amounts reported in relevant boxes of VAT200A/VAT200 filed by the dealer.
9. After filing the return, if any mismatches are reported, show cause notices will be issued to both the parties of the invoice and these notices will be sent on Email and also downloadable in the logins of the buyer and seller. A copy of the notice signed by the assessing authority will also be sent by post to the dealer's address.
10. The purchasing dealer is required to submit explanation along with Tax Invoice, other documentary evidence to show that the goods actually moved from seller to buyer, payment of invoice amount etc. The selling dealer is also required to offer his explanation for the mismatches.
11. If the purchasing dealer fails to submit satisfactory reply to the assessing authority, the input tax credit will be disallowed to this extent and tax and penalty will be levied. The dealer is required to pay tax demanded within the prescribed time. On the other hand, if the purchaser, proves to the satisfaction of the assessing authority about his claim and the selling dealer can not explain for not reporting the relevant sales in the monthly return, the seller will be assessed to tax and penalty.
12. Hence all the Commercial Tax Officers and Assistant Commissioner (CT), LTUs are requested to inform the dealers about the changes and insist on the dealers to file Annexure-I and Annexure-II correctly.

The Deputy Commissioner (CT) s and other officers in the divisions are directed to bring this to the notice of the Dealers associations in their jurisdiction.

Sd/- J.Syamala Rao  
Commissioner (CT)

To  
The Deputy Commissioner (CT) s of All Divisions,  
All the Assistant Commissioner (CT) s  
All the Commercial Tax Officers in the state  
Copy to the Senior Officers in the office of Commissioner (CT)

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Sd/- T.Ramesh Babu  
Joint Commissioner (CT) Computers