

Appendix

Core IT applications and their functionalities

A. Assessment Information System (AST)

AST is the most critical and oldest application conceptualized in 1994. The software module which became operational in 1997 was redesigned /updated and accepted in July 1999. It is designed to address the assessment functions, starting from the receipt of tax returns, initial checking under section 143(1), scrutiny assessment, rectification, re-assessment, revision, implementation of effect of appeals, proceedings for penalty and prosecution, creation of demand and refunds, recording of history of assessments for subsequent use, etc. Main features of AST are given below:

Return Receipt Register	<ul style="list-style-type: none"> • Creation of RRR with unique number • Jurisdiction wise generation of acknowledgement • Creation of bundle for batch processing
Processing of Return	<ul style="list-style-type: none"> • Checking Calculation • Mistake in computation of Tax and Interest • Payment mismatch in respect of prepaid taxes
Regular Assessment	<ul style="list-style-type: none"> • Generate list of selected cases and notices • Compute tax and interest and generate demand notice, refund voucher • Track history of all adjustments/ additions made
Appeal	<ul style="list-style-type: none"> • Monitor and track progress of appeal • Scheduling of appeals • Maintained data on outcomes
Rectification and Revision	<ul style="list-style-type: none"> • Supports all rectifications u/s 154/155 rectification • Supports revision u/s 263/264
Penalty Proceedings and Waiver	<ul style="list-style-type: none"> • Initiate and track penalty proceedings • Track variations in levy of penalty due to appeal, rectification ,revision and waiver
Queries	<ul style="list-style-type: none"> • Supports queries on assessment proceedings, appeals, revisions and rectifications • Provides for comprehensive query for a given PAN
Outputs	<ul style="list-style-type: none"> • Mismatch list • Central Action Plan (CAP) I and II reports • List of non-filers

B. Electronic Tax Deduction at Source System (e-TDS)

The “Electronic Filing of Returns of Tax Deducted at Source Scheme, 2003” was notified in August 2003 while “Electronic Filing of Returns of Tax Collected at Source Scheme, 2005” in March, 2005. Finance Act 2003 has made e-filing of TDS returns by corporates, deductors of Central Government and State Governments compulsory. Later on it was made compulsory to all deductors under section 44AB and all deductors having deductee records of 20 or more.

The e-TDS module supports verification of returns in batch mode; check for computation error and missing information, defaults and mismatch of TDS payments; generate mismatch reports; defaults covering short payment, non payment etc. It was envisaged that eTDS application will enable processing of eTDS returns, leading to detection of frauds relating to non-deposit of TDS and bogus credit for TDS. The grant of credit for TDS on authentication of information was expected to plug leakage on account of bogus TDS certificate.

C. Online Tax Accounting System (OLTAS)

OLTAS is an online menu driven and Windows based software. Users will be able to perform screen-based functions and navigate across screens using GUI features such as toolbars, buttons, checkboxes, list items, and radio groups. OLTAS functions interalia include online entry of summaries, main scrolls and Challan; identification, entry and matching of missing/surplus Challan; handling of incoming and outgoing Challans from/to outstation CTUs; posting of Challan and online corrections of Challan; generates reports such as Daily Collection Register, ZAO’s collection report, major head wise account report, Challan print report, collection reports, and error report.

D. Individual Running Ledger System (IRLA)

IRLA system has been developed to keep a record of all the demands raised and collections made by an Assessing Officer (AO) in a consolidated manner, and in a single location. In the manual system, AO maintains the Demand and Collection Register (D&CR). This register contains details of summary assessments, scrutiny assessments, current assessments, assessments under section 147, and details of tax payments and refunds. This register is prepared annually. All uncollected demands of D&CR are brought forward to the Arrear D&CR. IRLA system was intended to replace the large number of registers in use, such as, D&CR, AD&CR, Stay Register, Installment Register, Write off Register, etc. IRLA also provided for computation of interest under section 220(2).