

CHAPTER-V OTHER TAX RECEIPTS

5.1 Results of audit

Test check of records of concerned departmental offices, conducted in audit during the year 2004-05, disclosed non/short realisation or losses of revenue of Rs.13.24 crore in 356 cases under the following broad categories:

(Rupees in crore)			
Sl.No	Categories	Number of cases	Amount
Stamp Duty and Registration Fee			
1.	Short levy of stamp duty and registration fee due to under valuation of properties	139	2.70
2.	Short levy due to misclassification of documents	39	0.75
3.	Other irregularities	17	0.31
Total:		195	3.76
Land Revenue			
1.	Non/short realisation of collection charges	48	2.53
2.	Non recovery of fees for supplying Kishan Bahis ¹	09	0.20
3.	Non/short realisation of land revenue	16	1.67
4.	Other irregularities	88	5.08
Total:		161	9.48
Grand Total		356	13.24

During the year 2004-05, the Department accepted non realisation of revenue amounting to Rs.0.45 lakh, which has been recovered.

A few illustrative cases involving Rs.1.26 crore are given in the succeeding paragraphs.

Stamp Duty and Registration Fee

5.2 Short levy of stamp duty due to incorrect computation of lease period

Under Article 35 VI of Indian Stamp Act, 1899 on an instrument where lease purports to be for a term exceeding 30 years or in perpetuity or does not purport to be for any indefinite term, duty is chargeable for a consideration equal to market value of the property. The Inspector General of Registration (IGR) clarified on 22 April 2003 that if a lease for a period less than 30 years contains provision for further extension for a certain or indefinite period, stamp duty is to be charged on the consideration of market value of the property.

Test check of records of Sub Registrar-IV Agra revealed in September 2002 that a lease deed was registered in April 2002 for a period of 29 years for consideration of Rs.7.61 lakh on which Stamp Duty of Rs.0.77 lakh was levied. The recital of deed, however, revealed that a provision of further extension of lease was also made with transfer of ownership rights to the lessee on which stamp duty of Rs.14.37 lakh was leviable. The incorrect computation of lease period resulted in short levy of stamp duty amounting to Rs.13.60 lakh.

The matter was reported to the Department and Government between May and December 2003; their replies have not been received (August 2005).

¹ Books of ledger account on farmers maintained by Land Revenue Department

Land Revenue

5.3 Non recovery of collection charges

As per Uttar Pradesh Public Money (Recovery of Dues) Act, 1972 and Government orders issued from time to time, the revenue authority on receipt of certificates of recovery from a corporation, banking company or local body, shall proceed to recover the amount stated therein, together with the cost of proceedings (collection charges) as arrears of land revenue. Collection charges at the rate of 10 *per cent* of the dues collected/to be collected are to be realised from the concerned corporation/company/bodies. In case the requisitioning authority withdraws the recovery certificate or the amount due is deposited directly by the defaulter, even then, collection charges are recoverable from the requisitioning authority.

During test check of records of six tahsil offices,¹ it was noticed between May 2002 and January 2005 that in four cases the defaulters directly deposited the amount of Rs.1.36 crore with requisitioning authorities and in 33 cases recovery certificates of Rs.9.84 crore were returned to the concerned departments / bodies on their own request. But, the collection charges of Rs.1.12 crore were not realised by the Department in these cases.

The matter were reported to the Department and Government between December 2003 and March 2005; their replies have not been received (August 2005).

¹ Tahsildar, Jansath (Muzaffarnagar); Tahsildar, Sadar, Basti; Tahsildar, Sadar, Etawah; Tahsildar, Sadar, Lalitpur; Tahsildar, Sadar, Rampur and Tahsildar Ghaziabad.