

Amendments relating to Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975

The Government of Maharashtra has passed [Maharashtra State Tax on Professions, Trades, Callings and Employments \(Amendment\) Act, 2023](#). It came into force on 1st April 2023. The relevant amendments as per the said Act are as under:

- Schedule I of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 has been amended for the purpose of deduction of Profession Tax (PT) from the salary payable to employees as per table below:

For Men			For Women		
Salary Per Month (INR)	Old PT Slab Per month (INR)	New PT Slab Per Month (INR)	Salary Per Month (INR)	Old PT Slab Per month (INR)	New PT Slab Per Month (INR)
Up to 7,500	NIL	NIL	Up to 10,000	NIL	NIL
7,501 to 10,000	175	175	10,001 to 25,000	300 (for February) 200 (for other months)	NIL
Above 10,001	300 (for February) 200 (for other months)	300 (for February) 200 (for other months)	Above 25,000	300 (for February) 200 (for other months)	300 (for February) 200 (for other months)

- Section 27A relating to exemptions from payment of PT of said Act has been amended as under:
Clause C relating to exemption to person suffering from permanent physical disability has been modified to include persons suffering from mental retardation and parents or guardians of child suffering from such physical disability. Consequently, Clauses e and g of Section 27A have been deleted.

Amendments relating to Maharashtra Value Added Tax Act, 2002

Reduction of VAT rate on Aviation Turbine Fuel (ATF) from 25% to 18% in Mumbai, Pune and Raigad district w.e.f. 1st April 2023.

Amnesty scheme for settlement of arrears of tax, interest, penalty, or late fee

The Government of Maharashtra has introduced an amnesty scheme, '[Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act, 2023](#)' ("**Amnesty Scheme**") for various taxes levied by the State of Maharashtra prior to introduction of Goods and Services Tax.

Gist of this Scheme are as follows:

- An applicant, whether registered or not under the Relevant Act, shall be eligible to make an application for settlement of arrears of tax, interest, penalty or late fee in respect of the specified period, whether such arrears are disputed in appeal under the Relevant Act or not.
- Any applicant who has availed benefits under any previous amnesty schemes is also eligible to make an application under this new Amnesty Scheme, provided that the benefit is not in respect of arrears for which application was made under previous schemes.
- The duration of this Amnesty Scheme is from 1st May 2023 to 31st October 2023.
- The payment of the requisite amount as determined under this section shall be made in the form of challan prescribed under the Relevant Act or, in Form-MTR-6.
- The payment made on any account on or before the 30th April 2023 shall not be considered as a payment towards the requisite amount.
- Where the payment made is less than the requisite amount then the amount so paid shall first be adjusted towards the un-disputed tax and the amount remaining, if any, after such adjustment shall then be adjusted towards the disputed tax, interest, penalty and late fee, proportionately.
- No waiver in respect of undisputed tax under any circumstances.
- No refund of any amount paid under this scheme.
- The appeal, if any, pending before the Appellate Authority under the Relevant Act or the Tribunal or the Court in respect of any statutory order, shall be withdrawn fully and un-conditionally by the applicant.

Determination of requisite amount and extent of waiver

- **Arrears of Rs.2,00,000 or less**
 - ▲ Full waiver of arrears which are determined as per any statutory order for the specified period, as on the 30th April 2023.
 - ▲ Full waiver of post-assessment interest and penalty provided that, the tax due as per any statutory order has been paid on or before the 30th April 2023, and no order levying interest or penalty has been passed till the aforesaid date.
- **Arrears of Rs.50,00,000 or less**
 - ▲ Option 1- One time payment.
 - ▲ Option 2- Payment in instalments.
 - ▲ Waiver of 80% of amount of arrears as per any statutory order, if the applicant opts for a lump sum payment of such arrears.
- **Arrears of more than Rs.50,00,000**
 - ▲ Option 1- One time payment.
 - ▲ Option 2- Payment in instalments.

Waiver of Tax , Interest, Penalty for different periods as per table below:

For the period commencing on or after 1 st April 2005 till 30 th June 2017					
Sr. No.	Amount	One Time Payment Option		Instalment Option	
		Amount to be paid	Amount of waiver	Amount to be paid	Amount of waiver
1.	Un-disputed Tax	100%	0%	100%	0%
2.	Disputed Tax	50%	50%	56%	44%
3.	Interest Payable	15%	85%	15%	85%
4.	Penalty Payable	5%	95%	5%	95%
5.	Post Assessment Interest or Penalty	0%	100%	0%	100%
6.	Late fees payable in respect of returns	5%	95%	5%	95%

For the period ending on or before 31 st March 2005					
Sr. No.	Amount	One Time Payment Option		Instalment Option	
		Amount to be paid	Amount of waiver	Amount to be paid	Amount of waiver
1.	Un-disputed Tax	100%	0%	100%	0%
2.	Disputed Tax	30%	70%	34%	66%
3.	Interest Payable	10%	90%	10%	90%
4.	Penalty Payable	5%	95%	5%	95%
5.	Post Assessment Interest or Penalty	0%	100%	0%	100%

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