

Commercial Tax Department Enables Paperless Filings

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Reduce paper-based dependencies for filing returns in the Commercial Tax Department by moving towards a legally valid paperless solution

Industry

Government

State Governments e-Governance Initiative

State Governments of India, under the e-Governance initiative, undertook efforts to completely digitize and go paperless with periodic tax filings.

Business Needs

Filing of periodic returns at the Assessment Office of the Commercial Tax Department (CTD) was a tedious task wherein dealers who had to make 6 to 7 visits to the CTD office. The dealers were required to submit a hardcopy of returns filed every month. Thus, a solution was required by the government which could be implemented that is legally valid and would diminish the dependence on hardcopy submission.

Approach

Deploy an integrated solution to digitally sign and encrypt legally binding documents, ensuring the authenticity, integrity, and confidentiality of the data. The taxpayers can comfortably sign and upload sales and purchase statements along with periodic returns and stable communication established between the government department and registered dealers.

**Background**

The Government of India (GoI), under its National eGovernance Plan, wanted to come up with a citizen-centric and service-oriented process with regards to commercial tax administration.

The registered dealers had to file periodic returns at the assessment office of the Commercial Tax Department in a prescribed format, along with documents of purchases and sales invoices. Each had to file separate returns under the following acts, such as CST, VAT, and KGST. At least 6-7 visits to the CTD offices were necessary for submission, to receive challans, statutory forms, for signature, etc. Moreover, the hardcopy of the returns filed was required to be submitted.

Digital Signature Technology

The Digital Signature Technology works on the Public Key Infrastructure framework, which uses a Cryptographic Key Pair – Private and Public Key for secure access and transmission of information.

The Public Key Infrastructure framework is prescribed in a model law provided by UNCITRAL (A United Nations body) for International Trade and Commerce.

Benefits

- Reduction in visits to the commercial tax offices by over 50%
- Easy access to statutory forms
- Transparency in the filing process and discipline among the dealers
- Considerable reduction in the economic cost of transaction
- Approximately Rs.3 Crores was saved against printing and logistics cost



Solution

Our Digital signatures solution was deployed in the government department to reduce the dependency on hardcopy submission.

Digital Signature in the Commercial Taxes Department, Kerala, implemented the following functionalities:

- Uploading Sales & Purchase Invoice statements – Online uploading of Sales and Purchase statements along with periodic returns.
- Downloading delivery notes
- Digital signing of online return forms
- e-Downloading of Statutory forms – Downloading of Statutory forms by the dealer for the invoice details
- Digital Signing of uploaded invoices
- E-filing of returns – Online filing of periodic returns by registered dealers

eMudhra implemented the eMudhra Authentication Server (emAS) in the State Data Centre and provided digital signature authentication capability to the Government Department.

eMudhra has facilitated the dealers with multiple channels to obtain digital signatures. eMudhra created an exclusive website for the department, integrated with the payment gateway so that the dealers could apply for digital signatures.

eMudhra conducted training programs for department employees and dealers in 15 district commercial tax offices across the state.

About eMudhra:

Much like the name, which is an embodiment of the seal of authenticity in the electronic or digital world, eMudhra is a cyber security solutions company and a trust service provider that is focused on accelerating the world's transition to a secure integrated digital society. With presence in 5 continents and a global delivery center in Bengaluru, India, eMudhra is empowering secure digital transformation of over 45 global banks, several Fortune 100 customers and thousands of SMEs.

