

CHAPTER - VI Forest, Other Tax and Non Tax Receipts

6.1 Tax Administration

This chapter consists of receipts from Forest, Land Revenue, Entertainment and Luxury Tax, Marriage Registration, State Lotteries etc. The tax administration is governed by Acts and Rules framed separately for each Department.

6.2 Results of audit

Test check of records of 58 units relating to Forest receipts, Land Revenue, Entertainment and Luxury Tax etc. during 2017-18 showed irregularities involving ₹ 24.27 crore in 2,455 cases, which fall under the following categories as depicted below.

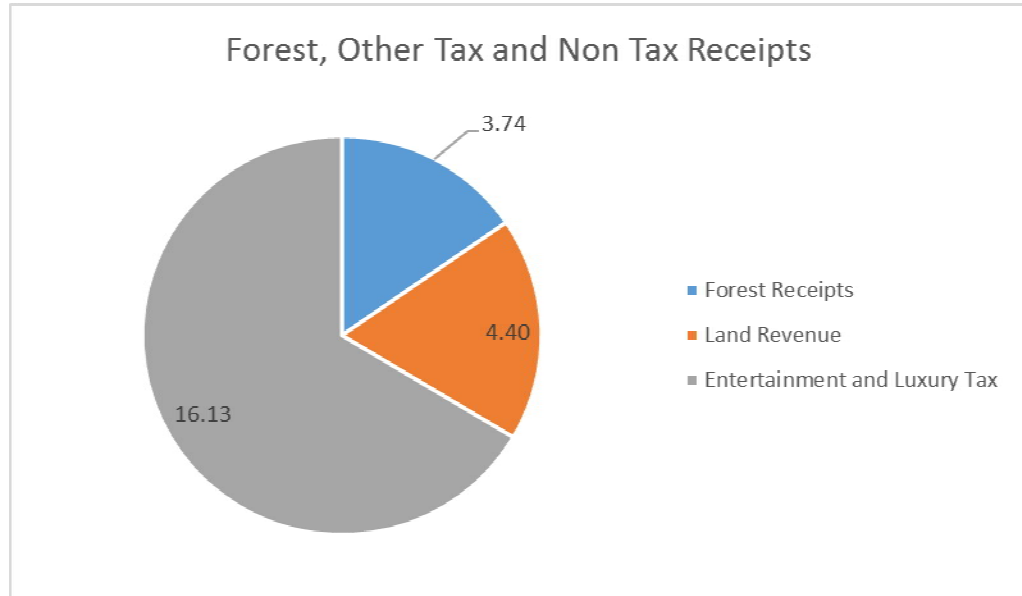
Table 6.1: Results of audit

Sl. No.	Categories	No. of cases	Amount (₹ in crore)
A: Forest Receipts			
1.	Non-recovery of Government dues	48	0.32
2.	Other irregularities	1,302	3.42
TOTAL (A)		1,350	3.74
B: Other Tax Receipts			
(i) Land Revenue			
1.	Non/short recovery of chowkidara tax	2	2.46
2.	Other irregularities	137	1.94
TOTAL B(i)		139	4.40
(ii) Other taxes and duties on commodities and services			
1.	Non/short realisation of entertainment tax/duty	60	0.23
2.	Late/non submission or return	579	1.73
3.	Other irregularities	327	14.17
TOTAL B(ii)		966	16.13
TOTAL (B)		1,105	20.53
TOTAL (A+B)		2,455	24.27

Head wise audit findings noticed under Forest receipt, Land Revenue and Entertainment and Luxury Tax is depicted in Chart 6.1:

Chart- 6.1

(₹ in crore)



In 2017-18, the Department accepted the observations of ₹ 4.38 lakh in 129 cases pertaining to Entertainment/Luxury Tax, Land Revenue and Forest, and recovered an amount of ₹ 4.19 lakh in 129 cases which were pointed out in earlier years.

6.3 Non-realisation of Entertainment Duty

AETC Moga took no steps to recover entertainment duty from 122 cable operators resulting in non-realisation of entertainment duty of ₹18.30 lakh.

Section 3 (3-B) of the Punjab Entertainment Duty Act, 1955 (PED Act) provides that Entertainment Duty (ED) at the rate of ₹ 15,000 per annum is payable by the proprietor for providing entertainment with the aid of antenna or cable television to a connection holder. Section 3 of Cable Television Network (Regulation) Act 1995 read with Rule 3 of Cable Television Network Rules, 1994 makes it incumbent upon all the cable operators to get themselves registered with the Head Post Master of the area in which office of the cable operator is situated. Further, Section 14 (1) of the PED Act provides that for the purpose of ensuring that the provisions of the Act or Rules made thereunder are being complied with, the prescribed officers of Excise and Taxation Department may enter into, inspect and search any place of entertainment at any reasonable time while the entertainment is proceeding.

Scrutiny of records of AETC Moga relating to ED for the period 2015-17 revealed that the AETC had not maintained any list/database of cable operators for the purpose of levy and collection of ED. Audit obtained a list of cable operators registered in General Post Office Moga under Section 3 of

Cable Television Network (Regulation) Act and noticed that 122 cable operators were registered with the General Post Office. However, none of them paid ED at the rate of ₹ 15,000 per annum nor was any demand notice issued to them by AETC Moga. The department did not take steps to ascertain the actual number of cable operators and ensure that the tax due under the provisions of the Act is levied and collected. This resulted in non-realisation of ED of ₹ 18.30 lakh.

The matter was reported to the Government/Department in May 2018 and June 2018; their replies were awaited (May 2019).

The Government may direct the Department to ascertain actual number of cable operators in Punjab and recover entertainment duty due from them. The Government may also direct the department to recover the non realized entertainment duty of ₹ 18.30 lakh from 122 registered cable operators referred to in this para.



(PUNAM PANDEY)

Chandigarh

The 30 September 2019

Principal Accountant General (Audit), Punjab

Countersigned



(RAJIV MEHRISHI)

New Delhi

The 4 October 2019

Comptroller and Auditor General of India