



**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Profession Tax - Ordinance to amend the Andhra Pradesh Tax on Professions, Trades, Callings and Employment Act 1987 (Ordinance No.21 of 1996) - Collection and Recovery of Tax - Revised Orders - Issued.

FINANCE AND PLANNING (FIN.WING - EBS.REVENUE) DEPARTMENT

G.O.Ms.No. 227

Dated : 21-09-1996

Read the following :

1. G.O.Ms.No. 202, Fin.&Plg. (FW.PF.I) Department dated 21-8-1987

APUS

ORDER :

In pursuance of the Andhra Pradesh Tax on Professions, Trades, Callings and Employment (Act No.22 of 1987) instructions were issued in the Government Order cited above for the levy of Profession Tax on persons earning a salary or wage and deduction of tax payable by such persons from the salary or wage paid to them by the employer. The employer is liable to pay the tax on behalf of all such persons irrespective of whether such deductions have been made or not when the salary is paid. The Government Order had specified that the tax shall be deducted from the monthly pay bills of the employees at rates prescribed in the First Schedule to the Act. By an ordinance promulgated by the Governor on 1st August, 1996, the rates of tax prescribed in the First Schedule to the Act have been enhanced.

2. By virtue of the ordinance promulgated on 1st August, 1996, the Government hereby order that the profession Tax shall be levied and collected at the following revised rates from the monthly pay bills of employees.

Sl.No.	Class of Assesses	Rate of Tax per month
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1. Salary and Wage earners, such persons whose monthly salaries or wages.

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|--------|---------------------------------------|-----------|
| (i) | Upto Rs. 1,500/- | Nil |
| (ii) | Range from Rs.1,500/- to Rs.2,000/- | Rs. 16/- |
| (iii) | Range from Rs.2,000/- to Rs.3,000/- | Rs. 151/- |
| (iv) | Range from Rs.3,000/- to Rs.4,000/- | Rs. 35/- |
| (v) | Range from Rs.4,000/- to Rs.5,000/- | Rs. 45/- |
| (vi) | Range from Rs.5,000/- to Rs.6,000/- | Rs. 60/- |
| (vii) | Range from Rs.6,000/- to Rs.10,000/- | Rs. 80/- |
| (viii) | Range from Rs.10,000/- to Rs.15,000/- | Rs. 100/- |
| (ix) | Range from Rs.15,000/- to Rs.20,000/- | Rs. 150/- |
| (x) | Range above Rs.20,000/- | Rs. 200/- |

3. The Revised rates prescribed in Para 2 above have come into force from 1st August, 1996. All Departments of Secretariat and the Heads of Departments are requested to communicate these rates to all the drawing and disbursing officers with a specific stipulation that the Drawing officer concerned shall deduct the amounts as indicated in para two above from the salary bill of each employee who has to pay the tax. The

deduction of tax at the revised rates shall commence from the pay bill for the month of September, 1996 and thereafter the deduction shall be made every month. The arrears of tax for the month of August, being the difference between the revised rates and pre-revised rates, shall also be recovered from the pay bill for the month of September 1996. It must also be specified that the drawing officers are responsible if any deduction is omitted from the pay bills of the employees. The drawing and disbursing officer shall furnish to the assessing authority not later than the 30th April of every year, a statement relating to the payment of salary made to the employee along with a certificate that the tax payable in respect of the employee for whom they drew the pay and allowances during the year immediately preceding has been deducted in accordance with the provisions of the First Schedule to the Act. The deduction made from the salary bills shall be credited to the following Head of Account.

"0028, Other Taxes on income and expenditure

M.H.I 07. Taxes on professions, trades, callings and employment.

S.H.(O1) Receipts from professions, trades, callings and employment".

4. The above order will apply to the employees working under State Government and Panchayat Raj Institutions, Municipalities, Municipal Corporations, Urban Development Authorities, aided Institutions, Corporations, Companies, Societies, Universities, Educational Institutions etc.. Departments of the Secretariat are requested to communicate this order to the Institutions mentioned above with instructions to deduct tax as prescribed in Para 2 above. For any clarification, on these orders, reference may be made to the Commissioner of Commercial Taxes or to the Revenue Department in the Secretariat.

5. These orders are issued in super session of the orders issued in the Government Order cited above.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M. SAHOO
Secretary to Government (P&E)