

## **Standard Operating Procedure and Check List**

**Name of the Department - Local Self Government Department (Panchayats)**

**Standard Operating Procedure - Levying Profession Tax**

<b>Requisition by Secretary</b>	Demanding the tax payer to pay profession tax liable to be deducted or collected from the salary of the employee by the employer/head of office or from the transaction of any business made within the Panchayat area, during the half year for a period not less than 60 days in the aggregate, intimation regarding the assessment of tax payable by the tax payer.
<b>Mandatory Supporting Documents Required for the applicant to pay tax</b>	Demand Notice in Form No. III issued by the Secretary provided income details should have submitted in Form No. II
<b>Process Description</b>	Step 1. After the expiry of the period for determination of profession tax, requisite on employers to furnish particulars of income or salary of employees in Form No. I and Form No.II.
	Step 2. On receipt of particulars in Form No.II assess tax as per Schedule stipulated in Rule 3 and send Demand Notice to head of office/employer to exhibit in the Notice Board and wait for 30 days for objections if any.
	Step 3. Secretary prepare demand notice to tax payers and application form both in duplicate in Form No. III and Form No.IV respectively and send to head of office/employer and get the acknowledgement of its receipt.

<b>Process Description</b>	Step 4. The head of office/Employer verify and confirm the correctness of the particulars furnished to the Secretary in Form No. II
	Step 5. The head of office/Employer should serve demand notice to the employees, obtain acknowledgment and submit to Secretary after making necessary entries in the register kept in concerned offices in Form No. V.
	Step 6. The head of office/Employer should deduct the profession tax from the salary and should be remitted in cash/cheque/Demand Draft in favour of Secretary or through K-swift online portal within 10 days along with the statement of employees and amount.
	Step 7. Secretary should issue receipt subsequent on remittance of the amount on account of tax.
<b>Mode of Payment</b>	Direct, Through K-swift online portal
<b>References</b>	1. Section 204 and 205 of Kerala Panchayat Raj Act, 1994
	2. Kerala Panchayat Raj (Profession Tax) Rules, 1996
	3. Kerala Panchayat Raj (Taxation, Levy and Appeal) Rules, 1996
<b>Timeline for completion of Process</b>	55 days (Excluding the Appeal Period)