

	<p>OFFICE OF THE PRINCIPAL ADDITIONAL DIRECTOR GENERAL OF SYSTEMS & DATA MANAGEMENT प्रणाली एवं आंकड़ा प्रबंधन प्रधान निदेशालयके प्रमुख अतिरिक्त महानिदेशक का कार्यालय GST & CENTRAL EXCISE, GST BHAVAN, जीएसटी और केंद्रीय उत्पाद शुल्क, जीएसटी भवन NO. 26/1, MAHATHMA GANDHI ROAD, NUNGAMBAKKAM, CHENNAI - 34 26/1 महात्मा गाँधी रोड, नुंगंबक्कम, चेन्नई-34 Tele: 044-29515378; Fax:044-28331104 Mail: dgschennai@icegate.gov.in</p>
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ADVISORY NO. 12/2022 - ACES-GST (CE&ST)

Sub:- Selection of proper Accounting Head at the time of making e-payment of various duties of Central Excise-reg

In the post-GST regime, w.e.f. 01.07.2017, Central Excise Levy is applicable in respect of Goods specified under Fourth Schedule to the Central Excise Act, 1944 namely (i) All Tobacco & Tobacco Products and (ii) Specified Petroleum Products. For payment of applicable duties of Excise in respect of the aforementioned commodities, the **Major Accounting Head Code for Central Excise is "0038"** and the relevant Minor Accounting Head Codes are as under:

Sl No	Minor Accounting Head Code	Accounting Code Description
1	0003	Basic Excise Duties
2	0107	Special Additional Duty on Motor Spirit
3	0402	Road And Infrastructure Cess
4	0416	Agriculture Infrastructure and Development Cess (Central Excise)
5	0062	Cess on Crude Oil
6	0106	National Calamity Contingent Duty
7	0114	Additional Duty of Excise on Pan Masala & certain Tobacco Products

2. However many Central Excise Taxpayers select incorrect Accounting Head Codes at the time of e-payment of applicable duties of Central Excise leading to mis-reporting of revenue as illustrated below:

Scenario-1: The levy of Additional Duty of Excise on Motor Spirit which was in vogue since 1998 (Accounting Head Code: 0101) and the levy of Additional Duty of Excise on High Speed Diesel which was in vogue since 1999 (Accounting Head Code: 0102) have been superceded by the common levy of **“Road and Infrastructure Cess” (Accounting Head Code: 0402) on both Motor Spirit and High Speed Diesel w.e.f February 2018**, and is currently in force (Notification 09/2018-Central Excise dated 02.02.2018 refers). However payment of Road and Infrastructure Cess is found still made under the Accounting Head Codes pertaining to the Old levy of Additional of Duty of Excise which has been discontinued w.e.f 02.02.2018.

Scenario-2: The levy of **Special Additional Excise Duty (SAED) is applicable both on Motor Spirit and High Speed Diesel Oil w.e.f 01.03.2002** (Notification 19/2002-Central Excise dated 01.03.2002 refers) and the relevant common Accounting Code is **“0107” with description as ‘Special Additional Duty on Motor Spirit’**. However it is noticed that Special Additional Excise Duty on High Speed Diesel is also being paid under incorrect Account Heads viz. “Special Excise Duties-(0025)’ or “Additional Duty of Excise on HSD-(0102)”. This error is apparently due to the description of the duty head as **‘Special Additional Duty on Motor Spirit’** which mentions only “Motor Spirit” and does not mention “High Speed Diesel”. So Tax payers tend to wrongly choose incorrect duty heads which is similar to the name SAED or has the word “High Speed Diesel” to make payment of applicable SAED on High Speed Diesel.

Therefore Taxpayers are advised to use (a). Accounting Head Code 0402 (Road and Infrastructure Cess) for payment of Road and Infrastructure Cess on both Motor Spirit and High Speed Diesel, and (b). Accounting Head Code 0107 (Special Additional Duty on Motor Spirit) for payment of Special Additional Excise Duty on both Motor Spirit and High Speed Diesel.

3. In this context it is highlighted that Payment of Duty against correct Account Head Code is as much important as defrayal of Tax liability. Therefore, Tax payers are hereby alerted to ensure that payment of various types of duties of Central Excise is made only under appropriate Accounting Head Code as explained above to maintain uniformity in accounting of revenue.

4. It is further informed that under the CBIC Tax Payer portal: www.cbic-gst.gov.in, with regard to the e-payment, in the electronic form for generation of challan, a List of Values (LOV) of Accounting Head Codes for various duties of excise is available for selection by the taxpayer. This LOV includes certain other levies pertaining to legacy (Pre-GST) period, to facilitate legacy Tax payers who are required to make payment of any arrears of duty on demands or any amount payable under amnesty schemes, or who intend to make belated e-filing of return and related payments.

5. Suitable changes in the CBIC Tax Payer portal to enable the Tax payers to choose the correct accounting head codes will be introduced shortly.

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18/5/22

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DGSYS/APP/CZU/AGST/1/2021-ACES/GST O/0-ADG-DGS-ZU-CHENNAI

Copy submitted to :

1. Member(IT), CBIC, New Delhi.
2. Member(Tax Policy), CBIC, New Delhi.
3. The Principal Director General, Systems & Data Management, New Delhi.
4. All the Pr. Chief Commissioner/ Chief Commissioners of CGST Zones.

Copy to :

5. All the Pr. ADGs/ADG, DGGI, DGGST, DG(Audit), DGT (TPS).
6. All the Pr.Commissioners/Commissioners of Central Tax.
7. Joint Secretary (TRU-I), CBIC, New Delhi