

Profession Tax for Professionals, Trades and Callings.

Sr.No.	Question	Answer
1	What is the Designated Authority?	A Designated Authority is the authority which levies and collects the tax from a person liable to pay professional tax.
2	To which designated authority a person has to approach for compliance of professional tax matters?	<p>Govt. of Gujarat has notified the jurisdictions of following designated authorities in whose office, a person falling under entry 2 to 10 of Schedule 1 may approach.</p> <ol style="list-style-type: none"> 1. District Panchayat:- Area of District Panchayat. 2. Municipality:- Area of Municipality. 3. Municipal Corporation:- Area of Municipal Corporation. 4. State Government:- All other area not covered under a Panchayat, Municipality or Municipal Corporation.
3	Which categories of professionals, traders are liable to pay tax under this Act ?	All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of 'dealer' defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than Rs. 2.50 lakhs, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlors, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc. (for complete

		details, please see Entries 2 to 10 of Schedule 1) are liable to pay tax. Clickhere for more details
4	Is it compulsory for the professionals enumerated in Schedule 1 to get enrolled?	Yes, A person already enrolled need not apply for enrolment again.
5	In which office one should get enrolled him self?	In the relevant profession tax office of State Government, Municipal Corporation, Municipality or Panchayat, as the case may be, where his place of business is situated.
6	Is there any time limit for compulsory enrolment?	Enrolment should be done within 60 days from the date on which liability has arisen.
7	What are the rates?	The rates of tax per annum are fixed by the relevant designated authority. The rates are subject to the maximum rates mentioned in Schedule 1, and minimum rates fixed by the State Government for each of the entries No.2 to 10 by notification. However, till the designated authority fixes its rates of tax within these limits, the professional will have to pay the tax at the minimum rate of tax fixed by the Government. (See the website www.commercialtax.gujarat.gov.in for the rates)
8	What is the method of payment?	Payment has to be made at the place and in the manner as may be decided by the Designated Authority in whose jurisdiction, the professional has been working.
9	Is there any special form for application for enrolment?	Form No.3 appended to the Profession Tax Rules is the application form for the enrolment.
10	Where could these forms be obtained from?	From the relevant profession tax office or the web site of the Commercial Tax

		Department.
11	Do you have to enroll at each place of branch separately?	Yes, Each branch is deemed as separate assessee under the Act.
12	What if enrolment is not obtained within time limit?	You are liable to pay penalty at the rate of Rs.10/- per day.
13	What if the places of business of a professional are spread over more than one designated authority's jurisdiction?	You should pay tax at the place at which your liability of tax is at the highest rate among all the places. You will get exemption from payment of tax at other places of business provided you produce a proof of payment of tax made as above.
14	When the tax is required to be paid?	Tax is required to be paid annually during month of September of every year in case you are enrolled before 31 st August, and in other cases within one month from the date of enrolment.
15	Any return to be filed?	No return is required to be filed.
16	What if any professional does not pay this tax?	Designated authority has power to recover such amount from the assets of the defaulter. It can also attach bank account of such defaulter. Lastly, prosecution case (police case) can also be filed under the provisions of the Act.