

Assessee
Awareness
On

ACES

Members of the trade and public are hereby informed that the Central Board of Excise & Customs has developed a new software application called Automation of Central Excise and Service Tax (ACES), which aims at improving tax-payer services, transparency, accountability and efficiency in the indirect tax administration. ACES is being rolled-out in phases from 12.03.2009 in Service Tax Commissionerate, Chennai. ACES aims to automate all major processes in Central Excise and Service Tax through a workflow-based application. It will replace the current applications of SERMON, SACER, SAPS, STREMS, used in Central Excise and Service Tax for capturing returns and registration details of the assessees. Using the ACES application, the users will themselves be able to take assessee registration online, electronically file statutory returns, claims, intimations and permissions, refunds and requests for provisional assessment, view and track the status of their documents online. Besides, they will also get business related alerts/messages.

The ACES application has four interfaces for:

- Ø Central Excise Assesseees
- Ø Service Tax Assesseees
- Ø Central Excise Departmental Officers and
- Ø Service Tax Departmental Officers.

In the beginning following modules of ACES are being made available:

- (a) Central Excise Registration (REG)
- (b) Service Tax Registration (REG)
- (c) LTU Registration
- (d) Central Excise Returns (ER 1, 2, 3,4,5,6 and Dealer return) (RET)
- (e) Service Tax Return (ST 3) (RET)
- (f) Claims, Intimations & Permissions (CLI)

ER 7 Return and other modules namely Provisional Assessment (PRA), Refunds (REF), Export (EXP), Dispute resolution (DSR) and Audit (AUD) will be made available in due course.

Registration

To transact business on ACES a user has to first register himself/herself with ACES. This registration is not a statutory registration as envisaged in Central Excise or Service Tax rules. Such 'Registration with ACES' will have to be done separately for Central Excise as well as Service Tax. Described herein below are steps for taking registration by a new Assessee, existing assessee, non-assessee and a Large Tax Payer Unit (LTU).

(a) New Assessee

- (i) The user needs to log onto the system, through internet at <http://www.aces.gov.in>
- (ii) He/she chooses the Central Excise or Service Tax module as the case may be, for which the registration is required.
- (iii) Submits the form "Registration with ACES", by furnishing a self-chosen user ID and e-mail ID.
- (iv) The system will check for availability of the chosen User ID and then generate a password and send it to him by e-mail.
- (v) The user then re-logs-in and proceeds with the statutory registration with Central Excise or Service Tax as the case may be, by filling-in Forms A 1, A 2 or ST 1. For security reasons, he has to change his/her password immediately.
- (vi) ACES provides assistance of 'Know your location code' for choosing correct jurisdictional office.
- (vii) The system instantaneously generates a RC number after which the registration request goes to AC/DC. After due processing, the AC/DC generates the RC and a message to this effect is sent to the assessee electronically.
- (viii) Depending on the option chosen by the assessee, the RC can be sent by mail or can be collected in person.
- (ix) Wherever the assessee had made a wrong choice of jurisdictional Commissionerate/ Division/ Range while submitting registration form, ACES provides a facility to the AC/DC to forward the application to the correct jurisdictional officer to issue registration.
- (x) The registration number will be same as the current 15-digit format with minor change such as

For-PAN based Assessee

1-10 digits – PAN of the Assessee

11-12–EM (Excise Manufacturer) or ED (Excise Dealer)

13-15–Systems generated alphanumeric serial number

For Service tax, instead of ST the 11th and 12th digits will be SD.

For non PAN based assessee

1-4 digits TEMP

5-10 Systems generated alpha numeric number

11-12 EM (Excise Manufacturer) or ED (Excise Dealer)

13-15–Systems generated alphanumeric serial number

(b) Existing Assessee

- (i) The existing assesseees will not have to take fresh registrations. They have to only register with the ACES application. This will be done in the following manner :-
- (ii) ACES application will automatically send mails to the e-mail IDs of the assessee, as available in the existing registration data base, indicating a TPIN number, and password. The mail will contain a hyperlink to the website.
- (iii) Assessee clicks on the hyperlink and is taken to ACES application
- (iv) Assessee submits the form after filling the requisite information including the password provided in the e-mail, a new User ID and new password.
- (v) On successful registration with ACES, the assessee can transact business through ACES.
- (vi) After introduction of ACES if any assessee does not receive any e-mail from ACES he/ she should contact the jurisdictional range officer to confirm/modify his e-mail ID in the system after which the system will generate a new mail communicating the TPIN and password.

(c) Non Assessee

- (i) This category of registration is given in ACES to any individual, firm or company which requires to transact with the Central Excise or Service Tax Department, though not an assessee such as (a) merchant exporter, (b) co-noticee, (c) refund applicant, (d) persons who have failed to obtain CE/ST registration as required under the law and against whom the Department has initiated proceedings and (e) persons who are required to tender any payment under CE/ST Act /Rules. The Non assesseees are not required to file any tax returns.
- (ii) Where such persons desire to seek non-assessee registration they follow same steps as in case of new assessee except that while choosing the registration form in step (v) they have to choose and fill in the Non assessee form.
- (iii) While giving the PAN the non assessee should note that in case the assessee is taking such registration for claiming any refund or rebate only valid PAN should be given or else their claims will be rejected by the system.
- (iv) A Non-assessee registration can be given by the designated officer of the Commissionerate also.

(d) Large Tax Payer Unit (LTU) Assessee

- (i) The consent form will have to be submitted manually by the New LTU assesseees to the jurisdictional LTU office which will be processed off line.
- (ii) The approved consent form will be uploaded by the competent officer of the Group LTU (GLTU) into ACES

- (iii) Any new unit of an existing LTU, which applies for registration with ACES will be automatically attached with the LTU Commissionerate based upon PAN details in the registration form.
- (iv) As soon as the new or existing unit is attached with the LTU Commissionerate a suitable intimation will be automatically sent by the ACES to the existing jurisdictional Commissionerate and the pending items of work will be transferred to the LTU Commissionerate.
- (v) For existing LTU assessee, the process of registration is same as explained in Sub Para (b) above.

IMPORTANT:-

i. The user id once selected will be permanent and can not be changed. However, it is desirable to frequently change passwords

ii. The e-mail id should be of 6-12 alphanumeric characters, no special character such as !@#%&()+ or spaces except underscore '-' shall be allowed.*

iii. New assessee seeking registrations in Central Excise will also submit to the jurisdictional Range officer, a printout of the application form submitted online duly signed by the authorized signatory along with attested copy of PAN card.

iv. Similarly, new assessee seeking registrations in Service Tax will also submit to the jurisdictional Range officer, a printout of the application form submitted online duly signed by the authorized signatory along with attested copy of

(a) PAN card,

(b) Proof of residence,

(c) Constitution of applicant at the time of filing an application for registration

(d) Power of attorney in respect of authorized person(s)

(Board Circular No. 82/3/2005 ST dated 21.10.2005 refers)

Returns

The assesses can electronically file statutory returns of Central Excise and Service tax by choosing one of the two facilities to be offered by the department at present: (a) they can file it online, or (b) download the off-line return utilities which can be filled-in and uploaded to the system through the internet.

Steps for preparing and filing returns

- (i) Assessee downloads the Offline return preparation utility from one of the websites:

<http://www.cbec.gov.in>

<http://www.icegate.gov.in>

<http://www.aces.gov.in>
- (ii) Prepares the return offline using this utility. The return preparation utility contains preliminary validations which are thrown up by the utility from time to time. Certain corrections are mandatory while certain may be over looked by the assessee, if required.
- (iii) Assessee logs in using the User ID and password in the respective module of Central Excise or Service Tax as the case may be.
- (iv) Selects RET from the main menu and further chooses required activity such as e-filing/ amending/Revise return as the case may be and upload the return.
- (v) Returns uploaded through this procedure are validated by the ACES before acceptance into the system which may take up to one business day. Assessee can track the status of the return by selecting the appropriate option in the RET sub menu. The status will appear as "uploaded" meaning under process by ACES, "Filed" meaning successfully accepted by the system or "Rejected" meaning the ACES has rejected the return due to validation error. The rejected returns can be resubmitted after corrections.
- (vi) Returns can also be prepared and filed on line by selecting the appropriate option under RET module after logging into the ACES.
- (vii) All validations are thrown out during preparation of return in this mode and the status of the return filed using the online mode is instantaneously shown by ACES.
- (viii) Once the Central Excise returns are filed online in ACES or uploaded to the system using the off-line utility, the same can not be modified or cancelled by the assessee.

- (ix) Service Tax returns, however, can be revised within 90 days from the date of e-filing in ACES under Rule7 of ST Rules 1994.
- (x) Self-assessed CE returns after scrutiny by the competent officer may result into modification which can be viewed by the assessee online as 'Reviewed' return.

Digital
Signature

The ACES application is designed to accept digitally signed documents. However, in the beginning this functionality is not going to be activated. Pending its activation the electronic returns will be filed into ACES without digital signatures. **Hence, wherever the returns are submitted through ACES there will not be any requirement to submit signed hard copy separately.**

System
Requirement
for
ACES

To use ACES following systems requirements are prescribed:

Processor: Intel Pentium III and higher

RAM: 256 MB and higher

HDD: 80 GB and more

Web Browser: IE 6.0 and above, Netscape 6.2 and above

MS Excel 2003 and above for using offline utilities

Sound Card, Speakers/Headphones, Colour Monitor for using Learning Management Systems (LMS)

TCP/IP Ports 12520 and 12540 under firewall setting to be kept open if accessing ACES through proxy servers.

Help
Desk

In case of any difficulty in accessing or using the ACES Application, assesseees can seek help of the ACES Service Desk by sending e-mail to aces.servicedesk@icegate.gov.in or calling up national toll free number 1800 425 4251 on any working day from Monday to Friday between 9 AM and 6 PM.

All the Trade associations are requested to bring the contents of the Trade Notice to the attention of their members, in particular, and the trade and all other concerned in general.