TITLE: ITS_R006 – REGISTRATION FOR VAT FOR BUSINESS AND PROPRIETARY BUSINESS.

Purpose: To define the methods and responsibilities for taxpayer registration process for VAT for both business and proprietary business. VAT law in clause 10 states the following:

10. दर्जा : (1) कृपया कारोबारमा संलग्न हुन चाहने व्यक्तिले कारोबार शुल्क हुन भन्दा अधि कारोबार दर्ताको नार्त्तो तापिएको बौँचामा कर अधिकृत समस्त दरखास्त दिनु परेँछ ।
(2) कृपया व्यक्तिले कारोबार गरेको वस्तुमा कर लागि भएका वा कृपया व्यक्तिले महानगरपालिका, उप-महानगरपालिका, नगरपालिका वा विभागले तोकेको क्षेत्रभित्र हाउसियर, सेनिटर, फोल्पर, फेसबुक, फोटोसिपा,ट्रामोबुचल्स, इलेक्ट्रॉनिक्स, मार्चल्को कारोबार गरेमा र क्षणत्याग संचालन गरेमा त्यसको दर्जा सहित वस्तुमा कर लागेको वा कारोबार गरेको मिलिएका तीस विभिन्नवर त्यस्तो कारोबार दर्ताको नार्त्तो तापिएको बौँचामा कर अधिकृत समस्त दरखास्त दिनु परेँछ ।

Scope: This procedure applies to taxpayers who wants to or supposed to register in VAT.

Responsibilities:

The Taxpayer is responsible for providing all information required for registration as required by IRD regulation for VAT. Taxpayer can use e-filling or fill up prescribed forms and submit to Inland Revenue Offices (IRO) or Taxpayer Service Offices (TSO) or Large Taxpayer Office (LTO).

Tax Officers are responsible for ensuring the correctness and adequacy of the information provided by the taxpayer and register taxpayer as demanded by taxpayer.

Computer Operators are responsible for entering forms submitted by taxpayer for registration of VAT. Computer Operator is also responsible for printing the PAN card and issuing them after getting signed by officer.

Use Case:
Definitions:

Registration Form: Form prescribed by Inland Revenue Department (IRD) for registration purpose.

Registration: Taxpayer is considered registered in VAT once taxpayer fulfills all requirement of registration and is approved by Tax Officer.

PROCEDURE:

1.0 Application for registration

This Part is to be done by applicant (Taxpayer).
1.1 To apply for registration VAT, person or company must use IRD website (www.ird.gov.np) and and select Taxpayer Portal.

1.2 Click on Taxpayer Portal link to open taxpayer portal menu.

1.3 Expand 'Registration for (PAN,VAT,EXCISE)' by clicking on '+’ sign beside 'Registration for (PAN,VAT,EXCISE).

1.4 Click on Application for Registration. Following screen will be displayed

1.5 It is necessary to obtain a submission number for each application. This submission number serves as identification number for application. Fill in following information in screen displayed above.

1. Username – Username is case sensitive. This username will be used to open application document again if application is partially filled previously. Hence applicant must note the username.

2. Password – Password is case sensitive and must be six character or more. Password will be required to open previously saved document later. Hence applicant must note the password.

3. Re-Password – Re-enter password again just to confirm previously typed password.

4. Contact No – Type in Contact number.

5. Email-id – Type in Email Id

6. Registration for – Tick VAT to register for VAT.

7. Select where application is to be registered. Select from radio button IRO/LTO, TSO (Taxpayer Service Center)

8. Select IRO/TSO/LTO where PAN will be registered.
9. Select office where application will be registered from the list.

10. Press 'OK' button at bottom right corner.

On pressing 'OK' button following screen will be displayed.

![Screen with Submission Number and PAN input fields]

Note down submission number, username and password. Submission number will be required to print the form as well as for verification by the Tax Officer.

Enter PAN and press 'Continue' button.

Note: PAN is mandatory, since to be registered in VAT taxpayer must be registered in Income Tax (IT).

If taxpayer is already registered in VAT system will display following message.

![Warning message]

Else, system will display following screen.
Press pen sign at the bottom of the screen in business list. System will load existing business detail. Press 'Next' button to go forward.

1. Enter VAT related data as follows:
a. Select whether registration to VAT is requested voluntarily or not. Selecting Voluntarily will decide the filling period to Trimester 'T', if expected or actual turnover does not exceed VAT threshold otherwise Filling Period will be 'M'.

b. Enter applicable registration date.

c. Enter PAN number if already registered in Income TAX.

d. Enter VAT registration number if already registered in VAT. This is applicable only if taxpayer is already registered in VAT before creation of Inland Revenue Department in Then VAT department.

e. Enter Registration date if PAN exist.

f. Enter Last Fiscal Year's Taxable Turnover including export.

g. Enter Estimated Taxable Turnover including export for next three month.

h. Enter Last Fiscal Year's estimated Total non-taxable Turnover including export.

i. Enter Estimated Total non-taxable Turnover including export for next three month.

j. Enter Last Fiscal Year's VAT Exempt Turnover including export.

k. Enter Estimated VAT Exempt Turnover including export for next three month.

l. Enter Last Fiscal Year's Total Turnover.

m. Enter Estimated Total Turnover for next three month.

n. Enter Last Fiscal Year's Total Assessable Income.

o. Enter Estimated Total Assessable Income for next three month.

p. Enter Last Fiscal Year's Total Export.

q. Enter Estimated Total Export for next three month.

r. Check filling Period generated by system by pressing 'Check Filling Period' button.

s. Enter Contact Person detail for VAT (including address) if it is different than contact person for Income Tax.

2. Press 'Save' button to save data. This will save data and will allow edit data later.

3. Press 'Submit' button to submit the application.

4. Press 'Print' button to print the Registration Form. Sign the application and submit to IRO/TSO/LTO officer for verification.
2.0 Verification of Application

2.1 All application submitted by Taxpayer will be displayed in Submitted List in IRO officer’s portal.

Effectiveness Criteria:

Average time it takes to register a Business PAN in VAT.

References:

None:

Revision History:

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