

APS RTC

No B&F/F1/409(9)/96-FD

O/o the VC 8B MD Finance Wing
Mushirabad Hyderabad
Dated 28 Feb 97

To
All Dy CAOs / AOs of Regions

Sub M V TAXES - Change in the method of payment - Operation of AH No 7805
Reg

Ref Joint Accounts and Operations Circular No 9/96 dated 07 09 1996

Instructions were issued vide Joint Accounts and Operations circular cited stating that the provision for M V Tax calculated on Gross Traffic Revenue including Revenue on Hired Vehicles be debited to AH 6401 duly crediting to AH 1125

It is observed that some Regions are debiting the proportionate amount of Tax calculated at 15% of traffic income on Hired vehicles, to AH 7805 (Hire vehicle expenditure on M V Tax) AH No 7805 is meant for accounting the reimbursement of M V Tax to the owners of the Hired Vehicles in the previous system

Hence in order to have uniformity all the Regions are advised to debit the entire provision for M V Tax on Gross Traffic Revenue including Revenue on Hired Vehicles to AH 6401 only and not to debit any proportionate amount of provision for M V Tax on Hired vehicles to AH 7805

Necessary adjustment if any be carried out immediately in the Accounts on hand

Sd/ (G Somasekhara Rao)
FINANCIAL ADVISER