

Chapter –XXVI

Check of Terminal Tax on Goods and Parcels

2601. Check and Accounting of Terminal Tax.- The rules governing the collection of Terminal Taxes on rail-borne goods and parcels traffic and the documents required to be submitted by the stations in connection therewith are given in Paragraphs 1236 to 1238 of the Indian Railway Commercial Manual. The checks exercised in the Accounts Office on these documents relating to Local/ Through traffic are given in the following paragraphs.

2602. The Terminal Tax Receipts (COM/T. 4 Revised) are machine-numbered. It should be seen that the counterfoils of all the Receipts issued by a station during the month have been duly submitted to the Accounts Office and that when a Receipt is cancelled, it is submitted to the Accounts Office complete in all foils (except block or record foil) with the reasons for cancellation written across the form over the signature of the Station Master.

2603. It should be seen that all the Receipts issued during a month, irrespective of the month to which the transactions relate, have been correctly accounted for in the Statements of Terminal Tax (COM/T. 5 Revised) and that the rates charged for different commodities shown in the statements are in accordance with the authorised schedule of rates (Paragraph 1236-CM). The total of the statements should agree with the debit taken to account by the station in its Balance Sheet.

2604. If an overcharge or undercharge is discovered, a suitable remark should be made against the entry in the Terminal Tax Statement. In case of undercharges, amounts should be entered in a register to be provided for the purpose and error sheets issued to stations for recovery of the amounts.

2605. The Terminal Tax statements submitted by the stations should be compared with the documents indicated below:

Traffic	Documents with which to be compared
Goods Outward	Accounts foils of Invoices received from the forwarding stations.
Goods Inwards	Invoice foils received from the destination stations after ensuring that all the invoices appearing in the Machine Abstracts have been received.
Parcels Outward 'Paid'	Accounts foils of 'Paid' Parcels Way-Bills received from the forwarding stations.
Parcels Outward 'To-Pay'	Outward To-Pay' Parcels Abstracts.
Parcels Inwards 'Paid'	Guard's foils of Parcels Way-Bills received from the destination stations.

Parcels Inwards To-Pay'	The statements received from a percentage of Tax collecting stations (the percentage to be fixed by the Accounts Officer) should be compared with the Guard's foils of 'To-Pay' Parcels Way-Bills received from the destination stations. The statements of the remaining stations should be compared with the Inwards To Pay Parcels Abstracts.
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The Invoices/Parcels Way-Bills/abstracts should be checked into the Terminal Tax statements and not vice versa. It should be seen that all the Invoices/Parcels Way-Bills with their commodities and weight are correctly accounted for in the Terminal Tax Statements. Any irregularities detected should be noted in the Terminal Tax statements and appropriate action taken immediately.

2606. Check of Items exempted from Terminal Tax.- Invoices/Parcels Way-Bills in respect of which no Terminal Tax has been recovered should be checked with the exemption certificates or list of exempted articles furnished by the local authority, as the case may be. In the case of consignments rebooked to other stations, it should be seen that suitable remarks showing the particulars of the rebooking Invoices/Parcels Way-Bills are given on the statement as an explanation for the non-collection of Terminal Tax.

2607. Monthly Accounts of Terminal Tax.- A monthly, general summary should be prepared showing the total collections of Terminal Tax remitted during the month for both Local and Through traffic. An encasement showing the station and accounts figures, difference, commission due to the railway and the net amount payable to the local authority concerned, should be endorsed on the back of the summary. The difference between the station figures accounted for in the Balance Sheet and in the Terminal Tax statements, respectively should be dealt with in the usual manner by the issue of error sheets, or by reference to the station in case of excess account in the Station Balance Sheet. Pay Orders for amounts payable to the local authorities will be prepared by the Accounts Office and payment will be arranged through the Chief Cashier.

2608. Proforma Account of Commission on Terminal Tax.- At the close of the financial year, a *proforma account* should be prepared, showing the receipts on account of commission and the