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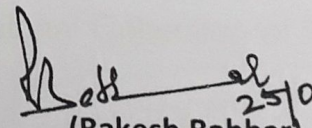
Office Memorandum

**Subject: Opening of temporary Minor head for booking of Agriculture Infrastructure and Development Cess as levied vide the Finance Bill 2021.**

In terms of Clause 116 of Chapter V of the Finance Bill 2021, the GoI has imposed **Agriculture Infrastructure and Development Cess (AIDC)** to be levied and collected as an additional duty of excise for the purpose of Union for financing the agriculture infrastructure and other development expenditure. The new levy has come into force from the midnight of 1<sup>st</sup> Feb 2021 by virtue of Provisional Collection of Taxes Act 1931 vide Page 137 of Finance Bill 2021.

2. Consequent upon the introduction of new Cess, a new Minor Head will be required to be opened below Major Head 0038 – Union Excise Duty for booking of the related Cess amount. This office has forwarded the proposal for opening of the new Minor Head to the IFU of the Ministry of Finance for approval. Once approved, the matter will be taken up with the O/o CGA for opening of the new Minor Head.

3. In view of the fact that the Cess has come in to effect w.e.f. 1<sup>st</sup> February 2021, and that the process of approval and opening of new Head will take some time, it has been decided with the approval of competent authority to book the Cess amount under the '0038 0210' (the reduced code against the functional head 0038.03.101.00 – Regulatory Excise Duty). It may be noted that this head is transitory in nature and is to be used till a permanent minor head for AIDC booking is approved and opened by the O/o CGA. Once formal approval for opening of Minor head for AIDC is available, the same will be intimated by this office to all the stakeholders for collection and final booking of the amount.

  
(Rakesh Babbar)

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Copy to:

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2. ADG, O/o Pr. ADG of Systems and Data Management. GST & Central Excise, GST Bhawan, Chennai
3. Sr. Accounts Officer, e-PAO (Central Excise and Service Tax), Chennai
4. Sr. Accounts Officer, PAO Customs, New Delhi.

25/02/21  
12/21