

GOVERNMENT OF ASSAM
OFFICE OF THE COMMISSIONER OF TAXES:::ASSAM:::GUWAHATI

ORDER

Dated Dispur, the 18th December, 2015.

No.CTS-71/2015/7 : M/s India Motor Parts Accessories Ltd., G.S. Road, Guwahati has filed an application under section 105 of the Assam Value Added Tax Act, 2003 seeking clarification as to the applicable rate of VAT on steel wheel set vis-à-vis provisions incorporated in section 14 of the Central Sales Tax Act, 1956. The application is found in order and is therefore, admitted for adjudication.

Shri Saurav Saha, Authorized Representative of the applicant firm appeared on the fixed date of hearing and put his reliance mainly on the provisions incorporated in sub-clause (xiv) of clause (iv) of section 14 of the Central Sales Tax Act, 1956. Perused the submissions of the applicant as well as relevant provisions of the Assam Value Added Tax Act, 2003 and the Central Sales Tax Act, 1956. Section 14 (iv) (xiv) of the Central Sales Tax Act, 1956 specifically enumerates wheels, tyres, axles and wheel set made of iron and steel as goods of special importance in inter-state trade or commerce. Again, section 15(a) of the aforesaid Central Sales Tax Act, 1956 prohibits imposition of tax on the sale or purchase of goods enumerated under section 14 by a state at a rate exceeding five percent of their sale or purchase price. Further, entry Sl. No.118 of second schedule Part-A of the Assam Value Added Tax Act, 2003 specifies rate of tax on goods enumerated under section 14 of the Central Sales Tax Act, 1956 as 5%. Therefore, the applicable rate of VAT on wheel sets made of iron and steel is 5 (five) percent. However, it also appears from the petition of the firm that they have been charging VAT @14.5% on steel wheel sets till now. It is therefore clarified that they shall have to deposit tax in respect of wheel sets made of iron and steel @14.5% on sales made till now on the basis of the principle of law against unjust enrichment of dealer/assessee. It also appears from examination of the booklet furnished by the applicant that wheel sets are now-a-days also made of aluminium or other substances. The applicable rate of VAT on such wheel sets is 14.5% under entry Sl. No.1 of the Fifth schedule of the Assam Value Added Tax Act, 2003. The clarification application of the firm stands thus disposed.

Sd/-
(Anurag Goel IAS)
Commissioner of Taxes, Assam
Dispur, Guwahati-6

Contd. P/2


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Memo No.CTS-71/2015/7-A

Dated Dispur, the 19th December, 2015.

Copy to:-

1. The Principal Secretary to the Government of Assam, Finance Department, Dispur for favour of kind information.
2. The Additional Commissioners of Taxes/ Joint Commissioners of Taxes (All), Head Office for information.
3. The Deputy Commissioner of Taxes, (All) for information.
4. The Assistant Commissioner of Taxes, (All) for information.
5. M/s India Motor Parts & Accessories Ltd., G.S. Road, Ulubari, Guwahati-781007 for information.


(A. Choudhury)
Joint Commissioner of Taxes, Assam,
Dispur, Guwahati-6.


19/12/15