

GOVERNMENT OF ASSAM
OFFICE OF THE COMMISSIONER OF TAXES :: ASSAM :: KAR BHAWAN
DISPUR, GUWAHATI.

(Circular No. 8/2010)

No. CTS-81/2007/292

Dated Dispur, the 28th April/2010.

Sub : No deduction or deduction of tax of a lower amount in case of supply of goods.

As per provisions of section 47 of the Assam Value Added Tax Act, 2003, read with rule 28(4) of the Assam Value Added Tax Rules, 2005, no deduction of tax or a deduction of tax of a lower amount under sub-section (3) of section 47 shall be made in case of supply of goods where such sale is certified by the Prescribed Authority as being not liable to tax or liable to tax at a lower amount. Such certificate shall invariably be embodied in each bill to be presented for payment.

It has come to our notice that Prescribed Authorities are issuing such certificates without observing proper procedure, which give scope to unscrupulous dealers to mis-use such certificates for evasion of tax.

It is, therefore, impressed upon all concern to ensure that before issuance of such certificates following conditions are fulfilled and procedures are maintained as under :-

- (1) The dealer must be a registered dealer under the Assam Value Added Tax Act, 2003 having a Taxpayer Identification Number,
- (2) The dealer must submit the tax invoice/bill of the goods purchased by him against goods sold by him on which he is applied for no deduction of tax or deduction of tax at a lower amount. The Prescribed Authority must be satisfied about the genuineness of such invoice/bill and genuineness of the dealer issuing such tax invoice.
- (3) The dealer must submit a challan showing pre-payment of tax on such sale or supply transaction. This challan should be separate from challan for monthly/quarterly payment of tax. However, the tax paid through such challan be included/added in the return.

(4) If a dealer has purchased goods in one month and sold in a subsequent month, then the dealer has claimed ITC on the purchase of goods in the earlier month. Therefore, the dealer must make pre-payment of the full amount of tax as per the bill. In case, the purchase and supply has taken place in the same month than the dealer must produce challan showing pre-payment of tax on value addition part.

(5) The turnover of supply made and tax paid should be reflected in the return. The dealer should not claim TDS in the return for the month in which any such certificate has been given for lower deduction or no deduction.

(6) The proper record of issue of such certificate along with copy of bill certified, other documents to be maintained in the file of the dealer.

The instructions contained above should be observed strictly. Any failure or deviation shall be viewed seriously.

(Sanjay Lohiya),

Commissioner of Taxes, Assam,
Guwahati-6.

Dated Dispur, the 29th April, 2010.

Memo No. CTS-81/2007/292-A

Copy to :-

1. The Principal Secretary to the Government of Assam, Finance (Taxation) Department, Dispur, Guwahati-6 for favour of kind information..
2. The Addl. Commissioner of Taxes/Joint Commissioner of Taxes (All), Head Office for information.
3. The Deputy Commissioner of Taxes (All) for information and necessary action.
4. The Assistant Commissioner of Taxes/Superintendent of Taxes (All) for information and necessary action.
5. Circular file.

Commissioner of Taxes, Assam,
Guwahati-6.