

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

(Circular No. 5/2010)

No. CTS-81/2007/290

Dated Dispur, the 30th March/2010.

Sub : **Audit Assessment under the Assam Value Added Tax Act, 2003.**

(a) As per Section 47 of the AVAT Act, 2003, tax is deducted at source and TDS certificates are issued to dealers for execution of works contracts as well as supply of goods and lease transactions. The dealers claim such TDS in their tax return. The dealers generally do not submit TDS certificate along with the tax returns. Hence, it is apprehended that in many cases, dealers are claiming payment of their tax liability through TDS without submitting TDS certificate along with attested photocopy of the challan.

(b) It has been observed in some cases that works contractors import goods from outside the State on the strength of statutory forms, but use only a portion of such goods imported from outside the State for the works contract and dispose the rest for purposes not permissible under the law. Hence, it is necessary that on the basis of utilization statements of 'C' forms, Road Permits and Delivery Notes issued to the dealers in a particular financial year, a comparison of the import value is made with the turnover of works contract declared by the dealer. Considering the nature of the works contract, the assessing officers can easily infer from the returns submitted and utilization of statutory forms issued in a particular financial year whether the goods imported on the strength of statutory forms have been utilized for the works contract or have been disposed/used otherwise.

In view of the above, all Assistant Commissioners of Taxes/Superintendents of Taxes are directed to take up audit assessment of dealers within their own circle for the year 2005-06, 2006-07 and 2007-08, if

- (i) The dealer has claimed tax deducted at source of Rs. 4 lakhs or more in a year; or
- (ii) The dealer has imported goods worth more than Rs. 10 lakhs in a year for use in the works contract.

The audit assessments should be completed within 30.6.2010 without fail. Dealers for which audit assessment has been already completed need not be assessed again. Any failure or deviation shall be viewed seriously.


(Sanjay Lohiya),
Commissioner of Taxes, Assam,
Guwahati-6.

Dated Dispur, the 1st ^{April} March, 2010.

Memo No. CTS-81/2007/290 -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.