Office of,

The Commissioner Of Sales Tax,

Maharashtra State, Mumbai

TRADE CIRCULAR

To,

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No./ DCSO/ R & RA / 2009-10 / B-.................................Dt...15/04/2010

Trade Circular No.15.T of 2010

Sub : Adjustment of refund of the Financial Year 2009-10 to the financial year 2010-11

Gentlemen/Sir/Madam,

It has been represented before us by various organizations of the refund claiming dealers that there are huge amounts of refunds generated every year and the same dealers who claim refunds in one year have to pay dues the very next year. Sometimes it is difficult for the dealers to pay dues into the government treasury when they themselves are eligible for refund . So, they have requested to either grant the refund at the earliest or allow the dealers to carry forward the refund to the next financial year.

2. Section 50(2) of the Maharashtra Value Added Tax Act, 2002 provides for claiming the refund at the end of the Financial Year and does not permit the dealer to carry forward the refund to the next financial year. Considering the difficulties faced by the trade, it is now administratively decided to permit such adjustment for the year 2009-10. Dealers who have claimed refund for the year 2009-10 in the return for the period ending on 31st March 2010 can adjust it towards the returns to be filed for the current financial year i.e. 2010-11. In case any dealer has already filed the claim of refund for the period/ periods of 2009-10 will not be allowed to carry forward to the next financial year 2010-11 and their refund claims shall be processed as per existing procedures.

3. It is to be noted that this facility is provided only for the dealers who have excess

credit less than Rs 1 Lac in, the return for the period ending on 31 March 2010. It is also to be noted that this facility is provided only for the current year and the year-end refund of the financial year 2010-11 will not be allowed to be adjusted in the subsequent year and must be calimed by making necessary application (F-501).

4. This circular cannot be made use of for legal interpretation of provisions of law as it is clarificatory in nature. If any member of the trade has any doubt, he may refer the matter to this office for further clarification.

5. You are requested to bring the contents of this circular to the notice of the members of your association.

(Sanjay Bhatia)

Commissioner of Sales Tax,

Maharashtra State, Mumbai.

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B. Copy forwarded to-

C. All the Addl Commissioners of sales Tax in the state.

D. All the Jt. Commissioners of sales Tax in the state.

E. All the Sr Dy. Commissioners of sales Tax in the state.

F. All the Dy. Commissioners of sales Tax in the state.

G. All the Asst. Commissioners of sales Tax in the state.

H. All the Sales Tax Officers in the state.

M. Copy forwarded with compliments for information to-

I. The Officer on Special Duty (OSD), Finance Department, Mantralaya, Mumbai.

J. The Under Secretary, Finance Department, Mantralaya, Mumbai.