NOTIFICATION

No. FD 71 CSL 2012, Bangalore, dated: 24-9-2012

Karnataka Gazette, Extraordinary No. 622, dated 24-9-2012

Whereas the draft of the following rules further to amend the Karnataka Value Added Tax Rules, 2005, was published as required by sub-section (1) of the section 88 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004) in notification No. FD 71 CSL 2012, dated 31st July, 2012, published in Part IV-A of the Karnataka Gazette (Extra-Ordinary) No. 521, dated 31st July, 2012, inviting objections or suggestions from all the persons likely to be affected thereby, and notice was given that the said draft will be taken into consideration after fifteen days from the date of its publication in the official Gazette.

And, whereas the said Gazette was made available to the public on 31st July, 2012.

And, whereas the objections and suggestions received in respect of the said draft rules have been considered by the Government.

Now, therefore in exercise of the powers conferred by section 88 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby makes the following rules, further to amend the Karnataka Value Added Tax Rules, 2005, namely.-

RULES

1. Title and commencement.- (1) These rules may be called the Karnataka Value Added Tax (Amendment) Rules, 2012.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. Amendment of rule 3.- In the Karnataka Value Added Tax Rules, 2005 (hereinafter referred to as the said rules), in sub-rule (2) of rule 3,-

(1) in clause (m), after the table, the following proviso shall be inserted, namely:-

"Provided that where any deduction is allowed under this clause, then input tax shall not be allowed in respect of tax paid on charges for obtaining, on hire or otherwise, machinery and tools and on purchase of consumables, used in the execution of works contract." ;

(2) after Explanation III, the following explanation shall be inserted, namely:-

"**Explanation IV.-** The deduction under clause (d) and (e) shall be allowed in the return to be furnished for the tax period in which the goods are returned by the purchasers or the dealer as the case may be." ;

3. Amendment of rule 27.- In Rule 27 of the said rules, in sub-rule (1), after the second proviso, the following proviso shall be inserted, namely:-

"Provided also that where the value of any taxable goods sold exceeds the value shown in the tax invoice already issued for such sale, a tax invoice shall be issued by the registered dealer for the excess value and where any other document containing particulars of a tax invoice is issued by the registered dealer for the excess value, such document shall be deemed to be a tax invoice."

4. Amendment of rule 38.- In rule 38 of the said rules, in sub-rule (1), after the fourth proviso, the following provisos shall be inserted, namely:-

"Provided also that the return submitted by a dealer for any tax period shall also contain values of sales or purchases and output tax or input tax in respect of goods sold being returned in such tax period within the period prescribed under clause (d) or (e)of sub-rule (2) of rule 3.

Provided also that the return submitted by a dealer for any tax period shall also contain values of sales or purchases and output tax or input tax in respect of goods sold on which tax is payable in excess of the amount shown as tax charged in the tax invoice already issued for such sale."

5. Amendment of rule 165.- In rule 165 of the said rules, after sub-rule (26), the following sub-rule shall be deemed to have been inserted from the first day of September, 2011, namely:-

"(26-A)(a) When, one of the members of the Authority other than the Chairman is unable to discharge his functions owing to absence, illness or any other cause or in the event of occurrence of any vacancy in the office of the members and the case cannot be adjourned for any reason, the Chairman and the remaining member may function as the Authority.

(b) Where the Chairman and one other member hear a case under clause (a) and are divided in their opinion, the case shall be heard by all the three members."

6. Amendment of Form VAT 100.- In Form VAT 100 of the said rules,

(1) after box 6.3, the following shall be inserted, namely:-

"

6.3.1	Taxable turnover of sales with rate of tax of 5.5%

"

(2) after box 6.4.1, the following shall be inserted, namely:-

"

6.4.2	Taxable turnover of sales with rate of tax of 14.5%

"

(3) after box 6.5, the following shall be inserted, namely:-

"

6.5.1	Taxable turnover of sales with rate of tax of 17%

"

(4) after box 6.7.1, the following shall be inserted, namely:-

"

6.7.2	Taxable turnover of purchases from un-registered dealers with rate of tax of 5.5%

"

(5) after box 6.8.1, the following shall be inserted, namely:-

"

6.8.2	Taxable turnover of purchases from un-registered dealers with rate of tax of 14.5%

"

(6) after box 6.13, the following shall be inserted, namely:-

“

6.13.1	Output tax payable (relating to box No. 6.3.1)

”

(7) after box 6.14.1, the following shall be inserted, namely:-

“

6.14.2	Output tax payable (relating to box No. 6.4.2)

”

(8) after box 6.15, the following shall be inserted, namely:-

“

6.15.1	Output tax payable (relating to box No. 6.5.1)

”

(9) after box 6.17.1, the following shall be inserted, namely:-

“

6.17.2	Output tax payable (relating to box No. 6.7.2)

”

(10) after box 6.18.1, the following shall be inserted, namely:-

“

6.18.2	Output tax payable (relating to box No. 6.8.2)

”

(11) after box 7.5, the following shall be inserted, namely:-

“

7.5.1	Taxable turnover of sales without C Forms at 5.5% tax

”

(12) after box 7.6.1, the following shall be inserted, namely:-

“

7.6.2	Taxable turnover of sales without C Forms at 14.5% tax

”

(13) after box 7.7, the following shall be inserted, namely:-

“

7.7.1	Taxable turnover of sales without C Forms at 17% tax

”

(14) after box 7.14, the following shall be inserted, namely:-

“

7.14.1	Output tax payable (relating to box No. 7.5.1)

”

(15) after box 7.15.1, the following shall be inserted, namely:-

“

7.15.2	Output tax payable (relating to box No. 7.6.2)

”

(16) after box 7.16, the following shall be inserted, namely:-

“

7.16.1	Output tax payable (relating to box No. 7.7.1)

”

(17) after box 9.3, the following shall be inserted, namely:-

“

9.3.1	Net value of purchases at 5.5% tax

”

(18) after box 9.4.1, the following shall be inserted, namely:-

“

9.4.2	Net value of purchases at 14.5% tax

”

(19) after box 9.5, the following shall be inserted, namely:-

“

9.5.1	Net value of purchases at 17% tax

”

(20) after box 9.16, the following shall be inserted, namely:-

“

9.16.1	Input tax (relating to box No. 9.3.1)

”

(21) after box 9.17.1, the following shall be inserted, namely:-

“

9.17.2	Input tax (relating to box No. 9.4.2)

”

(22) after box 9.18, the following shall be inserted, namely:-

“

9.18.1	Input tax (relating to box No. 9.5.1)

”

7. Amendment of Form VAT 105.- In Form VAT 105 of the said rules,

(1) after box 6.3, the following shall be inserted, namely:-

“

6.3.1	Taxable turnover of sales with rate of tax of 5.5%

”

(2) after box 6.4.1, the following shall be inserted, namely:-

“

6.4.2	Taxable turnover of sales with rate of tax of 14.5%

”

(3) after box 6.5, the following shall be inserted, namely:-

“

6.5.1	Taxable turnover of sales with rate of tax of 17%

”

(4) after box 6.7.1, the following shall be inserted, namely:-

“

6.7.2	Taxable turnover of purchases from un-registered dealers with rate of tax of 5.5%

”

(5) after box 6.8.1, the following shall be inserted, namely:-

“

6.8.2	Taxable turnover of purchases from un-registered dealers with rate of tax of 14.5%

”

(6) after box 6.13, the following shall be inserted, namely:-

“

6.13.1	Output tax payable (relating to box No. 6.3.1)

”

(7) after box 6.14.1, the following shall be inserted, namely:-

“

6.14.2	Output tax payable (relating to box No. 6.4.2)

”

(8) after box 6.15, the following shall be inserted, namely:-

“

6.15.1	Output tax payable (relating to box No. 6.5.1)

”

(9) after box 6.17.1, the following shall be inserted, namely:-

“

6.17.2	Output tax payable (relating to box No. 6.7.2)

”

(10) after box 6.18.1, the following shall be inserted, namely:-

“

6.18.2	Output tax payable (relating to box No. 6.8.2)

”

(11) after box 7.5, the following shall be inserted, namely:-

“

7.5.1	Taxable turnover of sales without C Forms at 5.5% tax

”

(12) after box 7.6.1, the following shall be inserted, namely:-

“

7.6.2	Taxable turnover of sales without C Forms at 14.5% tax

”

(13) after box 7.7, the following shall be inserted, namely:-

“

7.7.1	Taxable turnover of sales without C Forms at 17% tax

”

(14) after box 7.14, the following shall be inserted, namely:-

“

7.14.1	Output tax payable (relating to box No. 7.5.1)

”

(15) after box 7.15.1, the following shall be inserted, namely:-

“

7.15.2	Output tax payable (relating to box No. 7.6.2)

”

(16) after box 7.16, the following shall be inserted, namely:-

“

7.16.1	Output tax payable (relating to box No. 7.7.1)

”

(17) after box 9.3, the following shall be inserted, namely:-

“

9.3.1	Net value of purchases at 5.5% tax

”

(18) after box 9.4.1, the following shall be inserted, namely:-

“

9.4.2	Net value of purchases at 14.5% tax

”

(19) after box 9.5, the following shall be inserted, namely:-

"

9.5.1	Net value of purchases at 17% tax

"

(20) after box 9.16, the following shall be inserted, namely:-

"

9.16.1	Input tax (relating to box No. 9.3.1)

"

(21) after box 9.17.1, the following shall be inserted, namely:-

"

9.17.2	Input tax (relating to box No. 9.4.2)

"

(22) after box 9.18, the following shall be inserted, namely:-

"

9.18.1	Input tax (relating to box No. 9.5.1)

"

10. Amendment of Form VAT 120.- In Form VAT 120 of the said rules,

(1) after box 2.6.1, the following shall be inserted, namely:-

"

2.6.2	URD purchases liable to tax at 5.5%			

"

(2) after box 2.7.1, the following shall be inserted, namely:-

"

2.7.2	URD purchases liable to tax at 14.5%			

"

(3) after box 4.8.1, the following shall be inserted, namely:-

"

4.8.2	Value of goods sold other than in the execution of works contract (refer box 4.4)	5.5%		

"

(4) after box 4.9.1, the following shall be inserted, namely:-

"

4.9.2	Value of goods sold other than in the execution of	14.5%		

	works contract (refer box 4.4)			

”

(5) after box 4.10.2, the following shall be inserted, namely:-

“

4.10.3	Sale value of goods purchased / obtained from outside the State / Country (refer box 4.3)	5.5%		
4.10.4	Sale value of goods purchased / obtained from outside the State / Country (refer box 4.3)	14.5%		

”

(6) after box 4.12.2, the following shall be inserted, namely:-

“

4.12.3	URD purchases liable to tax under Section 3(2)	5.5%		
4.12.4	URD purchases liable to tax under Section 3(2)	14.5%		

”

11. Amendment of Form VAT 240.- In Form VAT 240 of the said rules, in the certificate, at the end, the following words, letters and brackets shall be omitted, namely:-

“The dealer has been advised to file revised returns for the period / month ……………………… and,

(i) pay differential tax liability of Rs………………… with interest of Rs……….. and penalty of Rs……….,

(ii) claim refund of Rs……………………… and

(iii) revise the opening / closing balance of input tax credit of Rs………………

(Note: Strike out whichever is not applicable.) ”

By order and in the name of the Governor of Karnataka,

D.R. SHASHIDHAR
Under Secretary to Government,
Finance Department (C.T-1)