Prescribed form for the registration under VAT- [Form A1 with Annexure]

Prescribed form for the registration under CST- [Form A]

Fee for Registration under VAT- Rs. 100/-

Fee for Registration under CST- Rs. 25/-

Frequently asked questions relating to registration, filing of returns, depositing of tax, issuance of forms and refund under the Haryana Value Added Tax Act, 2003 (HVAT Act) and the Central Sales Tax Act, 1956 (CST Act)

1. What is meant by a "Casual Trader"?

Ans. "Casual Trader" means a dealer who imports into and sells goods in the State for a period not exceeding thirty days at a time.

2. What is meant by a "VAT Dealer"?

Ans. "VAT dealer" means a registered dealer who is not a casual trader and in whose case composition of tax under section 9 of the HVAT Act is not in force, whether by choice or exclusion by law.

3. What is meant by a lump sum dealer?

Ans. "lump sum dealer" means a registered dealer in whose case composition of tax under section 9 of the HVAT Act has been made and is in force.

4. When a person/dealer is liable to pay tax under the HVAT Act?

Ans.

Description of class or classes of person / dealers	Taxable Quantum	Day on and from which the person/ dealer is liable to tax
Who sells or purchases any goods in the course of inter-State trade or commerce or in the course of export of the goods out of or the import of the goods into the	NIL	On and from the day of first sale or purchase

territory of India.		
Who imports any goods into State from other States	NIL	On and from the day of import of goods into State for the first time.
Who purchases any goods in the State and exports out of State such goods or the goods manufactured therefrom.	NIL	On and from the day of purchase of such goods by him in the State for the first time.
Who resides outside the State but delivers for sale in the State, supplies or distributes in the State, any goods other than those specified in Schedule B	NIL	On and from the day of first supply or distribution in the State
Brick-Kiln Owner	NIL	On and from the day his gross turnover in any year first exceeds the taxable quantum.
Liquor licensee under the Punjab Excise Act, 1914 (1 of 1914)	NIL	
Who deals in minerals, lottery tickets	NIL	
Any other class or classes of dealers	Rs. 5,00,000/-	On and from the day following the day his gross turnover in any year first exceeds the taxable quantum.

Where a dealer is covered under more than one of the class or classes mentioned in the Table above, the liability to pay tax shall commerce from the earliest day he becomes liable to tax.

A dealer who deals exclusively in exempted goods is not liable to pay tax under the Haryana VAT Act, 2003.

5. Who is liable for registration under the HVAT Act?

Ans. Every dealer liable to pay tax under the HVAT Act is liable for registration under the Act. Details of persons /dealers liable to pay tax are given in answer to question No. 4.

6. Whether a casual trader is liable to pay tax and get himself registered under the HVAT Act?

Ans. Yes. A casual trader is liable to pay tax and get himself registered under the HVAT Act. He is required to make application for registration in Form VAT-'A3' to the Deputy Excise & Taxation Commissioner, in-charge of the District, at least three days before commencing his business in the State.

7. Whether any dealer not liable to pay tax under the HVAT Act can apply for registration?

Ans. Yes, any dealer not liable to pay tax under the HVAT Act but who does not deal exclusively in exempted goods can apply for voluntarily registration under the HVAT Act.

8. Is there any form prescribed for applying for registration under the HVAT Act and the CST Act?

Ans. Yes. VAT–A2 form is the prescribed application form for applying for registration by a dealer (other than casual trader) under the HVAT Act and Form-A is the application for registration under the CST Act.

9. What is the time limit and fee prescribed for making application by a dealer (other than a casual trader) for registration under the HVAT Act?

Ans. A dealer/person (other than a casual trader) liable to pay tax under the Act is required to apply for registration to the appropriate Assessing Authority within fifteen days from his becoming liable to pay tax under the Act. Prescribed fee is Rs. 100/- which is to be paid in appropriate Government treasury or in the form of Court fee stamps.

10. What is the time limit and fee prescribed for making application for registration under the CST Act?

Ans. A dealer liable to pay tax under the CST Act is required to apply for registration to the appropriate Assessing Authority within thirty days of his becoming liable to pay tax under the Act. The prescribed registration fee is Rs. 25/- (Rupees Twenty Five).

11. Under what circumstances amendment in Registration Certificate is required?

Ans. *Amendment in registration certificate is required if any of the contingency arises.*

(A) The dealer

- (a) sells, or otherwise disposes of or discontinues his place(s) of transfers or otherwise disposes of or discontinues his business;
- (b) sells, transfer business or opens new places(s) of business;
- (c) changes the name, constitution or nature of his business including change in the goods traded or manufactured or used in business or manufacture; or
- (d) appoints an authorized agent.

(B) Death of the dealer.

12. Who is required to apply for amendment in Registration Certificate (R.C) in case of death of a dealer?

Ans. Legal representative of the dealer is required to apply for amendment in R.C. in case of death of a dealer.

13. What is the time limit for making application for amendment in Registration Certificate (R.C.)?

Ans. A dealer is required to make application for amendment in Registration Certificate to the appropriate Assessing Authority within 30 days of the arising of the contingency

14. What is the effective date of amendment in R.C.?

Ans. Unless ordered otherwise by the assessing authority, amendment in Registration Certificate (R.C.) will take effect from the date of receipt of the application for amendment in Registration Certificate (R.C.)

15. Under what circumstances registration certificate granted to a dealer can be cancelled by Assessing Authority?

Ans. Registration certificate granted to a dealer can be cancelled by an Assessing Authority in the following circumstances:-

(a) Gross Turnover has not exceeded the taxable quantum for the last three consecutive years; or

(b) Closing down or discontinuance of the business for which R.C. was granted.

16. By whom certificate of registration can be cancelled when the dealer is held guilty of avoidance of tax or misusing the certificate of registration and what is the effective date of cancellation?

Ans. The Deputy Excise & Taxation Commissioner can cancel the certificate of registration when a dealer is held guilty of avoidance of tax or misusing the certificate of registration. The cancellation shall take effect from the date of the order of the cancellation.

17. What is the procedure and effective date when registration certificate is cancelled at the motion of a dealer?

Ans. ***PROCEDURE***

(a) The dealer shall make an application for cancellation of R.C. to the appropriate Assessing Authority and shall surrender the registration certificate alongwith the unused and used declaration forms obtained from the departments or got authenticated by him from the Assessing Authority.

(b) The assessing authority shall, if satisfied after making such enquiry as he may consider necessary that the information furnished to him is correct, cancel the registration certificate.

<u>EFFECTIVE DATE</u>

In case of closure of the business, from the date of closure, otherwise, from the date of receipt of the application for cancellation by the assessing authority.

18. What is the effective date of cancellation of R.C. when cancellation is made suo-moto by the Assessing Authority?

Ans. In case where a dealer closes down his business and fails to make an application to the appropriate assessing authority for cancellation of his certificate of registration or fails to surrender his certificate of registration alongwith the unused and used declaration forms obtained or got authenticated by him, the cancellation of R.C. shall take effect from the date the dealer is issued with a notice by the assessing authority for cancellation of R.C. However, if on opportunity afforded, the dealer intimates the date of closure of his business, cancellation of R.C. will take effect from the date of closure of business.

19. In what Form the different class of dealers/ persons are required to file returns and what is the due date?

Ans. The Forms and the due dates for filing returns by different class of dealers/persons are as under:-

Sr. No.	Class of dealer/person	Form	Due date
1	Registered dealers/persons holding registration	(a) quarterly return in Form VAT-‘R1’	On or before the last day of the month following the quarter.

	certificate or whose application for registration is pending.	(b) Annual return in Form VAT-'R2'	On or before 30th November of the immediately succeeding year.
2.	Food grains procuring agency liable to deduct tax at source	Quarterly return in Form VAT-'R4'	On or before the last day of the month following the quarter
3.	Contractee liable to deduct tax at source VAT-R4	Quarterly return in Form VAT-'R4A'	
4.	Casual Trader	Quarterly return in Form VAT-'R-5'	Within 3 days after closure of business in the State
5.	Lumpsum Contractor	Quarterly return in Form VAT-'R6'	On or before the last day of the month following the quarter.
6.	Lumpsum retailer	Quarterly return in Form VAT-'R7'	
7.	Lumpsum BKO	Quarterly return in Form VAT-'R8'	
8.	Lumpsum ply board manufacturer	Quarterly return in Form VAT-'R11'	
9.	Dealers required to file return through notice by the Assessing Authority	Quarterly return in Form VAT-'R12'	

20. Who is authorized to sign the returns?

Ans. The persons authorized to sign the returns are as follows:-

Entity	**Person authorized to sign returns**
Hindu Undivided Family	Karta or whole time employee authorized by Karta in writing.
Proprietorship concern	Proprietor or whole time employee authorized by the proprietor in writing
Partnership Firm	Partner or whole time employee authorized by partners in writing.
Government Department	Head of department or an officer authorized by him.

Society or Company	Chairman, Director, Secretary or Principal Officer

21. In what manner a return can be filed?

Ans. Return may be filed by handing over the same to the assessing authority or to an official, authorized by him or by the officer in-charge of the district in writing in this behalf, or sent to him through registered post. When return is sent through registered post, it shall be deemed to have been filed on the date on which it is received in the office of such authority.

22. Whether a dealer is required to file separate returns for its branches in Haryana?

Ans. Returns or statement for all branches in Haryana shall be submitted jointly by the head office to the appropriate Assessing Authority. The turnover of whole business shall be the aggregate of the turnover of all the branches. However, if a dealer is allowed by the Excise & Taxation Commissioner for obtaining separate registration certificate (s) for branch(es) and head office, separate return for each branch and head office shall be filed.

23. When a dealer is required to file revised return?

Ans. If a dealer discovers in any return filed by him, any omission or other error, which he could not have rectified after the exercise of due diligence before filing the return, he is required to file a revised return at any time before the date prescribed for filing of return for the next period.

24. When a return is said to be complete in material particular?

Ans. A return is said to be complete in material particulars if-

(i) It contains the information required to be furnished therein;

(ii) It is correct arithmetically;

(iii) It is accompanied with the statutory lists, documents and proof of payment of tax due according to the return in full; and

(iv) It is duly signed by the dealer.

25. Whether a lump-sum dealer can issue a tax invoice and whether a VAT dealer can claim input tax credit on the goods purchased from a lump-sum dealer?

Ans. A lump-sum dealer is not authorized to issue tax invoice for sale of goods by him and a VAT dealer is not entitled to claim input tax credit on the goods purchased from a lump-sum dealer.

26. Whether every dealer is entitled to claim input tax credit and what proof is required to claim input tax credit?

Ans. No. Only VAT dealers are entitled to claim input tax credit. A tax invoice issued to VAT dealer showing the tax charged to him on the sale of invoiced goods is sufficient proof for claiming input tax credit by the VAT dealer. However, if input tax credit is called into question in any proceeding, the authority conducting such proceeding may also require certificate in Form VAT-'C4' issued by the selling dealer of Haryana.

27. Whether input tax credit is available on petroleum products and natural gas?

Ans. Input tax credit is not available on petroleum products and natural gas when these are used as fuel or exported out of State.

28. Whether input tax credit is available for the entire tax paid on the purchases made within the State?

Ans. Input tax credit is available for the VAT paid within the State on the purchases of goods and is allowable on pro-rata if such goods are used or disposed of partly in the circumstances mentioned in Schedule-'E' attached to the HVAT Act and partly otherwise

29. Whether input tax credit is available on the goods which are used partly for manufacturing/ packing of taxable goods and partly for exempted goods?

Ans. Input tax credit on the purchases of goods used partly for manufacturing/packing of taxable goods and partly for exempted goods is allowable on pro-rata basis. However, full amount of input tax credit is allowable if the exempted goods are sold in the course of export out of the territory of India.

30. What is the due date for payment of tax by a casual trader?

Ans. A casual trader is required to make payment of tax daily on the sales made during the previous day.

31. What are the due dates for payment of tax by different type of lump sum dealers?

Ans. Due dates for payment of tax by different type of lump sum dealers are as under:-

Sr. No.	**Types of lumpsum dealer**	**Due date for payment of tax**
1	Brick Kiln Owner	Equal quarterly instalments payable in the first 45 days of beginning of the quarter or equal monthly instalments payable on or before the 15th day of each month
2	Ply-board Manufacturer	
3	Works Contractor	Quarterly within 30 days following the close of quarter.
4	Retailer	Quarterly within one month of the close of the quarter.

32. What are the due dates for payment of tax by the dealers other than lumpsum dealers and casual traders?

Ans. A dealer (other than a lumpsum dealer and casual trader) whose aggregate liability to pay tax under the HVAT Act & CST Act during the preceding year was One Lakh Rupees or above is required to pay the tax by 15th day of the close of the month. Other non-lumpsum dealers (other than casual trader) are required to pay the full amount of tax for the quarter within the month immediately following the quarter.

33. **What is the due date of payment of tax when the last date for payment of tax or any other amount due under the Act is a bank holiday?**

Ans. If last date for payment of tax or any other amount due under the Act is a bank holiday, then the last date for payment of dues under the Act shall be the first banking day following such holiday or consecutive holidays.

34. **Who are liable to deduct tax at source?**

Ans. The following agencies/persons are liable to deduct tax at source

a. Government Agencies, Public Sector Undertakings, Corporations procuring food grains in Haryana at minimum support price fixed from time to time and any person authorized by such agency, undertaking or corporation in this behalf and acting as such, from commission agents;

b. Contractees in case of works contract transactions if the goods, whether as such or in some other form, are transferred by the contractor to the contractee

35. **When does liability of deduction of tax at source arise and what is the due date for payment of tax deducted at source by him?**

Ans. A person liable to deduct tax at source is required to deduct the tax at source at the time of making payment whether by cash, adjustment, and credit to the account, recovery of dues or in any other manner. The tax deducted at source is required to be paid within 15 days of the close of the month in which it is deducted.

36. **In what manner the tax, interest or any other dues under the HVAT Act & CST Act can be paid?**

Ans. Any amount due under the HVAT Act and CST Act can be paid in the following manner:-

(i) Through crossed Bank draft or pay order in favour of Assessing Authority drawn on Scheduled Bank; or

(ii) by depositing cash through challan in Form VAT –‘C1’ in case of dues under the HVAT Act and through challan in Form-II in case of dues under the CST Act to the bank authorized to receive money on account of the State Government; or

(i) By submitting the refund adjustment order in Form VAT-G9 to the Assessing Authority; or

(ii) By submitting the interest payment order in Form VAT-G10 to the Assessing Authority; or

(iii) In exceptional cases by paying cash against cash receipt in Form VAT-'G4' to the officer authorized in this behalf by the Excise & Taxation Commissioner.

37. Who is liable to pay tax, interest and penalty, if, assessment is made after partition, dissolution & disruption of an Undivided Hindu Family, Firm or Association of persons?

Ans. Every person who was member of Undivided Hindu Family or association of persons or partner of the firm at the time of such partition, dissolution & disruption is severally and jointly liable for payment of tax, interest and penalty irrespective of the fact that the assessment of tax has been made prior to or after such partition, dissolution or disruption.

38. Who is liable to pay the dues under the HVAT Act when Registration Certificate of a dealer is cancelled for reasons other than partition of an Undivided Hindu Family or dissolution or disruption of a Firm or Association of persons?

Ans. In such case assessment of tax, interest & penalty for the period upto the date of cancellation of Registration Certificate is made as if no such cancellation had taken place and every person who was member of Undivided Hindu Family or association of persons or partner of the firm at the time of cancellation of Registration Certificate is severally and jointly liable for the payment of dues of tax, interest and penalty so assessed.

39. Who is liable to pay the tax, interest and penalty due from a dealer when the business carried on by him is discontinued after his death?

Ans. Legal heirs or representatives of the dealer are liable to pay the tax, interest and penalty when the business carried on by the dealer is discontinued after his death.

40. In what Form the certificate for purchase of goods by a Government Department not being a registered dealer, at a lower rate of tax is required and who issues the certificate? Whether a single certificate can cover more than one transactions of sale in a year?

Ans. The certificate is in Form VAT-'C3' and the purchasing Government Department issues the certificate to the selling VAT dealer. Single certificate may cover more than one transactions of sale in a year.

41. In what Form the certificate is required to be issued by a selling VAT dealer to a purchasing VAT dealer for claiming input tax credit? Whether a single certificate can cover more than one transactions of sale in a year?

Ans. The Certificate is in Form VAT-'C4'. Yes, a single certificate can cover more than one transactions of sale in a year.

42. In what Form an 'authorized dealer' issues a declaration to the selling VAT dealer for purchasing goods at concessional rate of tax? Whether a single declaration can cover more than one transactions of sale in a year?

Ans. The declaration required to be issued is in Form VAT-'D1'. Yes, a single declaration can cover more than one transactions of sale in a year between two dealers.

43. What type of goods can be purchased against VAT-'D1'?

Ans. An authorized dealer can purchase goods against VAT-'D1' if the goods are covered by his registration certificate and are for:-

(i) use in manufacture of goods (including packing of goods manufactured) for sale;

(ii) use in telecommunication network;

(iii) use in mining;

(iv) use in generation or distribution of power;

(v) packing of goods used in any of the aforesaid business activities;

(vi) use in execution of works contract in respect of which composition of tax under section 9 of the HVAT Act has been made and is in force.

44. Whether a lumpsum retailer is authorized to make use of declaration in Form 'C', 'F', VAT-D3?

Ans. A lumpsum retailer is authorized to use declaration in Form-'C' for interstate purchases, but he is not authorized to make use of Form-'F'. He is required to make use of VAT-'D3' for carrying goods.

45. Whether a lumpsum contractor is authorized to make use of declaration in Form 'C', VAT-'D1' & is required to use VAT-D3?

Ans. A lumpsum contractor is authorized to make purchase of goods for use in execution of works contract against Form 'C' and Form VAT-'D1'. He is required to use VAT-'D3' for carrying goods**.**

46. Whether a lumpsum brick kiln owner is authorized to make purchases against Form 'C' & VAT-D1? Whether he is required to make use of VAT-D3 for carrying goods?

Ans. A lumpsum Brick kiln owner is authorized to make use of Form-'C' for interstate purchases but not authorized to make purchases of goods against VAT-'D1'. He is not required to make use of VAT-'D3' for carrying goods.

47. Whether a lumpsum Ply board manufacturer is authorized to make use of purchases against Form 'C' & VAT-D1? Whether he is required to make use of VAT-D3 for carrying goods?

Ans. A lumpsum Ply board manufacturer is authorized to make use of Form-'C' & Form VAT –'D1' for purchases of goods used in manufacturing of goods for sale. He is not required to make use VAT-'D3' for carrying goods.

48. By whom a declaration in Form VAT-'D2' is issued?

Ans. VAT-'D2' is issued by a VAT dealer to selling VAT dealer for making purchases in pursuance of sale in the course of export outside the territory of India.

49. By whom VAT-'D3' (Challan-inward) is used?

Ans. VAT-'D3' (challan-inward) is used by a dealer registered under the HVAT Act for bringing or receiving goods from outside the State to any place in the State or for carrying any goods purchased from any person/dealer in the State who is not required to use VAT-'D3' (inward)

50. By whom VAT-'D3' (Challan –outward) is used?

Ans. VAT-'D3' (challan-outward) is used by a dealer registered under the HVAT Act for dispatch of goods by him from any place in the State to any other place in or outside the State.

51. What is threshold limit for compulsory use of declaration in form VAT-'D3'?

Ans. The use of VAT-D3 is compulsory in case the value of goods carried in one single transaction exceeds Rupees Twenty Five Thousand.

52. Whether a single declaration in Form 'C' can cover all transactions of sale talking place in a quarter of financial year between the same two dealers?

Ans. Yes. However, in case of any transaction of sale where the delivery of the goods is spread over to different quarters of a financial year or of different financial years, separate declaration is required to be furnished in respect of the goods delivered in each quarter of a financial year.

53. Whether a single declaration in Form 'F' can cover transfer of goods effected during a quarter?

Ans. No. A single declaration can cover transfer of goods, by a dealer to any other place of his business or to his agent or principal, as the case may be effected, during a period of one calendar month.

54. What is the time limit for furnishing declaration/certificate in Form 'H' and Form 'J' to the Assessing Authority?

Ans. The declaration/certificate in Form 'H' and Form 'J' are required to be furnished to the Assessing Authority upto the time of assessment.

55. What should a dealer do when a declaration form is lost?

Ans. If a declaration form, whether blank or completed is lost either from custody of any selling dealer or purchasing dealer or in transit, the dealer from whose custody it is lost or when lost in transit, the dealer who dispatched it, is required to report the loss to the appropriate assessing authority and furnish an indemnity bond to the appropriate assessing authority for such sum as the said authority may fix having regard to the circumstances of the case.

56. What is the procedure for obtaining declaration form from the Department?

Ans. For obtaining declarations forms from the department a dealer registered under the HVAT Act and the CST Act shall make application to the appropriate Assessing Authority. In the application the dealer is required (i) to clearly state his reasonable demand for a period of not more than one year (ii) to disclose the stock and detail of declaration from already used and in hand and (iii) mention the date on which and the number if declaration forms last issued to him.

57. Under what circumstances refund to a dealer is admissible?

Ans. Refund to a dealer is admissible in the following circumstances:-

(i) Full amount of input tax relating to the goods which have been sold in the course of export out of the territory of India or have been used in manufacture and the manufactured goods have been sold in the course of export out of the territory of India.

(ii) Input tax exceeding the tax (including Central Sales Tax) calculated on sale of goods on account of difference in rate of tax between input tax and the tax calculated on sales when the goods have been sold in the State or in the course of interstate trade &

commerce or have been used in manufacture and the manufactured goods have been sold in the State or in the course of interstate trade or commerce.

(iii) When on assessment of a dealer the Assessing Authority finds that the dealer has paid any amount in excess of tax, interest penalty assessed or imposed on him.

(iv) Refund of any amount paid by any dealer or a person also becomes payable as a result of order passed by any Court, Appellate Authority or Revising Authority.

58. Whether a dealer is required to make application for refund when the refund has accrued on account of finalization of assessment?

Ans. No. Amount due to a dealer on finalization of assessment is to be refunded within sixty days from the date of order of approval by the Competent Authority.

59. When a dealer is required to make application for refund?

Ans. A dealer/person is required to make application for refund in the following circumstances:-

(i) When the VAT dealer seeks provisional refund.

(ii) When refund has accrued as a result of an order passed by any Court, Appellate Authority or Revising Authority.

60. What is the procedure for claiming provisional refund by a VAT dealer?

Ans. For claiming provisional refund a VAT dealer is required to make application is Form VAT-'A4' to the appropriate Assessing Authority and following documents are required to be appended with the application.

(i) Copy of the return(s) in Form VAT-'R1' under HVAT Rules and in Form- I under the Central Sales Tax (Punjab) Rules, 1957, as applicable to the State of Haryana, for the quarter if not already filed,

(ii) Original copies of tax invoices relating to the claim of input tax in respect of the purchase of the goods;

(iii) Invoices showing the sale of the goods in the State or in the course of inter-State trade and commerce along with the documents of dispatch and delivery of the goods in other State(s);

(iv) Invoices showing the sale of the goods in the course of export out of the territory of India alongwith the custom clearance certificate and shipping documents; and

(v) Such other documents or evidence as the assessing authority may require for its satisfaction relating to the payment of the input tax and the tax leviable on the sale of the goods, wherever applicable.

61. What is the time limit for disposal of application for provisional refund by an Assessing Authority?

Ans. The Assessing Authority is required to examine the application for provisional refund and pass an order within thirty days of receipt of the application either to allow the refund in full or in part or to disallow the same for reasons to be communicated in writing.

62. Who is the Competent Authority for passing order for withholding of refund and under what circumstances?

Ans. Excise & Taxation Commissioner is the Competent Authority for passing an order for withholding of refund. Refund can be withheld if an order giving rise to a refund is a subject matter of the further proceedings and the taxing authority is of the opinion that grant of the refund is likely to adversely affect the recovery in the event of success of such proceedings.