37TH
ISSUE

OCTOBER 11TH - OCTOBER 17TH

GST

CENTRAL EXCISE

SERVICE TAX

CUSTOMS

STATE TAXES

TAX CONNECT

JAV & ASSOCIATES

-Chartered Accountants

Head Office:
1, Old Court House Corner,
"Tobacco House" 1st Floor,
Room No.-13 (North), Kolkata-700001,
West Bengal

Branch Office:
Quarter No.-3/174, Gujarat Refinery Township
Jawaharnagar, Vadodara-391320,
Gujarat

Contact: **+919331042424; +919831594980; +918697575185; +913322625203**

e-mail: tb.chatterjee@dic.co.in; tb.chatterjee@yahoo.co.in; cavivekjalan@gmail.com; vivek.jalan@icai.org

EDITORIAL

Friends,

This has been an eventful week!

The draft procedures of GST for payments, refunds and registration have been released by the Ministry Of Finance this week. With this, the Modi Govt. has also made its intent very clear that it is all ready for GST and come what may it is hell bent on introducing GST . The PM himself has also said that they will push the GST bill again in RajyaSabha in the winter session in December. We shall update you on the drafts in our coming issues.

In Service Tax, The CBEC has issued Circular No.186/5/2015-ST dated 5th October, 2015 to clarify a long disputed issue thatif ancillary services are provided in the course of transportation of goods by road and the charges for such services are included in the invoice issued by the GTA, and not by any other person, such services would form part of GTA service and, therefore, the abatement of 70%, presently applicable to GTA service, would be available on it. Many pending disputes will be relieved by this circular.

In WB VAT, the Dept has issued Notification No.1605-F.T. dated 30th September, 2015, vide which it has inserted **Rule 26 KA & Rule 26 KB** for deduction from turnover for certain sales to **Exide Industries**. The notification clarifies that sales of injected moulded plastic containers, their stoppers, lids, handles and caps during the period commencing from 1st April, 2005 to 31st March 2011 to Exide Industries for the manufacture of storage batteries, may be deducted from the turnover of such a dealer to the extent of 64% of such sales. However, the relevant tax invoice evidencing such sale shall be furnished.

In Income Tax Rule 29C has been revised wherein the format and procedure for self declaration in Form No. 15G or 15H u/s 197A has been simplified. The procedure for submission of the Forms by the deductor has also been simplified.

Just to reiterate that we remain available over a telecon or e-mail.

Truly Yours

TimirBaranChatterjee

M.Com, FCS, MBA (International Business)-IIFT, ACMA

VivekJalan

FCA, CIDT (ICAI), B. Com

DUE DATE	COMPLIANCES FROM 11TH OCTOBER, 2015 TO 17TH OCTOBER, 2015	STATUTE
15th Oct'15	Deposit of Professional Tax	Gujarat VAT Act Sikkim VAT Act
15th Oct'15	Deposit of Entry Tax	Bihar VAT Act
14th Oct'15	Deposit of Entry Tax	Rajasthan VAT Act
15th Oct'15	Deposit of PF	EPF & MF Act
15th Oct'15	Filing of 2nd Quarter (July'15-Sep'15) TDS/TCS Statements by Non-Govt. Deductors/Collectors	Income Tax Act
15th Oct'15	Online returns for the 1st quarter of the year 2015-16, in Forms EC-H and EC-111	Delhi VAT Act
15th Oct'15	Issuance of WCT certificate	Punjab VAT Act Haryana VAT Act HP VAT Act Goa VAT Act
15th Oct'15	Deposit of WCT	Punjab VAT Act Haryana VAT Act H P VAT Act Bihar VAT Act Delhi VAT Act Jharkhand VAT Act Rajasthan VAT Act
15th Oct'15	Deposit of VAT	Sikkim VAT Act Haryana VAT Act Bihar VAT Act Jharkhand VAT Act
14th Oct'15	Deposit of VAT	Rajasthan VAT Act

INDEX GUIDE

GSTN- HOW FAR IS PRIVATIZATION JUSTIFIED?

Introduction

The Empowered Committee (EC) has incorporated**Goods and Services Tax Network (GSTN)**, a Section 25 (not-for-profit), non-Government, Private Limited Company to provide IT infrastructure for implementation of GST, the ownership structure being **Government 49% and Private 51%**.

Primarily, the GSTN is to be in the hands of private sector. In this issue, we are sharing some thoughts on the same

Threats/Concerns

• **The critical information of about 6 million taxpayers will be in the hands of private players.**

• Being a private company, it shall be out of the ambit of CAG.
-sowho shall be responsible if such data is usedinunfair manner?and
- how shall the government prevent misuse of data and safeguardcountry's economic security?

• **Select Committee of Rajya Sabha**noted that Non-Government shareholding of GSTN is dominated by private bankseven though the public sector banks (having more than 70% share in total credit lending of the country) and NBFCs have the requiredfundsand managerial efficiencies to handle such sensitive data.

• Similar concerns raised by **CBEC** were also ignored even though CBEC is the most important stakeholder in this big revolution.

Questions

• Is Privatizationdemonstrating towards the government's inefficiencyto manage the biggest tax revolution of the nation?

• What is the interest of private sector in investing in a not-for-profit setup?

• When no country has been able to achieve its goal with this approach, will such model succeed in India?

• When all the government departments are being planned to be digitized, why can't GSTN be a step in "DIGITAl INDIA" campaign?

Assumptions

Privatization gives rise to the assumptions
- that some non-monetary incentivesmust be underlying the investment as private sector, in general, is profit oriented.
- availability of sensitive data of the taxpayers is one of the biggest advantage associated with it.

The following points may perhaps justify the privatization of GSTN:-

• Privatization has been recommended by TAGUP and EG-IT after in-depth research and discussions.

• This step has been taken to overcome the defects from the ongoing digitization projects and to take benefit of specialized professionals.

• **EC's outlook:**-

The probable threats were being answered by EC while deciding the final proposed structure of GSTN as follows:-

- Data security willbe addressed by includingthe required provisions in the Articles of Association
- Chairman of GSTN would be appointed by Government
- As, no single private entity will own more than 10% of equity, the Government will have the ultimate control.
- GSTN will be bound to follow the internationally accepted security and safety measures
- It was proposed to appoint a Chief Information Security officer by Government and a monitoring committee headed by Revenue Secretary to monitor the information security matters and working of GSTN.
- The audits of GSTN would be conducted by the independent auditors.

Conclusion

Though EC has tried its best to justify the privatization of GSTN, yet, it is human nature to be threatened with every new reform until it gets settled. With the rising agitation, it seems better to avoid conflicts and keep at least 51% ownership of the GSTN in the hands of government.

SERVICE TAX

NOTIFICATIONS & CIRCULARS

SERVICE TAX LEVY ON SERVICES PROVIDED BY A GOODS TRANSPORT AGENCY (GTA)

OUR COMMENTS: The CBEC (Dept. of Revenue), Ministry of Finance, Government of India vide **Circular No.186/5/2015-ST dated 5th October, 2015** has clarified that-

The service provided by GTA is a **composite service which may include various ancillary services** such as loading/ unloading, packing/unpacking, transshipment, temporary storage etc., provided **for successful provision of principal service - the transportation of goods by road**. Even if the service is sub-contracted by the GTA, GTA issues a consignment note and the invoice includes the value of ancillary services. Thus, a composite service, evenif it consists of more than one service, should be treated as a single service taking into account, both theform and substance of thetransaction.

Thus, **if ancillary services are provided in the course of transportation of goods by road and the charges for such services are included in the invoice issued by the GTA, and not by any other person, such services would form part of GTA service and, therefore, the abatement of 70%, presently applicable to GTA service, would be available on it.**

For **abatement notification No. 26/2012-ST dated 20.06.2012, serial number 7 it** is also clarified that transportation of goods by road by a GTA, in cases where GTAundertakes to reach/deliver the goods at destination within a stipulated time, should be consideredas 'services of goods transport agency in relation to transportation of goods', so long as

(a) the entiretransportation of goods is by road; and

(b) the GTA issues a consignment note, by whatever name called.

COURT DECISIONS

MAHAVIR TRANSPORT V/S COMISSIONER OF CENTRAL EXCISE, KOLHAPUR [CESTAT MUMBAI]

BRIEF: If the assessee clears the Service Tax liability along with interest on his own and even on the insistence of the departmental authority, then no penalty proceedings can be taken against him.

OUR COMMENTS: In the above case, the appellant engaged in taxable service did not discharge the service tax liability for cargo handling services, but under the head transport of goods by road and availed ineligible benefit of the abatement. However, on being pointed out by the auditors, they corrected the classification and discharged the differential service tax liability along with interest. The revenue authorities after accepting such an amount issued a show cause noticedirecting the appellant to show cause why penalties be not imposed on them.

The appellant contested and submitted that the provisions of Section 73 (3) of the Finance Act, 1994 are applicable in this case.

The Hon'bleCESTAT Mumbai held that the appellant might have entertained a bonafide belief and considered to be eligible for the exemption of abatement.Also, the appellant had discharged the differential tax liability with interest. Section 73(3) of the Act provides that if the assessee cleared the Service Tax due along with interest on his own and even on the insistence of the departmental authority, then no penalty proceedings can be taken against him. The appeal was allowed to the extent it contests the penalties.**[Decided in favour of the assessee]**

M/SAJMER AUTO AGENCIES PVT LTD. V/S COMMISSIONER OF CENTRAL EXCISE, ALLAHABAD [CESTAT NEW DELHI]

BRIEF:The sale of cars depends upon the after sales service and customer support offered by the dealer. Therefore the activity of service and maintenance of vehicles is not just an auxillary activity. The entertainment/promotional shows conducted for promotion of sale of cars is also for promotion of servicing cars. Hence, the decor and entertainment show/event management service qualifies as input service.

OUR COMMENTS: The appellants are dealers of Maruti Suzuki India Ltd and they also have authorised service stations for the same. In this case,the main allegation is that the domain activity of appellants being sale of cars, the invoices issued for input services of decor and entertainment shows was for trading activity of the appellant and not for promotion of the service station. The show cause notice was issued to the appellants alleging that the appellants had wrongly availed Cenvat credit on the services provided in relation to decor and entertainment shows.

The Hon'ble CESTAT held that the sale of cars depends upon the service and maintenance offered by the dealer of vehicles so servicing is not just an auxillary activity here. Also, it held that the entertainment/promotional shows conducted by the appellants was not for promotion of sale of cars alone but also for promotion of service stations. Hence, the decor and entertainment show/event management service qualifies as input service.The impugned order is hereby set aside and the appeal is allowed with consequential reliefs if any to theappellant.**[Decided in favour of the assessee]**

CENTRAL EXCISE

NOTIFICATIONS & CIRCULARS

JURISDICTION OF THE SETTLEMENT COMMISSION (CUSTOMS,CENTRAL EXCISE & SERVICE TAX) INRESPECT OF THE CASES OF GOLD SMUGGLING

OUR COMMENTS: The CBEC (Dept. of Revenue), Ministry of Finance, Government of India vide **Notification No. F. No. 275/46/2015-CX. 8A dated 1st October, 2015** has clarified that in view of the order ofthe **Delhi High Court in case ofAdditional Commissioner of Customs vs. Shri Ram Niwas Verma [W.P. (C) No. 7363/2014 & CM 1 7221/2014] dated 25th August 2015,** Settlement Commission has no jurisdiction to entertain the matters in relation to the goods specified under Section 123 of the Customs Act, 1962 which include Gold. In case it admits any such matter for settlement, the jurisdictional field formation should challenge the same in High Court by way of Writ, at the stage of admission.

COURT DECISIONS

C.C.E., BELAPUR VERSUS M/S. I.G. PETROCHEMICAL LTD. & ANR. [SUPREME COURT]

BRIEF:The catalyst which retains its character, remains outside the end product, remains uninfluenced and unaltered cannot be treated as raw material.

OUR COMMENTS: In this case, the assessee is 100% EOU, and sells certain products in DTA (Domestic Tariff Area). He wanted to take benefit of Notification No. 8/97-CE dated 01.03.1997 which says that if the goods are produced or manufactured only from the raw material produced or manufactured in India, the assessee would be entitled to the concessional rate of duty.

As per Revenue, Vanadium Pentoxide used for the manufacture of the products in question is the raw material and is imported; the assessee would not be entitled to the benefit of the aforesaid notification.

In CCE VS. Ballarpur Industries Ltd. [1989(43) ELT 804 (SC) =1989(4) SCC 566], it was clarified that there may be various ingredients used in Chemical Technology of manufacture of any end product. Such kinds of ingredients stipulated therein read as under:

"(i) those which may retain their dominant individual identity and character through out the process and also in the end product;

(ii) *those which, as a result of interaction with other chemicals or ingredients, might themselves undergo chemical or qualitative changes and in such altered form find themselves in the end product;*

(iii) *those which, like catalyst agents, while influencing and accelerating the chemical reactions, however, may themselves remain uninfluenced and unaltered and remain independent of and outside the end product; and*

(iv) *those which might be burnt up or consumed in the chemical reactions."*

The Hon'ble Supreme Court held that Vanadium Pentoxide, while influencing and accelerating the chemical reactions, itself remains uninfluenced and unaltered and retains its independent character and it remains outside the product. It is an ingredient used for manufacture but cannot be treated as raw material. Hence, the Tribunal is correct in granting the benefit of the notification to the assessee herein. [**Decided against Revenue].**

ANDAMAN TIMBER INDUSTRIES VERSUS COMMISSIONER OF CENTRAL EXCISE, KOLKATA-II [SUPREME COURT]

BRIEF: If the assessee is not allowed to cross-examine the witnesses though the statements of those witnesses were made the basis of the impugned order by the Adjudicating Authority, is a serious flaw which makes the order nullity inasmuch as it amounted to violation of principles of natural justice.

OUR COMMENTS: In the above case,the assessee has a plywood factory in South Andamans and its head office in Calcutta. Some of his products are sold ex-factory and major portion from their numerous depots at different places in the country. The assessee had filed its declaration under Section 173C of the Central Excise Rules showing the price of the goods at which they were sold ex-factory and delivery basis. The Revenue found that there was a lot of price difference between the goods sold at ex-factory and goods sold from their depots. A show cause notice was issued based on statements of two buyers stating as to why the price at which the goods were sold from the depots may not be the basis for determining the value for the purpose of excise duty. The respondent contested and questioned the correctness of the statements of the aforesaid two witnesses and demanded right to cross-examine them. The Tribunal has simply stated that cross-examination of the said dealers could not have brought out any material which would not be in possession of the appellant themselves to explain.Also, the Adjudicating Authority simply relied upon the price-list maintained at the depot and did not confirm if the goods were, in fact, sold to the said dealers/witnesses at the price in the price-list. This could be the subject matter of cross-examination.

The Hon'ble Supreme Court held that if the testimony of these two witnesses is discredited, there was no material with the Department on the basis of which it could justify its action, as the statement of the aforesaid two witnesses was the only basis of issuing the Show-Cause Notice. The order was set aside. [**Decided in favour of assessee]**

CUSTOMS

NOTIFICATIONS & CIRCULARS

REVISION OF EXCHANGE RATE OF FOREIGN CURRENCIES INTO RUPEE & VICE VERSA

OUR COMMENTS: TheCBEC (Dept. of Revenue), Ministry of Finance, Government of India vide**Notification No. 97/2015-Customs (N.T.) dated 1st October, 2015 & in supersession of Notification No. 93/2015-Customs (N.T.) dated 17th September, 2015** has**revised the exchange rate of foreign currencies**specified in col.(2) of each of **Schedule I** and **Schedule II** annexed hereto, into Indian currency or vice versa, w.e.f. **2ndOctober, 2015** to be the rate mentioned against it in the corresponding entry in column (3) thereof, forthe purpose of the said section, relating to imported and export goods.

SCHEDULE-I

Sl. No	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent toIndian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Australian Dollar	46.95	45.60
2.	Bahrain Dinar	179.30	168.90
3.	CanadianDollar	49.90	48.80
4.	Danish Kroner	9.95	9.70
5.	EURO	74.10	72.30
6.	Hong Kong Dollar	8.55	8.40
7.	Kuwait Dinar	223.40	211.15
8.	New Zealand Dollar	42.65	41.50
9.	Norwegian Kroner	7.80	7.60
10.	Pound Sterling	100.40	98.15
11.	Singapore Dollar	46.50	45.55
12.	South African Rand	4.90	4.60
13.	Saudi Arabian Riyal	18.00	17.00
14.	Swedish Kroner	7.95	7.75
15.	Swiss Franc	68.00	66.45
16.	UAE Dirham	18.40	17.40
17.	US Dollar	66.15	65.10

SCHEDULE-II

Sl. No	Foreign Currency	Rate of exchange of100 units of foreigncurrency equivalentto Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	JapaneseYen	55.25	54.00
2.	KenyaShilling	64.55	60.90

AMENDMENT IN NOTIFICATION NO. 12/2012-CUSTOMS DATED 17TH MARCH, 2012

OUR COMMENTS: TheDept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 49/2015-Customs dated 5th October, 2015** has amended **Notification No. 12/2012-Customs dated 17th March, 2012** as follows-

In the said notification, after the Table, in the proviso, after clause (j) the following clause shall be inserted, namely,-

(k) the goods specified against serial number 8 of the said Table upto and inclusive of the 31st day of March, 2016;"

COURT DECISIONS

COMMISSIONEROF CUSTOM (PREV.), JAMNAGAR V/S M/S RUCHI SOYA INDUSTRIES LTD. AND OTHERS [CESTAT AHMEDABAD]

BRIEF: If goods are imported under DEPB scheme and are fully exempt from payment of Customs duty, no Customs duty is levied and collected. In this case, the Education Cess at the prescribed rate also cannot be levied.

OUR COMMENTS: In the above case, importer had imported Crude Palm Oil under DEPB scheme, without payment of duty. The Revenue raised a demand of Education Cess @ 2% citing CBEC Circular No.5/2005, dt.31.01.2005. The Hon'ble CESTAT found that the issue is no more res integra in view of the decision of Hon'ble Gujarat High Court in the case of Commissioner of Customs Vs Pasupati Acrylon Ltd - 2013 (296) ELT 182 (Guj), where it was held that import made under DEPB scheme, of the goods which are fully exempt from payment of Customs duty and therefore, no Customs duty is levied and collected. The Education Cess at the prescribed rate also cannot be levied.

Accordingly, all the appeals filed by the Revenue were rejected.**[Decided in favour of the assessee]**

INCOME TAX

NOTIFICATIONS & CIRCULARS

AMENDMENT IN INCOME TAX RULES, 1962

The CBDT (Dept. of Revenue), Ministry of Finance, Government of India vide **Notification No. 76/2015 dated 29rd September, 2015 has amended the Income Tax Rules, 1962**. These rules may be called the **Income tax (14th Amendment) Rules, 2015**& shall come into force on the 1st day of October, 2015.

Rule 29Chas been revised wherein the format and procedure for self declaration in **Form No. 15G or 15H**u/s 197A has been simplified. The procedure for submission of the Forms by the deductor has also been simplified.

The payee can submit the above forms **either in Paper form or Electonically.** The Deductor will **not deduct tax and will allot a Unique Identification Number (UIN)** to all Self-Declarations in accordance with a well laid down procedure to be specified separately.

AMENDMENT IN INCOME TAX RULES, 1962

The Income Tax (Dept. of Revenue), Ministry of Finance, Government of India **vide Notification No. 77/2015 dated 30th September, 2015** has notified that all the provisions of Inter-Governmental Agreement and Memorandum of Understanding (MoU) between the Government of the Republic of India and the Government of the United States of America for the exchange of information with respect to taxes, as set out in the said Agreement, shall be given effect to in the Union of India w.e.f the 31st August, 2015

COURT DECISIONS

S.PALANIAPPAN V/S INCOME TAX OFFICER, CHENNAI [SUPREME COURT]

BRIEF: If the assessee has received compensation on voluntary retirement under the Early Retirement Option - deduction under Section 10(10C) for terminal benefits along with relief under Section 89(1) of the Income Tax Act for the ERO components and gratuity will be allowed.

OUR COMMENTS: In the above case, the High Court denied exemption to the appellant on the contention that since the Scheme in question i.e. ERO was not statutory Scheme or in accordance with the requirement of Rule 2BA of the Income Tax Rules, provisions of Section 10(10C) of the Act would not apply.

However, the matter was taken to the Supreme Court, where the learned counsel of the appellant produced copies of various orders passed in identical circumstances holding that in such cases deduction under Section 10(10C) of the Act would be available to the assessee. The Hon'ble Supreme Court, accordingly, set aside the order of the High Court and allowed the present appeal holding that the appellant shall be entitled to exemption under Section 10(10C) of the Income Tax Act and, as a result, he will also be entitled to the claimed refund.[**Decided in favour of the assessee]**

DIRECTOR OF INCOME TAX-I, PR. COMMISSIONER OF INCOME TAX V/S MITCHELL DRILLING INTERNATIONAL PVT. LTD. [DELHI HIGH COURT]

BRIEF: The amount of service tax collected by the assessee from its various clients should not be included in gross receipt while computing the gross receipts (income) for the purposes of Section 44 BB of the Act. Also, no TDS is required to be made on the service tax component under Sections 194I and 194J of the Act.

OUR COMMENTS: In the above case, the assessee did not include the service tax received from its customers in the gross receipts for determining the taxable income under Section 44BB of the Act. The Assessing Officer ('AO') rejected the contention of the assessee and included the service tax in the gross receipts. The assessee then filed an appeal against the order of the AO, which was allowed by the CIT(A) by an order. The Appeal by the Revenue against the aforementioned order of the CIT (A) has been dismissed by the ITAT.This Appeal by the Revenue is directed against the ITAT order.

The **Hon'ble Delhi High Court held that** for computing the 'presumptive income' under Section 44 BB of the Act, the service tax collected by the assessee is not to be included in the gross receipts. It is not an amount paid or payable, or received or deemed to be received by the assessee for the services rendered by it, but the assessee is only collecting it for passing it to the government.

The Court further cited two CBTDcirculars:
Circular No. 4/2008 dated 28th April 2008where it was clarified that "Service tax paid by the tenant doesn't partake the nature of "income" of the landlord, hence, TDS u/s 194I should be deducted on the amount of rent paid/payable without including the service tax.
Circular No. 1/2014 dated 13th January 2014 where it was clarified that service tax is not to be included in the fees for professional services or technical services and no TDS is required to be made on the service tax component under Section 194J of the Act.**[Decided in favour of the assessee]**

CHATTISGARH

EXEMPTION TO REGISTERD DEALERS FROM PART-C OF FORM-18 AS SPECIFIED IN RULE 20(2)(B)

OUR COMMENTS: The Commercial Tax Department, Government of Chattisgarh**vide Notification No. F-10-37/2015/CT/V (66) dated 30th September, 2015**has exempted registered dealers from furnishing statement within the stipulated period under the rules as specified in col. (1) of the Schedule, below and extends subject to restrictions and conditions specified in col. (2) for the FY11-12, 12-13, 13-14 and 14-15 upto 15-11-2015, 15-12-2015, 31-1-2016 and 31-3-2016 respectively, namely:-

Rule from whichexemption is granted	Restrictions and conditions
(1)	(2)
Part-C of Form- 18 as specified in rule 20(2)(b)	When the information of Part-C is related with purchase or sale within the state of Chhattisgarh of:- (a) Goods specified in Schedule I or goods exempted by notification, or (b) Goods specified in S.No. 1 and 2 of Part III of Schedule II, or (c) Medicine at maximum retail price.

EXEMPTION TO CLASS OF DEALERS FROM CERTAIN CLAUSES OF SECTION 19, 21 AND 41 AND RULE 20 (2) (A)

OUR COMMENTS: The Commercial Tax Department, Government of Chattisgarh **vide Notification No. F-10-37/2015/CT/V (65) dated 30th September, 2015** has exempted the class of dealers, for the specified years from certain provisions of Section 19, 21 and 41 and Rule 20 (2) subject to some restrictions and conditions.

For details please read**Notification No. F-10-37/2015/CT/V (65) dated 30th September, 2015.**

DELHI

MODIFICATION REGARDING SUBMISSION OF INFORMATION ONLINE IN FORM DP-1

OUR COMMENTS: TheDepartment of Trade and Taxes, Government of National Capital Territory of Delhi vide **Notification No.F.3(352)Policy/VAT/2013/818-829 dated 30th September, 2015** has **partiallymodified**Notification **No.F.3(352)/Policy/VAT/2013/625-36 dated 31/08/2015**by notifying that the **Form DP-1** shall be submitted online by all the dealers (registered upto 30/09/2015) **latest by 21/10/2015.**

HIMACHAL PRADESH

AMENDMENT IN SCHEDULE - II

OUR COMMENTS: The Excise and Taxation Department, Government of Himachal Pradesh **vide Notification No. File No. EXN-F(10)-8/2013-Loose dated 3rd October, 2015**has amended Schedule II, Part-E of the Himachal Pradesh Tax on Entry of Goods into Local Area Act, 2010 (Act No. 9 of 2010)as follows:-

In Schedule-II appended to the above Act, for the existing entry No.14 the following shall be substituted, namely:-

Sl. No	Goods	Tax rate
1.	(a) All Industrial Inputs, raw material and packing material including goods mentioned in this Schedule other than goods mentioned at entry No. 9(b), being brought from outside the State for consumption, sale or use in manufacturing, including contract manufacturing, processing, conversion, job-work, assembling or for sale by existing industrial units; and	2%
	(b) All Industrial Inputs, raw material and packing material including goods mentioned in this Schedule other than goods mentioned at entry No.9(b), being brought from outside the State for consumption, sale or use in manufacturing including contract manufacturing, processing, conversion, job-work, assembling or for sale by new industrial units as defined under section 5 of the Himachal Pradesh Tax on Entry of Goods into Local Area Act, 2010. Explanation: (i) 'new industrial unit' means an industrial unit located inHimachal Pradesh which commenced/ commences commercial production on or after 01.4.2015. (ii) 'existing industrial unit' means an industrial unit which has commenced production before 01.04.2015.".	1%

AMENDMENT IN PART-II-'A' OF SCHEDULE 'A'

OUR COMMENTS: The Excise and Taxation Department, Government of Himachal Pradesh **vide Notification No. No.EXN-F(10)-20/2014-Loose dated 1st October, 2015**has amended Part-II-'A' of SCHEDULE 'A' appended to the Himachal Pradesh Value Added Tax Act,2005 (Act No.12 of 2005) as follows:

In Part-II- 'A' of SCHEDULE 'A' appended to the Himachal Pradesh Value Added Tax Act,2005, for item No.13, the following item shall be substituted, namely:-

"Bitumen & Coal-tar of all kinds."

MAHARASHTRA

NO LOCAL BODY TAX ON HSD OIL AND PETROL

OUR COMMENTS: The Urban Development Department, Government of Maharashtra vide **Notification No. LBT. 2015/C.R. 181/UD-32** dated **1st October, 2015** has specified the following categories of goods on which no Local Body Tax shall be leviable w.e.f. 1st October 2015.

1. High Speed Diesel Oil.
2. Petrol.

TRIPURA

AMENDMENT IN SCHEDULE II

OUR COMMENTS: The Finance Department (Taxes and Excise), Government of Tripura vide **Notification No.F.I-11 (62)-TAX/VAT/2014** dated **3rd October, 2015** has amended Schedule II(a) and Schedule II(b) as follows:

1. Amendment in Schedule II(a)

In entry no. 74 after Sl. No. ii) the expressions 'iii) pre-owned / used car' shall be inserted.

2. Amendment in Schedule II(b)

In entry no. 117 after the expressions 'Motor vehicle' the expressions 'other than pre-owned / used car' shall be inserted.

This is issued as a prior notice of 14 days from the date of final notification, as required u/s 16 of the Tripura Value Added Tax Act, 2004.

WEST BENGAL

AMEDMENT INWEST BENGAL VALUE ADDED TAX RULES, 2005, CHAPTER VI, PART I, RULE 26K

OUR COMMENTS: The Finance Department (Revenue), Government of West Bengal vide **Notification No.1605-F.T.** dated **30th September, 2015** has amended West Bengal Value Added Tax Rules, 2005 as follows:

In the said rules, in Chapter VI, in Part I,—

(1) after rule 26K, insert the following rule,—

"**26KA. Deduction from turnover of sales for goods sold to Exide Industries Ltd —**

Where a dealer makes sales of injected moulded plastic containers, their stoppers, lids, handles and caps during the period commencing from 1st April, 2005 and ending on 14th November, 2010 to Exide Industries Ltd., required by Exide Industries Ltd. for the manufacture of storage batteries for sale, such dealer may, for the purpose of determination of his turnover of sales on which tax is payable under clause (ba) of sub-section (2) of section 16, deduct under clause (c) of sub-section (1) of section 16, from his turnover of sales sixty four per centum of that part of turnover of sales which represents sales of such injected moulded plastic containers, their stoppers, lids, handles and caps and he shall, on demand by the appropriate authority under the Act, furnish the relevant tax invoice evidencing such sale."

(2) after rule 26KA so inserted, insert the following rule,-

"26KB. Deduction from turnover of sales for goods sold to Exide Industries Ltd. -

Where a dealer makes sales of injected moulded plastic containers, their stoppers, lids, handles and caps during the period commencing from 15th November, 2010 and ending on 31st March, 2011 to Exide Industries Ltd. required by Exide Industries Ltd. for the manufacture of storage batteries for sale, such dealer may, for the purpose of determination of his turnover of sales on which tax is payable under clause (ba) of sub-section (2) of section 16, deduct under clause (c) of sub-section (1) of section 16, from his turnover of sales sixty six and one half of one per centum of that part of turnover of sales which represents sales of such injected moulded plastic containers, their stoppers, lids, handles and caps and he shall, on demand by the appropriate authority under the Act, furnish the relevant tax invoice evidencing such sale."

2. In this notification, in paragraph 1,—

(a) **sub-paragraph (1)** shall be deemed to have come into force with effect from 1st April, 2005;

(b) **sub-paragraph (2)** shall be deemed to have come into force with effect from 15th November, 2010.

AMEDMENT INWEST BENGAL VALUE ADDED TAX RULES, 2005,CHAPTER VI, PART I, RULE 26F

OUR COMMENTS: The Finance Department (Revenue), Government of West Bengal vide **Notification No.1664-F.T.** dated **30th September, 2015** has amended West Bengal Value Added Tax Rules, 2005 as follows:

In the said rules,

In Chapter VI, in Part-I, in **sub-rule (1) of Rule 26F**, for words- "other than those of Russia and of the countries" substitute the words "other than those of the countries"

This notification shall be deemed to have come into force with effect from 1st day of July, 2014.