Wednesday, June 15, 2011

Notes on AP Vat Returns (Works Contractors)

AP Vat Act: Sec.4 (7) :-

c) Any dealer executing works contracts other than for Government and local authority may opt to pay tax by way of composition at the rate of 4% of the total consideration received or receivable for any specific contract subject to such conditions as may be prescribed;

(d) Any dealer engaged in construction and selling of residential apartments, houses, buildings or commercial complexes may opt to pay tax by way of composition at the rate of 4% of twenty five percent (25%) of the consideration received or receivable or the market value fixed for the purpose of stamp duty whichever is higher subject to such conditions as may be prescribed;

e*)* any dealer having opted for composition under clauses (b) or (c) or (d), purchases or receives any goods from outside the State or India or from any dealer other than a Value Added Tax dealer in the State and uses such goods in the execution of the works contracts, such dealer shall pay tax on such goods at the rates applicable to them under the Act and the value of such goods shall be excluded (from the total turnover) for the purpose of computation of turnover on which tax by way of composition at the rate of four percent (4%) is payable.;

Total Turnover	xxxx
URP and uses such goods in the execution of the works contracts,	(xxx)

	Xxxx

Tax payable on above 25% * 4%   xxxx

URP ` xxx tax payable at the applicable rate under AP Vat Act

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