



## The Mizoram Value Added Tax Act, 2005

Act 1 of 2005

**Keyword(s):**

**Business, Capital Goods, Casual Trader, Contractual Transfer Price, Dealer, Declared Goods, Goods, Input Tax, Manufacture, Output Tax, Place of Business, Purchase, Registered Dealer, Reverse Tax, Sale, Sale Price, Tax, Tax Invoice, Taxable Turnover, Turnover of Sales, Turnover of Purchases, Value Added Tax, Vehicle, Vessel, Zero-rating**

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**THE MIZORAM  
VALUE ADDED TAX ACT  
2005**

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TAXATION DEPARTMENT  
GOVERNMENT OF MIZORAM  
2005

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# THE MIZORAM VALUE ADDED TAX ACT, 2005

**BILL NO. 1 OF 2005**  
**ACT NO. 1 OF 2005**  
**PASSED ON 30.03.2005**

An Act

to provide for the levy of value added tax on sales or purchases of goods in the State of Mizoram and other matters connected therewith.

Whereas it is necessary to make an addition to the revenues of the State of Mizoram and for that purpose, it is expedient to impose a tax on the sale or purchase of goods in Mizoram.

Be it enacted by the Legislative Assembly of Mizoram in the Fifty-fifth Year of Republic of India as follows:

## **CHAPTER I** **PRELIMINARY**

### **1. Short title, extent and commencement**

- (1) This Act may be called the Mizoram Value Added Tax Act, 2005.
- (2) It shall extend to the whole of the State of Mizoram.
- (3) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act.

### **2. Definitions**

In this Act, unless the context otherwise requires :-

- (1) "Act" means the Mizoram Value Added Tax Act, 2005;
- (2) "appointed day", in relation to any provision of this Act, means the date on which such provision came into force as per the provision of subsection (3) of section 1;
- (3) "assessee" means any person by whom tax or any other sum of money is payable under this Act and includes every person in respect of whom any proceedings under this Act have been taken for the assessment of tax payable by him;

- (4) "Assessing Authority" means any person not below the rank of Superintendent of Taxes or by any authority empowered by the Government by notification to make any assesment under this Act;
- (5) "Assistant Commissioner" means any person appointed to be an Assistant Commissioner of Taxes under this Act;
- (6) "Business" includes, -
  - (a) any trade, commerce, manufacture or any adventure or concern in the nature of trade, commerce, manufacture, whether or not such trade, commerce, manufacture, adventure, concern is carried on with a motive to make gain or profit and whether or not any profit accrues from such trade, commerce, manufacture, adventure or concern; and
  - (b) any transaction in connection with, or incidental or ancillary to such trade, commerce, manufacture, adventure or concern;
- (7) "Commissioner" means the Commissioner of Taxes appointed by the Government;
- (8) "capital goods" means plant, machinery and equipment used in the process of manufacturing excluding civil structures;
- (9) "casual trader" means a person who whether as principal, agent or in any other capacity, has occasional transactions involving buying, selling, supplying or distributing goods in the State, whether for cash or for deferred payment, or for commission, remuneration, or other valuable consideration;
- (10) "contractual transfer price", in relation to any period, shall mean the aggregate of the amount received or receivable by a dealer during such period for the transfer of property in goods used by way of accretion or accession in Mizoram in execution of a works contract, whether or not the amount received or receivable for such transfer is shown separately in the works contract, and shall comprise the value of such goods purchased, manufactured, processed or procured otherwise, by the dealer and the cost of freight or delivery as may be incurred by such dealer for carrying such goods to the place where such goods are used in execution of such works contract, but shall not include such portion of the amounts as aforesaid as may be prescribed;
- (11) "dealer" means any person who carries on the business of buying, selling, supplying or distributing goods, executing works contract, delivering any goods on hire-purchase or any system of payment by instalment; transferring the right to use any goods or supplying by way of or as part of any service, any goods directly or otherwise, whether

for cash or for deferred payment, or for commission, remuneration or other valuable consideration and includes :

- (a) a casual trader;
  - (b) a commission agent, a broker or a del credere agent or an auctioneer or any other mercantile agent, by whatever name called,
  - (c) a non-resident dealer or an agent of a non-resident dealer, or a local branch of a firm or company or association or body of persons whether incorporated or not, situated outside the State;
  - (d) a person who, whether in the course of business or not, -
    - (i) sells goods produced by him by manufacture, agriculture, horticulture or otherwise; or
    - (ii) transfers any goods, including controlled goods whether in pursuance of a contract or not, for cash or for deferred payment or for other valuable consideration;
    - (iii) supplies, by way of or as part of any service or in any other manner whatsoever, goods, being food or any other articles for human consumption or any drink (whether or not intoxicating), where such supply or service is for cash, deferred payment or other valuable consideration;
- (12) "declared goods" means goods declared to be of special importance in inter-State trade or commerce under section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956);
- (13) "Deputy Commissioner" means any person appointed to be a Deputy Commissioner of Taxes under this Act;
- (14) "Deputy Commissioner (Appeals)" means any person appointed to be a Deputy Commissioner (Appeals) under this Act;
- (15) "goods" means all kinds of movable property (other than newspapers, actionable claims, electricity, stocks and shares and securities) and includes live stock, all materials, commodities and articles and every kind of property (whether as goods or in some other form) involved in the execution of a works contract, and all growing crops, grass or things attached to, or forming part of the land which are agreed to be severed before sale or under the contract of sale;
- (16) "Government" means the Government of Mizoram;
- (17) "input tax" means the tax paid or payable under this Act by a registered dealer to another registered dealer on the purchase of goods in the course of business for resale or for the manufacture of taxable goods



or for use as containers or packing material or for the execution of works contract;

- (18) "Joint Commissioner" means any persons appointed to be a Joint Commissioner under this Act;
- (19) "manufacture" with its grammatical variations and cognate expressions means producing, making, extracting, altering, ornamenting, finishing, assembling or otherwise processing, treating or adapting any goods and includes printing, but does not include any such process or mode of manufacture;
- (20) "output tax" in relation to any period means the tax payable by a dealer under this Act in respect of any sale or purchase of goods by that dealer during that period in the course of his business;
- (21) "person" includes -
- (a) an individual;
  - (b) a joint family;
  - (c) a company;
  - (d) a firm;
  - (e) an association of persons or a body of individual; whether incorporated or not;
  - (f) the Central Government or the Government of Mizoram or the Government of any other State or Union Territory in India;
  - (g) a local authority;
- (22) "place of business" means any place where a dealer carries on the business and includes-
- (a) any warehouse, go-down, or other place where a dealer stores or processes his goods;
  - (b) any place where a dealer produces or manufactures goods;
  - (c) any place where a dealer keeps his books of accounts;
  - (d) the "place of business" of an agent where a dealer carries on business through such agent (by whatever name called);
  - (e) any vehicle or vessel or any other carrier wherein the goods are stored or used for transporting the goods;
- (23) "prescribed" means prescribed by Rules made under this Act;
- (24) "purchase" with all its grammatical variations and cognate expressions shall be construed from the word "sale";
- (25) "registered dealer" means a dealer registered under this Act;

- (26) "reverse tax" means that portion of input tax of the goods for which credit has been availed but such goods are used subsequently for any purpose other than resale or manufacture of taxable goods or execution of works contract or use as containers or packing materials within the State;
- (27) "sale" with all its grammatical variations and cognate expressions means every transfer of the property in goods, other than by way of mortgage, hypothecation, charge or pledge, by one person to another in the course of trade or business for cash, deferred payment or other valuable consideration and includes :-
- (a) transfer, otherwise than in pursuance of a contract, of property, in goods for cash, deferred payment or other valuable consideration;
  - (b) transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;
  - (c) delivery of goods on hire purchase or any other system of payment by instalments;
  - (d) a transfer of the right to use any goods for any purpose, whether or not for specified period, for cash, deferred payment or any other valuable consideration;
  - (e) a transfer of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or any other valuable consideration;
  - (f) a supply, by way of or as part of any service or in any other manner whatsoever, of goods being food or any other article for human consumption or any drink (whether or not intoxicating) where such supply or service is for cash, deferred payment or other valuable consideration;
  - (g) a transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration, and such transfer, delivery or supply of any goods shall be deemed to be a sale of those goods by the person making the transfer, delivery or supply and purchase of those goods by the person to whom such transfer, delivery or supply is made, but does not include a mortgage, hypothecation, charge or pledge.

Explanation :

- (a) A sale or purchase of goods shall not be deemed to have taken place inside the State if the goods are sold -

- (i) in the course of inter-State trade or commerce ; or
  - (ii) outside the State of Mizoram; or
  - (iii) in the course of import of the goods into or export out of the territory of India;
- (b) Where there is a single contract of sale or purchase of goods situated at more places than one, the provisions of this Explanation shall apply as if there were separate contract in respect of the goods at each of such places.
- (28) "sale price" means the amount of valuable consideration received or receivable by a dealer for the sale of any goods less any sum allowed as cash discount, commission or other commercial rebates on the value of such goods at the time of or before delivery of such goods, but inclusive of any sum charged for anything done by the dealer in respect of the goods or services at the time of or before delivery thereof, excise duty, special excise duty or any other duty or taxes except the tax imposed under this Act;
- (29) "State" means the State of Mizoram;
- (30) "Superintendent of Taxes" means any person appointed to be a Superintendent of Taxes under this Act;
- (31) "tax" means the tax payable under this Act;
- (32) "tax invoice" means an invoice in such form and containing such particulars as may be prescribed and included a statement of account, bill, cash register, slip, receipt or similar record, regardless of its form;
- (33) "taxable turnover" means the turnover on which a dealer shall be liable to pay tax as determined after making such deductions from his total turnover and in such manner as may be prescribed;
- (34) "turnover of sales" in relation to any period, means the aggregate of the sale prices or parts of sale prices received or receivable by a dealer during such period after deducting therefrom the amounts, if any, refunded by the dealer in respect of any goods returned or rejected by the purchaser within three months from the end of such period;

Explanation :

- (i) The turnover of sales in respect of delivery of goods on hire purchase or on any system of payment by instalment shall be the market price of the goods so delivered;

- (ii) The turnover of sales in respect of the transfer of the right to use any goods shall be the aggregate amount received or receivable by the dealer as consideration for such transfer;
- (35) "turnover of purchases" in relation to any period, means aggregate of the purchase prices or parts of purchase prices paid or payable by a dealer during such period in respect of purchases liable to tax under section 9, after deducting there from the amount, if any, refunded to the dealer by the seller in respect of any such purchase of goods returned to the seller;
- (36) "value added tax" means a tax on sales or purchases levied under this Act;
- (37) "vehicle" includes every wheeled conveyance used for the carriage of goods solely or in addition to passengers;
- (38) "vessel" includes any ship, barge, boat, raft, timber, bamboos or floating materials propelled in any manner;
- (39) "works contract" means any agreement for carrying out -
  - (a) the construction, fitting out, improvement or repair of any building, road, bridge, dam or other immovable property; or
  - (b) the installation, fabrication, assembling, commissioning or repair of any plant or machinery, whether or not affixed to any building or other immovable property; or
  - (c) the overhauling or repairing or dismantling of -
    - (i) any motor vehicle, excavator, loader or earthmover,
    - (ii) any seagoing vessel;
    - (iii) any other vessel propelled by mechanical means;
    - (iv) any aircraft; or
    - (iv) any equipment or necessary part of any of the aforesaid items;
  - (d) the fitting out or fabrication, assembling, altering, or reassembling, blending, furnishing, improving, processing or otherwise treating or adapting any goods;

Explanation :

All contracts including sub-contracts in relation to the same works, for the supply of goods or provision of services by any person shall whether they are between the same or different persons and

whether any consideration is stipulated or not, be deemed to be a single contract constituting the works-contract and the provisions of this Act relating to taxation of the transfer of property in goods involved in a works-contract (whether as goods or in some other form) shall apply accordingly;

- (40) "year" means the financial year beginning from 1st April and ending with 31st March.
- (41) "Zero-rating" in relation to sale of goods means a tax levied at the rate of zero on such goods specified in Schedule-II of this Act.

**CHAPTER II**  
**AUTHORITIES**

**3. Tax Authorities**

- (1) There shall be the following classes of Taxing Authorities for the purpose of this Act, namely,
  - (a) Commissioner of Taxes,
  - (b) Joint Commissioner of Taxes,
  - (c) Deputy Commissioner of Taxes,
  - (d) Appellate Deputy Commissioner of Taxes,
  - (e) Assistant Commissioner of Taxes,
  - (f) Superintendent of Taxes,
  - (g) Inspector of Taxes.
- (2) The Government shall appoint Commissioner, as many Joint Commissioners, Deputy Commissioners, Appellate Deputy Commissioners, Assistant Commissioners, Superintendent of Taxes, Inspector of Taxes and such other officers as it thinks fit for the purpose of performing the functions respectively assigned to them by or under this Act. Such officers shall perform the said functions within such local limits as the Government or any authority or officer empowered by it in this behalf may assign to them.
- (3) All officers and persons employed for the execution of this Act shall observe and follow the orders, instructions and directions of the officers superior to them :

Provided that no such orders, instructions or directions shall be issued -

- (a) so as to require any assessing authority to make a particular assessment or to dispose of a particular case in a particular manner otherwise than in accordance with the provision of the Act.  
or
- (b) so as to interfere with the discretion of the Deputy Commissioner (Appeals) in the exercise of his appellate functions.

#### **4. Powers and functions of the Commissioner**

- (1) The Commissioner shall have all the powers and shall perform all the duties conferred or imposed upon him by or under this Act.
- (2) The Commissioner shall have superintendence over all officers and persons employed in the execution of this Act and the Commissioner may -
  - (a) call for returns from such officers and persons;
  - (b) make and issue general rules and specify forms for regulating the practice and proceedings of such officers and persons;
  - (c) issue such orders, instructions and directions to such officers and persons as it may deem fit, for the proper administration of this Act.
- (3) The Commissioner may, by order, in writing and after recording his reasons for doing so :-
  - (a) transfer any case or cases relating to any assessee or class of assesses pending before an Assessing Authority to another Assessing Authority having jurisdiction to deal with such case or cases; or
  - (b) specify one of the assessing authorities having jurisdiction over an area, which shall deal with any case or cases relating to any assessee or class of assesses.

Where any case is transferred to an Assessing Authority under clause (a) of sub-section (3), such Assessing Authority may deal with the case either de novo or from the stage at which it was transferred.

Further, subject to such restrictions and conditions as may be prescribed, the Commissioner may, by order in writing, delegate any of his powers and functions under this Act and the Rules made thereunder to any person appointed under sub-section (1) of section 3.

#### **5. Persons appointed under section 3 to be public servants**

The Commissioner and all officers appointed under section 3 shall be deemed to be public servants within the meaning of section 21 of Indian Penal Code.

#### **6. Indemnity**

No suit, prosecution or other legal proceedings shall lie against any Government servant employed for implementation of the provisions of this Act and Rules made thereunder for anything which is in good faith done or intended to be done thereunder.

## CHAPTER III

### INCIDENCE, LEVY AND RATE OF TAX

#### 7. Incidence of tax

(1) Subject to the other provisions of this Act with effect from the appointed day, every dealer -

- (a) whose gross turnover of sales or contractual transfer price during the year immediately preceding the commencement of this Act -
  - (i) exceeded the taxable limit prescribed under sub-section (5), or
  - (ii) who has been liable immediately before the appointed day to pay tax under section 3 of the Mizoram Sales Tax Act, 1989 (Act No. 8 of 1989) or under section 7 of the Central Sales Tax Act, 1956,
- (b) to whom clause(a) does not apply, and
  - (i) whose gross turnover of sales or contractual transfer price first exceeds the taxable limit during any period of twelve consecutive months, or
  - (ii) who has become liable to pay tax under the Central Sales Tax Act, 1956, or
  - (iii) who is registered as a dealer under the Central Sales Tax Act, 1956 or under this Act at any time after the commencement of this Act,

shall be liable to pay tax in accordance with the provisions of this Act.

(2) Every dealer is liable to pay tax under sub-section (1) on purchases and sales effected by him, -

- (a) in case of clause (a) of sub-section (1), with effect from the date of commencement of business;
- (b) in case of sub-clause (i) of clause (b) of sub-section (1), with effect from the date immediately following the day on which his gross turnover first exceeded the taxable limit during a period of any twelve consecutive months.



- (c) in case of sub-clauses (ii) and (iii) of clause (b) of sub-section (1), with effect from the date of registration or the date on which he becomes so liable whichever is earlier.
- (3) Every dealer who has become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years during each of which his gross turnover has failed to exceed the taxable limit and his liability to pay tax under this Act shall cease on the expiry of the period specified above.
- (4) Every dealer who has ceased to be liable under sub-section (3) shall be again liable to pay tax under this Act with effect from the date immediately following a period not exceeding twelve consecutive months during which his gross turnover again exceeds the taxable quantum.
- (5) For the purpose of this Act, taxable limit means in relation to any dealer who :
- (a) imports for sale any goods into the State of Mizoram on his own behalf or on behalf of his principal - Nil
  - (b) manufactures or produces any goods for sale - Rs. 2,00,000/-
  - (c) is engaged in any business other than clause (a) and (b) - Rs.3,00,000/-
  - (d) is involved in the execution of works contract - Rs.3,00,000/-

*Explanation:*

In the case of works contract, the above taxable limit of Rs. 3,00,000 will relate to the contractual transfer price of goods of the works contractor.

- (6) The Government may, by notification in the Official Gazette, revise any taxable limit prescribed under sub-section (5) and thereupon, such taxable limit shall be deemed to have been revised accordingly.
- (7) For the purpose of calculating the gross turnover of sales to determine the liability to pay tax under the Act -
- (a) except as otherwise expressly provided, the turnover of all sales or as the case may be, the turnover of all purchases shall be taken, whether such sales or purchases are taxable or not, and
  - (b) the turnover shall include all sales and purchases made by a dealer on his own account and also on behalf of principals whether disclosed or not.

- (8) Where, by any order passed under this Act, it is found that any person registered as a dealer ought not to have been so registered, then, notwithstanding any thing contained in this Act, such person shall be liable to pay tax for the period commencing with the date of his registration and ending with the date of such order, as if he were a dealer.

## 8. Levy of tax on sale

(1) The tax payable by a dealer liable to pay tax under section 7 shall be levied on his taxable turnover of sales or on his contractual transfer price as the case may be.

(2) Taxable turnover of sales or taxable contractual transfer price in relation to a dealer liable to pay tax on sale of goods under sub-section (1) of section 7 shall be part of the gross turnover of sales or contractual transfer price during any period which remains after deducting therefrom:

- (a) sales of goods declared as exempt from tax in Schedule 'I';
- (b) sales of zero-rated goods listed in Schedule II;

The sale of zero-rated goods shall notwithstanding anything contained in this Act, be eligible for input tax credit when the goods specified in that Schedule are sold in the course of export out of the country or sold to Special Economic Zones (SEZ)/Export Oriented Units (EOU) by Domestic Tariff Area (DTA).

- (c) labour and non-material cost incurred by the dealer in the execution of works contract or where no such record relating to cost of labour and non-materials are available after deducting such percentage of the turnover of the dealer as specified under column 3 of Schedule-III;
- (d) sales of goods which are shown to the satisfaction of the Commissioner to have taken place -
  - (i) in the course of inter-State trade or commerce, or
  - (ii) outside Mizoram
  - (iii) in the course of the import of the goods into or export of the goods out of the territory of India.

### *Explanation :-*

Sections 3, 4, and 5 of the Central Sales Tax Act, 1956 shall apply for determining whether or not a particular sale or purchase has taken place in the manner indicated in sub-clause (i), sub-clause (ii) or sub-clause(iii).

## **9. Levy of tax on purchases**

Every dealer who in the course of his business purchases any goods -

- (a) from a registered dealer in the circumstances in which no tax under section 8 is payable by that registered dealer on the sale price of such goods, or
- (b) from any other person,

shall be liable to pay tax on the purchase price of such goods, if after such purchase, the goods are not sold within the State of Mizoram or in the course of inter-State trade and commerce or in the course of export out of the territory of India, but are -

- (i) sold or disposed of otherwise, or
- (ii) consumed or used in the manufacture of goods declared to be exempt from tax under this Act, or
- (iii) after their use or consumption in the manufacture of goods, such manufactured goods are disposed of otherwise than by way of sale in the State of Mizoram or in the course of inter-State trade and commerce or export out of the territory of India; or
- (iv) used or consumed otherwise,

and such tax shall be levied at the same rate at which tax under section 8 would have been levied on the sale of such goods within the State on the date of such purchase.

## **10. Levy of tax on containers and packing material**

Where any goods packed in any container or packing material in which such goods are packed shall be deemed to have been sold or purchased along with the goods and the tax under section 8 or section 9 shall be levied on the sale or purchase of such container or packing material at the rate of tax, if any, applicable to the sale, or as the case may be, the purchase of the goods itself;

Provided that no tax under section 8 or section 9 shall be levied where the container or packing material is sold or purchased along with the goods declared as exempt from tax under this Act.

## **11. Rate of tax**

- (1) The tax payable by a dealer under this Act shall be levied on his taxable turnover of sales at such rates as specified in Schedule II, and

subject to such conditions as the Government may from time to time impose.

- (2) The tax payable by a dealer on his taxable contractual transfer price, shall be levied at the rate as specified in Schedule III.
- (3) The State Government may, by notification in the official Gazette, add to or omit from any Schedule any entry or entries or transpose any entry or entries from one Schedule to another or modify or vary any entry of entries or the rate or rates or the stage or stages of levy of tax or the deductions specified in any Schedule and, thereupon, such Schedule or Schedules shall be deemed to have been amended accordingly.

## **12. Exemptions**

The sale of goods as specified in Schedule I shall be exempt from tax under this Act subject to conditions and exceptions set out therein.

## **13. Tax payable**

- (1) The net tax payable by a registered dealer for a tax period shall be the difference between the output tax plus purchase tax, if any, and the input tax, which can be determined from the following formula :

$$\text{Net tax payable} = (O + P) - I$$

Where 'O' denotes the output tax payable for any tax period, 'P' denotes the purchase tax paid by a registered dealer for any tax period as determined under section 9 and 'I' denotes the input tax paid or payable for the said tax period.

- (2) The net tax payable by a dealer liable to pay tax but not registered under this Act for a tax period shall be equal to the output tax payable for the said tax period.
- (3) If the amount calculated under sub-section (1) is a negative quantum -
  - (a) the same shall be adjusted against the tax liability, if any, under the Central Sales Tax Act, 1956 at the option of the dealer for the said tax period and only the remaining amount of the Central Sales Tax shall be payable; or
  - (b) any amount of credit remaining after such adjustment shall be carried forward to the next tax period.

## **14. Input tax credit.**

- (1) Subject to the provisions of this Act, for the purpose of calculating the net tax payable by a registered dealer for any tax period after being

registered, an input tax credit as determined under this section shall be allowed to such registered dealer for the tax paid or payable in respect of all taxable sales.

- (2) The input tax credit to which the registered dealer is entitled shall be the amount of tax paid by the registered dealer to the seller, on his turnover of purchases made during the tax period, intended to be used for the purposes and subject to the conditions as specified in sub-section (3), sub-section (4) and sub-section (5).
- (3) Subject to such conditions and restrictions as may be prescribed, partial input tax credit may be allowed in such cases as may be notified by the Government.
- (4) Input tax credit shall be allowed for purchase of goods made within the State of Mizoram from a registered dealer holding a valid certificate of registration and which are intended for the purpose of -
  - (a) sale or resale by him in the State of Mizoram; or
  - (b) use as raw material or as capital goods in the manufacturing and processing of goods other than those exempt from tax under this Act intended for sale in the State of Mizoram; or
  - (c) sale in the course of export out of the territory of India; or
  - (d) for use as containers for packing of goods other than those exempt from tax under this Act for sale or resale in the State of Mizoram.

Provided that if purchases are used partially for the purposes specified in this sub-section, input tax credit shall be allowed proportionate to the extent they are used for the purposes specified in this sub-section.

- (5) Input tax credit on capital goods shall be limited to plant and machinery directly connected with the manufacturing or processing of the finished products and input credit as admissible under this section shall commence from the date of commencement of commercial production and shall be adjusted against tax payable on output over a period of three years;

Provided that in case of closure of business before the period specified above, no further input tax credit shall be allowed and input tax credit carried forward, if any, shall be forfeited.

- (6) Input tax credit shall not be claimed by the dealer until the tax period in which the dealer receives the tax invoice in original containing the prescribed particulars of the sale evidencing the amount of input tax:

Provided that for good and sufficient reasons to be recorded in writing the Commissioner may allow such credit subject to such conditions and restrictions as may be specified.

- (7) A registered dealer who intends to claim input tax credit under sub-section (1) shall, for the purpose of determining the amount of input tax credit, maintain accounts, and such other records as may be prescribed in respect of the purchases and sales made by him in the State of Mizoram.
- (8) No input tax credit under sub-section (1) shall be claimed by or be allowed to a registered dealer -
  - (a) in respect of any taxable goods under this Act purchased by him from another registered dealer for resale but give away by way of free sample or gift;
  - (b) who has been permitted by the Commissioner to make payment of presumptive tax at a percentage of the turnover of sales in lieu of tax as specified under section 20;
  - (c) in respect of capital goods other than those directly used for manufacturing or processing of goods for sale;
  - (d) in respect of goods brought from outside the State against the tax paid in other States;
  - (e) in respect of stock of goods remaining unsold at the time of closure of business;
  - (f) in respect of goods purchased on payment of tax, if such goods are not sold because of any theft;
  - (g) where the tax invoice is -
    - (i) not available with the dealer, or
    - (ii) there is evidence that the same has not been issued by the selling dealer from whom the goods are purported to have been purchased;
  - (h) in respect of goods purchased from a dealer whose certificate of registration has been suspended;
  - (i) in respect of goods used for transfer of stock other than by way of sale outside the State of Mizoram;
  - (j) in respect of sales exempt from tax as specified in Schedule - I and ;

- (k) in respect of raw materials used in manufacture or processing of goods where the finished products are despatched other than by way of sales :

Provided that in respect of transactions falling under clause (i), input tax credit may be allowed on the tax paid in excess of 4% on the raw materials used directly in the manufacture of the finished products.

- (9) If goods purchased are intended for use specified under sub-section (4) or loss of goods arising out of theft or destruction for any reason or the stock of goods remaining unsold at the time of closure of business and are subsequently used, fully or partly, for purposes other than those specified under the said sub-section, the input tax credit availed at the time of such purchase shall be reduced from the tax credit for the period during which the said utilization has taken place :

Provided that if part of the goods purchased are utilised otherwise, the amount of reverse tax credit shall be proportionately calculated in a manner that is just and reasonable.

- (10) The methods that are used by a registered dealer in a year to determine the extent to which goods are used, consumed or supplied or intended to be used, consumed or supplied, in the course of making taxable sales, shall be fair and reasonable in the circumstances. The Commissioner may, after giving sufficient reason in writing, reject the method adopted by the registered dealer and calculate the amount of input tax credit after giving the registered dealer concerned an opportunity of being heard.
- (11) Subject to the provisions of this section, input tax credit shall be allowed to a registered dealer in respect of the goods purchased by him prior to the appointed date and lying in stock on the date immediately preceding the appointed date.

#### **15. Input tax credit exceeding tax liability.**

- (1) If the input tax credit of a registered dealer other than an exporter selling goods outside the territory of India as determined under section 16 of this Act for a period exceeds the tax liability for that period, the excess credit shall be set off against any outstanding tax, penalty or interest under this Act.
- (2) The excess input tax credit after adjustment under sub-section (1) may be carried over as an input tax credit to the subsequent period or periods.
- (3) In case where input tax credit is carried forward, a quarterly credit statement may be forwarded to the dealer concerned and the claims reconciled accordingly.

**16. Adjustment of input tax credit.**

Where any purchaser, being a registered dealer, has been issued with a credit note or debit note in terms of sub-section (1) of section 20 or if he returns or rejects goods purchased, as a consequence of which, the input tax credit availed by him in any period in respect of which the purchase of goods relates, becomes less or excess, he shall compensate such less credit or excess credit by adjusting the amount of tax credit allowed to him in respect of the tax period in which the credit note or debit note has been issued or goods are returned subject to conditions as may be prescribed.

**17. Burden of proof.**

In respect of any sale or purchase effected by a dealer the burden of proving that he is not liable to pay tax under section 8, section 9 or that he is eligible to input tax credit under section 16 shall be on him.

**18. Levy of presumptive tax on registered retailers.**

All registered retailers whose gross turnover of sales does not exceed rupees ten lakhs, subject to such conditions and restrictions as may be prescribed shall, pay in lieu of the tax as specified under section 8 or section 9, a tax at such percentage of the entire annual taxable turnover of such sales and purchases as the Government may, by order, notify, subject to the condition that no input tax credit shall be available to such dealers:

Provided that payment of tax under this section shall not apply to a registered dealer who imports goods from outside the State for the purpose of carrying out his business;

Provided further that a registered retail dealer may, by exercising option in the prescribed manner, elect to pay tax as specified under section 8 or section 9 of this Act in lieu of the provisions of this section.

**19. Powers of Government to amend Schedules.**

The Government may, by notification in the official Gazette, add to, amend or alter any Schedule to this Act.

**20. Credit notes and Debit notes.**

- (1) Where a tax invoice has been issued and the amount shown as tax charged in the tax invoice exceeds the tax payable under this Act in respect of that sale, the registered dealer making the sale shall provide the purchaser with a credit note containing the requisite particulars as may be prescribed.
- (2) Where the tax invoice has been issued and the tax payable under this Act in respect of the sales exceeds the amount of tax charged in that



tax invoice the registered dealer making the sale shall provide the purchaser with a debit note containing the requisite particulars as may be prescribed.

- (3) In case of goods returned or rejected by the purchaser, a credit note shall be issued by the selling dealer to the purchaser and a debit note will be issued by the purchaser to the selling dealer containing the particulars as may be prescribed.

## CHAPTER IV

### REGISTRATION OF DEALERS, AMENDMENT AND CANCELLATION OF REGISTRATION CERTIFICATES

#### 21. Compulsory registration of dealers

- (1) No dealer shall, while being liable to pay tax, carry on business as a dealer unless he has been registered and possesses a certificate of registration:

Provided that a dealer liable to pay tax shall be allowed two months' time from the date from which he is first liable to pay such tax to get himself registered;

Provided further that any dealer including each partner of a partnership firm and each shareholder of a registered company who is required to obtain an Inner Line Permit under the Bengal Eastern Frontier Regulation, Act, 1873 for entering into the State of Mizoram shall, before granting certificate of registration under this Act, comply with the conditions laid down in the said Regulation or any other Regulation being in force in the State or in any part of the State or by an order passed by the Government under section 83 as the case may be.

- (2) Every dealer required by sub-section (1) to be registered shall make an application in this behalf in the prescribed manner to the prescribed authority and such application shall be accompanied by a declaration in the prescribed form duly filled in and signed by the dealer specifying therein the class or classes of goods dealt in or manufactured by him.

Provided that a dealer who has become liable to pay tax under this Act and who is registered under the Mizoram Sales Tax Act, 1989, on the day immediately preceding the appointed day, shall, be deemed to have been registered under this Act.

Provided further that where any dealer who has been registered on any day before the appointed day and continues to be so registered on the day immediately before such appointed day under the Mizoram Sales Tax Act, 1989 and is liable to pay tax under this Act on such appointed day, the appropriate assessing authority shall issue to such dealer a certificate of registration under this Act in such manner as may be prescribed.

- (3) If the said authority is satisfied that an application for registration is in order, he shall, in accordance with such manner, grant registration to the applicant and issue a certificate of registration in the prescribed

form which shall specify the class or classes of goods dealt in or manufactured by him.

- (4) Where the application for registration is made under this section, the prescribed authority shall grant him the certificate of registration from the date of filing such application :

Provided that the prescribed authority shall grant to such dealer the certificate of registration from the date of commencement of his liability to pay tax where the application for registration is made within thirty days of such date.

- (5) The prescribed authority may, from time to time, amend any certificate of registration in accordance with information furnished or otherwise received, and such amendment may be made with retrospective effect in such circumstances and subject to such restrictions and conditions as may be prescribed.

- (6) When -

(a) any business in respect of which a certificate of registration has been granted to a dealer on an application made, has been discontinued, or

(b) a dealer has ceased to be liable to pay tax; or

(c) an incorporated body is closed down or if it otherwise ceases to exist; or

(d) the owner of an ownership business dies leaving no successor to carry on business; or

(e) in case of a firm or association of persons if it is dissolved or

(f) a person or dealer is registered by mistake, or

(g) a dealer fails to furnish return and pay tax and interest according to such return or returns within the time extended,

the prescribed authority shall cancel the registration of such dealer.

- (7) The cancellation of registration will take effect from the end of the period in which it is cancelled unless it is to take effect from a different date as ordered by the prescribed authority.

- (8) When any dealer to whom a certificate of registration is granted, has failed to pay any tax, penalty or interest payable under this Act or has failed to furnish return, the certificate of registration of such dealer may

be suspended by the appropriate Assessing Authority in the manner as may be prescribed.

Provided that the certificate of registration of a dealer shall not be suspended if he has furnished return or returns within the date prescribed in the notice and has paid tax, penalty or interest payable under this Act by such date, as the Commissioner may extend upon an application filed by the dealer within 15 days from the date by which he is required to file such return or returns or make payments of tax, interest or penalty, as the case may be.

- (9) Suspension of certificate of registration will be withdrawn and registration certificate shall be restored on an application made by the dealer on furnishing evidence of payment of all taxes and on furnishing of overdue return or returns within 45 days from the date of suspension.
- (10) If certificate of registration of a dealer is suspended or if the suspension is withdrawn, the information will be made public through publication in Official Gazette and insertion of notice in Newspapers.

## **22. Imposition of penalty for failure to get registered.**

- (1) If a dealer, who is required to get himself registered within two months from the date from which he is first liable to pay tax fails to get himself so registered, the prescribed authority may, after giving the dealer an opportunity of being heard, by order impose by way of penalty a sum, not less than five thousand rupees and not exceeding ten thousand rupees, for each month of default:

Provided that, no penalty shall be imposed under this sub-section in respect of the same fact for which a prosecution has been instituted and no such prosecution shall lie in respect of a fact for which a penalty has been imposed under this section.

- (2) If any penalty is imposed under sub-section (1), the prescribed authority shall issue a notice in the prescribed form directing the dealer to pay such penalty by such date as may be specified in the notice, and the date to be specified shall not be less than fifteen days from the date of service of such notice and the penalty so imposed shall be paid by the dealer into a Government Treasury or the Reserve Bank of India by the date so prescribed.

Provided that the prescribed authority may, for reasons to be recorded in writing, extend the date of such payment as specified in the notice in this behalf or allow such dealer to pay the penalty imposed in such number of instalments as he may determine.

## CHAPTER V

### RETURNS, ASSESSMENT, RECOVERY AND REFUND OF TAX

#### 23. Periodical returns and payment of tax.

- (1) Every registered dealer shall furnish return in such form for such period, by such dates and to such authority, as may be prescribed:

Provided that the Commissioner may, subject to such conditions and restrictions as may be prescribed, exempt any such dealer or class of dealers from furnishing such returns or permit any such dealer -

- (a) to furnish them for such different periods; or
- (b) to furnish a consolidated return relating to all or any of the places of business of the dealer in the State of Mizoram for the said period or for such different periods and to such authority, as he may direct.
- (2) If the Commissioner has reason to believe that the turnover of sales or the turnover of purchases of any dealer is likely to exceed or has exceeded the taxable limit as specified in sub-section (5) of section 7, he may, by notice served in the prescribed manner, require such dealer to furnish return as if he were a registered dealer, but no tax shall be payable by him unless his gross turnover exceeds the taxable limit prescribed under sub-section (5) of section 7.
- (3) If any dealer having furnished returns under sub-section (1) or sub-section (2), discovers any omission or any other error in the return so filed, he may furnish a revised return before the expiry of three months next following the last date prescribed for furnishing the original return relating to the tax period.
- (4) Every dealer required to file return under sub-section (1) or sub-section (2) shall pay the full amount of tax payable according to the return or the differential tax payable according to the revised return furnished, if any, into the Government Treasury or in such other manner as may be prescribed, and shall furnish along with the return or revised return, as the case may be, a receipt showing full payment of such amount.
- (5) Every return under this section shall be signed and verified -
- (a) in case of an individual, by the individual himself, and where the individual is absent, by some person duly authorised by him in this behalf;
- (b) in the case of a Hindu Undivided family, by the Karta;

- (c) in the case of a company or local authority, by the principal officer or Chief Executive Officer thereof;
- (d) in the case of a firm, by any partner thereof not being minor;
- (e) in the case of any other association, by the person competent to act on behalf of the association.

*Explanation :-*

For this purpose the expression "principal officer" shall have the meaning assigned to it under clause (35) of section 2 of the Income Tax Act, 1961.

**24. Return defaults -**

- (1) If a dealer required to file return under sub-section (1) or sub-section (2) of section 23,-
  - (a) fails without sufficient cause to pay the amount of tax due as per the return for any tax period; or
  - (b) furnishes a revised return under sub-section (3) of section 23 showing a higher amount of tax to be due than was shown by him in the original return; or
  - (c) fails to furnish return ;

such dealer shall be liable to pay interest in respect of, -

- (i) the tax payable by him according to the return; or
- (ii) the difference of the amount of tax according to the revised return; or
- (iii) the tax payable for the period for which he has failed to furnish return;

at the rate of 2% per month from the date the tax payable had become due to the date of its payment or to the date of order of assessment, whichever is earlier.

*Explanation:-*

For the purpose of this section, the expression "month" shall mean thirty days and the interest payable in respect of a period of less than one month shall be computed proportionately.

- (2) If a registered dealer, without sufficient cause, fails to pay the amount of tax due and interest along with return or revised return in

accordance with the provisions of sub-section (1), the Commissioner may, after giving the dealer reasonable opportunity of being heard, direct him to pay in addition to the tax and the interest payable by him a penalty, at the rate of 2% per month on the tax and interest so payable from the date it had become due to the date of its payment or to the date of its payment or to the date of order of assesment, whichever is earlier.

- (3) If a registered dealer or any other dealer required to furnish return under sub-section (2) of section 23, without any sufficient cause -
- (a) fails to comply with the requirements of the notice issued under sub-section (2) of section 23; or
  - (b) fails to furnish any return by the prescribed date as required under sub-section (2) of section 23; or
  - (c) being required to furnish revised return, fails to furnish the revised return by the date prescribed under sub-section (3) of section 23; or
  - (d) having paid the tax payable according to a return in time, fails to furnish along with the return proof of payment made in accordance with sub-section (4) of section 23;

the Commissioner may, after giving the dealer reasonable opportunity of being heard, direct him to pay in addition to any tax, interest and penalty under sub-section (3) payable or paid by him, a penalty of a sum of rupees not exceeding one hundred per day of default subject to a maximum of rupees ten thousand.

- (4) Any penalty imposed under this section shall be without prejudice to any prosecution for any offence under this Act.
- (5) For the purposes of this Act, any return signed by a person who is not authorised under sub-section (5) of section 23 shall be treated as if no return has been filed.

## **25. Collection of tax only by registered dealers**

- (1) No person who is not a registered dealer shall collect in respect of any sale of goods by him in the State of Mizoram any amount by way of tax under this Act and no registered dealer shall make any such collection except in accordance with the provisions of this Act and the Rules made thereunder and not beyond the rate specified.
- (2) Notwithstanding anything contained in sub-section (1), a registered dealer who has been permitted by the Commissioner to pay presumptive tax under section 18 shall not collect any sum by way of

tax on the sale of goods during the period to which such payment relates.

## **26. Rounding off of the amount of tax or penalty**

The amount of tax or penalty payable or refundable for any period under the provisions of this Act shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee, then, if such part is fifty paise or more, it shall be increased to one rupee and, if such part is less than fifty paise, it shall be ignored.

## **27. Scrutiny of returns**

- (1) Each and every return in relation to any tax period furnished by a registered dealer to whom notice has been issued by the Commissioner under section 25 shall be subject to scrutiny by the Assessing Authority to verify the correctness of calculation, application of correct rate of tax and interest and input tax credit claimed therein; and full payment of tax and interest payable by the dealer during such period.
- (2) If any mistake is detected as a result of such scrutiny made as per the provisions of sub-section (1) and if any extra amount of tax is payable, the Assessing Authority shall serve a notice in the prescribed form on the dealer to make payment of such extra amount of tax along with the interest as per the provisions of this Act, by a date specified in the said notice.

## **28. Tax audit**

- (1) The Commissioner or any other officer as directed by him shall undertake tax audit of the records, stock in trade and the related documents of the dealer, who are selected by the Commissioner in the manner as may be prescribed for the purpose.
- (2) The tax audit shall be generally taken up in the office, business premises or warehouse of the dealer.
- (3) For the purpose of tax audit under sub-section (1), the Commissioner or any other officer directed by him shall examine the correctness of return or returns filed and admissibility of various claims including input tax credit.

## **29. Self assessment**

- (1) Subject to provisions of sub-section (2), the amount of tax due from a registered dealer or a dealer liable to be registered under this Act shall be assessed in the manner hereinafter provided, for each tax period or tax periods during which the dealer is so liable.



- (2) Notwithstanding anything contained in this section, if a registered dealer has failed to furnish return or returns under sub-section (1) of section 23 in respect of any tax period or periods, the Commissioner shall proceed to make provisional assessment under section 30.
- (3) If a registered dealer has filed the return in respect of any tax period within the prescribed time and the return so filed is found to be in order, it shall be accepted as self assessment subject to adjustment of any arithmetical error apparent on the face of the said return.

### **30. Provisional assessment**

- (1) Where a registered dealer fails to furnish the return in respect of any tax period within the prescribed time, the Commissioner shall, notwithstanding anything contained in section 31, proceed to assess the dealer provisionally for the period for such default.
- (2) The provisional assessment under sub-section (1) shall be made on the basis of past returns, or past records; where no such returns are available, on the basis of information received by the Commissioner and the Commissioner shall direct the dealer to pay the amount of tax assessed in such manner and by such date as may be prescribed.
- (3) If the dealer furnishes return along with evidence showing full payment of tax, interest, penalty, if any, on or before the date of payment specified under sub-section (2), a provisional assessment made under sub-section (1) shall stand revoked to the extent of the tax demanded, interest levied and penalty imposed, on the date on which such return is filed by the dealer.
- (4) Nothing contained in this section shall prevent the Commissioner from making assessment under section 31 and any tax, interest or penalty paid against provisional assessment shall be adjusted against tax, interest and penalty payable on final assessment under that section.

### **31. Audit assessment**

- (1) Where -
  - (a) a registered dealer has failed to furnish any return under sub-section (1) of section 23 in respect of any period; or
  - (b) a registered dealer is selected for audit assessment by the Commissioner on the basis of any criteria or on random basis; or
  - (c) The Commissioner is not satisfied with the correctness of any return filed under section 23; or bona fides of any claim of exemption, deduction, concession, input tax credit or genuineness of any declaration, evidence furnished by a registered dealer in support thereof; or

- (d) the Commissioner has reasons to believe that detailed scrutiny of the case is necessary,

the Commissioner may, notwithstanding the fact that the dealer may already have been assessed under section 30, serve on such dealer in the prescribed manner a notice requiring him to appear on a date and place specified therein, which may be in the business premises or at a place specified in the notice, to either attend and produce or cause to be produced the books of account and all evidence on which the dealer relies in support of his returns including tax invoice, if any, or to produce such evidence as specified in the notice.

- (2) The dealer shall provide full cooperation and assistance to the Commissioner to conduct the proceedings under this section at his business premises.
- (3) If proceedings under this section are to be conducted at the business premises of the dealer and it is found that the dealer or his authorised representative is not available or not functioning from such premises, the Commissioner shall assess to the best of his judgement the amount of tax due from him.
- (4) If the Commissioner is prevented from conducting the proceedings under this section, the Commissioner may demand, a sum equal to the amount of tax so assessed, by way of penalty.
- (5) The Commissioner shall, after considering all the evidence produced in course of the proceedings or collected by him, proceed to assess the dealer on the basis of such evidence.
- (6) If any dealer -
- (a) has not furnished returns in respect of any period by the prescribed date; or
  - (b) has furnished incomplete and incorret returns for any period; or
  - (c) has failed to comply with any notice under sub-section (1) or sub-section (3); or
  - (d) has failed to maintain accounts in accordance with the provisions of this Act or has not regularly employed any method of accounting;

the Commissioner shall assess to the best of his judgement the amount of tax due from such dealer.

- (7) If the Commissioner is satisfied that the dealer, in order to evade or avoid payment of tax -
- (a) has failed to furnish without reasonable cause, returns in respect of any period by the prescribed date; or
  - (b) has furnished incomplete and incorrect returns for any period; or
  - (c) has availed tax credit to which he is not entitled to or
  - (d) has employed such method of accounting which does not enable the Commissioner to assess the tax due from him;

he shall, after giving the dealer reasonable opportunity of being heard, direct that the dealer shall pay, by way of penalty, a sum not exceeding twice the amount of tax assessed on account of the said reasons under this section.

### **32. Assessment of dealer who fails to get himself registered**

- (1) If the Commissioner, upon information which has come into his possession, is satisfied that any dealer who has been liable to pay tax under this Act, in respect of any period, has failed to get himself registered, he shall proceed in such manner as may be prescribed to assess to the best of his judgement the amount of tax due from the dealer in respect of such period and all subsequent periods and in making such assessment, he shall give the dealer reasonable opportunity of being heard.
- (2) The Commissioner may, if he is satisfied that the default was without reasonable cause, direct that the dealer shall pay, by way of penalty, in addition to the amount of tax so assessed, a sum equal to the amount of tax assessed or a sum of rupees ten thousand whichever is greater.

### **33. No assessment after five years**

- (1) No assessment under section 31 or section 32 shall be made after the expiry of five years from the end of the tax period to which the assessment relates:

Provided that in case of offence under this Act for which proceeding for prosecution has been initiated, the limitation as specified in this subsection shall not apply.

- (2) Any assessment made or penalty imposed under this Chapter shall be without prejudice to prosecution for any offence under this Act.

### **34. Turnover escaping assessment**

- (1) Where, after a dealer is assessed under section 31 or section 32 for any year or part thereof, the Commissioner has reason to believe that the whole or any part of the turnover of the dealer in respect of any period has,
  - (a) escaped assessment; or
  - (b) been under assessed; or
  - (c) been assessed at a rate lower than the rate at which it is assessable;
  - (d) been wrongly allowed any deduction therefrom; or
  - (e) been wrongly allowed any credit therein,

the Commissioner may serve a notice on the dealer and after giving the dealer reasonable opportunity of being heard and making such enquiries as he considered necessary, proceed to assess to the best of his judgement, the amount of tax due from the dealer in respect of such turnover, and the provisions of this Act shall, so far as may be, apply accordingly.

- (2) No order of assessment and reassessment shall be made under subsection (1) after the expiry of five years from the end of the year in respect of which or part of which the tax is assessable.

### **35. Exclusion of time period for assessment**

In computing the period of limitation specified for assessment or reassessment, as the case may be, the time during which any assessment or reassessment proceeding remained stayed under the order of a competent Court shall be excluded.

### **36. Power of reassessment in certain cases**

- (1) Where any order passed by the Commissioner in respect of a dealer for any period is found to be erroneous or prejudicial to the interest of revenue consequent to, or in the light of any judgement or order of any Court or Tribunal, which has become final, then notwithstanding anything contained in this Act, the Commissioner may proceed to reassess the tax payable by the dealer in accordance with such judgement or order, at any time within a period of three years from the date of the judgement or order.
- (2) Where any Court or Tribunal passes an order in appeal or revision to the effect that any tax assessed under this Act or the Central Sales Tax Act, 1956 should have been assessed under the provision of a law

other than that under which it was assessed, then in consequence of such order or to give effect to any finding or direction contained in such order, such turnover and part thereof, may be assessed or reassessed, as the case may be, to a tax at any time within five years from the date of such order, notwithstanding any limitation period which would otherwise be applicable to the assessment or reassessment made.

### **37. Payment and recovery of tax, penalty and interest**

- (1) Tax shall be paid in the manner herein provided and at such intervals as may be prescribed.
- (2) A registered dealer furnishing returns under sub-section (1) of section 23 shall pay into Government Treasury, in such manner and at such interval as may be prescribed, the amount of tax due from him for the period covered under the return along with the amount of penalty or interest or both payable by him under section 23 and shall furnish a receipt from the Treasury showing the payment of such amount.  
(3) A registered dealer furnishing a revised return in accordance with the sub-section (3) of section 23, which shows that a greater amount of tax is due than was paid or payable in accordance with the original return, shall furnish along with the return a receipt showing payment of the different amount in the manner provided in sub-section (2).
- (4) (a) The amount of tax-
  - (i) due where returns have been filed without full payment of tax due; or
  - (ii) assessed under section 30, section 31 and section 32 less the sum already paid in respect of such period together with interest, if any, required to be paid and the penalty, if any, imposed under sub-section (4) of section 31 or sub-section (7) of section 31 or sub-section (2) of section 32.

(b) the amount of penalty imposed under any provision of this Act not covered under sub-clause (ii) of clause (a); or

(c) any other dues under this Act,

shall be paid by the dealer within such time and manner as may be prescribed.
- (5) Where a dealer fails to make payment of the tax assessed or interest levied or penalty imposed on him or any other amount due from him under this Act within thirty days of the date of service of the notice of demand, the Commissioner shall, after giving the dealer reasonable opportunity of being heard, direct that such dealer shall, in addition to the amount due pay, by way of penalty, a sum equal to 2% of such amount of tax, penalty, interest or any other amount due, for every month, for the period for which payment has been delayed by him after the date on which such amount was due to be paid.

- (6) The amount that remains unpaid after the due date of payment in pursuance of the notice issued under sub-section (4) and sub-section (5) shall be recoverable as arrears of land revenue.
- (7) Where in pursuance of sub-section (6), any proceeding for the recovery as an arrears of land revenue of any tax, penalty, interest or part thereof or any other amount remaining unpaid, have been commenced and the amount of tax, penalty, interest or any other amount is subsequently enhanced or reduced as a result of any assessment made or order passed in the appeal, revision or rectification under this Act, the Commissioner may, in such manner and within such period as may be prescribed, inform the dealer and the authority by whom or under whose order the recovery is to be made and there upon such proceeding may be continued as if the amount of tax, penalty, interest or any other amount as modified, enhanced or reduced, had been substituted for the tax, penalty, interest or any other amount which was to be recovered under sub-section (6).

### **38. Special mode of recovery**

- (1) Notwithstanding anything contained in any law or contract to the contrary, the Commissioner may at any time or from time to time, by notice in writing (a copy of which shall be forwarded to the dealer at his last known address) require any person who holds or may subsequently hold any money for, or on account of such dealer, to pay into Government Treasury in the manner specified in the notice, either forthwith or upon the money becoming due or being held, or at or within the time specified in the notice not being before money becomes due or is held, so much of the money as is sufficient to pay the amount of tax due from the dealer or penalty or both, as the case may be, under this Act, or the whole of the money when it is less than that amount.
- (2) The Commissioner may, from time to time, amend or revoke any such notice or extend the time for making such payment in pursuance of the notice issued under sub-section (1).
- (3) Any person making any payment in compliance with a notice issued under sub-section (1) shall be deemed to have made the payment under the authority of the dealer and the receipt from the Government Treasury shall construe a good and sufficient discharge of the liability of such person to the dealer to the extent of the amount specified in the receipt.
- (4) Any person discharging liability to the dealer after service on him the notice issued under sub-section (1) shall, if the liability is discharged in any manner other than that required under the said notice, be personally liable to the State Government to the extent of the liability discharged or to the extent of the liability of the dealer for tax or penalty, or both, whichever is less.

- (5) Where a person on whom a notice is served under sub-section (1) proves to the satisfaction of the Commissioner that the money demanded or any part thereof were not due to the dealer, or that he did not hold any money for or on account of the dealer, at the time the notice was served on him, nor is the money demanded or any part thereof is likely to become due to the dealer or be held for on account of the dealer, then such person shall not be liable to pay into Government's Treasury any such money or part thereof.
- (6) Any amount of money which a person is required to pay under sub-section (1) or for which he is personally liable under sub-section (4) shall, if it remains unpaid, be recoverable in the same manner as provided under sub-section (6) of section 37:

Provided that nothing in this section shall operate to affect any action taken or prevent any action that may be or is being taken under section 39 for recovery from the dealer the amount due from him.

### **39. Collection of tax by dealer**

- (1) If any person -
  - (a) not being a dealer liable to pay tax under this Act, collects any sum by way of tax; or
  - (b) being a registered dealer, collects any amount by way of tax in excess of the tax payable by him,

shall be liable, in addition to the tax for which he may be liable, to a penalty of an amount equal to twice the sum so collected by way of tax.
- (2) If the Commissioner in the course of any proceeding under this Act or otherwise has reason to believe that any person has become liable to a penalty, or forfeiture, or both, under sub-section (1), he shall serve on such person a notice in the prescribed form requiring him to appear and show cause as to why a penalty or forfeiture or both of any sum as provided under sub-section (1) should not be imposed on him.
- (3) The Commissioner shall thereupon hold an inquiry as he deems necessary and shall make such order as he deems fit.

### **40. Sales not liable to tax**

- (1) Notwithstanding anything contained in this Act, a value added sales tax shall not be imposed under this Act -
  - (a) where such sale or purchase takes place in the course of inter State trade and commerce; or

- (b) where such sale or purchase takes place in the course of import of goods into the territory of India or export of goods out of the territory of India.
- (2) For the purpose of this section whether a sale or purchase takes place-
- (a) outside the State of Mizoram; or
  - (b) in the course of inter State trade and commerce; or
  - (c) in the course of imports of goods into the territory of India or export of goods out of the territory of India,

shall be determined in accordance with the provisions of section 3, section 4, and section 5 of the Central Sales Tax Act, 1956.

#### **41. Tax to be first charge on property**

Notwithstanding anything to the contrary contained in any law for the time being in force, any amount payable by a dealer under this Act on account of tax, penalty or interest or any amount which a person is required to pay under this Act shall be a first charge on the property of the dealer or such person.

#### **42. Period of limitation for recovery of tax**

Notwithstanding anything contained in any law for the time being in force, no proceeding for recovery of any amount under sub-section (1) (b) of section 39 shall be initiated after the expiry of five years from the date of the relevant assessment:

Provided that when an appeal or revision has been filed, the period of limitation shall run from the date on which the amount due is finally determined.

#### **43. Refund**

- (1) Subject to other provisions of this Act and the Rules made thereunder, the Commissioner shall, refund to a dealer the amount of tax, penalty and interest, if any, paid by such dealer in excess of the amount due from him.
- (2) Where any refund is due to any dealer according to return furnished by him for any period, such refund may provisionally be adjusted by him against the tax due or tax payable as per the returns filed under section 23 for any subsequent period in the year.



Provided that, the amount of tax or penalty, interest or sum forfeited or all of them due from, and payable by the dealer on the date of such adjustment shall first be deducted from such refund before adjustment.

- (3) Where any refund is due to any dealer according to the return furnished by him for any period on account of sale of zero-rated goods, such refund may be granted to the dealer or be adjusted by way of input tax credit set off against the tax due or tax payable as per return and interest if any due to the dealer shall be paid in the manner as prescribed.
- (4) Where any refund or reimbursement is due on account of purchases made by Foreign diplomatic missions/consulate or UN agencies including their personal purchases, such refund or reimbursement may be granted on production of original copy of tax invoice and the refund or reimbursement shall be made in cash by the Commissioner of Taxes or any officer authorised by him on his behalf.

#### **44. Provisional refund**

- (1) If a registered dealer has filed any return as required under this Act and the return shows any amount to be refundable to the dealer on account of sales in course of export out of the territory of India, then the dealer may apply in the manner and form prescribed by the Commissioner for grant of provisional refund pending audit and investigation to establish the correctness of the claim and consequent assessment, if any.
- (2) Subject to the provisions of sub-section (3), the Commissioner may require the dealer to furnish a Bank Guarantee or other security as may be prescribed for an amount equal to the amount of refund and on receipt of such guarantee or other security, the Commissioner shall grant the dealer a provisional refund that may be determined as refundable.
- (3) The Commissioner may direct the assessment under section 34 of such dealer in respect of the year containing the period covered by the said return to be taken up as early as practicable and adjust the grant of provisional refund against tax due, if any, as a result of that assessment.
- (4) If, on assessment, the provisional refund granted under sub-section (2) is found to be in excess, then the excess shall be recovered as if it is tax free from the dealer under this Act.
- (5) Interest will be charged on such excess amount at the rate of 2% per month from the date of grant of provisional refund till the date of assessment.

#### **45. Interest**

- (1) A registered dealer entitled to refund in pursuance of any order under this Act (including assessment under section 30, section 31 or section 32 or section 34 in pursuance of any order by any Court, shall be entitled to receive, in addition to the refund, simple interest at the rate of eight percent per annum for the period commencing after ninety days of the application claiming refund in pursuance to such order till the date on which the refund is granted.
- (2) The interest shall be calculated on the amount of refund due after deducting therefrom any tax, interest, penalty or any other dues under this Act.
- (3) If, as a result of any order passed under this Act, the amount of such refund is enhanced or reduced such interest shall be enhanced or reduced accordingly.
- (4) When a dealer is in default or is deemed to be in default in making the payment under section 30, section 31 and section 32 or section 34, he shall be liable to pay simple interest on such amount at the rate of two percent per month from the date of such default for so long as he continues to default in the payment of the said tax.
- (5) Where as a result of any final order the amount of tax (including any penalty) due or in default is wholly reduced, the amount of interest, if any, paid shall be refunded, or is such amount is modified, the interest due shall be calculated accordingly;
- (6) Where any amount of tax payable is enhanced by any such order, interest shall be payable on the amount by which the tax is enhanced after the expiry of a period of three months from the date of the order.
- (7) Where the realisation of any amount remains stayed by the order of any court or authority and such order is subsequently vacated, interest shall be payable also for any period during which such order remained in operation.
- (8) The interest payable under this Act shall be deemed to be tax due under this Act.

#### **46. Power to withhold refund in certain cases**

- (1) Where an order giving rise to refund is the subject matter of an appeal or further proceeding or where any other proceeding under this Act is pending, and the Commissioner is of the opinion that the grant of such refund is likely to adversely affect the revenue and that it may not be possible to recover the amount later, the Commissioner may, withhold the refund till such time as he may determine.

- (2) Where a refund is withheld under sub-section (1) the dealer shall be entitled to interest as provided under sub-section (1) of section 45 if as a result of the appeal or further proceeding or any other proceeding he becomes entitled to the refund.

#### **47. Exemption of certain sales and purchase**

- (1) Subject to such conditions as it may impose, the Government may, if it is necessary so to do in the public interest, by notification in the Official Gazette, exempt any sales or purchases made to or by a class of dealers or persons specified in the said notification from payment of the whole or any part of any tax payable under the provisions of this Act and such exemption shall take effect from the date of the publication of the notification in the Official Gazette or such other earlier or later date not earlier than the 1st April, 2005 as may be mentioned therein.
- (2) Where any dealer or person has purchased any goods under a declaration or certificate given by him under any notification issued under this section and -
  - (a) any of the conditions subject to which such exemption was granted, or
  - (b) any of the recitals or the conditions of the declaration, or certificate

are not complied with for any reason whatsoever, then without prejudice to the other provisions of this Act, such dealer or person shall be liable to pay tax on the sale price of the goods at the rate set out against each of such goods in the Schedule notwithstanding that such dealer or person was not liable to pay tax under any other provisions of this Act and accordingly the dealer or the person who has become liable to pay tax under this sub-section shall file a return in the prescribed form to the prescribed authority within a prescribed time and shall include the sale price of such turnover in his return, and pay the tax in the prescribed manner. The tax due from any such dealer or person shall be assessed and recovered as if the person or dealer is a dealer liable to be proceeded against under the provisions of this Act.

- (3) If the Commissioner has reason to believe that any person or dealer is liable to pay tax under sub-section (2), the Commissioner shall, after giving him a reasonable opportunity of being heard, assess the amount of tax so due.

#### **48. Composition of tax**

- (1) The Government may by a notification published in the Official Gazette provide for a scheme of composition subject to such conditions and restrictions as may be provided therein, of tax payable by those dealers who are engaged in the business of selling at retail any goods or merchandise.
- (2) For the purpose of this section a dealer will be considered to be engaged in the business of selling at retail if 9/10th of his turnover of sales consists of sales made to persons who are not dealers and if any question arises as to whether any particular dealer is a retailer, then the officer in charge of the case shall refer the question to the Deputy Commissioner (Appeals) who shall after hearing the dealer if necessary, decide the question.
- (3) Nothing in this section will apply to a dealer who is a manufacturer or who is an importer or who has purchased any goods from a registered dealer whose sales of the said goods are not liable to tax under the provisions of this Act.

**CHAPTER - VI**  
**ACCOUNTS AND RECORDS**

**49. Maintenance of accounts and records etc**

- (1) Every registered dealer or a dealer to whom a notice has been served to furnish return under sub-section (2) of section 23 shall maintain a true and up to date account of the value of goods purchased or manufactured and sold by him or goods held by him in stock, and, in addition to the books of account that a dealer maintains and keeps for the purpose referred to in this sub-section, he shall maintain and keep such registers and accounts in such form and in the manner prescribed.
- (2) Every registered dealer or dealer referred to in sub-section (1) shall keep at his place of business all accounts, registers and documents maintained in the course of his business
- (3) Where a dealer as referred to in sub-section (1) has established branch office of the business in the State other than the principal place of business, the relevant accounts, registers and documents in respect of each such branch shall, without prejudice to the provisions of sub-section (5), be kept by him at such branch.
- (4) If the Commissioner is of the opinion that the accounts maintained by any dealer or class of dealers do not sufficiently enable him to verify the returns referred to in sub-section (1) of section 23 or the assessment can not be made on the basis thereof, he may by an order, require such dealer or class of dealers, to keep such accounts, in such form and in such manner as he may, subject to rules made under this Act, direct.
- (5) If the Commissioner is satisfied that any dealer is not in a position to maintain accounts in accordance with the provisions of sub-section (1), he may, for reasons to be recorded in writing, exempt such dealer from the operation of the provisions of the said sub-section.

**50. Tax Invoice**

- (1) Every registered dealer making a taxable sale to another dealer, whether registered or not, shall provide that purchaser at the time of sale with a tax invoice containing such particulars as specified in sub-section (4), and retain a copy thereof.
- (2) The tax invoice shall not be issued by a dealer in the following circumstances, -

- (a) a retail registered dealer is paying presumptive tax in lieu of Value Added Tax,
  - (b) the sale in the course of export out of the territory of India, or
  - (c) the sale in the course of inter State trade and commerce; or
  - (d) the sale of goods exempt from tax.
- (3) Not more than one tax invoice shall be issued for each taxable sale.
- (4) The tax invoice issued under sub-section (1) shall include as prescribed the following particulars on the original as well as copies thereof -
- (a) the word "Tax Invoice" in bold letter at the top or any prominent place;
  - (b) the name, address and registration certificate number of the selling registered dealer;
  - (c) the name, address and registration certificate number of the purchasing registered dealer;
  - (d) individual serialised number and the date on which the tax invoice is issued;
  - (e) description, quantity, volume and value of goods sold and amount of tax charged thereon indicated separately;
  - (f) signature of the selling dealer or his servant, manager or agent, duly authorised by him;
  - (g) the name and address of the printer, and first and last serial number of tax invoices printed and supplied by him to the dealer;
- (5) Except when tax invoice is issued under sub-section (1), if a registered dealer sells any goods exceeding such amount in value as may be prescribed, in any one transaction to any person, he shall issue to the purchaser a retail invoice and retain a copy thereof.
- (6) The retail invoice shall contain the following particulars on the original as well as copies thereof,-
- (a) the words "Retail Invoice" or "Cash Memorandum" or "Bill" in bold letters at the top or in a prominent place;
  - (b) the name, address and registration certificate number of the selling registered dealer;

- (c) in case the sale is in course of export out of the territory of India, the name, address and registration number, if any, of the purchasing dealer/foreign buyer and the type of statutory form, if any, against which the sale has been made;
  - (d) an individual serialised number and the date on which the retail invoice is issued;
  - (e) description, quantity, volume and value of goods sold inclusive of tax, charged thereon;
  - (f) signature of the selling dealer or his servant, manager or agent, duly authorised by him;
  - (g) the name and address of the printer, and last serial number of retail invoices printed and supplied by him to the dealer.
- (7) Tax invoice shall be issued in triplicate. The original and the first copy shall be issued to the purchaser or the person taking delivery of the goods, as the case may be, and the second copy shall be retained by the selling dealer.
- (8) Retail invoice shall be issued in duplicate. The original shall be issued to the purchaser and the duplicate copy shall be retained by the selling dealer.
- (9) Every dealer referred to in sub-section (1) shall preserve books of account including tax invoices and retail invoices until the expiry of five years after the end of the year to which they relate or for such other period as may be prescribed or until the final assessment whichever is later.
- (10) Where such dealer is party to any appeal, or revision under this Act he shall retain, until the appeal or revision is finally disposed of, every record and accounts that pertain to the subject matter of the appeal or revision.

## **51. Automation**

- (1) The Government shall endeavour to introduce and establish an automated data processing system for complementing the purposes of the Act and for incidental and allied matters.
- (2) In order to make the said system work effectively, the State Government may from time to time, make Resolutions for regulating the interactions between the dealers, authorities appointed or constituted under the Act and the Government Treasury.
- (3) Every dealer who maintains the records electronically shall retain them in electronically readable format for the period as may be prescribed.

## **52. Requirement to provide information**

Notwithstanding anything contrary to the provisions of this Act, the Commissioner may, for any purpose related to the administration or enforcement of the provisions of this Act, by notice, require any person to provide the Commissioner, within such reasonable time as may stipulated in the notice, with any information or additional information including a return under this Act, or any document including electronic records.

## **53. Audit of accounts**

- (1) Where in any particular year, the gross turnover of a dealer exceeds thirty lakhs rupees or such other amount as the Commissioner may, by a notification in the official Gazette specify, then such dealer shall get his accounts, in respect of that year audited by an accountant within six months from the end of that year and obtain a report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed.
- (2) A true copy of such report shall be furnished by such dealer to the Commissioner by the end of the month after expiry of the period of six months during which the audit would have been completed.
- (3) If any dealer liable to get his accounts audited under sub-section (1) fails to get his accounts audited and furnish a true copy of the audit report within the time specified in sub-section (2), the Commissioner shall, after giving the dealer a reasonable opportunity of being heard, impose on him, in addition to any tax payable, a sum by way of penalty equal to 0.1% of the turnover as he may determine to the best of his judgement in respect of the said period.

### *Explanation :-*

For the purpose of this section, "Accountant" means a Chartered Accountant within the meaning of the Chartered Accountant Act, 1949 and includes a person who by virtue of the provisions of sub-section (2) of section 226 of the Companies Act, 1956, is entitled to be appointed to act as an auditor of Companies registered under the said Act.

## **54. Dealer to declare the name of his business manager**

- (1) Every dealer, who is liable to pay tax, and who is a Hindu Undivided Family or an association of persons club or society, firm or company, or who is engaged in business as the guardian or trustee or otherwise on behalf of another person, shall within the period prescribed, furnish a declaration in the manner prescribed stating the name of the person or persons who shall be deemed to be manager or managers of such dealer's business for the purposes of this Act.



- (2) Such declaration shall be furnished at the time of registration, whenever required of him and shall be revised from time to time.
- (3) The statement furnished under this sub-section shall also contain the name and address with designation in relation to the business of such persons who are authorised to receive notice and other documents under this Act and such service on whom shall be binding on the dealer.

## CHAPTER - VII

### LIABILITY IN SPECIAL CASES

#### 55. Liability to pay tax in case of death

- (1) Where a dealer, liable to pay tax under this Act, dies then -
  - (a) If the business carried on by the dealer is continued after his death by his legal representative or any other person, such legal representative or other person shall be liable to pay tax including any penalty, sum forfeited and interest due from such dealer under this Act or under any earlier law, in the like manner and to the same extent as the deceased dealer, and
  - (b) If the business carried on by the dealer is discontinued whether before or after his death, his legal representative shall be liable to pay out of the estate of the deceased, in the like manner and to the same extent as the deceased dealer would have been liable to pay if he had died, the tax including any penalty, sum forfeited and interest due from such dealer under this Act, or under any earlier law,  
  
whether such tax including any penalty, sum forfeited and interest has been assessed before his death but has remained unpaid, or is assessed after his death.
- (2) Where a dealer, liable to pay tax under this Act, is a Hindu Undivided family and the joint family property is partitioned amongst the various members or group of members, then each member or group of members shall be jointly and severally liable to pay the tax including any penalty, sum forfeited and interest due from the dealer under this Act or under any earlier law, up to the time of the partition, whether such tax including any penalty, sum forfeited and interest has been assessed before partition but has remained unpaid, or is assessed after partition.
- (3) Where a dealer liable to pay tax under this Act, is a firm, and the firm is dissolved, then every person who is a partner shall be jointly and severally liable to pay to the extent to which he is liable under section 59, the tax including any penalty, sum forfeited and interest due from the firm under this Act or under any earlier law, up to the time of dissolution, whether such tax including any penalty, sum forfeited and interest has been assessed before such dissolution but has remained unpaid or is assessed after dissolution
- (4) Where a dealer, liable to pay tax under this Act, transfers or otherwise disposes of his business in whole or in part, or effects any change in

the ownership thereof in consequence of which he is succeeded in the business or part thereof by any other person, the dealer and the person succeeding shall jointly and severally be liable to pay the tax including any penalty, sum forfeited and interest due from the dealer under this Act or under any earlier law up to the time of such transfer, disposal or change, whether such tax including any penalty, sum forfeited and interest has been assessed before such transfer, disposal or change but has remain unpaid or is assessed thereafter.

- (5) Where the dealer, liable to pay tax under this Act, -
- (a) is the guardian of a ward on whose behalf the business is carried out by the guardian or
  - (b) is trustee who carry on the business under a trust for the beneficiary;

then, if the guardianship or the trust is terminated, the ward or, as the case may be, the beneficiary shall be liable to pay the tax including any penalty, sum forfeited and interest due from the dealer up to the time of the termination of the guardianship or trust, whether such tax including any penalty, sum forfeited and interest has been assessed before the termination of the guardianship or trust, but has remain unpaid, or is assessed thereafter.

- (6) Where a dealer is liable to pay tax under this Act, is succeeded in the business by any person in the manner described in clause (a) of sub-section (1) or in sub-section (4), then such person shall be liable to pay tax on the sales or purchases of goods made by him on and after the date of such succession and shall (unless he already holds a certificate of registration) within sixty days thereof apply for registration.

#### **56. Certain agents liable to tax for sales on behalf of principal**

- (1) Where any person sells or purchases any taxable goods on behalf of his principal then such person and his principal shall both be jointly and severally liable to pay taxes on the turnover of such sales or purchases.
- (2) If the principal, on whose behalf the commission agents has sold or purchased any goods, shows to the satisfaction of the Commissioner that the tax has been paid by such Commission agents on such goods under sub-section (1), the principal shall not be liable to pay the tax again in respect of the same transaction.
- (3) Where a manager or agent of a non-resident dealer sells or purchases any goods on behalf of a non resident dealer in the State, then the non-resident dealer and the manager or agent residing in the State, shall be

jointly and severally liable to pay tax on the turnover of such sales or purchases :

Provided that, if the non-resident dealer shows to the satisfaction of the Commissioner that the tax payable in respect of such sale or purchase has been paid by the manager or agent residing in the State, then the non-resident dealer shall not be liable to pay in respect of the same transaction.

#### **57. Liability of Partners**

- (1) Notwithstanding anything contained in the Indian Partnership Act, 1932 or any contract to the contrary, where any firm is liable to pay tax under this Act, the firm and each of the partners of the firm shall be jointly and severally liable for such payments and accordingly any notice or order under this Act may be served on any person who was a partner during the relevant time whether or not the firm has been dissolved and all the provisions of this Act shall apply accordingly.
- (2) Where any such partner retires from the firm, he shall be liable to pay the tax, penalty, sum forfeited and interest remaining unpaid at the time of his retirement and any such amount due up to the date of retirement though un-assessed at that date.

#### **58. Amalgamation of Companies**

- (1) When two or more companies are to be amalgamated by the order of a Court or of the Central Government and the order is to take effect from a date earlier to the date of order and any two or more such companies have sold or purchased any goods to or from each other in the period commencing on the date from which the order is to take effect and ending on the date of the order, then such transactions of sale and purchase will be included in the turnover of the sales or of purchases of the respective companies and will be assessed to tax accordingly.
- (2) Notwithstanding anything contained in the said order, for all of the purposes of this Act, the said two or more companies will be treated as distinct companies and will be treated as such for all periods up to the date of the said order and the registration certificates of the said companies will be cancelled, where necessary, with effect from the date of the said order.
- (3) Words and expressions used in this section, but not defined, will have the respective meanings to them in the Companies Act 1956.

## CHAPTER VIII

### INSPECTION OF ACCOUNTS, DOCUMENTS, SEARCH OF PREMISES AND ESTABLISHMENT OF CHECK POSTS

#### 59. Production and inspection of accounts and documents and search of premises

- (1) The Commissioner may, subject to such conditions as may be prescribed, require any dealer to produce before him any accounts or documents, or to furnish any information, relating to stocks of goods of, or to sale, purchase and delivery of goods or to payments made or received by the dealer, or any other information relating to his business, as may be necessary for the purpose of this Act.
- (2) All accounts, registers and documents relating to stocks of goods of, or to purchase, sale and delivery of goods, payments made or received by any dealers and all goods and cash kept in any place of business of any dealer, shall at all reasonable time be open to inspection by the Commissioner, and the Commissioner may take or cause to be taken such copies or extracts of the said accounts, registers or documents and such inventory of the goods and cash found as appears to him necessary for the purpose of this Act.
- (3) If the Commissioner has reasons to believe that any dealer has evaded or is attempting to evade the payment of any tax due from him, he may, for reasons to be recorded in writing, seize such accounts, registers or documents of the dealer as may be necessary, and shall grant a receipt for the same, and shall retain the same for so long as may be necessary in connection with any proceeding under this Act or for the prosecution, under the law.
- (4) For the purposes of sub-section (2) or sub-section (3), the Commissioner may enter and search any place of business of any dealer or any other place where the Commissioner has reason to believe that the dealer keeps or is for the time being keeping any account, registers or documents of his business or stocks of goods relating to his business.
- (5) Where any books of accounts, other documents, money or goods are found on the possession or control of any person in the course of any search, it shall be presumed, unless the contrary is proved, that such books of accounts, other documents, money or goods belong to such person.

## 60. Survey

- (1) With a view to identify dealers who are liable to pay tax under the Act, but have remained unregistered, the Commissioner shall from time to time cause a survey of unregistered dealers to be taken.
- (2) For the purpose of the survey, the Commissioner may, by general or special notice require any dealer or class of dealers to furnish the names, addresses and such other particulars as he may find necessary relating to the persons and dealers who have purchased any goods from or sold any goods to such dealer or class of dealers during any given period.
- (3) For the purposes of survey, the Commissioner may call for details and particulars regarding the services provided by public utilities and financial institutions including banking companies which he is of the opinion will be relevant and useful for the purposes of the survey. He, may from time to time, cause the results of the survey to be published in any manner that he thinks fit so however as not to disclose or indicate the identity of any particular unregistered dealer identified during the survey.
- (4) The Commissioner may for the purposes of the survey enter any place where a person is engaged in business but is unregistered or has not applied for grant of the certificate of registration, whether such place may be principal place of business or not and require any proprietor, employee or any other person who may at that time and place be attending in any manner to, or helping in the business -
  - (a) to afford him the necessary facility to inspect such books of accounts or other documents as he may require and which may be available at such place,
  - (b) to afford him the necessary facility to check or verify the cash, stock or other valuable article or things which may be found therein, and
  - (c) to furnish such information as he may require as to any matter which may be useful for, or relevant to any proceedings under this Act.

### *Explanation -*

For the purposes of this sub section, a place where the person is engaged in business will also include any other place in which the person engaged in business or the said employee or other person attending or helping in business states that any of the books of accounts or other documents or any part of the cash, stock or other valuable article or things relating to the business are or is kept.

- (5) The Commissioner may enter the place where the person is carrying on business only during the hours at which such place is open for business and in case of any other place, only after sunrise and before sunset. The Commissioner may make or cause to be made extracts or copies from the books of accounts and other documents inspected by him, or make an inventory of any cash, stock or other valuable article or things checked or verified by him and record the statement of any person which may be useful for, or relevant to, any proceeding under this Act.
- (6) The Commissioner, in exercise of the powers under this section shall on no account, remove or cause to be removed from the place where he has entered any books of accounts other documents or any cash, stock or other valuable article or thing.

**61. Establishment of check posts for inspection of goods in transport**

- (1) The Government may, with a view to prevent or check avoidance or evasion of tax, by notification in the official gazette, direct the establishment of the check post or barrier at such places as may be specified in the notification and every officer who exercise powers and discharges his duties at such check post by way of inspection of documents produced and goods being moved, shall be in charge of the check post.
- (2) The driver or person in charge of vehicle or carrier of goods in movement shall :-
  - (a) carry with him the records of the goods including Challan, bills of Sale or dispatch memos and prescribed declaration form or way bill duly filled in and signed by the consignor of goods carried in the vehicle;
  - (b) stop the vehicle or carrier at every check post set up under sub section (1) or at any other place by an officer authorised by the Commissioner in this behalf;
  - (c) produce all the documents including the prescribed way bill relating to the goods before the officer in charge of the check post or the authorised officer;
  - (d) give all the information in his possession relating to the goods;
  - (e) allow the inspection of the goods for search of the vehicle by the officer in charge of the check post or any authorised officer.
- (3) Where any goods are in movement within the territory of the State of Mizoram, an officer empowered by the State government in this behalf may stop the vehicle or the carrier or the person carrying such goods,

for inspection, at any place within his jurisdiction and provisions of sub section (2) shall mutatis mutandis apply.

- (4) Where any goods in movement are without documents, or are not supported by documents as referred to in sub section (2), or documents produced appear to be false or forged, the officer in charge of the check post or the officer empowered under sub-section (3), may-
  - (a) direct the driver or the person incharge of the vehicle or carrier of the goods not to part with the goods in any manner including by transporting or re-booking, till a verification is done or an enquiry is made;
  - (b) seize the goods for reasons to be recorded in writing and shall give receipt of the goods to the person from whose possession or control they are seized.
- (5) The officer-in-charge of the check post or the officer empowered under sub-section (3), after having given the person in charge of the goods a reasonable opportunity of being heard and after having held such enquiry as he may deem fit, shall impose for possession or movement of goods, whether seized or not, in violation of the provisions of clause (a) of sub section (2) or for submission of false or forged documents or way bill, a penalty equal to the amount of five times of the tax, leviable on such goods, or twenty percent of the value of goods, whichever is higher.
- (6) During the pendency of the proceeding under sub section (5), if any one prays for being impleaded as a party to the case on the ground of involvement of his interest therein, the said officer-in-charge or the empowered officer, on being satisfied, may permit him to be included as a party to the case; and thereafter, all provisions of this section shall mutatis mutandis apply to him.
- (7) The officer-in-charge of the check post or the officer empowered under sub section (3) may release the goods to the owner of the goods or to any person duly authorised by such owner on payment of the penalty imposed under sub-section (5).
- (8) Where the driver or person in charge of the vehicle or the carrier is found guilty for violation of the provisions of sub-section (2), the officer-in-charge of the check post or the officer empowered under sub-section (3), may subject to the provisions of sub section (3), detain such vehicle or carrier and after affording an opportunity of being heard to such driver or person in charge of the vehicle or the carrier, may impose a penalty on him as provided under sub-section (5).
- (9) Where a transporter, while transporting goods, is found to be in collusion with a dealer to avoid or evade tax, the officer-in-charge of the check post or the officer empowered under sub section (3) shall detain the vehicle or carrier of such transporter and after affording him



an opportunity of being heard, with prior approval in writing of the Commissioner, may confiscate such vehicle or carrier.

## **62. Restriction on movement of the Goods**

- (1) To ensure that there is no evasion of tax, no person shall transport from any railway station, steamer station, airport, post office or any other place any consignment of taxable goods despatched from outside the State except in accordance with such restrictions and conditions as may be prescribed.
- (2) Subject to the restrictions and conditions prescribed under sub-section (1), any consignment of taxable goods may be transported by any person after he furnishes in the prescribed manner such particulars in such form obtainable from such authority or in such other form as may be prescribe.
- (3) Subject to such restrictions and conditions as may be prescribed, nothing in sub-section (1) shall apply to any transport of any goods where such goods are transported by or on behalf of -
  - (a) Government or a local authority,
  - (b) a diplomatic or consular office, any organization or specialized agency of the United Nations,
  - (c) a Charitable Institution for charitable purposes recognized by Government.
- (4) For the purpose of verifying whether any consignment of taxable goods are being, or have been transported in contravention of the provisions of sub-section (1), the Commissioner, may subject to such restrictions as may be prescribed, -
  - (a) intercept, detain and search at any place referred to in sub-section (1), a road vehicle or river craft or any load carried by a person, or
  - (b) search at any warehouse or at any other place in which, according to his information, such goods so transported in contravention of the provisions of sections 62 have been stored, or
  - (c) intercept, detain and search at any checkpost or at any other place, any vehicle.
- (5) Where the goods are, or have been, transported by any person in contravention of the restrictions or conditions prescribed under section 62, the Commissioner shall, after giving such person a reasonable opportunity of being heard, impose a penalty of a sum not exceeding twenty five per centum of the value of such goods.

### **63. Power to collect statistics**

- (1) If the Commissioner considers that for the purposes of better administration of this Act it is necessary so to do, he may, by notification in the Official Gazette, direct that statistics be collected relating to any matter dealt with by or in connection to this Act.
- (2) Upon such direction being made, the Commissioner or any person or persons authorized by him in this behalf may, by notification in the Official Gazette; and if found necessary, by notice in any news papers or in such other manner as in the opinion of the Commissioner or the said person, is best suited to bring the notice to the attention of dealers and other person or persons, call upon all dealers or any class of dealers or persons to furnish such information or returns as may be stated therein relating to any matter in respect of which statistics are to be collected. The form in which, the persons to whom or, the authorities to which, such information or returns should be furnished, the particulars which they should contain, and the intervals in which such information or returns should be furnished, shall be such as may be prescribed.
- (3) Without prejudice to the generality of the foregoing provisions, the Government may, by rules, provide that every registered dealer or, as the case may be, any class of registered dealer shall furnish, in addition to any other returns provided for elsewhere, an annual return in such form, by such date and to such authority as may be prescribed and different provisions may be made for different classes of registered dealers.

### **64. Disclosure of information by a public servant**

- (1) All particulars contained in any statement made, return furnished or accounts or documents produced in accordance with this Act, or in any record of evidence given in the course of any proceedings under this Act (other than proceeding before a Criminal Court), or in any record of any assessment proceeding, or any proceeding relating to the recovery of a demand, prepared for the purposes of this Act shall, save as provided in sub-section (3), be treated as confidential; and notwithstanding anything contained in the Indian Evidence Act, 1872, no court shall save as aforesaid, be entitled to require any servant of the Government to produce before it any such statement, return, account, document or record or any part thereof, or to give evidence before it in respect thereof.
- (2) If, save as provided in sub-section (3), any servant of the Government discloses any of the particulars referred to in sub-section (1), he shall, on conviction, be punished with imprisonment which may extend to six months or with fine or with both:

Provided that no prosecution shall be instituted under this section except with the previous sanction of the State Government.

- (3) Nothing contained in this section shall apply to the disclosure -
- (a) of any such particulars in respect of any such statement, return, accounts, documents, evidence, affidavit or deposition, for the purpose of any prosecution under the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1988, or this Act, or any other law for the time being in force, or
  - (b) of any such particulars to the State Government or to any person acting in the execution of this Act or to any person for the purposes of this Act; or
  - (c) of any such particulars when such disclosure is occasioned by the lawful employment under this Act of any process for the service of any notice or the recovery of any demand; or
  - (d) of any such particulars to a Civil Court in any suit, to which the Government is a party, which relates to any matter arising out of any proceeding under this Act; or
  - (e) of any such particulars to any officer appointed to audit receipts or refunds of the tax imposed by this Act; or
  - (f) of any such particulars where such particulars are relevant to any inquiry into the conduct of an official of the Sales Tax Department to any person or persons appointed as Commissioner under the Commission of Enquiry Act, 1952 or to any officer otherwise appointed to hold such inquiry or to a Public Service Commission established under the Constitution when exercising its function in relation to any matter arising out of such inquiry; or
  - (g) of such facts to an officer of the Central Government or any State Government as may be necessary for the purpose of enabling that Government to levy or realise any tax or duty imposed by it; or
  - (h) of any such particulars to the Director, Bureau of Economics and Statistics or any officer serving under him or to any person or persons authorised under sub-section (2) of section 68 as may be necessary for enabling the Director or such person or persons to carry on their official duties.
  - (i) of any such particulars to an officer of the Central Government or any State Government as may be necessary for the administration of any law in force in India.

**65. Disclosure of information required under section 64 and failure to furnish information or return under that section**

- (1) No information of any individual return or part thereof, with respect to any matter given for the purposes of this section shall, without the previous consent in writing of the owner for the time being or his authorised agent be published in such manner as to enable any particulars to be identified as referring to a particular dealer and no such information shall be used for the purpose of any proceedings under the provisions of this Act.
- (2) Except for the purposes of prosecution under this Act or any other Act, no person who is not engaged in the collection of statistics under this Act or of compilation or computerization thereof for the purposes of administration of this Act, shall be permitted to see or have access to any information or any individual return referred to in that section.
- (3) If any person required to furnish any information or return under this section , -
  - (a) wilfully refuses or without lawful excuse neglects to furnish such information or return as may by that section be required, or
  - (b) wilfully furnishes or causes to be furnished any information or return which he knows to be incorrect or false,he shall on conviction be punished with fine which may extend to one thousand rupees and in case of a continuing offence to a further fine which may extend to one hundred rupees for each day after the first day during which the offence continues.
- (4) If any person engaged in connection with the collection of statistics under this section compilations or computerizations thereof wilfully discloses any information or the contents of any return given or made under that section, otherwise than in execution of his duties under that section or for the purposes of the prosecution of an offence under this Act or under any other Act, he shall on conviction be punished with imprisonment for a term which may extend to six months or with fine which may extend to one thousand rupees, or with both.
- (5) Nothing in this section will apply to publication of any information relating to a class of dealers or class of transactions, if in the opinion of the Commissioner, it is desirable in the public interest, to publish such information.

**66. Publication and disclosure of information pertaining to dealers and other persons in public interest**

- (1) Notwithstanding anything contained in this section or section 65, if the State Government is of the opinion that it is necessary or expedient in the public interest to publish or disclose the names of any dealers or other persons and any particulars relating to any proceedings under this Act in respect of such dealers and persons, it may publish or disclose or cause to be published or disclosed such names and particulars in such manner as it thinks fit.
- (2) No publication or disclosure under this section shall be made in relation to any tax levied or penalty imposed or interest levied or any conviction for any offence connected with any proceeding under this Act, until the time for presenting an appeal to the appropriate appellate authority has expired without an appeal having been presented or the appeal, if presented has been disposed of.

*Explanation :-*

In the case of a firm, company or other association of person, the names of the partners of the firms, the directors, managing agents, secretaries, treasurers or managers of the company or the members of the association, as the case may be, may also be published or disclosed, if, in the opinion of the Government, the circumstances of the case justify it.

## CHAPTER - IX

### APPEAL AND REVISION

#### 67. Appeal

- (1) Any dealer objecting to an order of assessment, penalty or interest passed under this Act may, within sixty days from the date of service of such order, appeal to the prescribed authority, against such assessment, penalty or interest:

Provided that no appeal shall be entertained by the said authority unless he is satisfied that the amount of tax or interest as the appellant may admit to be due from him, has been paid;

Provided further that the authority before whom the appeal is filed may admit it after the expiry of sixty days, if such authority is satisfied that for reasons beyond the control of the appellant or for any other sufficient cause it could not be filed within time.

- (2) Every appeal under sub-section (1) shall be presented in the prescribed form and shall be verified in the prescribed manner.
- (3) The appellate authority shall fix a day and place for hearing of the appeal and may from time to time adjourn the hearing and make, or cause to be made, such further enquiry as may be deemed necessary.
- (4) In disposing of an appeal under sub-section (1) the appellate authority may -
  - (a) confirm, reduce, enhance or annul the assessment, or
  - (b) set aside the assessment and direct a fresh assessment after enquiry as may be ordered, or
  - (c) confirm, reduce or annul the order of penalty.

#### 68. Revision by the Commissioner.

- (1) The Commissioner may call for and examine the records of any proceeding under this Act, and if he considers that any order passed therein by any person appointed under section 3 to assist him is erroneous in so far as it is prejudicial to the interest of the revenue, he may after giving the dealer an opportunity of being heard and after making or causing to be made such enquiry as he deems necessary, pass such orders thereon as the circumstances of the case justify,

including an order enhancing, or modifying the assessment, or cancelling the assessment and directing a fresh assessment:

Provided that the Commissioner shall not pass any order under this sub-section after the expiry of five years from the date of such order.

- (2) In the case of any order other than an order to which sub-section (1) applies, passed by any person appointed under section 3 to assist him, the Commissioner may, either of his own motion or on a petition by a dealer for revision, call for the record of any proceeding under this Act in which any such order has been passed and may make such enquiry or cause such enquiry to be made, and subject to the provisions of this Act, may pass such order thereon, not being an order prejudicial to the dealer, as he thinks fit.
- (3) In the case of a petition for revision under sub-section (2) by a dealer, the petition must be made within ninety days from the date on which the order in question was communicated to him or the date on which he otherwise came to know of it, whichever is earlier.

Provided that the Commissioner before whom the petition is filed may admit it after the expiry of the period of ninety days if he is satisfied that for reasons beyond the control of the petitioner or for any other sufficient cause, it could not be filed within time.

- (4) The Commissioner shall not revise any order under this section in the following cases:-
  - (a) where an appeal against the order lies under section 67 but has not been made and the time within which such appeal may be made has not expired; or
  - (b) where the order is pending on appeal under section 67.

*Explanation :-*

An order by the Commissioner declining to interfere shall, for the purpose of this section be deemed not to be an order prejudicial to the dealer.

## **69. Revision with High Court**

- (1) An assessee who is dissatisfied with the decision of the Appellate Authority or the Commissioner may, within sixty days after being notified of the decision, file a revision with the High Court; and the assessee so appealing shall serve a copy of the notice of revision on the respondent to the proceeding.
- (2) A revision to the High Court may be made on question of law or an erroneous decision or failure to decide a question of law that will be raised in the revision.

- (3) The Commissioner shall also be made a party to the proceedings before the High Court where revision is filed by the dealer or other person.
- (4) The High Court may on application either by the petitioner or by the respondent review any order passed by it provided such application is made within one year from the date of receipt of the judgement.

**70. Power to rectify error apparent on the record**

- (1) An assessing, appellate or revisional authority may, on an application or otherwise at any time within three years from the date of any order passed by it, rectify any error apparent on the face of the record:

Provided no such rectification which has the effect of enhancing the liability to pay tax or penalty or penal interest shall be made unless such authority has given notice to the person affected and have allowed him a reasonable opportunity of being heard.

- (2) Where such rectification has the effect of enhancing the tax liability or penalty, the Assessing Authority shall give the dealer or other person a notice of assessment or penalty and the dealer or other person shall pay the tax in the manner prescribed and when such rectification has the effect of reducing the tax liability or penalty the Assessing Authority shall make refund of the excess tax paid, if any.



## CHAPTER - X

### OFFENCES AND PENALTIES

#### 71. Offences and penalties.

- (1) Whoever, not being a registered dealer falsely represents that he is or was a registered dealer at the time when he sells or buys goods shall, on conviction, be punished with rigorous imprisonment for a term which shall not be less than six months but which may extend to three years and with fine.
- (2) Whoever, knowingly furnishes a false return shall, on conviction be punished -
  - (a) in case where the amount of tax, which could have been evaded if the false return had been accepted as true, exceeds Rs. 10,000/- with rigorous imprisonment for a term which shall not be less than six months but which may extend to three years and with fine;
  - (b) in any other case, with rigorous imprisonment for a term, which shall not be less than three months but which may extend to one year and with fine.
- (3) Whoever, knowingly produces before the Commissioner, false bill, cash-memorandum, voucher, declaration, certificate or other document for evading tax payable under this Act shall on conviction, be punished-
  - (a) in case where the amount of tax which could have been evaded, if the documents referred to above had been accepted as true, exceed Rs. 50,000/- during the period of a year, with rigorous imprisonment for a term which shall not be less than six months but which may extend to three years and with fine.
  - (b) in any other case, with rigorous imprisonment for a term which shall not be less than three months but which may extend to one year and with fine.
- (4) Whoever, knowingly keeps false account of the value of the goods bought or sold by him in contravention of the provisions of this Act, shall, on conviction, be punished with rigorous imprisonment for a term which shall not be less than three months but which may extend to one year and with fine.
- (5) Whoever, knowingly produces false accounts, registers or documents or knowingly furnishes false information, shall, on conviction, be punished -

- (a) in case where the amount of tax which could have been evaded, if the accounts, registers or documents or information referred to above had been accepted as true, exceeds Rs. 50,000 during the period of a year, with rigorous imprisonment for a term which shall not be less than six months but which may extend to three years and with fine;
  - (b) in any other case, with rigorous imprisonment for a term which shall not be less than three months but which may extend to one year and with fine.
- (6) Whoever, issues to any person certificate or declaration under the Act, rules or notifications or a false bill, cash-memorandum, voucher, delivery Challan, lorry receipt or other document which he knows or has reason to believe to be false, shall, on conviction, be punished with rigorous imprisonment for a term which shall not be less than six months but which may extend to three years and with fine.
- (7) Whoever, -
  - (a) wilfully attempts, in any manner whatsoever, to evade any tax leviable under this Act, or
  - (b) wilfully attempts, in any manner whatsoever, to evade any payment of any tax, penalty or interest or all of them under this Act or shall on conviction, be punished.
    - (i) in case where the amount involved exceeds Rs. 50,000 during the period of a year, with rigorous imprisonment for a term which shall not be less than six months but which may extend to three years and with fine.
    - (ii) in any other case, with rigorous imprisonment for a term which shall not be less than three months but which may extend to one year and with fine.
- (8) Whoever aids or abets or induces any person in commission of any act specified in sub-section (1) to (7) shall, on conviction, be punished with rigorous imprisonment which shall not be less than three months but which may extend to one year and with fine.
- (9) Whoever -
  - (a) is engaged in business as a dealer without being registered in willful contravention of section 21 or
  - (b) fails without sufficient cause to furnish any returns as required by section 23 by the date and in the manner prescribed.

- (c) fails without sufficient cause, when directed to keep any accounts or record, in accordance with the provisions of this Act, or
- (d) fails without sufficient cause, to comply with any requirements made of him under section 59, or
- (e) voluntarily obstructs any officer making inspection or search or seizure under section 59,

shall, on conviction, be punished with imprisonment for a term which may extend to one year and with fine.

- (10) Whoever fails, without sufficient cause, to furnish any return by the date and in the manner prescribed under this Act shall on conviction, be punished with simple imprisonment for a term which may extend to one year and with a fine, which shall not be less than. -
- (a) rupees two thousand, if the tax due for the period covered by the return does not exceed rupees twenty thousand;
  - (b) rupees five thousand, if the tax due for the period covered by the return exceeds rupees twenty thousand but does not exceed rupees one lakh;
  - (c) rupees ten thousand, if the tax due for the period covered by the return exceeds rupees one lakh.
- (11) Whoever commits any of the acts specified in sub-sections (1) to (10) and the offence is a continuing one under any of the provisions of these sub-sections, shall, on conviction, be punished with daily fine not less than rupees one hundred during the period of the continuance of the offence, in addition to the punishments provided under this section.
- (12) Notwithstanding anything contained in sub-sections (1) to (11), no person shall be proceeded against these sub-sections for the acts referred to therein if the total amount of tax evaded or attempted to be evaded is less than Rs. 200 during the period of a year.
- (13) Where a dealer is accused of an offence specified in sub-sections (1) to (11) the person deemed to be the manager of the business of such dealer shall also be deemed to be guilty of such offence, unless he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission thereof.

## **72. Offences by Companies**

- (1) Where an offence under this Act or the rules has been committed by a company, every person who at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company shall be

deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that, nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

- (2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation –*

For the purpose of this section -

- (a) "company" means a body corporate, and includes a firm or other association of individuals; and
- (b) 'director' in relation of a firm means a partner in the firm.
- (3) Where an offence under this Act has been committed by a Hindu Undivided Family, the karta thereof shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render the karta liable to any punishment if he proves that the offence was committed without his knowledge or that he had exercised due diligence to prevent the commission of such offence:

Provided further that, where an offence under this Act has been committed by a Hindu Undivided Family and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any adult member of the Hindu Undivided Family, such member shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

### **73. Cognizance of offences**

- (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences punishable under this Act or rules made thereunder shall be cognizable and bailable.

- (2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, it shall be lawful for the Magistrate of the First Class to pass on any person convicted of an offence under sections 63 or 66 of this Act, a sentence of fine as provided in the relevant section, in exercise of his powers under section 29 of the said Code.

#### **74. Investigation of offences**

- (1) Subject to conditions, if any, as may be prescribed, the Commissioner may authorize either generally or in respect of a particular case or class of cases any officer or person subordinate to him to investigate all or any of the offences punishable under this Act.
- (2) Every officer so authorized shall, in the conduct of such investigation, exercise the power conferred by the Code of Criminal Procedure, 1973 upon an officer in charge of a police station for the investigation of a cognizable offence.

#### **75. Compounding of offences**

- (1) The Commissioner may, either before or after the institution of proceedings of any offence punishable under section 71 or under any rules made under this Act, accept from any person charged with such offence, by way of composition of the offence charged under sub-sections (1), (2), (3), (4), (5), (6), (7) or clauses (a), (b), (c), (d) or (e) of sub-section (9) or sub-section (10) of section 71 not exceeding double the amount of tax which would have been payable on the sale or purchase turnover to which the offence relates, whichever is greater.
- (2) On payment of such sum as may be determined by the Commissioner under sub-section (1), no further proceedings shall be taken against the accused person in respect of the same offence and any proceeding, if already taken, shall stand abated.

## CHAPTER - XI

### MISCELLANEOUS

#### **76. Court fee on appeal and certain other applications**

Notwithstanding anything contained in the Court Fees (Mizoram Amendment) Act, 1996, -

- (1) subject to the provisions of the clause(2), any application not otherwise provided for when presented to the prescribed authority for the prescribed purpose shall be charged with a court fee of such value not exceeding one hundred rupees as may be prescribed; and
- (2) an appeal preferred under section 67 shall be charged with a court fee of such value not exceeding one thousand rupees as may be prescribed if the amount in dispute, exceeds rupee one lakh and any other appeal shall be charged with a court fee of such value not exceeding one hundred rupees as may be prescribed.

#### **77. Application of sections 4 and 12 of Limitation Act**

In computing the period of limitations under Chapter IX, the provisions of sections 4 and 12 of the Limitation Act, 1963 shall, so far as may be, apply.

#### **78. Appearance before any authority in proceedings**

- (1) Any person who is entitled or required to attend before any authority in connection with any proceeding under this Act, otherwise than when required to attend personally for examination on oath or affirmation, may attend -
  - (a) by a relative or a person regularly employed by him, or
  - (b) by a legal practitioner, or Chartered Accountant who is not disqualified by or under sub-section (2), or
  - (c) by a sales tax practitioner who possesses the prescribed qualifications and is entered in the list which the Commissioner shall maintain in that behalf, and who is not disqualified by or under sub-section (2).
  - (d) any person who, immediately before the commencement of this Act was a sales tax practitioner under any earlier law,  
  
only if such relative, person employed, legal practitioner, Chartered Accountant, or sales tax practitioner is authorized by

such person in the prescribed form, and such authorization may include the authority to act on behalf of such person in such proceedings.

- (2) The Commissioner may, by order in writing and for reasons to be recorded therein disqualify for such period as is stated in the order from attending before any such authority, any legal practitioner, Chartered Accountant, or sales tax practitioner -
  - (a) who has been removed or dismissed from Government service, or
  - (b) who being a sales tax practitioner, a legal practitioner or a Chartered Accountant is found guilty of misconduct in connection with any proceedings under this Act by the Commissioner or by an authority, if any, empowered to take disciplinary action against the member of the profession to which he belongs.
- (3) No order of disqualification shall be made in respect of any particular person unless he is given a reasonable opportunity of being heard.
- (4) Any person against whom any order of disqualification is made under this section may within one month of the date of communication of such order appeal to the prescribed authority to have the order cancelled or modified. The order of the Commissioner shall not take effect until one month of the passing thereof or when an appeal is preferred until the appeal is decided.
- (5) The Commissioner may, at any time suo motu or on application made to him in this behalf, revoke or modify any order made against any person under sub-section (2) and thereupon such person shall cease to be disqualified subject to such conditions or restrictions that may be contained in such order.

#### **79. Declaration of stock of goods held on the appointed day**

The Commissioner may by notification in the Official Gazette require that any class of registered dealers as may be specified in the notification declare such details regarding the stock of goods held by them on the day immediately preceding the appointed day in such a manner and with such particulars and to such authority, as may be notified in this behalf.

#### **80. Bar to certain proceedings**

Save as is provided in Chapter IX, no order passed or proceedings taken under this Act, the rules or notification by any authority appointed or constituted under this Act, shall be called in question in any Court, and save as is provided in the said Chapter, no appeal shall lie against any such order.

## **81. Power to make rules**

- (1) The State Government may by notification in the Official Gazette make rules for carrying out the purposes of this Act.
- (2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for -
  - (a) the classes and duties of officers appointed for the purpose of enforcing the provisions of this Act as provided in section 3;
  - (b) the form of application to be used for registration in section 21;
  - (c) the form of notice to be served under section 23;
  - (d) the date on which and the authority to which returns shall be furnished under section 23.
  - (e) the form of appeal to be used and the manner of verification to be followed under sections 67 and 69;
  - (f) the classes of and the authority for determination and settlement of disputes;
  - (g) the fees for reference, revision or appeal petitions, supply of certified copies of orders and other matters;
  - (h) the manner in which refund shall be made;
  - (i) the interval at which and the manner in which the tax under this Act shall be payable;
  - (j) any other matter which is required to be or may be prescribed.
- (3) Every rule made under this section shall be laid, as soon as may be after it is made, before the Mizoram Legislative Assembly while it is in session for a period not less than seven days and if before the expiry of the session, the Mizoram Legislative Assembly agree in making any modification in the rule or the Legislative Assembly agree that rule should not be made, the rule shall thereafter have effect only in such notified form or be of no effect as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

## **82. Transitional provision**

- (1) A registered dealer who would have continued to be so liable to pay tax under the repealed Act had this Act not come into force, and who makes an application for registration in terms of this Act, shall be



deemed to be a registered dealer till a fresh registration is granted to him under this Act.

- (2) Notwithstanding anything contained elsewhere in this Act -
- (a) any person appointed as the Commissioner, Joint Commissioner or Deputy Commissioner or Assistant Commissioner or Superintendent of Taxes or any person appointed to assist the Commissioner, under the repealed Act and continuing in the office immediately before the appointed day, shall, on and from the appointed day, be deemed to have been appointed under this Act and shall continue in office as such till such person ceases to be the Commissioner, Joint Commissioner or Deputy Commissioner or Assistant Commissioner or Superintendent of Taxes or ceases to be the person appointed to assist the Commissioner;
  - (b) any dealer liable to furnish return under the repealed Act immediately before the appointed day shall notwithstanding that a period, in respect of which he is so liable to furnish return, commences on any day before such appointed day and ends on any day after such appointed day, furnish such return in respect of tax payable for sales or purchases made up to the day immediately before such appointed day and pay tax in accordance with the provisions of repealed Act and shall furnish a separate return in respect of the remaining part of the period which commences on such appointed day and pay tax due on such return for sales or purchases made on and from such appointed day in accordance with the provisions of this Act;
  - (c) any order delegating any power under any Act or the rules made thereunder by the Commissioner to any person appointed, by any designation, to assist him before the appointed day shall, on and from such appointed day, continue in force on the day immediately before such appointed day, on and from such appointed day, continue in force until the Commissioner, amends, varies or rescinds such order after such appointed day under this Act;
  - (d) any dealer, who is no longer liable to pay tax under the repealed Act and whose account, registers or documents has been seized under that Act, shall continue to be retained in accordance with provision of that Act or after the appointed day;
  - (e) all forms of transport permit under the repealed Act or the rules made thereunder and continuing in force on the day immediately before the appointed day shall, with effect from such appointed day, continue in force and shall be used *mutatis mutandis* for the purpose for which they were being used before such appointed day until the State Government directs, by notification, the

discontinuance of the use of such forms till such time as the State Government may, by notification, specify in this behalf;

- (f) all rules, regulations, notifications or orders made or issued under any of the repealed Act and continuing in force on the day immediately before the appointed day shall continue to be in force on or after such appointed day in so far as they are not inconsistent with the provisions of this Act or the rules made thereunder until they are repealed or amended;
- (g) any transport permit obtained or obtainable by the dealer from any prescribed authority or any declaration furnished or to be furnished by or to the dealer under any of the Acts so repealed or the rules made thereunder in respect of any sale of goods before the appointed day shall be valid where such waybill is obtained or such waybill is furnished on or after such appointed day;
- (h) any application for revision, review or reference arising from any order passed before the appointed day or any appeal arising from any assessment of tax or determination of interest made before such appointed day or any application for refund, or for waybill, in respect of any period before such appointed day, under the repealed Act if made before such appointed day and pending on such appointed day or if made on or after such appointed day, shall be disposed of in accordance with the provisions of the repealed Act;
- (i) the Commissioner or any other authority to whom power in this behalf has been delegated by the Commissioner under the repealed Act may on its or his own motion, review or revise any order passed before the appointed day in accordance with the provision of that Act;
- (j) any application for the waybill, for the transport of the goods into the state, pending on the day immediately before the appointed day, shall be deemed to have been made under this Act and shall be disposed of in accordance with the provisions of this Act;
- (k) any tax assessed, interest determined or penalty imposed under the repealed Act in respect of sales or purchases made before the appointed day, shall be payable or recoverable in accordance with the provisions of the repealed Act.

### **83. Power to remove difficulties**

If any difficulty arises in giving effect to the provisions of this Act, the State Government may, as occasion may require, by order, do anything not inconsistent with the purposes of this Act as appear to them to be necessary or expedient for removing the difficulty.

**84. Deduction at source from payment to a dealer against execution of works contract**

(1) Notwithstanding anything contained in section 23 or any rules made thereunder or any terms of a contract to the contrary, any person responsible for paying any sum to any dealer for execution of a works contract referred to in clause (39) of section 2, wholly or partly in pursuance of a contract between such dealer and -

- (a) the Government;
- (b) a local authority;
- (c) a corporation or a body established by or under any law for the time being in force;
- (d) a company incorporated under the Companies Act, 1956, (Act No. 1 of 1956), including a Government undertaking;
- (e) a co-operative society;
- (f) an educational institution, or
- (g) a promoter

shall, at the time of payment of such sum in cash or by issue of a cheque or draft or any other mode of payment, deduct an amount towards tax equal to two per centum of such sum being paid in respect of such works contract ;

Provided that no deduction under this sub-section (1) shall be made where -

- (a) the payment is made as advance prior to the commencement of the execution of such works contract ;
- (b) no transfer of property in goods (whather as goods or in some other form) is involved in the execution of such works contract, or
- (c) where the dealer produces a certificate from the Commissioner under section 87 that he has no liability to pay tax under this Act or that he has paid tax payable by, or due from him under this Act:

Provided further that no deduction under this sub-section shall be made in respect of that part of payment to a dealer which represents his contractual transfer price of goods referred to in section 14 of the Central Sales Tax Act, 1956 and where such dealer declares in writing to the effect that

on a prior sale of such goods in Mizoram due tax under this Act has been paid.

*Explanation :-*

For the purposes of this sub-section "promoter" means a person who constructs, reconstructs, converts, renovates or extends or causes to be constructed, reconstructed, converted, renovated or extended a building (including a flat or apartments or a resort) on a plot of land for the purpose of transfer of such building by sale or otherwise to any other person or to a company, firm, co-operative society or any association of persons, and includes -

- (a) his assignee, if any,
- (b) the person who develops or reclaims the land, the person who constructs, reconstructs, converts, renovates or extends, and the person who transfers such building, if such persons are different ;
- (c) any firm, board or other association of persons, established by or under any law for the time being in force, but excluding those referred to in clause (a) to (f) of this sub-section.

- (2) Where deduction of an amount is made under sub-section (1) -
  - (a) the person making such deduction shall deposit the amount so deducted into a Government Treasury within such time, in such manner and in such form or challan as may be prescribed, or
  - (b) in the case of a person who adopts "public works system of accounting" and makes such deduction, he shall transfer the amount so deducted to the appropriate head of account through account statement in the manner prescribed, which is required to be sent periodically to the Accountant General, Mizoram, etc., and such transfer shall be deemed to be a deposit of the amount so deducted by the person making such deduction on the basis of such statement.
- (3) After the deposit of the amount under sub-section (2), the person who makes the deduction and deposit shall, within fifteen days from the date of such deposit, issue to the dealer a certificate in the prescribed form for each deduction separately and send a copy of the receipted challan or a copy of the account statement referred to in sub-section (2), as the case may be, to the Commissioner along with the relevant certificate of deduction and such document as may be prescribed.
- (4) On receipt of a certificate of deduction referred to in sub-section (3), the deposit of an amount on account of dealer referred to in sub-section (2) shall be adjusted by the Commissioner towards tax liability of the dealer under section 4, and shall constitute a good and sufficient

discharge of the liability of the person deducting such amount to the dealer to the extent of the amount deducted and deposited.

- (5) Where any person, while, paying any sum to a dealer, contravenes the provisions of sub-section (1), sub-section (2) or sub-section (3), he shall be personally liable for such contravention and the Commissioner may, after giving him an opportunity of being heard, by order in writing and in such manner as may be prescribed, impose on such person a penalty, not exceeding twice the amount required to be deducted and deposited by him into the Government Treasury.
- (6) Where the dealer from whose account any amount has been deducted under sub-section (1) and deposited under sub-section (2) proves to the satisfaction of the Commissioner that he is not liable to pay tax under section 7 and such amount was not wholly or partly payable by him under this Act, the Commissioner shall refund or adjust the amount refundable to the dealer in such manner as may be prescribed.

#### **85. Clearance Certificate**

- (1) Notwithstanding anything contained in any other law for the time being in force -
  - (a) no Government department, local authority, educational institution, or corporation or body corporate established by or under a Central or State Act shall place order with, or make purchases of any goods from, any dealer or make any payment to such dealer for such purchases, or
  - (b) no Government department, local authority, educational institution, corporation or body corporate established by or under a Central or State Act, or company incorporated under the Companies Act, 1956 (Act No. 1 of 1956) or co-operative society shall enter into any works contract with any dealer for execution by him of such works contract and shall make payment to such dealer for execution of works contract.

Unless the Commissioner certifies in the prescribed manner that such dealer -

- (i) has no liability to pay tax or has not defaulted in furnishing any return or returns together with the receipted challan or challans showing payment of all taxes payable under this Act or the Central Sales Tax Act, 1956 (Act No. 74 of 1956) ;
- (ii) has not defaulted in making payment of tax otherwise payable by, or due from, him under this Act or the Central Sales Tax Act, 1956 (Act No. 74 of 1956), or

- (iii) has made satisfactory provision for securing the payment of tax by furnishing bank guarantee in favour of the Commissioner or otherwise, as the case may be:

Provided that the provisions of this sub-section shall not apply to any payment referred to in clause (b) where any amount is deductible from such payment under sub-section (1) of section 84.

- (2) Where an application is made by a dealer in the prescribed form, the Commissioner, after making such enquiry as he deems fit and proper, may, if he is satisfied, issue a certificate in the prescribed form to the effect that such dealer is not liable to pay tax under section 7 or that he has paid tax payable by, or due from him under that section; and payment may, notwithstanding anything contained in sub-section (1), be made to such dealer for execution by him of a works contract referred to in section 7 on production by him of such certificate of the Commissioner.
- (3) The application for the certificate required under sub-section (1) shall be made by the dealer referred to in that sub-section to the Commissioner and shall be in such form and shall contain such particulars as may be prescribed.

**CHAPTER - XII**  
**REPEAL AND SAVINGS**

**86. Repeal and savings**

- (1) The Mizoram Sales Tax Act, 1989 (hereinafter referred as the repealed Act) as in force in the State of Mizoram is hereby repealed from the date of commencement of this Act.
- (2) The repeal shall not, -
  - (a) revive anything not in force or existing at the time of which the repeal takes effect; or
  - (b) affect the previous operation of repealed Act or anything done or suffered thereunder; or
  - (c) affect any right, privilege, obligation, or liability acquired, accrued or incurred under the repealed Act; or
  - (d) affect any penalty, forfeiture or punishment incurred or inflicted in respect of any offence or violation committed under the provisions of the repealed Act; or
  - (e) affect any investigation, enquiry, assessment, proceeding, any other legal proceeding or remedy instituted, continued or enforced under the repealed Act,  
  
and any such penalty, forfeiture or punishment as aforesaid or any proceeding or remedy instituted, continued, or enforced under the repealed act shall be deemed to be instituted, continued or enforced under the corresponding provisions of this Act.
- (2) All rules made and notifications issued under the provisions of the repealed Act and/or rules made thereunder and in force on the date of the commencement of this Act, shall remain in force unless such rules and notifications are superseded in express terms or by necessary implication of the provisions of this Act or the rules made and notifications issued thereunder.
- (3) Any reference to any section of the repealed Act in any rule, notification, regulation or circular shall be deemed to refer to the relevant corresponding section of this Act, until necessary amendments are made in such rule, notification, regulation or circular.
- (4) The limitations provided in this Act shall apply prospectively, and all events occurred and all issues which arose prior to the date of commencement of this Act, shall be governed by the limitations provided or the provisions contained in the repealed Act.

## SCHEDULE - I

( See clause (a) of sub-section(2) of section 8 read with section 12 )

### LIST OF EXEMPTED GOODS

Sl. No.	Commodity
1.	Agricultural implements manually operated or animal driven.
2.	Aids & implements used by handicapped persons.
3.	Aquatic feed, poultry feed & cattle feed, including grass, hay & straw.
4.	Betal leaves.
5.	Books and periodicals & journals.
6.	Charcoal.
7.	Coarse grains, paddy, rice and wheat.
8.	Condoms and contraceptives.
9.	Cotton & silk yarn in hank.
10.	Charkha, Amber Charkha, Handlooms, Handloom fabrics and Gandhi Topi.
11.	Curd, Lussi, butter milk & separated milk.
12.	Electrical energy.
13.	Bamboo.
14.	Fire wood.
15.	Fresh milk and pasteurised milk.
16.	Fresh plants, saplings and fresh flowers.
17.	Fishnet & Fishnet fabrics.
18.	Fresh vegetables & fruits.
19.	Garlic & ginger.
20.	Kurtai, locally made toffee.
21.	Human Blood & blood plasma.
22.	Indigeneous handmade musical instruments.



23. Paper and newsprint.
24. Meat, fish, prawn & other aquatic products when not cured or frozen, eggs and livestock and animal hair.
25. National Flag.
26. Organic manure.
27. Non-judicial stamp paper sold by Govt. Treasuries, postal items like envelope, postcard etc. sold by Govt., rupee note & cheques.
28. Flour, atta, maida, suji, besan.
29. Timber.
30. Slate and slate pencils.
31. Silk worm laying, cocoon & raw silk.
32. Kerosene.
33. Leaf plates and cups.
34. Bread.
35. Salt
36. Water other than areated, mineral, distilled, medicinal, ionic, battery, de-mineralised and water sold in sealed container.
37. Chalksticks.
38. Unprocessed green leaves of tea.
39. Religious pictures not for use as calendar.
40. Em, thlangra, lukhum made of bamboo and cane including bamboo matting.
41. Seeds of grass, vegetables and flowers.
42. Idols made of clay.
43. Handloom products.
44. AED items such as sugar, textiles and tobacco.
45. Broomsticks.
46. All Text books, exercise books, graph books and laboratory notebook.

## **SCHEDULE - II**

**( See clause(b) of sub-section(2) of section 8 read with section 11 )**

### **PART 'A'**

#### **LIST OF ZERO-RATED GOODS:**

1. Goods exported to other countries.
2. Goods sold from Domestic Tariff Area (DTA) to Special Economic Zones (SEZ) and Export Oriented Units(EOU).
3. Goods exported by Export Oriented Units (EOU).
4. Goods sold between SEZ and EOU.

### **PART 'B'**

#### **LIST OF GOODS TAXABLE AT 1%**

1. Bullion.
2. Gold articles.
3. Precious stones including synthetic gems.
4. Silver articles.
5. Platinum.

## PART 'C'

### LIST OF GOODS TAXABLE AT 4%

1. Agricultural implements not operated manually or not driven by animal
2. All equipments for communications such as, private branch exchange(PBX) & Elect. Private Automatic Branch Exch.(EPABX) etc.
3. All intangible goods like copyright, patent, rep. license etc.
4. All kinds of bricks including fly ash bricks, refractory bricks & asphaltic roofing earthen tiles, sand and stone aggregates.
5. All types of yarn other than cotton & silk yarn in hank & sewing thread.
6. Aluminium utensils and enamelled utensils.
7. Arecanut powder and betel nut.
8. Bearings.
9. Beedi leaves.
10. Beltings.
11. Bicycles, tricycles, cycle rickshaws & parts.
12. Bitumen.
13. Bone meal.
14. Bulk drugs.
15. Capital goods.
16. Castings.
17. Centrigugal & monobolic & submersible pumps & parts thereof.
18. Coffee beans & seeds, cocoa pod, green tea leaf & chicory.
19. Chemical fertilizers, pesticides, weedicides, insecticides.
20. Coir & Coir products excluding coir mattresses.
21. Cotton & cotton waste.
22. Crucibles.
23. Declared goods as specified in Section 14 of the Central Sales Tax Act, 1956.

24. Edible oils, oil cake & de-oiled cake.
25. Electrodes.
26. Ferrous & non-ferrous metals & alloys, non-metals, such as aluminium, copper, zinc & extrusions of those.
27. Fibres of all types and fibre waste.
28. Fried grams.
29. Hand pumps & spare parts.
30. Herb, bark, dry plant, dry root, commonly known as jari booti and dry flower.
31. Hose pipes.
32. Hosiery goods.
33. Husk and bran of cereals.
34. Ice.
35. Incence sticks commonly known as agarbati, dhupkathi or dhupbati.
36. Industrial cables (High voltage cables, PVC or XLPE insulated wires and cables, Jelly filled cables, Optical fibres cables).
37. I.T products as listed in Annexure – I including mobile telephones, telephones & parts thereof, teleprinter & wireless equipment and parts thereof.
38. Industrial inputs and packing materials as listed in Annexure - II.
39. Candles.
40. Adhesive of all kinds including gum, glue, adhesive solution, gum paste, lapping compound, liquid M-seal epoxy, shellac, vulcanizing solution and adhesive tapes, self adhesive tapes, gum tapes, gummed tapes and resin other than those specified elsewhere in this schedule or in any other schedule.
41. Napa Slabs (Rough flooring stones).
42. Ores and minerals.
43. Pipes of all varieties including G.I. pipes, C.I. pipes, ductile pipes, PVC etc.
44. Plastic footwear and Hawaii chapal.
45. Printed materials including diary, calendar etc.
46. Printing ink including toner and cartridges.

47. Asbestos sheets and products.
48. Baby and adult diapers.
49. Baby feeding bottles and nipples made of any materials.
50. Bakery products including biscuits of all varieties, cakes, pastries, pizza – breads, other those specified in any other schedule.
51. Pulp of bamboo, wood and paper.
52. Rail coaches, engines & wagons.
53. Readymade garments.
54. Renewable energy devices & spare parts.
55. Safety matches.
56. Sewing machine.
57. Ship & other water vessels.
58. Skimmed milk powder.
59. Solvant oils other than organic solvent oil.
60. Spices of all varieties and forms including cumin seed, aniseed, turmeric & dry chillies.
61. Sports goods excluding apparels and footwear.
62. Starch.
63. Tractors, Threshers, harvesters & attachments & parts thereof.
64. Transmission towers.
65. Umbrella except garden and beach umbrella.
66. Vanaspati (Hydrogenated Vegetable Oil).
67. Vegetable oil.
68. Writing instruments such as lead pencils, pen of all varieties and descriptions, refill, cartridges, nozzles, nib and writing ink other than those specified elsewhere.
69. Drugs and medicines.
70. Embroidery articles.
71. Clay including fireclay.
72. Lignite.

73. Lime, Lime stone, clinker & dolomite.
74. Linear alkyl benzene.
75. Plastic granules.
76. Stainless Steel sheets.
77. Knitting wool.
78. Processed meat, poultry & fish.
79. Processed or preserved vegetables & fruits.
80. Article made of rolled gold and imitation gold.
81. Cooked food including beverages other than liquor, served in, or supplied from, any – (a) hotel, (b) restaurant, (c) refreshment room, (d) club or (e) eating house.
82. Processed vegetables.
83. Dextrose monohydrate or powder for food drink having dextrose monohydrate as major ingredient.
84. Handicrafts made out of any material including jute table mats, jute door mats, jute handicrafts, jute wall hangings, bidariware, handmade pottery items, hand made lamps, art works, dokra items, coconut shell articles, conch and shell articles, palm leave articles, papier-mâché articles, screw pine articles, straw articles, wood carvings and wood figure, wooden inlaid articles.
85. Maize products that is to say, - liquid glucose, dextrose, monohydrate, malto dextrine, glucose 'D', maize gluten, , maize oil, hydrol corn steep liquor.
86. Paper envelopes whether printed or not, paper cups, pulp moulded products such as eggs tray and other paper products.
87. Tailoring materials, namely needles, scissors, hooks, buttons, zips, buckles, measuring tape and stick, collars and collar bones, horn buttons, indent hooks and eyes, jean buttons, knitting pins, long stitch kits, MS coated button / stars, zip fasteners, zippers, cuff links, crochet hooks.
88. Tea.

## PART 'D'

### LIST OF GOODS TAXABLE AT 12.5%

1. Abrasives including grinding stones, abrasive sheets, wheels, sections, sand paper, emery paper, emery cloth, emery powder, emery paste, water paper and the like.
2. Absolute alcohol, methyl alcohol, rectified spirit, neutral spirit and denatured spirit.
3. Advertisement hoarding.
4. Aeroplanes and other aircrafts including helicopters and all kinds of parachutes, dirigibles, all kinds of gliders, all types of flying machines, aircrafts launching gear, parts and accessories thereof.
5. Air conditioning plants, air conditioners and other air conditioning appliances, air coolers, room coolers including all cooling appliances, apparatus and instruments; (ii) Refrigeration plants, and all kinds of refrigerating appliances and equipments including refrigerators, deep freezers, mechanical water coolers, coffee coolers, walk-in-coolers; (iii) Cold storage plants and equipments including refrigeration materials like polystyrene and polyurethane foam materials used in refrigerators and cold storage equipments; (iv) Water cooler cum heater units; (v) Parts and accessories of items (i) to (iv) above.
6. Air purifiers, cupboard fresheners and deodorizers, whether odourless or with odour.
7. Anti-bed sore made of PVC, rubber or other materials.
8. Apparatus for making coffee under pressure, commonly known as espresso.
9. Arms, ammunitions and explosives of all kinds including (i) rifles, revolvers, pistols and bayonets, truncheons and ammunition used therewith (ii) Hand grenades; (iii) Air guns, air rifles and pellets used therewith, (iv) gelatin sticks, RDX, gun powder, detonators caps, igniters, electric detonators, fuses and other blasting powder and the like.
10. Articles and other goods of aluminum, brass, bronze, copper, cadmium, lead and zinc other than specified in any other Schedule.
11. Articles made of ivory, horn, coconut shell, straw, bamboo, cane, rosewood, sandalwood and other woods other than those specifically included in any other entry in this schedule.
12. Asafoetida including compounded asafoetida.

13. Cement products including products in combination with other materials not elsewhere mentioned in this Schedule.
14. Asphaltic roofing.
15. Baking powder, bread improver, cake gel, vinegar, wheat gluten and edible gelatin used for confectionery and ice creams.
16. Batteries and parts thereof, dry cells, button cells, solar cells of all kinds, parts and accessories thereof including zinc calots and carbon rods.
17. Beds, pillows and quilts made of cotton or silk cotton.
18. Binoculars, monocular, opera glasses, optical telescope, astronomical instruments, microscopes, & optical lenses other than lenses for spectacles.
19. Blasting gun powder and other mechanical explosives.
20. Bleaching powder of all varieties and descriptions.
21. Boards such as planner boards, graph boards, writing cum projecting boards, white mark ceramic steel dry wipe boards.
22. Bulldozers, excavators, earthmovers, dumpers, dippers, pipe-layers, scrapers and the like, and parts and accessories thereof.
23. Cables of all types, other than those specifically included in this schedule or in any other schedule.
24. Cement including white cement and their substitutes and cement concrete mixture.
25. Chinaware, porcelain ware and stoneware articles.
26. Cigar cases and cigarette cases, pipe holders, tobacco pipes, cigarette filters and hookah.
27. Cinematographic equipments, including video cameras, projectors, overhead projectors, enlargers, plates and cloth required for use therewith, sound-recording and reproducing equipments, parts and accessories thereof and lenses, exposed films, film-strips, arc or cinema carbons, cinema slides, paper, paper boards required for use therewith.
28. Citronella oil.
29. Clip boards, clutch pencil, black lead, date stamps, dusters, index file clips, pokers, office files of all kinds, paper cutter, black board, black board dusters.
30. Coal tar.
31. Coconut products (others than sweets and confectionery and those specifically included under any other item in this Schedule).



32. Coffee powder including french coffee and coffee drink.
33. Collapsible gates, rolling shutters whether operated manually, mechanically or electrically and their parts and grills made of iron and steel.
34. Computer cleaning kit.
35. Conduit pipes and its fittings.
36. Confectionery including toffee, chocolate and sweets of all kinds, ice-candy, ice-cake, ice-jelly, kulfi and frozen confectionery, frozen desert, chewing gum, bubble gum and the like.
37. Cooked food including beverages other than liquor, served in, or supplied from, any- (a) hotel, (b) restaurant, (c ) refreshment room, (d) club or (e) eating house.
38. Cosmetics and toilet articles that is to say, - Talcum powder, prickly heat powder, similar medicated body powder, shampoo of all varieties and forms, hair and body cleaning powder of all kinds, sandal wood oil, ramachom oil, cinnamon oil, perfumes, scents, snow and cream, eau de cologne, solid colognes, beauty boxes, face packs, cleansing liquids, moisturizers, make-up articles (not including talcum powder), complexion rouge, bleaching agents, hair oil, hair dyes, hair sprayers, hair removers, hair creams, lipsticks, nail polishes and varnishes, polish removers, eye liners, eye lashes and body deodorants.
39. Cushion, mattress, pillows, seat cover and other articles made wholly or partly of artificial or synthetic resin or plastic foam or rubber foam.
40. Detergents whether cake, liquid or powder, toilet soap, washing soap, laundry brighteners, abir, blue, stain busters, stain removers and all kinds of cleaning powder and liquids.
41. Diesel locomotive and parts and accessories thereof.
42. Doors, windows, ventilators, partitions, stands, ladders, etc. made of any materials.
43. Dry fruits, nuts and kernel such as almond, pistha, dry grapes, figs, apricots, walnut, cashew kernel other than those specified elsewhere in this Schedule.
44. Duplicating machines, photo copying machines, reprographic copiers including roneo machines, reprographic copiers including duplicators and any other apparatus for obtaining duplicate copies, parts and accessories thereof, ribbons, plates used therewith.
45. Electric motor, spare parts and accessories.
46. Electrical domestic and commercial appliances including - food processors like mixer, grinder, ovens, frying pans, roti-maker, rice

cooker, deep fat frier, curd maker; hot food cabinet, water heater including immersion heater, electric kettle, electric knife, cooking ranges, washing machine, dish washer, electric iron, electric hair drier, electric hair remover, shavers, electric time switches, mechanical timers, vacuum cleaner, water purifier, drier, coffee roasting appliances, floor polishers, massage apparatus, sharpeners, vending machines other than those specifically included under any other entry in this schedule or in any other schedule.

47. Electrical goods of all kinds used in the generation, transmission, distribution or in connection with the consumption of electricity, including all kinds of transformers, inverters, voltage stabilizers, wires and cables, holders, plugs, sockets, switches, cappings, reapers, bends, junction boxes, coupling boxes, meter boxes, switch boxes, fuse switch boxes, distribution boxes, power meters, meter boards, switch boards, panel boards, distribution boards, electrical relays, single phasing preventors, wooden plugs, lightning arrestors, electrical earthenware and porcelainware, circuit breakers, starters, chokes, power supply indicators, winding wires and strips, jointing materials, heating elements, general lighting system (GLS) lamps, bulbs, tubes, light fittings, chandeliers and their shades, fans, air circulators, protectors, stands, fixtures, fittings, battens, brackets, sound or visual signaling apparatus such as bells, sirens, indicator panels, burglar or fire alarms other than those specifically included.
48. Electronic goods (i) electronic systems, instruments, apparatus and appliances including television, audio & video cassette tape recorder, compact disc writer, audio & video cassettes, audio & video magnetic tapes and CDs, video cassette players, automatic teller machines, music systems, amplifier, graphic equalizer, synthesizer, tuner, tape deck, record player, record changer, compact disc player, speaker, sales register; (ii) components, spare parts and accessories thereof including cathode ray tube, electronic wires, sleeves, casings, cappings, cables, switches, plugs, holders, jacks, connectors, chokes, starters, relays, fuses, head cleaners and lubricants of all kinds other than those specifically included in any other entry in this schedule or in any other schedule.
49. Electroplated nickel, chromium silver or german silver goods.
50. Empty gas cylinders, gas stove, bunnens and others accessories thereof.
51. Fax machines and their parts and accessories.
52. Fiberglass sheets and articles made of fiberglass other than those specifically included in this schedule or in any other schedule.
53. Fire fighting equipments and devices.
54. Fire works including coloured matches.

55. Floor and wall tiles of all varieties (i) Ceramic tiles, glazed floor, roofing and wall tiles; (ii) Cuddappah stone slabs and shahabad stone slabs; (iii) (a) Granite blocks (rough or raw); (b) Polished granite slabs, including tomb stones, monument slab and head stone; (iv) Black stone, kota stone or any other natural stone, (v) Marbles, that is to say, - (a) Marble boulders or lumps, (b) Marble slabs (c) Marble chips (d) Marble dusts (e) marble floor tiles and wall tiles (f) Other articles made of marbles (vi) Mosaic tiles, chips and powder.
56. Floor coverings, that is to say, (i) carpets, durries, druggets, kalins, galichas, carpetry and rugs whether tufted, piled or otherwise whether made from cotton, silk, synthetic or other fibres, whether machine made, handmade or made on handlooms but excluding jute carpets, coir carpets or mattings, handmade or handloom made woven durries and jamakkalams; (ii) Laminated, impregnated or coated matting materials such as linoleum including PVC (vinyl) materials.
57. Foam rubber products, plastic foam products, or other synthetic foam products of every description including: (i) sheets; (ii) cushions (iii) pillows and (iv) mattresses.
58. (i) Ready to serve foods and food preparations including instant foods, pickles, chatnis, sauces, jams, marmalades, jellies, sweets and sweet meats, confectionery, chocolates, toffees and savories like chips and popcorn; (ii) Sweets made of groundnuts, gingelly; (iii) Fried, roasted or salted grams and kernels; (iv) Semi-cooked or semi-processed food stuffs like coconut milk, coconut milk powder, food mixes, noodle, vermicelli and macaroni including spaghetti and cornflakes, vegetative and animal preparations sold in sealed containers; (v) Food colours, essences of all kinds and powders or tablets used for making food preparations; (vi) Fruits other than dry fruits and vegetable products when sold in tins, cans, bottles or in any kind of sealed containers; (vii) Paste of onion, ginger or garlic and similar other pastes and combination thereof, including curry paste, when sold in sealed container.
59. Footwear of all kinds excluding plastics footwear and hawai chappals.
60. Fruit oils like - grape oil, orange oil, lemon oil, lime oil, carrot oil etc (ii) Leaves oil such as mint oil, curry leaf oil etc.
61. Fur, skins with fur, and articles made of fur, skin and leather.
62. Furnaces and boilers of all types including fluidized bed boilers and ignifluid boilers and boilers using agricultural waste as fuel but not including boilers using municipal waste only as fuel.
63. Furniture made from any material whether sold in assembled or unassembled form and ready to assemble, and parts thereof. Explanation:- Slotted angles, gussets, plates, panels and strips which when assembled form furniture or equipments, shall be deemed to be furniture or office equipments as the case may be, for the purpose of this item.

64. Garden and beach umbrellas and parts thereof.
65. Glass and glassware other than those specified elsewhere in this schedule or in any other schedule.
66. Glycerin.
67. Hair - (i) Human hair; (ii) Wigs.
68. Handlooms Machinery and parts and accessories thereof.
69. Helmets.
70. Hollow polyester fibre.
71. Hospital instruments, apparatus, appliances, tools and aids used in medical, surgical, dental, veterinary sciences or physiotherapy including electrical and electronic equipments and appliances; syringes and needles; operation theatre equipments; shadow bulbs and tubes, specially made operation and examination tables and cots and suction apparatus; stands, stretchers, trolleys, dental chairs, laboratory equipments and glassware; stethoscopes, thermometers, lacometers, B.P. instruments, surgical cotton wool; enema cans, bed pans, kidney trays and such other hospital ware; surgical gloves, aprons, operation suits, rubber sheets, catheters, I.V.sets and the like; cervical collars, abdominal belts telonet paraffin gauze dressing, ultrasound jelly, pinchers (steel), medical oxygen, medical kits, medical disposable intravenous administration set, thermometer, mechanical nasal filters, instrument steriliser, hospitalwares, gypsona plaster of paris, bandage, fixed, partial dentures, enameled iron trays, and abasis.
72. Instant tea and instant coffee.
73. Insulated flexible air ducts made of PVC or other materials.
74. Internal combustion engine, marine engine, diesel engine, oil engine, generators, their spare parts, other then those specifically mentioned in this Schedule.
75. Ivory, rosewood and sandalwood articles.
76. Jute-cum-polypropylene coverings.
77. Key chains and key holders.
78. Kitchen wares including crockery, cutlery, non-stick wares, heat resistant cookware, casseroles, pressure cookers, pressure stoves, gas stoves.
79. Laboratory reagents, disinfectants.
80. Laminated board or sheet of all varieties and descriptions including expanded polystyrene of all kinds of mica, sunmica, formica, decolam etc.

81. Leather goods.
82. Lifts, elevators, hoists, whether operated by electricity, hydraulic power, mechanical power or steam.
83. Light roofing sheets (obtained by immersing paper mat in bitumen).
84. Lighters of all kinds including spark lighters.
85. Locks, padlocks and keys (all kinds).
86. Low sulphur heavy stock (LSHS).
87. Machinery of all kinds (other than those specifically mentioned elsewhere) worked by (i) Electricity (ii) Nuclear power (iii) Hydro-dynamic and steam power (iv) Diesel or petrol (v) Furnace oil (vi) Kerosene (vii) Coal including coke and charcoal (viii) Any other form of fuel or power (excluding human or animal labour) (ix) Parts and accessories of machineries and tools used with the machineries mentioned in sub-items (i) and (iii) above.
88. Measuring devices such as (i) vernier caliper, screw gauge, depth gauge, coating thickness gauge, dial indicator, outside micro meter, mitutoya cylinder gauge, precision thread rink gauge, precision ply gauge, colour comparator, water meters, gas meters, industrial thermometers, parts and accessories thereof; (ii) (iii) weighing machines of all kinds including platform scales, weigh bridges, counter scales, spring balances, weighing scales and balances, parts and accessories of such machines and weights used therewith (iv) dipping measures, metric pouring measures, conical measures, cylindrical measures (v) meter scales, measuring tapes, steel yards and survey chains.
89. Meat, poultry, fish, sea food, egg, fruits and vegetables preserved and sold in airtight containers.
90. Mercury.
91. Menthol.
92. Metallic products other than those specified elsewhere in this schedule or in any other schedule.
93. Metal, alloys, metal powders including metal pastes of all types and grades and metal scraps other than those falling under 'declared goods'.
94. Micro cellular rubber.
95. Milk products including, condensed milk, ghee, cheese, butter, butter oil, ice creams, margarine sold in bottled, canned or packed.
96. Mosquito repellents including electric or electronic mosquito repellents, gadgets and insect repellents, devices and parts and accessories thereof.

97. Motor vehicle, chassis of motor vehicles, motor cycles, motor combinations, motor scooter, mopeds, motorettes, three wheelers, motor vessels, motor engine, trailers, motor bodies built on chassis on motor vehicles and bodies built on motor vessels, components, spare parts and accessories thereof.
98. Motor, operated electrically or otherwise, and pump operated with or without motor, including spare parts, components and accessories of such motor and pump.
99. Musical instruments, electrical and electronic.
100. Non-alcoholic beverages and their powders, concentrates and tablets including (i) aerated water, soda water, mineral water, water sold in sealed containers or pouches, (ii) fruit juice, fruit concentrate, fruit squash, fruit syrup and fruit cordial, (iii) soft drinks, (iv) health drinks of all varieties, (v) other non-alcoholic beverages; not falling under any other entry in this schedule or in any other schedule.
101. Office machines, equipments and apparatuses including franking, address-printing, tabulating, cash registering, cheque writing, accounting, statistical, indexing, punching machines, stapler machines, card punching and paper shredding machines and apparatuses; paper pins, pen stands, pencil lead, pencil sharpeners, permanent markers, refill leads, stamp racks, stapler pins, rulers of all kinds, gulli pins and pin studs.
102. Optical goods, that is to say, - spectacles, sun glasses, goggles, lenses and frames including attachments, parts and accessories thereof and lens care solution.
103. Paints, lacquers, polishes and enamels not otherwise specified in this schedule, including powder paints, stiff paste paints and liquid paints; (ii) Colours (iii) Pigments, including water pigments and leather finishes; (iv) Dry distempers including cement based water-paints, oil-bound distempers, plastic emulsion paints; (v) Varnishes, french polish, bituminous and coal-tar blacks; (vi) Cellulose lacquers, nitro-cellulose lacquers, clear and pigments and nitro-cellulose ancillaries in liquid, semi-solid or pasty forms; (vii) Turpentine oil, bale-oil, white oil; (viii) Diluents and thinners including natural and synthetic drying and semi-drying oils such as double boiled linseed oil, blown linseed oil, stand oil, sulphurised linseed oil, parilla oil, whale oil and tung oil; (ix) Glaziers putty, grafting putty, resin cements, caulking compounds and other mastics, painters fillings, non-refractory surfacing preparations for facades, indoor walls, false ceiling or the like; (x) Primers of all kinds (xi) All other.
104. Pan masala, pan chutney, scented supari and the like.
105. Perambulator including push chair for babies, and spare parts, accessories and components thereof.

106. Photographic cameras and enlargers, flash light apparatus, photo blocks, lenses, films including x-ray films and film packs and plates, x-ray machine, scanners, medical imaging equipments, chemicals used in the photographic development and printing process, paper and cloth, photo albums, stamp album, photo frames, photo mounts and other parts and accessories required for use therewith.
107. Plaster of paris.
108. Articles made from all kinds and all forms of plastic including articles made of polythene, polyvinyl chloride, poly propylene, polyesterene and the like materials, but excluding those specified in any other schedule.
109. Playing cards of every description.
110. Plywood, laminated and decorative sheets veneer plywood, hard board, particle board, block board, insulation board, laminated board, batten board, hard or soft wall ceiling, floor boards, and similar boards of wood, of all kinds, whether or not containing any material other than wood; (ii) All other non-soft boards or insulating material made of any other material other than wood.
111. Pollution control equipments, namely:- (i) Water pollution control equipments — Coarse screen / micro screen (stainless steel / mild steel), Rotary screen / comminutor (stainless steel / detritor), Racker arms, weirs, paddles, motor with reduction gear arrangements intended for clarifiers for liquid waste treatment, surface aerators / floating aerators and accessories, diffuses of all types for supply of air, in liquid waste treatment, radial arms and accessories for trickling filters, demineraliser for effluent treatment, synthetic packing media for trickling filters, packed bed columns / towers for effluent treatment, headers and laterals with accessories for trickling filters, digestors, gas meters and electrical heaters for digestors, gas holding tanks for digestors, Pollution control equipments - (ii) instrumentation — B Oc incubator, C Oc apparatus, ion analyser; (iii) Air pollution control equipment — filters (fabric filters, bag filters, vacuum filters), electrostatic precipitators, cyclones, wets.
112. Power driven pumps for liquids and liquid elevators whether or not fitted with a measuring device excluding centrifugal pumps, monoblock pump sets, submersible pumps and parts and accessories which are actually adapted for use with pumps and valves.
113. Power factors and shunt capacitors of all kinds.
114. Rail coaches, wagons and parts and accessories thereof.
115. Rain coat, tarpaulin and products of waterproof cloth, rexine and PVC cloth.
116. Rolling shutters and collapsible gates whether operated manually, mechanically or electrically and their parts.

117. Rough synthetic gem boules.
118. Rubber products, synthetic rubber products and products of mixture of rubber and synthetic rubber including tread rubber not mentioned elsewhere.
119. Sanitary towels, sanitary napkins, beltless napkins and tampons.
120. Scientific instruments and lab equipments like optical instruments, electrical instruments, scientific balance, acoustic instruments, and mechanical instruments.
121. Shaving set, safety razor, razor blades, razor cartridge, shaving brush, shaving cream, shaving soap, after shave lotion and hair comb.
122. Shoe polish including shoe wax, cream and whitener.
123. Silverware.
124. Sound transmitting equipments including loudspeakers, dictaphones, amplifiers and similar apparatus for recording and reproducing sound and spare parts and accessories thereof.
125. Articles, equipments for gymnastics and health fitness equipments.
126. Supplemental diet products in the form of pills, powder, capsules.
127. Stainless steel products.
128. Strong room or vault doors and ventilators, armored or reinforced safes, strong boxes and doors, cash chests, cash or deed boxes, wall coffer, safe deposit lockers and locker cabinets.
129. Studio backgrounds including lighting control reflectors, tri-reflector, modifiers, backgrounds, curtains backgrounds, etc.
130. Suit cases, brief cases, attache cases, dispatch cases, trunks, purses, hand bags, vanity bags, vanity cases and vanity boxes.
131. Synthetic gems.
132. Tabulating, calculating machines, parts and accessories thereof.
133. Tanning barks.
134. Telecommunication apparatus and ribbons used therewith not falling under any other entry in this Schedule or in any other schedule.
135. Television sets and component parts and accessories thereof.
136. Tools and wear parts such as twist drills, taps, reamers, spanners, screw-drivers, files, cutting pliers, hammers, cutters, dies, button bits, tungsten, carbide wear parts, ceramic industrial wear parts and the like.



137. Tooth paste, tooth powder (whether medicated or not), tooth brush and other dentifrices, mouth washes and deodorants.
138. Torch light and bulbs.
139. Toys of all kinds including electrical and electronic toys.
140. Transport equipments other than those specifically mentioned in this schedule.
141. Typewriters, typewriter ribbon used therewith, whether or not in spools, correction fluids and spare parts.
142. Tyres and tubes other than those for bicycles, tri-cycles, cycle rickshaws and wheel-chairs; flaps.
143. Vacuum flasks of all kinds and descriptions including refills for such flasks and thermally insulated flasks, containers and vessels including thermoses, thermic jugs, ice buckets or boxes, tins and receptacles to keep food or beverages or other articles, hot or cold and components and accessories thereof.
144. Vegetable, mineral and other preparations, tonics, food supplements, appetizers, dietical foods and all other preparations for human consumption in liquid, pill, powder forms, whether prepared according to pharmacopial standards or otherwise, other than those specified elsewhere in this schedule.
145. Vinegar.
145. Watches, clocks, time-pieces (whether or not in combination with any other devices), stop watches, time switches, mechanical-timers, time-records, auto print time punching clocks, time-registers, instrument panel clocks of all kinds including all such electronic devices, parts and accessories thereof, watch bands, watch bracelets, watch chains, watch straps.
146. Distilled water, medicinal water, ionic water, battery water, de-mineralised water.
147. Water filter of all varieties and descriptions.
148. Water proofing, damp proofing and weather proofing compounds.
149. Water supply and sanitary equipments and fittings of every description including storage tanks, sinks, wash basins, wash basin pedestals, taps, pipe-fittings, bath showers, bidets, water closet pans, flushing cisterns, urinals, commodes, man-hole covers used in connection with drainage and sewerage disposals, parts and accessories thereof.
150. Welding rods.

151. Wireless reception instruments and apparatus, transistor radio, radio, radiograms and transistors and components thereof including all electrical valves, accumulators, amplifiers and loud speakers which are used exclusively in such instruments and apparatus.
152. Fresh, dried, compressed, extract-paste or powder yeast.
153. Items not listed elsewhere.

**SCHEDULE - III**  
**( See sub-section(2) of section II )**

Sl. No.	Description of works contract	Percentage of deduction under sec. 8(2)(c)	Rate of tax (percent )
1.	Fabrication and installation of plants and machinery	30%	4%
2.	Fabrication and erection of structural works, including fabrication, supply and erection of iron trusses, purlines, etc.	30%	4%
3.	Fabrication and installation of cranes and hoists	30%	4%
4.	Fabrication and installation of elevators (lifts) and escalators	30%	4%
5.	Fabrication and installation of rolling shutters and collapsible gates	30%	4%
6.	Civil works like construction of building, bridges, road, rail roads, etc.	30%	4%
7.	Installation of doors, door frames, windows, window frames and grills	30%	4%
8.	Supplying and fixing of tiles slabs, stones and sheets	30%	4%
	(i) Supplying and fixing of mosaic tiles	30%	12.5%
	(ii) Supplying and fixing of marble slab polished granite stone and tiles (other than mosaic tiles)	30%	12.5%
	(iii) Supply and fixing of slabs, stones and sheets other than those specified at items (i) and (ii) above	30%	12.5%
9.	Supplying and installation of air-conditioning equipments including deep freezers, cold storage plants, humidification plants and dehumidifiers	30%	12.5%
10.	Supplying and installation of air-conditioner and air-coolers	30%	12.5%
11.	Supplying and fitting of electrical goods, supply and installation of electrical equipments including transformers	30%	12.5%
12.	Supplying and fixing of furniture and fixtures, partitions including contracts for interior decoration	30%	12.5%
13.	Sanitary fitting for plumbing for drainage including supply of materials thereof	30%	12.5%

14.	Painting and polishing including supply of painting and polishing materials	30%	12.5%
15.	Construction of bodies of motor vehicles and construction of trailers.	30%	4%
16.	Providing and laying of pipes for purposes other than those specified in serial number 13 of this schedule.	30%	4%
17.	(i) Providing and laying pipes (other than steel pipes) for purposes other than those specified in serial number 13 of this Schedule.	30%	12.5%
	(ii) Providing and laying of steel pipes for purposes other than those specified in serial number 13 of this Schedule.	30%	12.5%
	(iii) Providing and boaring, drilling and fitting of all types of pipes.	30%	12.5%
18.	Programming and providing of computer software.	30%	4%
19.	Fabrication, testing and reconditioning of metallic gas cylinders.	30%	4%
20.	Tyre retreading.	30%	4%
21.	Processing and supplying of photograph, photoprints, photo negatives (including photographing with camera, x-ray and other scanning materials.	15%	12.5%
22.	Supplying and installation of electronic instruments, equipments, apparatus, appliances and devices.	30%	12.5%
23.	Supplying and installation of fire fighting equipment and devices.	15%	12.5%
24.	Electroplating and anodizing.	30%	4%
25.	Lamination, rubberisation, coating and similar process.	30%	4%
26.	Printing and block making.	30%	4%
27.	Supply and erection of weighing machines and weigh bridges.	30%	12.5%
28.	Dyeing and printing textiles.	30%	4%
29.	Construction of tankers on motor vehicles, chassis.	30%	4%
30.	Supply and fixing of door and window curtains including Venetian blinds and nets.	30%	12.5%
31.	Other works contracts not covered by serial number 1 to 30.	30%	4%

## LIST OF INFORMATION AND TECHNOLOGY PRODUCTS

HSN Code	DESCRIPTION OF ITEMS
84.69	Word Processing Machines and Electronic Typewrites.
84.70	Electronic Calculators
84.71	Computer System and peripherals, Electronic Diaries.
84.73	Parts and Accessories of HSN 84.69, 84.70 and 84.71 for items listed above.
85.01	DC Micromotors/Stepper motors of and output not exceeding 37.5.Watts.
85.03	Parts of HSN 85.01 for items listed above.
85.04	Uninterrupted Power Supplies (UPS) and their parts.
85.05	Permanent magnets and article intended to become permanent magnets (Ferrites)
85.17	Electrical Apparatus for line telephone or line telegraphy including line telephone sets with codeless handsets and telecommunication apparatus for carries current line system or for digital line system; Videophones.
85.18	Microphones, Multimedia Speakers, headphones, Earphones and Combines Microphone/Speaker sets and their parts.
85.20	Telephone answering machines.
85.22	Parts of telephone answering machines.
85.23	Prepare unrecorded media for sound recording or similar recording of other phenomena.
85.24	I.T. Software on any media.
85.25	Transmission apparatus other than apparatus for radio broadcasting or TV broadcasting, transmission apparatus incorporating reception apparatus, digital still image video cameras.
85.27	Radio Communication receivers, Radio pagers.
85.29	(i) Aerials, antennas and their parts. (ii) Parts of items at 85.25 and 85.27 listed above.
85.21	LCD Panels, LED Panels and parts thereof.

- 85.32 Electrical capacitors, fixed, variable or adjustable (Pre-set) any parts thereof.
- 85.33 Electrical resistors (including rheostats and potentiometers), other than heating resistors.
- 85.34 Printed circuits.
- 85.36 Switches, Connectors, and relays for upto 5 Amps at voltage not exceeding 250 volts, Electronic fuses.
- 85.40 Data/Graphic Display tubes, other than TV Picture tubes and parts thereof.
- 85.41 Diodes, transistors and similar semi-conductor devices; Photosensitive semi-conductor devices, including photovoltaic cells whether or not assembled I modules or made up into panels; Light emitting diodes; Mounted piezo-electric crystals.
- 85.42 Electronics Integrated Circuits and Micro-assemblies.
- 85.43 Signal generators and parts thereof.
- 85.44 Optical fibre cable.
- 90.01 Optical fibre and optical fibre bundles and cables.
- 90.13 Liquid Crystal Devices, Flat panel display device and parts thereof.
- 90.30 Cathode ray oscilloscopes, Spectrum Analysers, Cross-talk meters, Gain measuring instruments, Distortion factor meters, Psophometers, Network & Logic analyzer and signal analyzer.

**INDUSTRIAL INPUTS**

<b>Sl. No.</b>	<b>Commodity</b>
1.	Animal (including fish) fats, oils, crude, refined or purified
2.	Glycerol, crude, glycerol waters and glycerol lyes
3.	Vegetable waxes(other than triglycerides), bees wax, other insect waxes and supermaceti, whether or not refined or coloured.
4.	Animal or vegetable fats boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vaccum or in inert gas.
5.	Liquid glucose (non-medicinal).
6.	Denatured ethyl alcohol of any strength
7.	Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20%
8.	Copper ores and concentrates
9.	Nickel ores and concentrates
10.	Cobalt ores and concentrates
11.	Aluminium ores and concentrates
12.	Lead ores and concentrates
13.	Zinc ores and concentrates
14.	Tin ores and concentrates
15.	Chromium ores and concentrates
16.	Tungsten ores and concentrates
17.	Uranium or thorium ores and concentrates
18.	Molybdenum ores and concentrates
19.	Titanium ores and concentrates
20.	Niobium, tantalum, vanadium or zirconium ores and concentrates
21.	Precious metal ores and concentrates
22.	Other ores and concentrates
23.	Granulated slag (slag sand) from mfg. Of iron or steel
24.	Benzole

25. Toluole
26. Xylole
27. Napthalene
28. Phenols
29. Creosole oils
30. Normal Paraffin
31. Butadine
32. Bitumen
33. Flurine, chlorine, bromine and iodine.
34. Sulphur, sublimed or precipitated, colloidal sulphur
35. Carbon (carbon blacks & other forms of carbon not elsewhere specified or included)
36. Hydrogen, rare gases & other non-metals.
37. Alkali or alkaline earth metals, rare earth metals, scandium and yttrium, whether or not intermixed or inter alloyd, mercury.
38. Hydrogen chloride (hydrochloric acid), chlorosulphuric acid.
39. Sulphuric acid and anhydrides thereof Oleum
40. Nitric acid, sulphonitric acids
41. Diphosphorous penataoxide, phosphoric acid and polyphosphoric acids.
42. Oxides of boron, boric acids
43. Halides and halide oxides of non-metals
44. Sulphides of non-metals, commercial phosphorus trisulphide.
45. Ammonia, anhydrous or acueous solution.
46. Sodium hydroxide (caustic soda), Potassium hydroxide (caustic potash) peroxides of sodium or potassium.
47. Hydroxide and peroxide of magnesium, oxides, hydroxides and peroxides of strontium or barium.
48. Aluminium hydroxide
49. Chromium oxides and hydroxides.



50. Manganese oxides.
51. Iron oxides and hydroxides
52. Cobalt oxides and hydroxides commercial cobalt oxides.
53. Titanium oxides.
54. Hydrazine & hydroxylamine and their inorganic salts other inorganic bases, other metal oxides, hydroxides and peroxides.
55. Fluorides, fluorosilicates, fluoroaluminates and other complex fluorine salts.
56. Chlorides, chloride oxides and chloride hydroxides, bromides and bromide oxides iodides and iodide oxides.
57. Chlorates and perchlorates, Bromates and Perbromates, iodates and periodates.
58. Sulphides, Polysulphides.
59. Dithionites and sulphonylates.
60. Sulphites, thiosulphates
61. Copper sulphate
62. Nitrites, nitrates
63. Phosphinates (hypophosphites), phosphonates(phosphites) and polyphosphates.
64. Carbonates, peroxocarbonates(percarbonates), commercial ammonium carbonates containing ammonium carbamate.
65. Cyanides, cyanide oxides and complex cyanides.
66. Fulminates, cyanates and thiocyanates.
67. Borates, peroxoborates(perborates)
68. Sodium dichromate.
69. Potassium dichromate.
70. Radioactive chemical elements and radioactive isotopes (including the fissile chemical elements and isotopes) & compounds.
71. Isotopes other than those of heading No.28.44 and compounds, inorganic or organic of such isotopes..
72. Compounds, inorganic or organic of rare earth metals, of yttrium or of scandium or of mixtures of these metals.

73. Phosphides, whether or not chemically defined excluding ferrophosphorus.
74. Calcium carbides.
75. Ethylene, Propylene.
76. Cyclic Hydrocarbons.
77. Halogenated derivatives of Hydrocarbons.
78. Sulphonated, nitrated or nitrosated derivatives of hydrocarbons whether or not halogenated.
79. Methanol
80. DI-Ethylene Glycol, Mono-Ethylene Glycol, Tri-Ethylene Glycol, Ethylene Glycol, Heavy Ethylene Glycol.
81. Cyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives.
82. Halogenated, sulphonated nitrated or nitrosated derivatives of phenols or phenol-alcohols.
83. Ethers, ether-alcohols peroxides, ether-peroxides, ketone peroxides (whether or not chemically defined) & their halogenated..
84. Expoxides, epoxyalcohols, epoxyphenols & epoxyethers, with a three-membered ring and their halogenated sulphonated.
85. Ethylene Oxide
86. Acetals and hemiacetals, whether or not with other oxygen function and their halogenated, sulphonated, nitrated nitrosated.
87. Aldehydes whether or not with other oxygen function, cyclic polymers of aldehydes, paraformaldehyde.
88. Halogenated, sulphonated, nitrated or nitrosated derivatives of products of heading No.29.12
89. Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids, their halogenated, sulphonated
90. Unsaturated acyclic monocarboxylic acids, cyclic monocarboxylic acids, their anhydrides, halides, peroxides and peroxyacids.
91. Polycarboxylic acids, their anhydrides, halides, peroxides and perkoxyacids, their halogenated, sulphonated, nitrated.derivities.
92. Carboxylic acids with additional oxygen function and their anhydrides, halides, peroxides and peroxyacid, their halogenated..

93. Phosphoric ester and their salts, including lactophosphates, their halogenated, sulphonated, nitrated or nitrosated derivatives.
94. Esters of other inorganic acids (excluding ester of hydrogen halides) and their salts, their halogenated, sulphonated, nitrated.
95. Amine-function compounds.
96. Oxygen - function amino-compounds.
97. Quaternary ammonium salts and hydroxides, lecithins and other phosphoaminolipids.
98. Carboxamide-function compounds, amide-function compounds of carbonic acid.
99. Carboxamide-function compounds including saccharin and its salts and imine function compounds.
100. Nitrile-function compounds.
101. Diazo-, Azo- or azoxy-compounds.
102. Organic derivatives of hydrazine or of hydroxylamine.
103. Organo-sulphur compounds.
104. Ethylene Diamine Tetra Acetic Acid, Nitrilo Triacetic acid and their derivatives.
105. Heterocyclic compounds with oxygen heteroatom(s) only.
106. Heterocyclic compounds with nitrogen heteroatom(s) only.
107. Nucleic acids and their salts, other heterocyclic compounds.
108. Sulphonamides.
109. Glycosides, natural or reproduced by synthesis and their salts, ethers, esters and other derivatives.
110. Vegetable alkaloids, natural or reproduced by synthesis and their salts, ethers, esters and other derivatives.
111. Tanning extracts of vegetable origin, tannins and their salts, ethers, esters and other derivatives.
112. Synthetic organic tanning substances, inorganic tanning substances, tanning preparations, whether or not containing natural.
113. Colouring matter of vegetable or animal origin (including dyeing extracts but excluding animal black) as specified in Note 2.
114. Synthetic organic colouring matter whether or not chemically defined, preparations based on synthetic organic colouring. Note 2

115. Colour lakes preparation based on colour lakes as specified in Note 3 of Chapter 32.
116. Glass frit and other glass in the form of powder, granules or flakes.
117. Prepared driers.
118. Printing ink whether concentrated or solid.
119. Casein, Caseinates and other casein derivatives, casein glues..
120. Enzymes, Prepared enzymes not elsewhere specified or included.
121. Artificial graphite, colloidal or semi-colloidal graphite, preparations based on graphite or other carbon in the form of pastes.
122. Activated carbon, activated natural mineral products, animal black, including spend animal black.
123. Residual lyes from mfg. Of wood pulp whether or not concentrated, desugared or chemically treated, including lignin sulphonate
124. Rosin and resin acids and derivatives, thereof, rosin spirit and rosin oils, rosin gums.
125. Wood tar, wood tar oils wood creosote, wood naphtha, vegetable pitch, brewers pitch and similar preparation based on resin acid.
126. Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products & preparations, textile, papers.
127. Prepared rubber accelerators, compound plasticisers for rubber or plastics, not elsewhere specified or included anti-oxidising.
128. Reducers and blanket wash/roller wash used in the printing industry.
129. Reaction initiators, reaction accelerators and catalytic preparations not elsewhere specified or included.
130. Mixed alkylbenzenes & mixed alkylnaphthalenes, other those of heading No.27.07 or 29.02.
131. Chemical elements doped for use in electronics in the form of discs, wafers or similar forms, chemical compounds doped for use
132. Industrial monocarboxylic fatty acids, acid oils from refining, industrial fatty alcohols.
133. Retarders used in the printing industry.
134. LLDPE/LDPE
135. HDPE
136. Polymers of propylene in primary forms.

137. PVC
138. Acrylic polymers in primary forms
139. Polyacetals, other polyethers and epoxide resin, in primary forms, polycarbonates, alkyd resins, polyalkylesters & polyesters.
140. Polyethylene Terephthalate chips
141. Polyamides in primary forms
142. Amino-resins, polyphenylene oxide, phenolic resins and polyurethanes in primary forms
143. Silicons in primary forms
144. Petroleum resins, coumarone-indene resins, polyterpenes, polysulphides, polysulphones and other products in Note 3
145. Cellulose and its chemical derivatives & cellulose ethers, not elsewhere specified in primary forms
146. Natural polymers (for example, alginic acid) and modified natural polymers ( for example, hardened proteins, chemicals)
147. Ion-exchangers based on polymers, of heading Nos.39.01 or 49.13in primary forms
148. Self-adhesive plates, sheets, film, strip of plastics whether or not in rolls.
149. Flexible plain films.
150. Articles for packing of goods of plastics,namely boxes, cases, crates, containers, carboy, bottles, jerry cans & stoppers, lids, caps.
151. Natural rubber, balata, gutta percha, guayule, chicle and similar natural gums, in primary forms or in plates, sheets or strips
152. Synthetic rubber and factice derived from oils in primary forms or in plates, sheets or strips, mixtures of any products.
153. Reclaimed rubber, in primary forms or in plates, sheets or strips.
154. Compounded rubber, unvulcanised, in primary forms or in plates, sheets or strip, other than unvulcanised rubber.No.40.06
155. Mechanical wood pulp, chemical wood pulp, semi-chemical wood pulp & pulps of other fibrous cellulosic materials.
156. Cartons, Boxes (including flatened or folded cartons), boxes (including flattened or folded boxes), cases, bags,packing container
157. Paper printed labels, paperboard printed labels.

158. Paper self-adhesive tape and printed wrappers used for packing.
159. Partially oriented yarn, polyester texturised yarn and waste thereof.
160. Polyester Staple Fibre & Polyester Staple Fibre Fill.
161. Polyester Staple Fibre waste.
162. Sacks and bags, of a kind used for packing of goods of jute, or of other textile bast fibres of heading No.53.03.
163. Carboys, bottles, jars, phials of glass, of a kind used for the packing goods, stoppers, lids and other closures, of glass.
164. Stoppers, caps and lids (including crown corks, screw caps and pouring stoppers) capsules for bottles, threaded bungs, seals.