

**CIRCULAR NO.15/05/CT**

Sub: - Kerala Value Added Tax Act, 2003-Inspection of goods in transit – Transport of cargo cleared imported goods – Instructions issued – reg.

Instances have been brought to the notice of the commissionerate wherein the intelligence wing of the department is collecting penalty/security deposit for release of customs cleared home appliances transported by cargo delivery agencies. The reason for detention of goods as well as collection of penalty/security deposit is stated to be failure to carry relevant documents and that the goods are suspected to be meant for sale. The customs cleared goods imported from abroad, meant for delivering to the person in whose favor the goods are cleared have necessarily to be covered by own delivery notes/packing list of the cargo agencies abroad. Also it should accompany customs documents wherein the details of the sender as well as the person who took delivery from the customs. When goods are imported for personal use, in such circumstances there would be no element of sale in such transaction and no question of taxation would arise.

However in order to prevent chances of misuse of the facility and to safe guard revenue, the following instructions are issued.

- a. The consignment shall be accompanied with the own delivery note of the cargo agents to whom the goods are entrusted relating each person sending the same with passport details and relationship with the addressee to whom the goods are intended to be delivered. A declaration of the sender and details of goods will also be appended with delivery notes.
- b. The transporting agents in Kerala should carry the papers relating to customs clearance in the name of the person to whom the goods were entrusted to be handed over to the transporting agent. A separate declaration will also be accompanied with the goods by the

transporting agent to the effect that if the goods are not delivered to the sender, they are liable to prove the disposal of the same and to pay tax, if any, on the value of the goods. If the goods dealt with by them are intended for sale, they shall file returns as per section 52 of the Kerala Value Added Tax Act, 2003.

All officers of the intelligence wing of the department are directed to carry out the above instructions and in cases where any suspicion arises, the documents shall be recovered and handed over to the commercial investigation wing of the locality where the goods are purported to be delivered for further action.

All supervisory officers are directed to ensure that the instructions are scrupulously followed by the inspecting officers.

Sd/-  
Commissioner