

**GOVERNMENT OF KERALA**

**Taxes (B) Department**

**NOTIFICATION**

**G.O (P) NO.49/ 05/ TD      Dated, Thiruvananthapuram, 31.03 2005**

S.R.O. No. 321/ 2005. - In exercise of the powers conferred by sub-section (1) of section 32 of the Kerala Value Added Tax Act, 2003 (30 of 2004), the Government of Kerala hereby order deferment of tax payable by any industrial unit to whom exemption in respect of the tax payable under the Kerala General Sales Tax Act, 1963 ( 15 of 1963) or the Kerala Surcharge on Taxes Act, 1957 ( 11 of 1957) had been granted or is due to be granted, under the industrial policy of the State, in accordance with the notification issued in G O (P) 155/ 93/ TD dated 3<sup>rd</sup> November, 1993 and published as SRO 1729/ 93 in the Kerala Gazette extraordinary No. 1112 dated 4<sup>th</sup> November 1993, as modified by notification issued in G O (P) 181/ 99/ TD dated 31<sup>st</sup> December, 1999 and published as SRO 1092/ 99 in the Kerala Gazette Extraordinary No.2433 dated 31<sup>st</sup> December, 1999 and notification issued in G O (P) 57/ 2000/ TD dated 31<sup>st</sup> March, 2000 and published as SRO 295/ 2000 in the Kerala Gazette extraordinary No.618 dated 31<sup>st</sup> March, 2000, subject to the conditions and restrictions given below :-

(1) The Small Scale Industrial Units and Medium & Large Scale industrial units to whom exemption in respect of the tax payable under the Kerala General Sales Tax Act, 1963 (15 of 1963) or the Kerala Surcharge on Taxes Act, 1957 ( Act 11 of 1957) had been granted or is due to be granted in accordance with the said notifications shall, at their option and subject to the conditions specified herein be eligible for deferment of tax collected under the provisions of the Kerala Value Added Tax Act, 2003 ( 30 of 2004)

(2) The units which are eligible for the deferment referred to in clause (1) shall be permitted to collect tax in accordance with the provisions of the Kerala Value Added Tax Act, 2003 ( 30 of 2004)

(3)The deferment shall be for the unavailed portion of exemption in terms of quantum or period, as the case may be, out of that already sanctioned or to be sanctioned by the competent authority, in accordance with the notifications mentioned above.

(4). Industrial Units which had already opted for deferment under para 6 of notification SRO 1729/ 93 shall be allowed to continue under the said provision till the expiry of the period mentioned therein. But units, which had not originally opted for deferment under the said provision, shall not be permitted to file fresh option for conversion of such exemption under para 6 of SRO 1729/ 93 into deferment. However, they shall be permitted to opt for deferment under this notification.

(5) The unit shall furnish security bond in Form 6 prescribed under the Kerala Value Added Tax Rules 2005, with solvent sureties acceptable to the assessing authority, for the unavailed amount of exemption as on the date of coming into force of this notification..

(6) The accumulated amount of such tax so deferred shall be *treated as loan* and shall be remitted to government in sixty equal monthly installments starting from the month following the month in which the unit ceases to be eligible for such deferment, with simple interest at the rate of 12% per annum. There shall be no interest on the accumulated tax so deferred during the eligible period of deferment. If any installment or installments are defaulted, penal interest at the

rate of one percent per month or part thereof shall be charged for the amount so defaulted.

(7) The Small Scale Industrial units claiming such deferment shall file an application in Annexure I, before the Deputy Commissioner concerned through the assessing authority and the Deputy Commissioner after verifying such details shall issue the order of deferment of tax in Annexure II. In the case of Medium and Large Scale Industries the orders of deferment shall be issued by the Deputy Commissioner (General), Commercial taxes, Thiruvananthapuram, on application by such units.

(8) Disputes regarding the orders of deferment shall be heard and disposed of by the Commissioner.

#### ANNEXURE-I

#### APPLI CATI ON FOR DEFERMENT OF TAX PAYABLE BY INDUSTRIAL UNITS

[Under Section 32(1) of the Kerala Value Added Tax Act, 2003]

I/ We hereby apply for deferment of tax under Section 32(1) of the Kerala Value Added Tax Act, 2003. The particulars in respect of the unit are furnished hereunder.

1	Name and Address of the industrial unit	
2	TIN/ Registration No. under KGST Act.	
3	Status	SSI Unit/ Medium/ Large Scale unit
4	Products manufactured	
5	No. and date of order of exemption issued under SRO 1729/ 93.	
6	Authority who issued the order	
7	Period of eligibility	
8	Maximum eligible amount of sales tax exemption sanctioned.	
9	Total sales tax exemption availed as on the date preceding the date of commencement of the KVAT Act,2003.	
10	Balance amount of sales tax exemption available as on the date of commencement of the KVAT Act,2003.	
11	Balance period of eligibility as on the date of commencement of the KVAT Act,2003.	From to
12	Details of security bond furnished	

I/ We do hereby declare that the particulars furnished above are true and correct to the best of my/ our knowledge information and belief.

Place Name and signature of authorized signatory

Date (Seal)

**Verification certificate by assessing authority**

**Certified that I have verified the particulars furnished above with reference to the assessment records of the unit and are found to be correct. The assessment status and the balance eligible sales tax exemption remaining at the credit of the unit and the balance period of eligible exemption are given below .**

1	Assessment completed up to the year	
2	Total sales tax exemption sanctioned	
3	Balance amount of sales tax exemption carried forward as per the latest assessment order.(specify the year)	
4	Exemption claimed and allowed subsequently as per returns filed (year wise details to be furnish) for the years in which assessments are pending.	
5	Balance amount of sales tax exemption remaining at the credit of the unit on the date of commencement of the KVAT Act, 2003.	
6	Balance period of eligibility	
7	Details of security bond furnished	
8	Remarks	

**Place**

**Date.**

**Name and signature of the Assessing Authority**

**For Office Use**

**ANNEXURE II**

**Proceedings of the Deputy Commissioner / Deputy Commissioner ( General)**

**Present**

**Sub:- Kerala Value Added Tax Act, 2003 – Deferment of tax under section 32 – M/ s---- sanctioned – Orders – issued**

**Read:- (i) Application dated of M/ s**

**(ii) G O ( P) 49/ 2005/ TD dated31.03.2005 (SRO 321/ 2005)**

**ORDER NO.**

**M/ S.....holding TIN/ registration number ....under KGST Act, 1963.having been found eligible for deferment of tax under the notification read above is granted deferment of tax payable under the provisions of the Kerala Value Added Tax Act,**

2003 subject to the conditions stipulated in the said notification for a total amount of Rs. ( Rupees..)

Or for the period from to

Deputy Commissioner

Deputy Commissioner(General)

To

M/ s

Copy to;

This notification shall come into force on the date of coming into force of the Kerala Value Added Tax Act, 2003 (30 of 2004),

By order of Governor,

P MARA PANDIYAN,

Secretary to Government.

#### Explanatory Note

(This does not form part of the notification, but is intended to indicate its general purport)

Government have decided to grant deferment of tax payable under the provisions of the Kerala Value Added Tax Act,2003 to those industrial units who have been granted or due to be granted sales tax exemption as per the provisions contained in SRO 1729/ 93.

This notification is intended to achieve the above object.