

GOVERNMENT OF KERALA
Taxes (B) Department
NOTIFICATION

GO(P) No. 137/2007/TD

Dated, Thiruvananthapuram, 18..06.2007

SRO No. 544/2007. In exercise of the powers conferred by section 10 of the Kerala General Sales Tax Act, 1963,(15 of 1963), (Act 15 of 1963) read with sub-section (5) of section 98 of Kerala Value Added Tax Act, 2003 (30 of 2004), the Government of Kerala, having considered it necessary in the public interest so to do, hereby-

- (1) make an exemption in respect of the tax payable under the said Act by Khadi and Village industries Units recognized by the Kerala Khadi and Village Industries Board of the State or the Khadi and Village Industries Commission of India on their turnover of sale of products manufactured by them within the State and turnover of purchase of goods which are taxable at the point of first purchase or last purchase for use in the manufacture of products by them within the state for sale on condition that the annual total turnover of the units shall not exceed rupees fifty lakhs and the units shall produce the certificate of approval issued by the Khadi and Village Industries Commission or the Kerala Khadi and Village Industries Board, and;
- (2) make a reduction in the rate of tax payable under the said Act by Kerala Khadi and Village Industries Units recognized by the Kerala Khadi and Village Industries Board of the State or the Kerala Khadi and Village Industries Commission of India on the turnover of sale of Khadi and Village Industrial products manufactured by them within the State to 4 %, if the annual total turnover of the units exceeds fifty lakhs rupees and the units shall produce the certificate of approval issued by the Kadhi and Village Industries Commission or the Kerala Khadi and Village Industries Board.

This notification shall be deemed to have been in force 1st April 2000 to 31st March, 2004.

Tax, if any, already collected shall be paid over to Government and tax if any already paid shall not be refunded.

By order of the Governor

Secretary to Government

Explanatory Note

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

As per S.R.O. 1048/05 published in the Kerala Gazette Extraordinary no. 2602 dated 2nd December 2005, Government have exempted all Khadi and Village Industries Units in the State whose total turnover for an year does not exceed rupees fifty lakhs from the levy of tax and reduce the rate of tax payable by them on the entire taxable turnover to 4 % whose total turnover for an year have exceeded rupees fifty lakhs for the period from 1st April 2004 to 31st March 2005. In para 164 of the Budget Speech 2007-08, it is announced that the above exemption will be given with effect from 1st April 2000.

This notification is intended to achieve the above object.