

CIRCULAR No.3/06

Sub:- Central Sales Tax Act 1956 - Collection of Advance Tax for transactions covered by 6A in respect of packing case/plywood - revised instructions issued -

Ref:- Circular No. 4/05 dated: 28.3.05.

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Attention of all the Officers is invited to the Circular cited wherein certain instructions were issued regarding inclusion of plywood in the list of goods on which advance tax is to be insisted upon with a view to avoid bogus transaction and to safeguard the interest of revenue.

It has now been brought to the notice of the Commissioner of Commercial Taxes that Plywood which are sent outside State otherwise than by way of sale as stock transfer, consignment transfer against Form F are being detained at Sales Tax Check Posts and advance tax collected, giving wrong interpretation to the circular cited and that this has created confusion among the dealers since such transactions are covered by Section 6A of the Central Sales Tax Act 1956 and not subject to tax.

In order to avoid such difficulties Officers at the Checkpost are directed to allow transport of goods claiming branch transfer/Consignment sales only under cover of Departmental Delivery notes with endorsement by Assessment Officer(Commercial Tax Officers); however before endorsement, the dealer shall prove the identity of the branch/consignee by producing an attested copy of the last completed assessment of the Commercial Taxes Department of the State where

consignment is to be despatched. When despatching first consignment the dealer shall produce the last completed assessment order, which can be accepted for the whole financial year, but the Commercial Tax Officer shall get it confirmed in due course, within 3 months.

Officers are directed to follow the instruction scrupulously.

The Deputy Commissioners shall acknowledge the receipt of the Circular and get acknowledgement from their subordinate Officers.

Sd/-

COMMISSIONER.