

No.C7-14761/07/CT

Office of the Commissioner
Commercial Taxes
Thiruvananthapuram
Dated 14-2-2008

CIRCULAR No. 5/08

Sub: Sand – Fixation of Floor Rates for levy of VAT – reg.

Huge quantities of sand are being transported into Kerala by lorry loads through the Commercial Tax Check Posts. Apart from this, river sand is being lifted by contractors appointed by the Grama Panchayats and other Local Bodies for sale for construction purposes.

Unfortunately the 4% VAT applicable on sand is being applied on sale values as diverse as Rs.2,000 per load (Taurus) to Rs.15,000/-. Equity demands that there be a uniform rate throughout the State for this item.

Enquiry and market study by Commercial Investigation Branch of the Department reveals that the market price of sand to end users is about Rs.2,500/- per 100 cft.

In the circumstances, for the purposes of uniformity, floor rates are fixed as below for purposes of levying VAT till further orders.

Taurus	Rs.15,000
National Permit Lorry (Wide Body)	Rs.10,000
Benz Lorry	Rs.7,500
Tempo	Rs.5,000

These orders shall come into force immediately.

Commissioner
Commercial Taxes.