

Andhra Pradesh Value Added Tax (Amendment) Act, 2007

5 of 2007

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PREAMBLE

AN ACT FURTHER TO AMEND THE ANDHRA PRADESH VALUE ADDED TAX ACT, 2005.

Be it enacted by the Legislative Assembly of the State of Andhra Pradesh in the Fifty-seventh Year of the Republic of India as follows:-

1. Short title, Extent and commencement :-

This Act may be called the Andhra Pradesh Value Added Tax (Amendment) Act, 2007.

It extends to the whole of the State of Andhra Pradesh.

(i) sections 2 and 3 shall be deemed to have come into force with effect on and from the 1st September, 2006.

(ii) items (i), (ii) and (iv) of sub- section (1) and items (i) and (v) of sub- section (3) of section 4 shall be deemed to have come into force with effect on and from the 1st April, 2005;

(iii) the remaining provisions of section 4 shall be deemed to have come into force with effect on and from the 1st September, 2006; and

(iv) Sl.No.24 and the entries relating thereto in Schedule I of the Andhra Pradesh Value Added Tax Act, 2005 shall be deemed to have come into force with effect from the 1st April, 2005.

2. Amendment of section 4 Act 5 of 2005 :-

In the Andhra Pradesh Value Added Tax, Act, 2005, (hereinafter referred to as the principal Act), in section 4, -

(1) in sub- section (7),-

(i) in clause (b), the words "and in such cases, the tax at 4% shall be collected at source by such contractee and remitted to Government in such manner as may be prescribed" shall be omitted;

(ii) in clause (e), for the words " clauses (b), (c) and (d)", the words "Clauses (b) or (c) or (d)" shall be substituted;

(iii) in clause (f), the second proviso shall be omitted;

(iv) after clause (f), the following new clauses shall be added namely,-

"(g) notwithstanding any thing contained in clauses (a) to (f) above, no tax shall be leviable on the turnover of transfer of property in goods whether as goods or in some other form involved in the execution of works contract, if such transfer from the contractor to the contractee constituted a sale in the course of interstate trade or commerce under section 3 or a sale outside the State under section 4, or a sale in the course of import or export under section 5 of the Central Sales Tax Act, 1956;

(h) no tax shall be payable under this sub-section on the turnover relating to amounts paid to a sub-contractor as consideration for the execution of works contract whether wholly or partly subject to the production of proof that such sub- contractor is registered as a

VAT dealer under the Act and the turnover of such amount is included in the return prescribed filed by such sub-contractor,"

(2) to sub-section (9), the following provisos shall be added namely, -

"Provided that tax at the rate mentioned in the Schedules against those goods shall be paid, where the eating establishments mentioned above, sell packaged items with Maximum Retail Price across the counter:

Provided further that no tax is payable by the hostels whether attached to educational institutions or run by charitable organizations, where such institutions and organizations charge less than Rs.1000/- (Rupees one thousand only) per student per month towards mess charges."

3. Amendment of section 22 :-

In section 22 of the principal Act;-

(1) for sub sections (3) and (4) the following shall be substituted, namely;-

"(3). The Central Government or the State Government or an industrial, commercial or trading undertaking of the Central Government or of the State Government or a local authority or a statutory body or a company registered under the Companies Act, 1956 or any other person notified by the Commissioner, shall deduct from out of the amounts payable by them to a dealer in respect of works contract executed for them, an amount calculated at such rate as may be prescribed and such contractee deducting tax at source shall remit such amount in the manner prescribed:

Provided that no deduction shall be made from any amounts paid as consideration to any sub-contractor if tax was already deducted by the contractee.

(4) Any authority or person deducting any sum in accordance with sub-section (3), shall pay within the prescribed time, the sum so deducted to the credit of the State Government. If the authority or the person does not deduct or after deducting fails to pay tax as required by this section, he shall be deemed to have not paid the tax within the time under the provisions of the Act. In such case all the provisions of the Act including the provisions relating to interest shall apply mutatis mutandis to such unpaid tax,"

(2) sub- section (7) shall be omitted".

4. Amend-ments to Schedules :-

In the principal Act, --

(1) in Schedule - 1, --

(i) for Sl.No.1 and the entries relating thereto the following shall be substituted namely,---

"1. Agricultural implements manually operated or animal driven, hand operated sprayers including Knapsack/backpack power sprayers (powered upto 25.6 cc engines developing 0.8 to 1.4 HP) and dusters",

(ii) in the entry against Sl.No.3, the words "and feed supplements or nutrients" shall be added at the end;

(iii) for Sl.No.35 and the entry relating thereto, the following shall be substituted namely,--

"35. Salt including processed and branded salt",

(iv) after Sl.No.49, but before explanation, the following new serial numbers and the entries relating thereto shall be added namely,-

"50. Sugarcane;

(v) after Sl.No.50 but before explanation, the following new serial number and the entries relating thereto shall be added namely,--

"51. Crochet laces",

(2) in Schedule II, after Sl.No.4, the following new serial number; the entry and note relating thereto shall be added namely,--

"(5) Sales by the Canteen Store Department or the Indian Naval Canteen Services, of Liquor whose basic price does not exceed Rs.500/- (Rupees five hundred only) per case and the goods listed under Schedule- IV of the Act, to the Army/Navy/ Air Force personnel both working and retired, who are eligible for purchase from the Canteen Stores Department/ Indian Naval Canteen Services either directly or through their unit run canteens.

Note:- For the purpose of the entry, the basic price means,--

Ex- factory price + cost of bottles + cost of packing material + freight + Insurance + Handling charges and import fee, if any;

a case means,--

12 Nos. of 1000 ml., 12 Nos. of 750 ml.: 24 Nos. of 375 ml.,

48 Nos. of 100 ml; 96 Nos. of 90ml; Bottles of IML/Wines".

(3) in Schedule IV,-

(i) for Sl.No.8 and the entries relating thereto, the following shall be substituted namely,--

"8. Areca nut, betel nut, betel nut powder with additives, supari and mouth fresheners made of somph (Ani seed) and coriander powder with additives".,

(ii) for Sl.No.18 and the entries relating thereto, the following shall be substituted namely,--

"18. Coffee including Coffee Seeds, roasted seeds and Coffee powder, Cocoa powder, Chicory, blended or French Coffee";

(iii) Sl.No.49 and the entries relating thereto shall be omitted;

(iv) in Sl.No.88, item(d) and the entries relating thereto shall be omitted;

(v) in the entry against Sl.No.89, the words " and feed supplements" shall be omitted;

(vi) after Sl.No.113 the following new Serial Numbers and entries relating thereto shall be added at the end namely, --

"114. Tea

115. Cashewnut and kernel

116. Sales of goods other than Petrol, all kinds of Diesel Oils including C9, petroleum gases, lubricants, other minor petroleum products, Liquor, Automobiles, tyres and tubes and Cement, by a Register Dealer to, --

The State Government Departments Andhra Pradesh Power Generation Corporation (APGENCO) incorporated as a company under the provisions of Companies Act.

Transmission Corporation of Andhra Pradesh (APTRANSCO) incorporated as a company under the provisions of Companies Act.

Central Power Distribution Company of Andhra Pradesh Limited (APCPDCL).

Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)

Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL).

Northern Power Distribution Company of Andhra Pradesh Limited (APNPDCL).

117. Ayurvedic products and homeopathic products, certified by the Department of Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homeopathy (AYUSH), Government of India as 100% Ayurvedic products and homeopathic products.

118. "Molasses."