

## **Punjab Value Added Tax Rules, 2005**

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### **Punjab Value Added Tax Rules, 2005**

No. G.S.R. / P.A.8/2005/S. 70/2005. - In exercise of the powers conferred by sub- section (1 ) of section 70 of the Punjab Value Added Tax Act, 2005 (Punjab Act No. 8 of 2005), and all other

powers enabling him in this behalf, the Governor of Punjab is pleased to make the following rules, to carry out the purposes of the said Act, namely :-

## **CHAPTER 1 PRELIMINARY**

### **1. Short title and commencement :-**

- (1) These rules may be called the Punjab Value Added Tax Rules, 2005.
- (2) They shall be deemed to have come into force on and with effect from the first day of April, 2005.

### **2. Definitions :-**

In these rules unless the context otherwise requires,-

- (a) "Act" means the Punjab Value Added Tax Act, 2005 ;
- (b) "appellate authority" means the Deputy Excise and Taxation Commissioner of the Department, who has been appointed as such by notification.
- (c) "appropriate Government treasury" means a treasury or sub-treasury of the State Government or a branch of the State Bank of India, State Bank of Patiala or any branch of a Scheduled Bank, authorised to transact the State Government business by the Reserve Bank of India, situated in the district in which the person concerned has his place of business or the principal place of business in the State, if the business is carried on at more than one place;
- (d) " Department" means the Department of Excise and Taxation ;
- (e) "Form" means a Form appended to these rules;
- (f) " month " means a calendar month ;
- (g) "owner of goods" means the owner of goods and includes the consignor or consignee or their authorized representative or the driver or the person in charge of the goods vehicle, as the case may be, or the person in whose possession the goods are found in a given situation ;
- (h) "revisional authority" means the Commissioner or any other officer of the Department, not below the rank of an Assistant Excise and Taxation Commissioner , appointed as such by notification by the State Government;
- (i) "tax fraction" means the fraction calculated in accordance with the following formula:-  
Sale X Rate of Tax (S X R)

Divided By

Rate of Tax ( R ) + 100

(in short)

S X R

R + 100

( j ) "warehouse" means any enclosure, building or vessel in which a person keeps stock of goods, meant for business;

## **CHAPTER 2 REGISTRATION**

### **3. Application for registration :-**

(1) An application for registration under 11 or section 22, shall be made to the designated officer. It shall be signed by the proprietor of the business or in the case of a firm, by a partner of the firm, or in the case of a Hindu undivided family, by the manager or karta of the family or in the case of a company incorporated under the Indian Companies Act, 1956, by the Managing Director or any other person authorized by the Board of Directors of the Company, or in the case of a Government Department, by the head of the Department or any other Officer duly authorized in writing by him or in the case of any other association of individuals, by the principal officer managing the business.

(2) An application for registration shall be made in Form VAT-1 alongwith the receipt, in Form VAT-2, of a fee of rupees five hundred.

(3) An application for obtaining registration for VAT or registration for TOT by a person, who was registered under the repealed Act, immediately before the appointed day, shall also be made in Form VAT-1 to the designated officer within a period of thirty days from the appointed day, alongwith the original registration Certificate granted under the Repealed Act:

Provided that no fee as prescribed under sub-rule (2) shall be required to be deposited by such person, if the application is made within the stipulated period.

### **4. Security from a taxable and registered person :-**

(1) The security or additional security or further security, as the case may be , required to be furnished for registration, shall be in the form of a bank guarantee from a local scheduled bank or in the form of a personal bond with two solvent sureties, acceptable to the designated officer, in Form VAT-3. section 25.

(2) Where the security or additional security or further security , as the case may be, furnished by a person, is in the form of Bank Guarantee, the person furnishing such Guarantee, shall get the same re-validated at least thirty days before the date of its expiry.

(3) Where the security or additional security or further security, furnished by a person, is in the form of a surety bond and the surety becomes insolvent or is otherwise incapacitated or dies or withdraws, the person shall, within fifteen days of the occurrence of any of these events, inform the designated officer granting the registration, and shall within thirty days of such occurrence, furnish a fresh security for the like amount.

(4) The security already furnished by a person registered under the repealed Act, shall be deemed to be a security furnished under this Act, subject, however, to the confirmation from the sureties within a period of one year from the appointed day. In the event of non-furnishing of such confirmation, a fresh security shall be furnished within a period of ninety days from the expiry of the said period of one year.

In the event of default of payment of any amount due under this Act, the security or additional security or further security, as the case may be, furnished by the person, shall be liable to be adjusted towards such amount due, after intimation to such person and the shortfall in amount of such security, shall be made up by such person within a period of thirty days from the date of intimation.

## **5. Registration Certificate :-**

(1) When the designated officer, after making such enquiry, as he deems appropriate, is satisfied that the particulars contained in the application are correct and complete and the specified fee has been paid, it shall register the person and issue him a registration certificate in Form VAT-4 for principal place of business with a copy for every additional place of business within the State, free of cost. The registration certificate and its copies shall be issued within thirty days of submission application, complete in all respects, indicating the name of the additional place or places of business. The registration certificate shall be valid from the date of receipt of application for registration or from the date of commencement of the liability to pay tax, whichever is later.

(2) The designated officer shall issue a fresh certificate in form VAT- 4, in place of the registration certificate, already issued under the repealed Act. section 21.

## **6. Issue of duplicate registration certificate :-**

(1) In case the registration certificate granted to a person is lost, destroyed, defaced or mutilated, he may, by depositing a fee of one hundred, make an application to the designated officer for obtaining a duplicate copy thereof.

(2) On the submission of the application referred to in sub-rule (1), the designated officer after making such verification, as he may deem fit, shall grant him a duplicate copy of the registration certificate.

## **7. Displaying of registration certificate :-**

The registration certificate issued under rule 5, shall be displayed at the principal place of business and a copy thereof, shall be displayed at every additional place of business within the State.

## **8. Displaying of signboard :-**

Every person, registered under the Act, shall display a signboard at a conspicuous place of his business showing his trade name and address :

Provided that if the person uses more than one trade name s, then all such names should be displayed on the signboard.

## **9. Declaration in respect of the manager or other officers of a person :-**

Every person, who is required to furnish a declaration in respect of the name of the manager under sub section (8) of section 21 of the Act, shall furnish a declaration to this effect to the designated officer, within a period of thirty days from the date of registration and in the event of change of the manager, shall send a revised declaration, within a period of thirty days from the date of such change. section 21.

## **10. Maintenance of record of registration :-**

The designated officer shall maintain a detailed record with regard to every registration made under this Act in accordance with the instructions issued in this regard by the Commissioner from time to time. section 70.

## **11. Amendment of registration :-**

An application for amendment of registration granted under the Act, shall be made in Form VAT-5 within a period of thirty days from the occurrence of the event necessitating such amendment. The application, shall specify clearly the amendment required to be made and the reasons therefor. The designated officer, if satisfied with the reasons given, for making such amendment, may allow to make the proposed amendment and inform the applicant in Form VAT- 6: sections 23 and 76 .

Provided that if the amendment of registration relates to an additional place of any business, located outside the jurisdiction of the designated officer, then an information about the amendment ,shall also be forwarded to the designated officer within whose jurisdiction such additional place of business is situated.

## **12. Amendment of registration in case of transfer of business :-**

An application for amendment of registration in case of transfer of business, shall be made in Form VAT- 5 by the transferee to the designated officer within a period of thirty days of his acquiring ownership of the business and the provisions of rules 9 and 11, shall mutatis mutandis apply. section 77.

## **13. Cancellation of registration :-**

(1) An application for cancellation of registration granted under the Act , shall be made within a period of thirty days of the occurrence of the events mentioned under sub-section (1) of section 24..

(2) The person, who applies for cancellation of registration ,shall submit alongwith the application for cancellation the following documents, namely :-

section 24.

(a) registration certificate and copies thereof, if any;

(b) unused statutory forms, if any;

(c) return, if any, due for submission on the date of application;

(d) a statement showing the value of goods imported or manufactured by him during the immediately preceding two years; and

(e) a final return in Form VAT-15 or VAT-17 as the case may be, alongwith a statement of closing stock and capital goods.

(3) The order of cancellation of registration, shall be passed within a period of thirty days from the receipt of application.



- (4) A copy of the order of cancellation shall be issued and served upon the person within a period of fifteen days from the date of the issuance of the order of cancellation of registration.
- (5) The cancellation of registration shall be effective from the date of order of cancellation, issued in this behalf by the designated officer.
- (6) Public notice of cancellation of registration shall be given in the press through leading news papers or through publication in the official gazette.
- (7) (a) Every person, whose registration has been cancelled otherwise than on application, shall surrender his registration certificate and other documents specified in sub rule (2) and shall furnish such other information or document , as may be required by the designated officer, within a period of fifteen days from the date of service of the notice given in this behalf.
- (b) In case, a person fails to surrender unused statutory forms within the stipulated period, such forms shall be declared obsolete through a public notice to be given in a local and a national newspaper or gazette notification.
- (c) The designated officer shall make the necessary entry regarding amendment in respect of the persons, whose registration has been cancelled in the record maintained for registration.

#### **14. Declaration of principal place of Business :-**

- (1) A person, having more than one place of business in the State, shall designate one of such places as the principal place of business for the purpose of this Act and these rules. sections 21 and 70.
- (2) All applications, returns or statements required to be made under the Act, or these rules, shall be submitted to the designated officer, in respect of all the places of business by the person incharge of principal place of business.
- (3) The turnover of business of a person shall include the turnover of all additional places of his business in the State.
- (4) The person incharge of the principal place of business, declared as such under sub-rule (1), shall submit, -
- (a) all applications, including application for the grant of registration; and
- (b) all returns including the turnover of additional places of business.
- to the designated officer.
- (5) All notices and orders under the Act or these rules, shall be

served at the principal place of business. A notice or order, served at the principal place of business, shall be deemed to have been served on all additional places of business.

### **CHAPTER 3** DETERMINATION OF TAXABLE TURNOVER AND CALCULATION OF NET TAX PAYABLE

#### **15. Determination of taxable turnover by a person :-**

(1) To determine the taxable turnover of sales, a person, shall deduct from his gross turnover of sales, the following :- sections 15,16,17 and 19.

(a) turnover of sales of goods, declared tax free under section 16 of the Act;

(b) turnover of sales of goods, made outside the State or in the course of inter-state trade or commerce or in the course of import of goods into or export of goods out of the territory of India under section 84 of the Act;

(c) turnover of goods, sent on consignment basis or branch transfers;

(d) amount, charged separately as interest in the case of a hire-purchase transaction or any system of payment by installments;

(e) amount, allowed as cash discount and trade discount, provided such discount is in accordance with the regular trade practice;

(f) sale price of taxable goods where such sale was cancelled:

Provided that the deduction shall be claimed only, if the person is in possession of all copies of VAT invoice or Retail invoice.

(g) sale price, in respect of any goods , returned within a period of six months:

Provided that a taxable person shall claim the deduction only on the basis of debit note, issued by the purchaser for the goods returned; and

(h) a sum, to be calculated by applying a tax fraction in case, gross turnover includes retail sales.

(2) The deduction referred to in clauses (e), (f) and (g) of sub-rule (1), shall be claimed in the tax period in which the event occurs:

Provided that if the turnover of the period is less than the claim, then the balance of such deduction, shall be claimed in the immediate subsequent period.

(3) The provisions of clauses (a) to (g) of sub-rule (1), shall also apply for determination of taxable turnover of purchases for levy of purchase tax under sections 19 and 20 of the Act.

(4) The value of the goods, involved in the execution of a works

contract, shall be determined by taking into account the value of the entire works contract by deducting there-from the components of payment, made towards labour and services, including

- (a) labour charges for execution of the works;
- (b) amount paid to a sub-contractor for labour and services;
- (c) charges for planning, designing and architects fees;
- (d) charges for obtaining for hire, machinery and tools used for the execution of the works contract;
- (e) cost of consumables, such as, water, electricity and fuel, used in the execution of the works contract, the property, which is not transferred in the course of execution of a works contract;
- (f) cost of establishment of the contractor to the extent, it is relatable to the supply of labour and services;
- (g) other similar expenses relatable to supply of labour and services and;
- (h) profit earned by the contractor to the extent, it is relatable to the supply of labour and services.

(5) The amounts deductible under sub clauses (c) to (h) of sub rule (4), shall be determined in the light of the facts of a particular case on the basis of the material produced by the contractor.

#### **16. Classification of taxable turnover according to different rate of tax :-**

A person shall classify his taxable turnover of sales or purchases, determined in accordance with the provisions of the Act and these rules on the basis rates of tax specified in the Schedules. sections 8,9,26 and 42.

#### **17. Calculation of tax on taxable turnover :-**

(1) A taxable person and a casual trader shall calculate tax payable on taxable turnover in accordance with the rates of tax specified in the Schedules. sections 8 and 9.

(2) A registered person shall calculate tax payable on taxable turnover in accordance with the rate of tax as specified in the notification, issued under section 9.

#### **18. Conditions for input tax credit :-**

The input tax credit under section 13 of the Act will be admissible to a taxable person, if such a person has

- (a) in his possession the original VAT invoice, issued to him by a

taxable person, from whom purchase of such goods has been made, wherein tax charged, has separately been shown; and  
(b) maintained proper record of all purchases of goods, eligible for input tax credit and all adjustments thereto in chronological order.  
section 13.

### **19. Input tax credit on capital goods :-**

(1) Input tax credit, shall be admissible in respect of capital goods, as per provisions of the Act:

Provided that where capital goods are used partially for manufacture of taxable goods and partially for manufacture of tax free goods or for job work, input tax credit shall be available on prorata basis for manufacture of taxable goods or processing of taxable goods for sale and the same, shall be determined by taking into account the ratio between the value of taxable goods and tax free goods manufactured or amount received or receivable for job work done ,during that period.

(2) In the event of input tax credit having already been availed on such capital goods, the input tax credit would be reversed to the extent, it has been used in respect of manufacture of tax free goods or for processing of such goods. If, as a result of such reversal, there is a negative input tax credit balance for a particular period, the person concerned shall pay such tax forthwith, as if the same was payable in the said period.

section 13.

### **20. Eligibility of input tax credit on job work :-**

Input tax credit shall be allowed, if any taxable goods as such or after being partially processed, are sent by a manufacturer, registered under the Act to a job worker for further processing, testing,, repair, reconditioning or any other purpose , and it is established from the challan or relevant documents produced by the taxable person concerned that the goods in question have been received back by him within a period of ninety days from the date of dispatch to the job worker. section 13.

### **21. Inadmissibility of input tax credit in certain cases :-**

(1) No input tax credit shall be admissible to a person for tax paid on purchase of goods, if such goods are lost or destroyed or damaged beyond repair because of any theft, fire, or natural

calamity.

(2) Input tax credit availed on the goods, which are lost, destroyed or damaged beyond repair, shall be reversed immediately on occurrence of such event.

(3) No input tax credit shall be admissible to a person in respect of such purchases for which he accepts from the selling person, an invoice which -

(a) has not been duly obtained from a taxable person against the bonafide transaction;

(b) does not contain all the required information as specified in rule 54; and

(c) has been issued by a person, whose certificate of registration has been cancelled under the provisions of the Act.

(4) Where some goods as input or output are lying in the stock of a taxable person and where such goods become tax-free from a particular date, then from that date, no input tax credit shall be admissible to the taxable person on the sale of goods lying in the stock or on using the goods as input for making such tax-free goods.

(5) No input tax credit shall be admissible on goods purchased by a person during the period, he opted for Turn over Tax (TOT) under section 6 of the Act.

(6) Where input tax credit has already been availed of by a taxable person against the purchase of goods, a part of which is, either used in manufacturing the goods, specified in Schedule A or disposed of otherwise than by way of sale, the input tax credit so availed for such part of goods will be deducted from input tax credit for the relevant period of use or disposal referred to above. If, as a result of such deduction, there is a negative input tax credit balance for a particular period, the person concerned shall pay such tax forthwith, as if the same was payable in the said period.

## **22. Calculation of input tax credit :-**

Subject to the provisions of rules 23 and 24, a taxable person shall be entitled for input tax credit of whole of the amount of tax paid on purchases of goods during the tax period or return period after reducing therefrom the reverse input tax credit if any:

Provided that in respect of the goods, specified in sub-sections (2) and (3) of section 13 of the Act, the input tax credit shall be availed only to the extent by which the amount of tax paid in the State exceeds four percent:

Provided further that the purchase tax paid under section 19 of the Act, shall be considered as input tax credit for the purpose of subsequent sale in the hands of same person.

**23. Input tax credit where identification of goods is possible :-**

Where a taxable person has used the goods purchased partially for taxable sales and maintained commodity-wise account of his purchases and its use in production and/or sales, correlates such purchases with sales of taxable goods, the input tax credit for the tax period or return period, shall be an amount of VAT paid or payable on such purchases as reduced by the reverse input tax credit, if any:

Provided that in respect of goods specified in sub-sections (2) and (3) of section 13 of the Act, input tax credit shall be availed only to the extent by which the amount of tax paid in the State exceeds four percent, and the amount calculated above shall be reduced by a sum calculated in accordance with the following formula, namely :

$$P \times 4$$

100

Explanation : "P" is purchase price excluding the tax amount representing the sum in respect of the goods, which are disposed of in a manner referred to in sub-section (2) and 3 of section 13.

**24. Input tax credit where identification of goods is not possible :-**

(1) Where a taxable person has used the goods purchased, partially for taxable sales, but is unable to maintain accounts as provided in rule 23, and the sales by him, includes sale of tax free goods and taxable goods or consignment or branch transfers, then it shall be presumed that the goods so purchased during the tax period, have been used in proportion of turnover of sales of tax free goods, taxable goods and consignment or branch transfers of the tax period or return period and accordingly input tax credit shall be claimed in that proportion. Input tax credit shall be apportioned for tax-free and taxable sales as follows namely :

$$IT \times T$$

GT+BT

Explanation : "IT" is the total amount of input tax for the period less reverse tax:

"T" is the total turnover of sales of taxable goods made in the tax

period or return period including zero rated sales, inter-state sales and value of branch/consignment transfers but excluding the tax amount.

"GT" is the gross turnover of sales (including inter-state sales) during the tax period or return period but excluding the tax amount.

"BT" is the total value of consignment or branch transfers of taxable goods in the course of inter-state trade or commerce made in the tax period/return period.

(2) In respect of the goods, specified in sub-sections (2) and (3) of section 13 of the Act, input tax shall be considered only to the extent by which the amount of tax paid in the State exceeds four per cent and where a person makes branch transfers, the above amount of input tax credit shall be further reduced by a sum calculated in accordance with the following formula namely :

$$IP \times BT \times 4$$
$$(GT + BT) \times 100$$

Explanation : "IP" is the purchase price of the goods excluding the tax amount in respect of which ITC is considered above.

"GT" is the gross turnover of sales (including inter-state sales) during the tax period or return period but excluding the tax amount.

"BT" is the total value of consignment or branch transfers of taxable goods in the course of inter-state trade or commerce made in the tax period or return period.

## **25. Input tax credit on stock held on the appointed day :-**

(1) Subject to the provisions of sub-section (3) of section 14, the input tax credit on goods, other than the capital goods, held in stock by a taxable person, registered under the repealed Act on the appointed day, shall be available subject to the following conditions ,namely :

(a) the person claiming the input tax credit is registered under the Act as a taxable person;

(b) such person has submitted statement of such goods within a period of thirty days from the appointed day, in such form, as may be notified.

(c) the taxable person ,shall retain documents relating to the claim of the input tax credit for a period of six years from the appointed day and shall provide such documents to the Commissioner or the designated officer for audit as and when required.

(2) Only those goods on which tax was paid under sub-sections (1-A) and (3) of section 5 of the repealed Act, prior to the appointed day and are taxable under the Act, shall be eligible for input tax credit. section 25.

(3) The input tax credit, shall be calculated as follows:

(a) in respect of the goods which were subjected to tax at the first stage under the repealed Act, and the tax has been charged separately on the bill, the input tax credit shall be the amount of such tax or the tax which should have been payable at the rate, applicable on the day, preceding the appointed day or the rate of tax under the Act, whichever is the lowest; and

(b) in respect of the goods, which were subjected to the tax at the first stage under the repealed Act, and the tax has not been charged separately, the input tax shall be calculated by the following formula , namely :

$$\frac{3}{4} P \times R$$

$$100 + R$$

Explanation : "P" is the purchase price of eligible goods held in stock

"R" is the rate of tax on goods prevailing on the day, preceding the appointed day or the rate of tax applicable on the day of its purchases under the repealed Act or the rate of tax under the Act, whichever is the lowest.

(4) The designated officer shall verify the claim for the input tax credit within a period of sixty days from the date of filing the statement of tax paid goods held in stock so as to determine the amount of input tax credit available to the taxable person. Such credit shall, then be availed of proportionately over a period of one year, commencing after the expiry of three months from the appointed day.

(5) Where the taxable person in a tax period of return period has made any consignment or branch transfer of goods, the input tax credit, shall be reduced by the following formula, namely :

$$ST \times BT \times 4$$

$$N \times (GT+BT) \times 100$$

Explanation : "ST" is the value of stock of goods in respect of which the ITC is calculated in sub-rule (3) of this rule.

"BT" is the total value of consignment or branch transfers of taxable goods in the course of inter-state trade or commerce made in the tax period or return period.

"GT" is the gross turnover of sales (including inter-state sales) during the tax period or return period but excluding the tax



amount.

"N" is the number of tax period or return period falling within a period of twelve months commencing after the expiry of three months from the appointed day.

(6) The provisions of sub-rules (1) to (5), shall apply mutatis mutandis to the goods first purchase or first sale which have suffered tax either at mentioned in Schedule -D of the repealed Act.

## **26. Input tax credit on duplicate invoice :-**

(1) In case, the original VAT invoice has been lost, destroyed or mutilated, a taxable person, shall make an application to the designated officer in Form VAT-7 along with a duplicate copy of VAT invoice, issued by the seller and an indemnity bond in Form VAT-8 for the amount, equal to the amount of input tax claimed under such invoice.

(2) On receipt of such application, the designated officer shall cross-check the transaction and after satisfying about the genuineness of the transaction, shall allow the claim by an order to be passed within a period of sixty days from the receipt of such application.

(3) The taxable person shall avail the input tax credit only after the receipt of the order mentioned in sub-rule (2).

## **27. Net tax payable :-**

(1) After determination of output tax liability and input tax credit, the taxable person shall determine his net tax liability, if any, for the tax period or return period in accordance with the provisions of section 15 of the Act.

(2) A registered person shall determine his tax liability for the tax period or return period in accordance with the provisions of section 12 of the Act.

section 12 and 15.

## **CHAPTER 4 PERSONS ENGAGED IN CASUAL TRADE**

### **28. Application for grant of permission :-**

(1) Before the commencement of casual business, the casual trader or his duly authorized agent, shall apply to the designated officer for permission, in Form VAT-9, along with a treasury receipt in Form VAT 2 with a fee of rupees five hundred.

section 31.

(2) The casual trader along with his application , shall furnish to the designated officer, the sale bill book(s), account books and the list of commodities to be sold.

(3) The casual trader may withdraw his application any time before the date of commencement of his casual business.

### **29. Security from casual dealer :-**

(1) The designated officer on receiving application from the casual trader, shall determine the amount of security keeping in view the quantum of business likely to be undertaken by the casual trader. The amount of such security, shall, however not exceed rupees one lac. section 31.

(2) Every casual trader shall furnish security for the amount, determined under sub- section (4) of section 31, which shall be in the form of bank guarantee from a local Scheduled bank or in cash against a receipt in Form VAT-10, issued by the designated officer.

(3) On receipt of the application complete in all respects alongwith security, the designated officer, shall record the particulars of the casual trader and maintain the same. If the designated officer is satisfied that the particulars contained in the application are correct and complete, he shall grant permission in triplicate to the casual trader in Form VAT-11. The first two copies of the permission shall be given to the casual trader and the third copy shall be kept in the record :

Provided that if the designated officer is not satisfied that the particulars contained in the application are correct and complete, he shall after affording an opportunity to the casual trader of being heard, reject the application for the reasons to be recorded in writing.

(4) The designated officer at any stage during the currency of the casual business, may, keeping in view the quantum of business undertaken or likely to be undertaken, demand an additional security, if he is satisfied that the security already obtained is in sufficient :

Provided that the total amount of security including the additional security, shall not exceed rupees one lac.

### **30. Import of goods by the casual trader :-**

(1) A casual trader, who brings goods from outside the State, shall report to the first Information Collection Centre or Check Post on

entry into the State and furnish the second copy of the permission certificate issued by the designated officer and shall declare the quantum of goods in Form VAT-12. section 31.

(2) The casual trader referred to in sub-rule (1), shall furnish details of such goods to the designated officer before the commencement of the casual business. The details of the goods imported during the currency of the said business, shall also be furnished to the designated officer forthwith.

### **31. Extension of period of business of casual trader in the event of opening of new outlet :-**

If, the casual trader intends to extend the period of conducting the casual business or intends to open a new outlet, he shall intimate the designated officer in writing in this respect at least three working days in advance and the designated officer on receipt of such information and satisfying himself as to the genuineness of the request, may extend the period of permission for conducting casual business and incorporate the fact of extending the period, or opening the new outlet in Form VAT-11: section 31.

Provided that while extending the period of permission or allowing opening of a new outlet, the designated officer, may review the amount of security already furnished.

### **32. Mode of payment of tax :-**

Subject to the provisions of sub-rule (4) of rule 33, a casual trader shall deposit the amount of tax due in the appropriate Government Treasury by way of challan in Form VAT-2 on the conclusion of the business: section 31.

Provided that If the period of casual business exceeds seven days, the amount of tax shall be deposited on weekly basis on the first working day after the close of the week and the final installment shall be paid immediately on the conclusion of the casual business, whichever is earlier.

### **33. Procedure after closure of casual business and finalizing tax liability :-**

(1) The casual trader shall furnish to the designated officer, a statement showing the details of sales and purchases and tax liability in Form VAT-13, immediately after the conclusion of the casual business. He shall also append the details of unsold goods

and shall produce account books before the designated officer for determining the final tax liability. section 31.

(2) The designated officer, may examine the account books of the casual trader immediately on the date of receipt of tax liability statement in Form VAT-13 or on the next working day and shall determine the final tax liability of the casual trader.

(3) After determining the final tax liability, the designated officer shall require the casual trader to deposit immediately the amount of tax so determined.

(4) Where a casual trader fails to discharge his tax liability as determined by the designated officer , the same shall be recovered out of the security furnished by the casual trader. Balance unrecovered amount, if any, shall be recoverable under the provisions of the Act and these rules.

(5) After satisfying himself that the casual trader has discharged his tax liability, the designated officer shall release the security and issue tax clearance certificate in triplicate in Form VAT-14. The casual trader, shall be given the first two copies and the third copy shall be maintained in the record. He shall deposit the second copy at the last Information Collection Centre while leaving the State.

#### **34. Failure to seek permission :-**

If a casual trader fails to apply for permission or fails to make a report, he shall be served with a notice in this regard before taking final action. section 31.

#### **35. Detention of goods of casual trader :-**

If the goods being transported by a casual trader, are detained as per provisions of the Act and these rules, the same may be put to auction, if required, in accordance with the procedure laid down in rule 70..

### **CHAPTER 5 RETURNS AND PAYMENT OF TAX**

#### **36. Returns :-**

(1) Every taxable person shall file quarterly self-assessed return in Form VAT-15 within a period of thirty days from the date of expiry of each quarter along with the proof of the payment made into the appropriate Government Treasury and the Tax Deductions at Source (hereinafter referred to as the TDS ) certificates, if any:

Provided that where a person opts to make the payment of tax

through crossed cheque or bank draft, he shall enclose the crossed cheque or the bank draft, as the case may be, along with the return, which shall be filed within a period of twenty days from the date of the expiry of the quarter:

Provided further that a person, whose annual gross turnover exceeds rupees one crore in the previous year, shall determine his tax liability for every month and shall pay tax by the 20th day of the month, if paid through the crossed cheque or draft and by the 30th day of the month, if paid through the treasury receipt and shall submit the same to the designated officer, along with the information in Form VAT-16; and payment for the last month of each quarter shall be made on the 20th or the 30th day of the close of quarter, as the case may be, along with the quarterly return. The return in Form VAT 15, shall be accompanied by photocopies of the treasury receipt evidencing the payment of tax for the previous two months also.

Provided further that a person making sales in the course of inter-State trade or export out of India may, by making an application to the designated officer, opt to file self-assessed return on monthly basis in Form VAT-15 within a period of twenty days, if payment of tax is made by a crossed cheque or draft and within a period of thirty days, if payment is made through a treasury receipt. section 26 and 27.

(2) Every registered person, shall file quarterly self-assessed return in Form VAT-17 within a period of thirty days from the date of expiry of each quarter along with the proof of payment made into the appropriate Government Treasury and the TDS certificates, if any:

Provided that a person, who opts to make payment of tax through the crossed cheque or bank draft, he shall enclose the crossed cheque or the bank draft, as the case may be, along with the return, which shall be filed within a period of twenty days from the date of the expiry of the quarter.

(3) In the case of a taxable person or a registered person, having more than one place of business in the State, returns shall be submitted by the authorised person of principal place of business in the State and shall include the total value of goods sold or purchased or transferred by all additional places of business of such taxable person or registered person, as the case may be.

(4) In the event of cancellation of registration, the taxable person or registered person, as the case may be, shall file a final return in

Form VAT-15 or Form VAT-17, as the case may be, within a period of thirty days of such closure along with a statement of stock existing on the date of closure.

(5) A return in Form No. VAT - 15 or VAT - 17, as the case may be, shall be in duplicate. The original copy, shall be retained by the designated officer and the duplicate copy shall be returned to the person after acknowledging the same by signing and affixing the official stamp and the receipt number.

### **37. Mode of payment and procedure thereafter :-**

(1) Any amount payable by a person in respect of tax, interest, penalty, registration fee or any other liability, shall be paid into the appropriate Government Treasury.

(1) All payments made under the Act or these rules, shall be made in Challan Form VAT - 2, which shall be available, free of charge at the District Excise and Taxation Offices.

(2) Challan in Form VAT - 2, shall be filled in quadruplicate. Part A of the Challan shall be retained by the treasury. Part B of the challan shall be sent by Treasury Officer to the District Excise and Taxation Office. Parts C and D of the challan shall be returned to the depositor, duly signed, in token of proof of payment.

(3) Where the amount payable by a person is paid into a branch of the State Bank of Patiala or any branch of a Scheduled Bank, authorised to transact the Government business, as approved by the Reserve Bank of India, the manager thereof, shall return to the person, duly signed, in token of proof of payment, parts C and D of the challan form and forward parts A and B of the challan form, along-with a detailed list of deposits, to the Treasury Officer of the district, in which the branch is situated, on the first day of the following month.

(4) The Treasury Officer of the district, shall retain part A of the challan form and forward part B thereof to the District Excise and Taxation Office. section 26.

(6) There shall be maintained in the Excise and Taxation Office of each district, a Daily Collection Register in Form VAT-54, wherein particulars of every challan received in proof of payment of tax or penalty or any other amount due under the Act, shall be recorded.

### **38. Deductions of Inter-state sales and Inter-state purchases :-**

A person, who wishes to deduct from his turnover the amount in

respect of sales or purchases, made outside the state or in the course of inter state trade or commerce or export out of the territory of India, shall append lists in Form VAT - 18 and Form VAT - 19 along with return in Form VAT - 15.

### **39. Evidence in support of inter-state dispatches from the State :-**

A person, who has dispatched goods from any place within the State and intends to claim deduction under clause (b) or (c) of sub-rule (1) of rule 15 from his turnover of sales shall, on demand, furnish before the designated officer for audit, at the time of audit under section 28, or before the designated officer for assessment, at the time of assessment under section 29 or provisional section 30, the following particulars, namely:- section 28, 29 and 30.

- (a) description of goods:
- (b) quantity or weight of goods;
- (c) name of the transporter, railway station or airport or the place from which such goods have been despatched;
- (d) name of the place of destination;
- (e) number and date of goods receipt along with vehicle number, railway receipt, bill of lading, or consignment note, or air note, as the case may be;
- (f) name and address of the consignor in the State and the consignee outside the State;
- (g) name and address of the purchasing person outside the State, with number of the registration certificate, if any, under the Central Sales Tax Act, 1956 (74 of 1956);
- (h) invoice number and date and;
- (i) amount of the invoice.

### **40. Annual statement :-**

(1) In addition to the returns prescribed under sub-rules (1) and (2) of rule 36, every taxable person and registered person, shall file an annual statement in Form VAT - 20 or Form VAT - 21, as the case may be, by giving therein the final liability of tax for the year by the 20th day of November in case of a taxable person and by the 20th day of August in case of a registered person. This statement shall be accompanied by the receipt evidencing the payment of tax less paid, if any, together with due interest thereon, and the details of the goods in stock existing on the 31st day of March of the year to which the statement relates.

(2) Every taxable person shall also furnish alongwith the annual statement, a copy of the Trading account, Profit and Loss account and Balance Sheet as on the 31st day of March of that year alongwith statutory declaration in Form D and other relevant Forms under Central Sales Tax Act 1956.

#### **41. VAT audit report by a Chartered Accountant :-**

Every taxable person whose gross turnover in a year exceeds fifty lacs, shall furnish the annual Statement with Part B thereof duly certified by a Chartered Accountant.

#### **42. List of sales and purchases :-**

Every taxable person shall append to his return a list of sales in Form VAT - 23 and a list of purchases in Form VAT - 24.

#### **43. Scrutiny of returns :-**

(1) The designated officer shall scrutinize every return filed under section 26 of the Act. If scrutiny of the return, it is found that a less tax has been paid than the tax actually payable as per the return, the designated officer, shall serve a notice upon the person concerned directing him to rectify the same and to pay the amount of tax less paid, along with the interest payable under section 32 of the Act and produce the Treasury Receipt(s) before the designated officer, within the time specified in the said notice:

(2) If, it is found that the tax or interest under section 32 of the Act has been paid in excess of the amount , actually payable according to the return, the designated officer, shall inform the same to the person by sending a notice within one month of completion of such scrutiny.

(3) If, upon receipt of the notice referred to in sub-rule (1), the person complies with the direction made in the said notice and furnishes proof of compliance the Designated Officer, shall make a record of the same and close the scrutiny.

(4) If, the person does not comply with such directions or expresses his disagreement in writing, adducing reasons for such disagreement with the directions made in such notice, the designated officer, unless he accepts such reasons as correct and justified, shall refer the matter within a period of fifteen days for audit under section 28 of the Act.

#### **44. Selection of persons for audit :-**



(1) The Commissioner shall select, on the basis of the parameters as may be laid down by him, a certain number of persons for audit under section 28 :

Provided that the Commissioner may, upon receipt of information or otherwise, select those persons for audit, who, according to him, are required for audit.

(2) The audit, shall be performed by an officer or a team of officers consisting such officers as may be deemed fit by the Commissioner.

(3) The audit may be made for one period or for more than one return periods.

#### **45. Audit of returns, accounts, etc :-**

(1) For the purposes of audit of returns, annual statement and accounts, the Commissioner or the designated officer or any other officer authorised to do so ,may require any person to produce evidence for verification of correctness of any return and any other additional information as may be considered necessary.

section 28.

(2)The Commisssioner or the designated officer or any other officer authorized to do so, as the case may be , shall issue a notice of not less than ten days to the person concerned for production of account books on such date, time and place, as may be specified in the notice.

(3) A person, who has been served notice under sub-rule (2), shall produce on the specified date and time such account books, as are mentioned in the notice.

(4) During the course of audit, the person concerned shall provide to the Commissioner as the designated officer or any other officer authorized to do so, all necessary facilities for conducting the audit. The person concerned shall also provide every such information, as may be required by the officer conducting the audit.

#### **46. Liability of persons in case of works contract :-**

(1) A person entering into a contract with a contractor or a contractor entering into a contract with a sub-contractor for transfer of property in goods in execution of a works contract, shall furnish to the commissioner or the designated officer, particulars of such contract in Form VAT-25 within a period of thirty days from the date of entering into such contract. section 27.

(2) A person entering into a contract with a contractor or a

contractor entering into a contract with a sub-contractor for transfer of property in goods for execution of a works contract, who is also liable for deduction of tax, shall within a period of thirty days of accruing his liability to deduct the tax, make an application, complete in all respects to the designated officer in Form VAT-26, for allotment of tax deduction number. The designated officer shall allot tax deduction number to the person concerned within a period of seven days from the receipt of the application.

(3) The tax deducted under the Act, shall be deposited by the person deducting the tax through a challan in Form "VAT-2" in the appropriate Government Treasury within a period of fifteen days from the close of each month.

(2) A monthly statement of the deposits made under sub-rule (3), shall be furnished by the persons concerned in Form "VAT-27" alongwith the proof of payment within a period of fifteen days after the date of deposit.

(5) The person deducting the tax, shall issue a certificate of such tax deduction at source in Form VAT - 28, which shall entitle the contractor to claim credit for such amount in the return.

## **CHAPTER 6 ASSESSMENT OF TAX LIABILITY**

### **47. Notice and manner of assessment :-**

(1) For the purpose of assessment or provisional assessment of a person, a notice shall be issued , which shall clearly state the grounds for the proposed assessment, period of assessment, the date, time and place, fixed for such assessment. The notice shall provide a time period of not less than ten days for production of such accounts and documents as may be specified in the notice. section 29.

(2) A person, who has been served a notice under sub-rule (1), shall produce on the specified date and time accounts and documents, as mentioned in the notice together with objection, if any, in writing, which the person may wish to prefer, alongwith the evidence, which he may, wish to produce in support thereof.

### **48. Assessment of tax liability :-**

(1) The designated officer, after considering the objections and documentary evidence, if any, filed by the person, shall pass an order of assessment in writing, determining the tax liability of such a person. section 29.

(2) The assessment order shall clearly state the reasons for assessment.

(3) A certified copy of the assessment order, along with Tax Demand Notice, shall be supplied free of cost.

#### **49. Amendment of assessment :-**

For the purpose of amendment of assessment under sub-section (7) of section 29, a notice shall be issued by the designated officer, to the person, clearly stating the grounds for the proposed amendment, the date, time and place, fixed for such amended assessment. After hearing, the person concerned and making such enquiry, as the designated officer may consider necessary, he may proceed to amend the orders as he deems fit subject, however, to the following conditions, namely :-

(a) No amendment, which has the effect of enhancing the amount of tax, shall be made by the designated officer, unless he has given notice to the person concerned of its intention to do so and has allowed him a reasonable opportunity of being heard.

(b) Where such amendment has the effect of enhancing the amount of the tax or penalty, the designated officer, shall serve on the person a Tax Demand Notice in Form VAT - 56 as required under sub-section (11) of section 29 and thereupon, the provisions of the Act and these rules shall apply, as if such notice had been served in the first instance.

(c) Where any amendment made under sub-section (7) of section 29 has the effect of reducing the tax or penalty, the designated officer shall order refund of the amount, which may be due to the person and the procedure for refund laid down in rule 52 shall apply.

#### **50. Manner of imposition of penalty for offences under the Act and payment of such penalty :-**

(1) Where it appears to the Commissioner or the designated officer, as the case may be, that it is necessary to proceed against a person under sections 52, 53, 54, 55, 56, 57, 58, 59 or 60, as the case may be, such officer shall serve upon such person a notice, directing him to appear before him in person or through an authorised agent and, -

(a) to produce before him the books of accounts, registers or documents for examination;

(b) to explain the books of accounts or documents produced by

such person or evidence that came into possession of any of the said officer; and

(c) to show cause on the date specified in such notice, why penalty specified as in the notice ,should not be imposed on him.

(2) The person may, if he so wishes, prefer any objection in writing or he may adduce any evidence in support of his contention on the date of hearing.

(3) After examining the books of accounts, documents or evidence, produced by the person and considering his objection, the Commissioner or the designated officer, as the case may be, if satisfied with the explanation given or on the basis of the evidence ,furnished, may not impose penalty. In case, no satisfactory explanation is forthcoming, the officer, shall impose penalty upon the person under the relevant section, for the amount as provided under the Act and serve a notice upon such person, directing him to make payment of the amount in accordance with the provisions of the Act and these rules and to produce the Treasury Challan in proof of such payment, by the date, specified in the said notice. The officer shall, in every such case, pass a self speaking order, giving therein reasons for the action taken.

### **51. Issue of Tax Demand Notice :-**

(1) If any sum is payable by a person under the Act or these rules, the designated officer shall serve a notice in Form VAT - 56 upon him specifying the date, not less than fifteen days and not more than thirty days from the date of service of the notice, on or before which, payment shall be made and he shall also fix a date on or before which, the person shall furnish the treasury challan in proof of such payment.

(2) When the Treasury Challan is produced, the designated officer shall make the necessary entry in the personal account of the person.

## **CHAPTER 7 REFUNDS**

### **52. Procedure for refund :-**

(1) An application for refund of an amount of tax, penalty or interest admissible under the Act and these rules shall be made to the designated officer in Form VAT-29. The application so made shall contain the grounds on which the refund is claimed. section 18 and 39.

(2) The application for a claim of refund under section 18 on account of direct export out of the territory of India, shall be supported by the following documents , namely :-

- (a) copy of the invoice issued to the foreign buyer;
- (b) Bill of lading, Airway Bill, Shipping Bill or similar documents, containing "Let Export Order" endorsed by Customs Authorities;
- (c) Custom clearance certificate in case of export to Nepal and Bhutan; or
- (d) any other document ,which may be specified by the Government.

(3) The application for a claim of refund on account of penultimate export shall be supported by the following documents, namely :-

- (a) copy of Bill of lading, Airway Bill, Shipping Bill or similar documents, containing "Let Export Order" as endorsed by Customs Authorities; and
- (b) copy of the invoice issued to the purchaser.

(4) For the refund arising due to excess input tax credit, which may be due to inter state sales, consignment or branch transfers sales, exports or any other reason under the Act, the person claiming refund, shall attach the documentary evidence in the form of statutory declarations prescribed under the Central Sales Tax Act, 1956, i.e., C, D, F, H, E1 or E2 forms, as the case may be, or any other proof with annual statement prescribed under rule 40.

(5) Any claim not supported by the aforesaid documents, shall not be admissible to the extent of such document being not furnished, And the person shall file annual statement accordingly alongwith the additional tax interest or penalty, if any.

(6) If the designated officer after making such scrutiny and inquiry, as he deems necessary, is satisfied that the claim of refund is admissible, he shall subject to the provisions of section 39, determine the amount of refund and shall:-

- (a) if the amount to be refunded does not exceed rupees one lac, record the orders of sanctioning the refund; and
- (b) if the amount to be refunded exceeds rupees one lac, submit the record of the case together with his recommendations to the Assistant Excise and Taxation Commissioner, in-charge of the district for final orders of refund, who shall record the orders of sanctioning the refund.

(7) Where the refund is arising out of a judgement of a court or an order of an authority under the Act, the person claiming the refund, shall also append a certified copy of such judgement or order.

(8) No refund shall be allowed, if the person has not filed return or

paid tax as per provisions of the Act and these rules.

(9) (a) Persons or organizations listed in Schedule - G , may apply to the designated officer for the refund of tax in Form VAT - 29A.

(b) The refund, shall be granted only on certification given by the person or the Chief of the organization that the goods are purchased for use in the official function of the organization.

(c) Refund of tax under clause (a), shall be allowed on purchases made from a taxable person or a registered person against invoice.

(10) The refund voucher in Form VAT-30 or refund adjustment order in Form VAT-30A, as the case may be, shall be issued within a period of sixty days from the date of submission of application for refund.

(11) Where claim for refund is found inadmissible, the designated officer shall issue a notice to the applicant asking him to show cause as to why the application should not be rejected. If the designated officer is not satisfied with the reasons, adduced by the applicant, he may reject the application for refund.

(12) The refund made under section 18 or section 39, as the case may be, shall be entered in the refund register maintained for this purpose in Form VAT-30 C and VAT-30-B, respectively.

## **CHAPTER 8 MAINTENANCE OF ACCOUNTS**

### **53. Maintenance of accounts by a person :-**

(1) The following records may be maintained by a taxable person, which will include,- section 42.

(a) a monthly VAT account specifying total output tax, total input tax and net tax payable or the excess tax credit due for carry forward;

(b) purchase records, showing details of purchases on which tax has been paid, purchases made without payment of tax, purchases made from an exempted unit and purchases made from outside the State. Original tax invoices for purchases on which tax has been paid and invoices for purchases made without payment of VAT ,shall all be retained date wise ;

(c) sales records showing separately sales made at different tax rates, zero-rated taxable sales and tax-free sales and copies of VAT invoices related to taxable sales and invoices related to tax free sales ,shall be retained datewise and in numerical order ;

(d) record of inter-state sales and inter-state transfer of goods, including that of goods sent for job work, supported by statutory declarations and such other evidence as may be relevant.

- (e) details of input tax calculations, where the taxable person is making both taxable and tax free sales ;
- (f) stock records showing stock receipts and dispatches and stock of manufactured goods ;
- (g) order records and delivery challans, wherever applicable;
- (h) annual accounts including trading, profit and loss accounts and the balance sheet ; and
- (i) bank records, including statements, cheque book counter foils and pay-in-slips.

(2) The following records , may be maintained by a registered person, namely :-

- (a) details of the goods purchased and sold by him; and
- (b) cash book, daybook, ledger, invoice or bill books and purchase vouchers.

(3) Specimen of sale and purchase registers for taxable person and registered person which are available in Form VAT - 31-, Form VAT - 32, Form VAT - 33 and Form VAT-34, respectively. These specimens are provided to facilitate a person for proper maintenance of accounts. A person may, maintain account books as per his requirement and nature of business, but these shall contain the information as per aforesaid the specimen.

#### **54. Particulars to be mentioned in a VAT invoice :-**

(1) A VAT invoice, shall be issued from duly bound invoice or cash memo book, except when invoices are prepared on computer or any other electronic or mechanical device. It shall be at least in triplicate i.e. Original Copy, second copy and the last copy. The respective copies of the invoice shall bear these words clearly.

(2) On the original copy of the VAT invoice, the words "Input Tax Credit is available to a person against this copy" shall be printed and it will be issued to the purchaser only. On the second copy, the words " This copy does not entitle the holder to claim Input Tax Credit" shall be printed and this copy shall be used for the purpose of transportation of goods. The last copy shall be retained by the seller.

(3) The words VAT Invoice shall be prominently printed on the invoice. section 45.

(4) A VAT invoice shall contain, the following details:-

- (a) a consecutive serial number printed by a mechanical or electronic process. In case of a computer generated invoice, the serial number may be generated and printed by computer, only if ,

the software automatically generates the number and the same number cannot be generated more than once;

- (b) the date of issue;
- (c) the name, address and registration number of the selling person;
- (d) the name, address and registration number of the purchaser;
- (e) full description of the goods;
- (f) the quantity of the goods;
- (g) the value of the goods per unit;
- (h) the rate and amount of tax charged in respect of taxable goods;
- (i) the total value;
- (j) If the goods are being sold, transferred or consigned to a place outside the State, serial number of Form VAT-36;
- (k) mode of transportation of goods and details thereof; and
- (l) signatures of the proprietor or partner or director or his authorized agent.

#### **55. Particulars to be mentioned in a retail invoice :-**

(1) A retail invoice shall be issued from duly bound invoice or cash memo book, except when the invoices are prepared on computer or any other electronic or mechanical device. It shall be at least in duplicate.

(2) The first copy of a retail invoice shall be issued to the purchaser of goods. The last copy shall be retained by the selling person.

(3) A retail invoice shall carry the following details :-

- (a) a consecutive serial number, printed by a mechanical or electronic process.

- (b) the date of issue.

- (c) the name, address and registration number of the selling person.

- (d) full description of the goods.

- (e) the quantity of the goods.

- (f) the value of the goods per unit.

- (g) the total value.

- (h) signature of proprietor or partner or director or /authorized agent.

(4) A retail invoice for interstate sale and exports out of the country shall carry the following details in addition to the details mentioned in sub-rule (3), namely :-

- (a) the name, address and registration number of the purchaser,



- (b) the rate and amount of tax charged in respect of taxable goods;
- (c) serial number of Form VAT-36 ; and
- (d) mode of transportation and details thereof.

**56. Particulars to be mentioned in credit or debit note :-**

(1) A credit or debit note, shall be issued from the VAT or retail invoice book and shall contain the following information:-

- (a) words "debit note or credit note" shall be written on the invoice prominently.
- (b) the name, address and registration number of the person to whom issued.
- (c) number and date of invoice to which credit or debit note relates.
- (d) brief explanation about issuance of debit or credit note.
- (e) the value of goods and the amount credited or debited along with tax effect.

(2) The note shall carry the date of issue and signature of proprietor or partner or director or authorized agent.

**57. Particulars and information to be mentioned in a delivery challan :-**

(1) A delivery challan for transfer of goods other than by way of sale , shall be issued from duly bound book ,except when the challans are prepared on computer or any other electronic or mechanical device. It shall be atleast in triplicate. The first copy shall be for purchaser or consignee. The second copy shall be for the transporter. The last copy shall be retained by the consignor. The serial number shall be printed by a mechanical process.

(2) A delivery challan shall contain the following particulars :- section 45 and 51.

- (a) the words, "Delivery Challan" shall be prominently printed on the document.
- (b) serial number of Form VAT-36 in case of interstate transaction.
- (c) date of transfer of goods.
- (d) name, address and registration number of the consignee.
- (e) description of goods, weight, quantity, estimated price per unit and total estimated value of goods.
- (f) mode of transportation of goods and details thereof.
- (g) signature of the Consignor.

**58. Electronic maintenance of record :-**

(1) A person may electronically maintain or generate all or any of the records, returns and invoices prescribed under rules 53 to 57, using a computer, in electronically legible format after informing the Commissioner or the designated officer about the system to be followed. Whenever changes are made in the system, the person shall inform the Commissioner or the designated officer, as the case may be, within a period of fifteen days of such change. section 42.

(2) The printouts (hard copies) of records and documents must be taken out at the end of each month and kept in bound folders, separately for each type of record, returns and invoices.

(3) The person shall ensure that proper back-up records are also maintained and preserved so that in the event of destruction due to unavoidable accidents or natural causes, the information can be restored within a reasonable period of time from such accident or natural cause. All such records, returns, invoices and other documents (both electronic and hard copy, including back-ups) , shall be preserved and retained for a period of six years (counted from the first day of the financial year following the financial year to which a record, return or invoice pertains ) or until the assessment becomes final, whichever is later.

(3) It shall be incumbent upon the person, who maintains the electronic records, to produce on demand, the relevant records, in hard copy and/or in the electronically legible format along with the flow and treatment of the transactions through the accounting system, from the stage of initiation to closure and storage to the designated officer, or the audit parties, deputed by the competent authority.

(4) The person shall also provide account of the audit trail and inter-linkages, whether paper or electronic, and the financial accounts record layout, data dictionary and total number of records in each field along with sample copies of such records.

(6) In case, any person is found to be misusing this facility or not providing access to the information or if there are any other cogent reasons, the Commissioner or any other authorised officer, as the case may be, may, after recording such reasons and after taking into consideration the explanation tendered by the person regarding the discrepancies, if any, prohibit a person from electronically maintaining or generating any records, returns or invoices.

## **59. Manner of authentication of account books :-**

The authentication of the account books by the designated officer shall be done by appending his signature along with his seal at one or more places in each of the books, or documents, produced before him.

**60. Record of cross checking and notice for survey :-**

The designated officer shall keep a record of the notices issued for the purpose of cross-checking, survey and authentication of account books.

**61. Procedure for search and seizure :-**

(1) All seizures or searches under section 46, shall be made in accordance with the provisions of the Code of Criminal Procedure, 1973.

(2) Any officer, while exercising power under section 46, may take assistance of any police officer of the State.

(3) Any accounts, registers or documents seized under section 46, shall not be retained beyond the period referred to in the aforesaid section.

(4) If, any person from whom any accounts, registers or documents have been seized under section 46, does not take delivery of such accounts, registers or documents within the time specified in the notice issued in this behalf, the designated officer shall be at liberty to take appropriate action.

**62. Inspection, search and seizure of accounts, registers and documents of a transporter, carrier or transporting agent :-**

The provisions of section 46 and rule 61, shall apply mutatis mutandis in respect of inspection, search and seizure of accounts, registers and documents relating to transport business of a transporter, carrier or transporting agent.

**CHAPTER 9 TRANSPORTATION OF GOODS**

**63. Delivery challan and declaration :-**

(1) The declaration referred to in the first proviso to sub-section (2) of section 51, shall contain the particulars as are prescribed in Form VAT - 12. section 51.

(2) The form referred to in the second proviso to sub-section (2) of section 51 shall be in Form VAT - 36.

(3) The declaration referred to in the first proviso to sub-section (4) of section 51, shall contain the particulars as are prescribed in Form VAT - 35.

(4) The bond with sureties referred to in clause (a) to sub-section (6) of section 51, shall be in Form VAT-37.

(5) For the purposes of clause (d) of sub-section (7) of section 51, the receipt, shall be in Form VAT - 38. It shall be in duplicate. The original copy thereof, shall be issued to the owner of the goods or his representative or the driver or any other person in charge of the goods vehicle or vessel, in token of having received the amount of cash security and carbon copy thereof shall be retained by the office.

#### **64. Procedure for furnishing information at the Information Collection Centre :-**

(1) The owner or person in charge of the goods vehicle shall submit before the authorised person at the Information Collection Centre ; - section 51.

(a) transporters copy of VAT invoice or retail invoice or delivery challan, as the case may be;

(b) declaration for transport of goods to and from the State in Form VAT-36, in duplicate; and

(c) Goods Receipt or trip sheet or way bill or log book, as the case may be.

(2) The authorised person at the Information Collection Centre, shall enter the relevant information in the computer and generate serially numbered computerized printouts of Form VAT-12 or Form VAT-35, in duplicate, whereafter the documents mentioned in sub-rule (1), shall be returned to the person in charge of the goods along with the aforesaid Forms in duplicate.

(3) The authorised person shall charge such sum, as may be fixed by the Commissioner from time to time as service charges for issuing the computer printouts in Form VAT-12 or Form VAT-35, as the case may be, from the owner or the person in charge of the goods vehicle.

(4) The owner or the person in charge of the goods vehicle, shall submit the documents referred in sub-rule (1) , in original and copies thereof alongwith the duly signed copies of Form VAT-12 or Form VAT-35, as the case may be, to the officer in charge of the

Information Collection Centre:

Provided that no such copies of the documents, shall be required where declaration in Form VAT-36 is submitted.

(5) The officer- in- charge of the Information Collection Centre, shall retain the original foil of declaration furnished in Form VAT-36 and a copy of Form VAT - 12 or Form VAT - 35, as the case may be, and shall return the duly stamped and signed copies of the following documents to the owner or person in charge of the goods vehicle, namely:

(a) a copy each of the duplicate copy of VAT invoice or retail invoice or delivery challan and trip sheet or log book or way bill and goods receipt;

(b) a copy of Form VAT-12 or Form VAT-35, as the case may be; and

(c) duplicate foil of Form VAT- 36:

Provided that where Form VAT - 36 is not required to be submitted under these rules, the officer in charge shall also retain copies of the documents as mentioned in clause (a) and (b).

**65. Procedure regarding declaration for transport of goods to and from the State :-**

(1) The Form referred to in the second proviso to sub-section (2) of section 51 for the sale or dispatch of the goods by a taxable person from within the State to a place outside the State or for the import of the goods from outside the State, shall be in Form VAT - 36. It shall be furnished, if the goods are meant for trade, commerce or industry and the amount of a single transaction exceeds rupees ten thousand and are other than the goods declared tax free under section 16. section 51.

(2) The procedure to issue blank Form VAT-36, its use and submission to the designated officer after use , shall be as hereinafter provided:-

(a) Form VAT-36 shall be got printed by the State Government or in certain cases , it may allowed to be procured electronically, subject to such security measures and on payment of such fee, as may be specified by the State Government from time to time. The aforesaid Form , shall be in triplicate, that is, the counter foil, the original foil and the duplicate foil and shall be issued to the taxable person, on making an application in Form VAT-36-A, to the designated officer against cash payment or treasury receipt of rupee one for each form;

- (b) The taxable person, shall apply to the designated officer in Form VAT-36-A, stating clearly his reasonable demand for a period not more than three months, disclosing the stock and details of Forms already in his possession and also the number of Forms and the date on which these were last issued;
- (c) If the designated officer is satisfied that the requisition of the taxable person is genuine and reasonable, he may issue him as many forms as he may deem proper;
- (d) The taxable person to whom the above said Forms are issued, shall be responsible for their proper custody and use. If such Form whether blank or filled up, is lost either from the custody of a taxable person or from any other person in transit, the taxable person , shall report immediately the loss of the same to the designated Officer from whom he had obtained it.
- (e) On receipt of the report, the designated officer shall call upon the taxable person to furnish a reasonable security by way of an indemnity bond in Form VAT - 36C in respect of each lost Form separately or in respect of all the lost Forms collectively to safeguard against their misuse and the designated officer shall notify the loss of Forms ;
- (f) If the taxable person closes down his business and surrenders his registration certificate or his registration certificate is cancelled for any other reason, he shall forthwith surrender all the VAT - 36 Forms lying unused with him to the designated officer from whom he had obtained them ;
- (g) The taxable person shall maintain a register containing accounts of such Forms in a register in Form VAT - 36-B ;
- (h) The taxable person shall produce the register referred to in clause (g) with his application for getting more Forms. Part C of the application, shall be perforated and affixed in the Account Register in Form VAT - 36-B of the taxable person by the designated officer issuing the forms ;
- (i) The State Government may, by notification in the Official Gazette, declare certain serial number, series, designs or colour of Form VAT - 36, as obsolete and invalid. All the taxable persons shall, on or before the date from which the Form VAT - 36 are declared obsolete and invalid, surrender to the designated officer, all such Forms, which may be in their possession and may obtain new forms in exchange. However, new Forms shall not be issued to a taxable person until he has rendered the account of the old Forms, issued to him and actually returned the balance of Forms in his possession, if any, to the designated officer.

(j) A taxable person selling or consigning or transferring or exporting goods outside the State and the territory of India of the value ,exceeding rupees ten thousand , shall be required to fill up Form VAT - 36, in triplicate with full particulars and shall sign and stamp all the three foils of the said Form. The original and duplicate foil of the filled Form alongwith other documents as required under section 51 of the Act, shall accompany the goods during the course of transportation. The counter foil shall be retained by the taxable person ;

(k) At the first Information Collection Centre before his exit from the State , the owner of the goods or the driver of the vehicle or any other person in charge of the vehicle or vessel carrying the goods , shall give the original and duplicate foils of the Form to the officer in charge of the said Information Collection Centre , who after satisfying himself about its being complete and correct, shall sign and stamp them with his official seal, keep the original foil in his record and return the duplicate foil of the Form to the person, who has produced the same.

(l) A taxable person importing or receiving goods of value, exceeding rupees ten thousand into the State from any place outside the State, shall send to the selling dealer or consignor of the other State, two foils of Form VAT - 36 obtained by him under clause (c), duly filled, signed and stamped. He shall , retain the counter foil with him ;

(m) On his entry into the State, at the first Information Collection Centre, the owner or the driver of the vehicle or any other person in-charge of the vehicle or vessel, carrying the goods, as the case may be, shall produce both the above said foils to the officer-in-charge of the said Information Collection Centre, who after satisfying himself about their being complete, correct and genuine, shall sign and stamp them with his official seal and keep the original foil in his record. The officer, shall return the duplicate foil of the Form to the person, who has produced the same, who shall carry the duplicate foil alongwith goods during their transportation in the State ;

(n) The owner of the vehicle or the transport company or the transport agency, as the case may be, shall deliver to the consignee, while delivering the consigned goods, the duplicate foil of the Form duly authenticated by the officer in charge of Information Collection Centre, alongwith Invoice and Goods Receipt ;

(o) The importer shall preserve the foil and other documents

delivered to him under clause (n) for such period , as may be specified by the Commissioner and produce them before the designated officer , whenever demanded by him ;

(p) Where a duly completed Form, issued by a purchasing taxable person or consignee to a selling dealer or consignor, is lost in transit or in the hands of the selling dealer or consignor, the purchasing taxable person or the consignee, as the case may be , shall on demand, by such selling dealer or consignor, issue a duplicate Form to him in the same manner in which original Form was issued:

Provided that before issuing a duplicate Form, the purchasing taxable person or consignee, shall give the following declaration in red ink, duly signed by him, on each of the three foils of such duplicate declaration Form:-

"I, hereby declare that this is the duplicate in lieu of the original of the declaration Form No. \_\_\_\_\_ signed on \_\_\_\_\_ and issued to M/s \_\_\_\_\_ in respect of \_\_\_\_\_ (description of goods) valuing at Rupees \_\_\_\_\_."

(q) No taxable person shall issue any Form , except one, obtained by him from the designated officer or procured electronically and not declared obsolete or invalid under the provisions of clause (i) ;

(r) The Commissioner may , issue, from time to time detailed instructions for issue of blank Forms to a taxable person, their use, submission after use and surrender of unused Forms by him to the designated officer and maintenance of record in relation thereto ;

(s) Notwithstanding any thing contained in the preceding clauses, if an importer of goods is unable to produce Form VAT-36 at the Information Collection Centre, he may at his option, pay cash security to be calculated at the rate of tax applicable under section 8 on the value of such goods. The cash security so paid at the Information Collection Centre, may be adjusted towards his tax liability at the time of filing return under section 26; provided the goods are duly reflected in his account books and declaration in Form VAT - 36 is submitted to the designated officer within fifteen days from the receipt of goods by him.

(3) (a) In case, a taxable person is importing goods of value, exceeding rupees ten thousand , meant for the purpose of trade, commerce and industry from outside the State by Rail, Air, Sea or Post Office or Courier, he or his representative, shall fill the original and duplicate foils of the Form VAT-36, obtained by him , depicting the details of import as per invoice or delivery challan, railway receipt, bill of lading or any document of this nature before taking



the delivery of the goods.

(b) The taxable person or his representative, shall submit the original foil and the duplicate foils of Form VAT - 36, in the office of the designated officer in whose area his business premises falls.

(c) The taxable person or his representative , shall carry the duplicate foil of the Form so obtained, alongwith the goods during the course of transportation from Railway, Airport or Post Office or Courier to his place of business ;

(d) A taxable person selling or consigning or transferring or exporting goods outside the territory of India of the value, exceeding rupees ten thousand, meant for the purpose of trade to a person outside the State by Rail, Air, Sea, Post or Courier , shall fill Form VAT - 36 according to invoice or delivery challan, railway receipt, bill of lading or any document of this nature ;

(e) He shall submit the original foil in the office of the designated officer. The concerned designated officer after verifying the correctness of the Form, shall put his signature and affix seal on both the foils. He shall keep the original foil in his official record and return the duplicate foil to the taxable person. The taxable person, shall carry the duplicate foil alongwith the goods while transporting the same from his business premises to the Railway Station, Airport, Seaport, Post Office or office of the Courier Services;

(f) Whoever transports or carries any consignment of the goods referred to in sub-clauses (a) and (d) from or to a Railway Station, Steamer, Airport or Post Office or any other place, he shall carry with him the copy of the Form mentioned in these clauses alongwith the other documents and whenever a road vehicle transporting such consignment or person carrying such consignment is intercepted, he shall present such Form along with other documents to such officer , as may be authorised by the Commissioner in this behalf;

(g) Nothing contained in this rule shall be considered to impose any obligation on railway administration or railway servant or the post office or any officer of the post office or to empower any search, detention or seizure of any goods on a railway as defined in the Railways Act, 1989 or in a post office as defined in the Indian Post Office Act, 1898.

## **66. Maintenance of records by carrier of goods :-**

Every carrier of goods or his agent , shall maintain true account of

goods transported, delivered or received for transport containing the particulars like name, address, registration number of consignor or consignee, value and description of the goods. Such record shall be preserved by him for a period of six years.

**67. Procedure of accepting goods for transportation from the taxable person :-**

(1) No carrier of goods or its agent shall transport or, accept for booking for transportation unless :-

(a) the consignment is covered by a VAT invoice, a retail invoice or a delivery challan; and

(b) a declaration for transport of goods to and from the State in Form VAT - 36 with original and duplicate foils duly filled by the consignor, if the value of the invoice exceeds rupees ten thousand. section 51.

(2) The transporter shall issue transport receipt for goods received and way-bill in Form VAT-39 and Form VAT-40 ,respectively.

(3) The transporter shall enter full particulars of the goods received for transportation in a register to be maintained in Form VAT-41.

**68. Procedure for delivery of goods by the carrier of goods or transporters to a taxable person :-**

(1) No carrier of goods or its agent , shall accept delivery of the goods coming from outside the State unless ;-

(a) the consignment is covered by an invoice or delivery challan as the case may be ;

(b) a declaration for transport of goods to and from the State in Form VAT - 36 ,duplicate foil duly filed in by the consignor and stamped by the officer in charge of the Information Collection Centre, if the value of invoice exceeds rupees ten thousand ,is submitted ;

(c) goods receipt (GR) originating from place of commencement of transportation is furnished ; and

(d) the declaration Form duly stamped by the officer in charge of the Information Collection Centre in Form VAT-12 is submitted. section 51.

(2) After receiving the goods, the transporter shall enter all the particulars of the consignment in a register in Form VAT - 42.

The transporter shall take an acknowledgement from the taxable person or the receiver of the goods, duly signed and stamped on the goods receipt (GR)/transport receipt (TR) and shall enter full

particulars in the Form VAT - 42.

**69. Taxable person to maintain true account of goods received and dispatched :-**

(1) Every taxable person shall maintain true record of goods received or goods dispatched in a register, which shall be in Form VAT - 43 and Form VAT - 44 , respectively. section 51.

(2) No person or his authorized agent , shall take delivery of the goods, the sale or purchase of which is taxable under the Act, from or deliver the goods for booking to a carrier of goods including an agent of a Transport Company or Booking Agency, unless ;-

(a) a copy of the purchase invoice or sale bill or VAT invoice or retail invoice or cash memo or delivery challan or declaration for transport of goods to and from the State in Form VAT - 36, if required, as the case may be, covering the consignment, is furnished to the transporter or his representative;

( b ) particulars of consignment intended to be booked , are furnished in the forwarding note in Form VAT - 45 to the agent , who takes delivery or delivers goods for booking is in possession of a letter of authority bearing his signatures duly attested from the consignee or consignor, as the case may be;

(c) register in Form VAT - 43 or Form VAT - 44, as the case may be , maintained by a registered person, containing entries in regard to such consignment ,is produced and got authenticated from the carrier of the goods or an agent of the Transport Company or Booking Agency, as the case may be;

( d ) stamped endorsement indicating his full particulars and registration certificate number under the Act, if any, is recorded on the transport receipt by the consignee; and

(e) the consignor or the consignee being an unregistered person under the Act, gets the Forwarding Note or the Transport company receipt in respect of consignment of goods intended to be booked to a place outside the State, or brought from a place outside the State countersigned from the Excise and Taxation Officer of the district or any other officer authorised by him.

**70. Auction procedure :-**

The goods detained or seized , which have not been released or got released as per due process of law , shall be sold by public auction after following the procedure herein after provided:- section 51.

(i) The owner of the goods , shall have the first choice to re-acquire

the goods on payment of tax, penalty or other dues for which the designated officer shall issue a notice calling upon such person to re-acquire the goods within the time specified in such notice and on such persons failure to do so , the goods shall be put to public auction ;

(ii) the auction ,shall be conducted by a committee comprising of three officers, i.e. Assistant Excise and Taxation Commissioner in charge of the district or Assistant Excise and Taxation Commissioner (mobile wing) or Assistant Excise and Taxation Commissioner (ICC) ,as the case may be, and two Excise and Taxation officers ;

(iii) the auction, shall be conducted after the Assistant Excise and Taxation Commissioner or the designated officer or the officer concerned certifies that the goods have not been got released even after the process of law has been completed or the goods are of perishable nature and need immediate disposal ;

(iv) the Assistant Excise and Taxation Commissioner in charge of the district , may fix a particular day in a year for putting the goods seized or detained to auction and such date , shall be widely publicized ;

(v) the Assistant Excise and Taxation Commissioner in charge of the district shall , cause to be published on the Notice-Board of his office, a list of the goods ,detained or seized and intended to be sold. The notice in prescribed Form VAT - 46, shall specify the place, day and time of auction. A notice of fifteen days shall be given before the sale by auction is to be conducted. A copy of such notice and list of goods, shall also be displayed at one or more public places, Information Collection Centres and office of the Assistant Excise and Taxation Commissioner in charge of the district in which the goods were detained or seized and, if considered necessary, wide publicity of such auction , may be given in leading news paper(s). Before doing so , the Assistant Excise and Taxation Commissioner in charge of the district shall , issue a notice in Form VAT - 47 to the owner of the goods ;

(vi) the intending bidders, shall deposit the earnest money equivalent to a sum amounting to ten percent of the estimated value of the goods before the commencement of the auction ;

(vii) the auction proceedings shall be recorded in writing in Form VAT- 48 ;

(viii) where the purchaser fails to pay the bid money, the goods shall be resold by auction at once and earnest money deposited by the defaulting purchaser, shall be forfeited to the State

Government. The earnest money deposited by the unsuccessful bidders ,shall be refunded to them immediately after the auction is over ; and

(ix) the final bid ,shall be approved by the Deputy Excise and Taxation Commissioner in charge of the Division, if the auction money exceeds rupees fifty thousand.

(x) the auction-purchaser ,shall pay the sale value of the goods in cash immediately after the sale and he shall not be permitted to carry away any part of the goods until , he has paid for the same in full and until ,the sale has been confirmed by the appropriate Authority mentioned in clause (viii) .

(xi) after receiving the amount by the above said procedure , the goods shall be delivered and a receipt thereof shall be issued in Form VAT - 49.

## **CHAPTER 10 APPEAL AND REVISION**

### **71. Appeal :-**

(1) An appeal against every original order referred to in section 62, shall contain the following particulars and information, namely :- section 62 and 63.

(a) the name and address of the appellant;

(b) the date of the order against which an appeal is made;

(c) the authority against whose orders , the appeal is made;

(d) a clear statement of facts and grounds of appeal;

(e) reasons for the delay in appeal, if any;

(f) the relief prayed for; and

(g) signatures and verification by the appellant or by an agent duly authorised by him in that behalf in the following form, namely:-

"I, \_\_\_\_\_ Proprietor/Partner/ Director/ Agent, appointed by the appellant named in the above memorandum of appeal, do hereby declare that the facts as stated above ,are true to the best of my knowledge and belief.

(Signature)"

(2) The memorandum of appeal, shall be submitted along with the original order, against which it is made or duly authenticated copy thereof, unless the omission to produce such order or copy is explained at the time of the presentation of appeal to the satisfaction of the appellate authority.

(3) Receipt for statutory payment of twenty five per cent of the amount, shall also be submitted with the memorandum of appeal.

(4) The memorandum of appeal shall either be presented by the appellant or his agent to the appellate or be sent by registered post.

## **72. Summary rejection :-**

(1) If, memorandum of appeal is not filed as per provisions of rule 71 the appeal shall be entertained.

(2) The appellate authority may dismiss an appeal by an order in writing, if it is not filed within the stipulated period of thirty days :  
Provided that the appellate authority may , in the interest of justice, for the reasons to be recorded in writing, condone the delay in cases where appeal is not filed within the stipulated period ;  
Provided further that before dismissing an appeal, the appellant shall be given a reasonable opportunity of being heard and the order of dismissing the appeal, shall be made in writing by recording the reasons therefore. section 62.

## **73. Hearing of appeal :-**

(1) (a) If an appeal is not dismissed summarily, a reasonable opportunity of being heard to the parties concerned shall be afforded by the appellate authority.

2. A copy of memorandum of the appeal shall be provided to the respondent with a view to file proper reply thereto.

## **74. Stay of recovery of balance amount :-**

(1) while filing an appeal, the , the appellant may submit an application to the appellate authority for staying the recovery of the balance amount of seventy five per cent by giving cogent reasons therefor.

(2) The appellate authority shall dispose of the stay application within a period of thirty days from the date of its submission, failing which it shall be deemed that the recovery of the balance amount has been stayed till the disposal of the application.

## **75. Revision :-**

the provisions of appeal mention in rules 71 to 74 and 77 shall mutatis mutandis apply to the revisions also.

## **76. Transfer of appeal or revision :-**

The Commissioner may either suo-motu or on an application, for reasons to be recorded in writing, transfer an appeal or revision, as the case may be, at any stage of the proceedings pending before any appellate authority or revisional authority subordinate to him to another appellate or revisional authority and shall communicate the order of transfer to the appellant or the petitioner, affected by the order and to the appellate or revisional authorities concerned.

**77. Supply of certified copy :-**

A certified copy of every order passed by the appellate authority, the revisional authority, shall be supplied to the concerned parties free of cost:

Provided that where the orders are pronounced in the absence of the parties, such ex parte orders shall be communicated to the parties. section 62.

**78. Appeal or revision to the Tribunal :-**

(1) Any person aggrieved by the order of an appellate authority or a revisional authority, may file an appeal or revision, as the case may be, to the Tribunal. section 63 and 65.

(2) The provisions of rules 71 to 74 and 77 shall apply mutatis mutandis to the submission of appeal or revision, summary rejection, hearing and disposal of cases by the Tribunal, except that it shall be accompanied by five copies of memorandum of appeal.

(3) Every order passed by the Tribunal shall be communicated to the Commissioner, concerned appellate authority or the revisional authority, the authority passing the original order and the appellant free of cost.

**79. Appeal, revision, register(s) :-**

(1) The Appellate and the Revisional Authority, shall maintain the Institution Register, Peshi Register and Disposal Register in Form VAT-50, Form VAT-51 and Form VAT-52, respectively.

(2) The designated officer, shall maintain a register of cases in which appeals have been filed and litigation is pending in Form VAT-53.

**80. Salaries and allowances of the chairman, vice chairman or a member of a Tribunal :-**

(1) The salaries and allowances of the Chairman, Vice Chairman or

a Member of a Tribunal , shall be as follows: \_

(a) If , he is a retired Judge of the High Court or a retired member of the Indian Administrative Service, or he is retired officer of the Department of Excise and Taxation, Punjab not below the rank of Additional Commissioner, he shall get the substantive pay drawn by him at the time of retirement , less the amount of gross monthly pension ,but his pay plus gross monthly pension, shall not exceed the substantive pay drawn by him at the time of retirement:

Provided that the State Government may in deserving cases, relax this condition and allow officiating pay drawn at the time of retirement instead of substantive pay:

Provided further that the salaries and allowances in case of the member being an Advocate or Chartered Accountant, shall be such as may be determined by the Government ; and section 4.

(b) If , he is a serving Judge of the High Court or a serving member of the Indian Administrative Service, or he is a serving officer of the Department of Excise and Taxation, Punjab not below the rank of Additional Commissioner, he shall get such salaries and allowances , as he would have drawn, had he not been appointed the Presiding Officer or a Member of a Tribunal:

Provided that if the person appointed as Presiding Officer or Member of a Tribunal retires during his tenure as such, his salaries and allowances immediately after the date of retirement , shall be such, as are provided in clause (a) above.

Explanation - The words gross monthly pension as used in this rule, shall mean pension plus pension equivalent of death-cum-retirement gratuity and commuted pension.

The Chairman, Vice Chairman or a Member of a Tribunal, shall for journeys performed in connection with his official duties, be entitled to the traveling allowance at the rates for the time being admissible to the group A officers of the State.

(2) The Chairman, Vice Chairman or a Member of a Tribunal, shall be entitled to such medical facilities as are admissible to the (Group. A) Officers of the State.

The Chairman, Vice Chairman or a Member of a Tribunal shall not accept any other assignment without the prior permission of the State Government.

### **81. Leave and Leave salary :-**

(1) The Chairman, Vice Chairman or a Member of a Tribunal shall, if he is a serving Judge of the High Court or a serving member of the



Indian Administrative Service or he is serving officer of the Department of Excise and Taxation, Punjab , not below the rank of Additional Commissioner , be entitled to such kinds of leave including casual leave as is admissible under the provisions of Service Rules applicable to him and if he is a retired Judge of the High Court or a retired member of the Indian Administrative Service or he is retired officer of the Department of Excise and Taxation, Punjab ,not below the rank of Additional Commissioner, he shall be entitled to such kinds of leave including casual leave , as was admissible immediately before his date of retirement according to Service Rules applicable to him:

Provided that the leave and leave salary in case of the member, being an Advocate or Chartered Accountant, shall be such as may be determined by the State Government. section 4.

The power to grant leave shall vest in the State Government.

## **CHAPTER 11 MISCELLANEOUS**

### **82. Maintenance of daily collection register :-**

Every designated officer shall maintain a Demand and Collection Register in Form VAT-55, showing the payment of VAT or TOT, penalty, interest, composition money, input tax credit carried over and other amount deposited by the persons.

### **83. Record of returns of taxable or registered persons :-**

Record of returns of taxable persons and registered persons, shall be maintained by the designated officers in separate registers.

### **84. Receipt of monthly scroll from the treasury :-**

Every Treasury Officer, shall send to the District Excise and Taxation Office within the first week of each month, a statement of the amounts credited in the Treasury under the Act and these rules during the preceding month.

### **85. Service of summons :-**

The summons to be issued by the Assessing, Appellate and Revisional Authority for appearance of any person or for the production of a document shall be in Form VAT - 57.

### **86. Service of notice :-**

(1) Notice under the Act, or under these rules, shall be served by one of the following methods:-

(a) by delivery by hand or through courier, of a copy of the notice to the addressee or to any other agent ,duly authorised in this behalf by him or to a person , regularly employed by him in connection with the business in respect of which he is registered as a person or to any adult male member of his family residing with the person; or

(b) by registered post ;

Provided that if upon an attempt having been made to serve any such notice by either of the above said methods , the authority concerned has reasonable grounds to believe that the addressee is evading the service of notice or that, for any other reason , which in the opinion of such authority is sufficient that notice cannot be served by any of the above mentioned methods, the said authority shall , after recording the reasons therefor , cause the notice to be served by affixing a copy thereof ;-

(a) if the addressee is a person, on some conspicuous part of the persons office or the building in which the persons office is located or upon some conspicuous part of the place of the persons business last intimated to the said authority by the person or of the place where the person is known to have last carried on business; or

(b) if the addressee is not a person, on some conspicuous part of his residence or office or the building in which his residence or office is located and such service shall be deemed to be as effectual as if ,it has been made on the addressee personally:

Provided further that, where the officer at whose instance the notice is to be served , is on enquiry satisfied ,that the said office, building, place or residence does not exist or is not traceable, such officer, may by an order in writing , dispense with the requirement of service of the notice under the preceding proviso. Section 70

When the officer serving a notice delivers or tenders a copy of the notice to the person or addressee personally or to his agent or to any of the persons referred to in clause (a) of sub-rule (1), he shall require the signature of the person to whom the copy is so delivered or tendered in token of an acknowledgement of service endorsed on the original notice. When the notice is served by affixing a copy thereof in accordance with the first proviso to sub-rule (1), the officer serving it , shall return the same in original to the authority , which issued the notice with a report endorsed thereon or annexed thereto, stating that he so affixed the copy, the circumstances under which he did so and the name and address of

the person, if any, by whom the addressee's office or residence or the building in which his office or residence is located or his place of business was identified and in whose presence the copy was affixed. The said officer shall also obtain the signature or thumb-impression of the person identifying the addressee's residence or office or building or place of business on his report.

(2) When service is made by post, the service, shall be deemed to be affected by properly addressing or preparing the notice and posting it by registered post with acknowledgement due, and unless, the contrary is proved, the service shall be deemed to have been affected at the time at which the notice would be delivered in the ordinary course of post.

### **87. Fees :-**

(1) Except, as otherwise provided, every person shall be required to pay the fee of rupees one hundred in the form of court fee stamps ;-

(a) on a memorandum of appeal or on application for revision to the Commissioner or on an application for revision to the Tribunal;

(b) on an application for obtaining copies of record;

(c) for inspection of records of his personal file or any entry relating to himself in any register maintained under the rules;

(d) search of record for any financial year, but not exceeding preceding five years;

(e) for obtaining copy of any entry in the register maintained under these rules;

(f) for obtaining copy of every notice or summons issued by a designated officer;

(g) for obtaining copy of every return or statement recorded in any enquiry held under these rules or of an order of an objection or of assessment of tax or any other document of which copy is permissible under these rules;

(h) for obtaining every additional certified copy of an order of assessment of tax;

(i) for obtaining copy of any other order passed under the Act or these rules; and

(j) on application for amendment in the constitution of the firm or any other amendment in the original registration certificate ;

(2) A separate application, shall be made for inspection of each and every record of the register.

### **88. Fee for obtaining record from appellate authorities :-**

The provisions of rule 87, shall apply mutatis mutandis to inspection of records in the office of the appellate and revising authorities and grant of copies thereof.

**89. Fee for determination of disputed questions :-**

An application to the Commissioner under section 85 of the Act for determination of a disputed questions, shall be accompanied with a treasury receipt of a fee of rupees five hundred.

**90. Business owned by a person under legal disability :-**

Trustee, guardian or manager, whether appointed by a Court or the Court of Wards for carrying on a business on behalf of an owner, who is under disability, shall be liable to perform all obligations imposed by the Act and these rules in respect of such business to the same extent as the owner would have been liable, if he had not been under disability and had been carrying on the business himself.

**91. Business forming part of estate under the control of a Court :-**

The Administrator General, the official trustee, an executor or administrator, under the Indian Succession Act, 1925( CA 39 of 1925), or any receiver, carrying on any business forming part of an estate, placed under his control by an order of a Court, shall be liable to perform all obligations imposed by the Act and these rules in respect of such business to the same extent as , if he was the owner of the business and shall be liable to pay any tax assessed or interest due or penalty imposed thereon for the period during which, he remained in control thereof.

**92. Superintendence and control of the administration under the Act :-**

(1) The Commissioner shall superintend the administration and the collection of tax leviable under the Act and shall control all officers empowered there under.

(2) Subject to the control of the Commissioner, the Deputy Excise and Taxation Commissioner of the division, shall control all other Officers in his division.

(3) The Assistant Excise and Taxation Commissioner incharge of a

district shall control all other officers in his District subject to the control and direction of the Commissioner and the Deputy Excise and Taxation Commissioner.