

Sikkim Sales Tax Act, 1983

4 of 1983

[31 March 1983]

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Sikkim Sales Tax Act, 1983

4 of 1983

[31 March 1983]

An Act to consolidate and amend the law relating to the levy of tax on sale of goods in the State of Sikkim. BE it enacted by the Legislature of Sikkim in the Thirty-fourth Year of the Republic of India as follows: -

CHAPTER 1 PRELIMINARY

1. Short Title And Commencement :-

(1) This Act may be called the Sikkim Sales Tax Act, 1983.

(2) It extends to the whole of Sikkim.

(3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

2. Definitions :-

In this Act unless there is anything repugnant in the subject or context, -

(a) "business" includes any trade, commerce or manufacture or any adventure or concern in the nature of trade, commerce or manufacturer carried on with or without a motive for profit whether or not any profit accrues from such activities and any transaction ancillary or incidental to or in connection with such trade, commerce or manufacture or adventure or concern;

1[Explanation. - Transfer, delivery, supply, sales or disposal of goods in any of the manner referred to in clause (m) shall be deemed to be included within the meaning of this expression.]

(b) "Commissioner" means the Commissioner of Commercial Taxes appointed under sub-section (1) of section 3;

2[(ba) "contractor" means any dealer who undertakes any works contract for execution and includes a sub-contractor;]

(c) "dealer" means any person who carries on business of buying and selling of any goods for commission, remuneration or otherwise and includes any firm, Hindu-Undivided Family, company, corporation, a department of Government, society, club or association 3[whether such society, club or association is incorporated or not under any law of the Central or State Government in relation to the registration or as the case may be, the incorporation of such society, club or association,]

Explanation 1. - A factor, broker, Commission agent, del-credere, agent, auctioneer or any other mercantile agent, by whatever name called, who carries on the business of buying and selling of goods and who has, in the course of his business, authority to sell goods belonging to their owners, shall be deemed to be a dealer for the purpose of this Act;

Explanation 2. - The manager, or agent of a dealer residing outside the State, and who sells or purchases goods in the State, shall in respect of such business, be deemed to be a dealer for the purpose of this Act;

4[Explanation 3. - Any person as aforesaid who transfers, delivers, supplies, sells or otherwise disposes of goods in any of the manner referred to in clause (m) for commission, remuneration or otherwise, for cash, deferred payment or other valuable consideration, shall be deemed to be a dealer for the purpose of this Act.]

(d) "declared goods" means the goods declared by section 14 of the Central Sales Tax Act, 1956 (74 of 1956) to be of special importance in inter-state trade or commerce;

(e) "goods" means all kinds of movable property in solid, liquid or gaseous form, and includes all materials, commodities, articles and

also electricity but does not include newspapers, actionable claims, stocks, shares and securities;

(f) "manufacture" with all its grammatical variations and cognate expressions, means producing, making, extracting, altering, ornamenting, finishing or otherwise processing or adopting any goods but does not include such manufacture or manufacturing process as may be prescribed;

(g) "notification" means a notification published in the Official Gazette;

(h) "place of business" includes-

(1) in the case of any dealer who carries on business through an agent (by whatever name called), the place of business of such agent;

(2) a warehouse, godown or other place where a dealer stores his goods, and

(3) a place, where a dealer keeps his books of accounts;

(i) "prescribed" means prescribed by rules made under this Act;

(j) "prescribed authority " means such authority as may be prescribed;

(k) "registered dealer" means a dealer registered under section 10;

(l) "rules" means the rules made under this Act;

5[(m) "sale" with its grammatical variations and cognate expression means any transfer of property in goods by one person to another for cash or for deferred payment or for any other valuable consideration, and includes a transfer, delivery or supply of goods by one person to another person in any of the following ways, namely, -

(a) the transfer, otherwise than in pursuance of a contract or property in any goods for cash, deferred payment or other valuable consideration;

(b) the transfer for property in goods (whether as goods or in some other form) involved in the execution of a works contract;

(c) the delivery of goods on hire-purchase or any system of payment by installments;

(d) the transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;

(e) the supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration;

(f) the supply, by way of or as part of any service or in any other manner, whatsoever of goods, being food or any other article for

human consumption or any drink (whether or not intoxicating), where such supply or service is for cash, deferred payment or other valuable consideration, but does not include a mortgage or hypothecation of or a pledge on goods.]

6[.....]

7[Explanation 1. - A barter, that is, sale by exchange of goods shall be deemed to be a sale only when the exchange is based or worked out in terms of the value of the goods exchanged.]

8[Explanation 2. - A sale of goods shall be deemed to have taken place in the State if it fulfils the requirements of sub-section (2) of section 4 of the Central Sales Tax Act, 1956 (74 of 1956);]

(n) "sale price" means the amount payable to a dealer as consideration for the sale of goods, less any sum allowed as cash discount but inclusive of any sum charged for anything done by the dealer in respect of the goods at the time of or before the delivery thereof other than the cost of freight or delivery or the cost of installation in case where such cost is separately charged;

Explanation 1 - The term cash discount shall refer only to the discount allowed by the seller to the buyer for the prompt or prior or early payment of sale price according to the practice prevailing in the trade;

Explanation 2 - The tax. levied under this Act on the transaction of sale shall not form part of the sale price for the purpose of this Act, only if it is actually leviable under this Act on the seller and is recovered by the seller from the buyer by showing it separately as such in the cash memos, invoices or other sale memoranda;

9[Explanation 3. - In respect of goods delivered on hire purchase or any system of payment by installments, the sale price on the date of such delivery shall, for the purpose of this Act, be determined in such manner as may be prescribed.]

10 [Explanation 4. - The sale price shall include the excise duty, fee or any other levies on the goods, under any Central or State law for the time being in force made at the time of or before the delivery of the goods to the buyer whether such duty, fee or other levy is paid by the purchaser of the goods to the seller along with the consideration for the sale or directly to the Government.]

(o) "Sikkim" means the territory comprised in the State of Sikkim;

(p) "State Government" means the Government of Sikkim;

(q) "tax" means tax payable under this Act;

(r) "turnover" used in relation to any period means the aggregate of sale prices or part of sale prices receivable or if a dealer so elects, actually received by the dealer during such period after

deducting the amounts if any, refunded by the dealer in respect of any goods returned by the purchaser within such period as may be prescribed;

Provided that an election as aforesaid once made shall not be altered except with the permission of the Commissioner and on such terms and conditions as he may think fit to impose;

11[Explanation - The turnover in each year shall include-

(a) amounts realised by a dealer by sale of surplus, unserviceable and discarded goods, fixed or other assets of the business, bye-products and subsidiary products of manufacturer or processing;;

(b) the aggregate amount for which goods are transferred, delivered, supplied, sold or otherwise disposed of in any of the manner referred to in clause (m) by a dealer; but shall not include sales in a canteen owned and run by the dealer for the benefit of his workman or laborers;]

12[(ra) "works contract" means and includes any agreement for carrying out, for cash, deferred payment or other valuable consideration, the construction, fitting out, improvement or repair of any building, road, bridge or other immovable property or the installation, fitting out, improvement or repair of any movable property.

Explanation - A sub-contractor for carrying out any or all of the aforesaid works shall be deemed to be a works contract.]

(s) "year" means the financial. year commencing on the first day of April and ending on 31st day of March next following.

1 Inserted vide clause (a) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1994 (Act No.3 of 1994).

2 Inserted vide clause (b) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1994 (Act No.3 of 1994).

3 Inserted with effect from 1.4.1986 vide clause (a) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1986 (Act No.4 of 1986)

4 Inserted vide clause (c) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1994 (Act No 3 of 1994).

5 Substituted with effect from 1.4.1986 vide sub-clause (i) of clause (b) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1986 (Act No. 4 of 1986)

6 Explanation I deleted with effect 1.4. 1986 vide sub-clause (ii) of clause (b) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1986 (Act No.4 of 1986).

7 Explanation 2 renumbered as Explanation 1 vide ibid.

8 Explanation 3 renumbered as Explanation 2 vide ibid.

9 Substituted with effect from 1.4.1986 vide of sub-clause (i) of clause (c) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1986 (Act No.4 of 1986).

10 Inserted with effect from 1.4.1986 vide sub-clause (ii) of clause (c) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1986 (Act No.4 of 1986).

11 Substituted vide clause (e) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1994 (Act No. 3 of 1994).

12 Inserted vide clause (f) of section 2 of the Sikkim Sales Tax (Amendment) Act, 1994 (Act No.3 of 1994).

CHAPTER 2 TAXATION AUTHORITIES

3. Taxing Authorities :-

(1) For carrying out the purpose of this Act, the State Government may appoint a person to be Commissioner of Commercial Taxes and such other persons with such designation to assist him as may be necessary and as may be specified in this behalf by the State Government by notification.

(2) The Commissioner and other person appointed under sub-section (1) shall exercise such powers as may be prescribed and perform such duties as are imposed upon them by this Act or rules made there under within such areas in the State as may be specified in this behalf by the Government by notification.

(3) All persons appointed under sub-section (1) shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860).

CHAPTER 3 INCIDENCE OF TAXATION

4. Incidence Of Taxation :-

There shall be paid by every dealer who sells goods, 1[manufactured, imported, produced or purchased by him] in the State, a tax on sales made on and from the date of commencement of this Act..

1. Substituted with effect from 12.5.1983 vide section 3 of the Sikkim Sales Tax (Amendment) Act. 1986 (Act No.4 of 1986).

4A. Levy Of Tax On Transfer Of Property In Goods Involved In The Execution Of Works Contracts :-

1[(1) Notwithstanding any thing contained in Section 4, but subject to other provisions of this Act, every dealer shall pay for each year, a tax under this Act on his taxable turnover for transfer of property in goods (whether as goods or in some other form) involved in the execution of works contract determined at the rates and the manner specified by or under section 5.]

Government of Sikkims decision. -

1.1 In exercise of the powers conferred by clause (c) of sub-section (1) of section 5 read with sub-section (2) of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983), the State Government hereby specify that the Tax payable by a contractor involved in the execution of works contracts referred to in sub-section (1) of section 4A of the said Act shall be four paise in a rupee.

1.2 This Notification shall be deemed to have come into force with effect from the 2nd August, 1995.

[Finance (Income Tax & Sales Tax) Department Notification No. 120/IT & ST dated 22.6.1996 published in Sikkim Government Gazette (Extraordinary) No. 94 dated 11.7.1996.]

2.1 In exercise of powers conferred by clause (c) of sub-section (1) of section 5 read with section 4A of the Sikkim Sales Tax Act, 1983 (4 of 1983), and in suppression of all the previous notifications in respect of works contract, the State Government hereby specifies the rate of sales tax payable by a contractor involved in the execution of works contract at four paise in a rupee with immediate effect.

[Finance (Income Tax & Sales Tax) Department Notification No.378/IT & ST/2000 dated 14.8.2000 published in Sikkim Government Gazette (Extraordinary) No. 297 dated 19.7.2000.]

(2) If a contractor proves to the satisfaction of the Commissioner that tax on the turnover of goods supplied in the course of execution of works contract has been paid by his sub-contractor, the contractor shall not be liable to pay tax again on the turnover of such goods.

(3) If a sub-contractor proves to the satisfaction of the Commissioner that the tax has actually been paid by his principal contractor on the turnover of goods supplied in the course of execution of works contract, the sub-contractor shall not be liable to pay tax again on the turnover of such goods.

Explanation 1. - For the purpose of this Act, the transfer of property in goods involved in the execution of a works contract shall be deemed to have taken place in Sikkim, if the goods so transferred are within that State at the time of their use,

application or appropriation, for the execution of the works contract, irrespective of the place where the agreement for the works contract is made and whether the consent of the other party, prior or subsequent to such use, application or appropriation has been obtained or not.

Explanation 2. - The levy of tax 1 [] Section 4A and 4B inserted vide section 3 of the Sikkim Sales Tax (Amendment) Act 1994 (Act No.3 of 1994).s section shall be made whether the works contract i s executed fully or partly during a year, or abandoned or terminated before completion.

1. Section 4A and 4B inserted vide section 3 of the Sikkim Sales Tax (Amendment) Act 1994 (Act No.3 of 1994).

4B. Levy Of Tax On The Transfer Of Right To Use Any Goods :-

Notwithstanding anything contained in section 4, but subject to the other provisions of this Act, every dealer shall pay for each year, a tax under this Act on his taxable turnover in respect of the right to use any goods (whether or not for a specified period) at the rates specified by or under section 5 applicable to the sales of the same goods, had they been sold otherwise than by the transfer of the right to use them.

Provided that if the transfer of the right to use any goods is made by a dealer on more than one occasion in a year to the same or different party, the tax shall be leviable on each such occasion.

1[Explanation. - For the purposes of this Act, the transfer of the right to use any goods for any purpose (whether or not for a specified period) shall be deemed to have taken place in Sikkim, if such goods so transferred as in the State at the time of such transfer irrespective of the place where the agreement for the transfer of right to use the goods is made.]

1. Section 4B inserted vide section 3 of the Sikkim Sales Tax (Amendment) Act 1994 (Act No.3 of 1994).

5. Rate Of Tax :-

5. Rate of tax.-

(1) The tax payable by a dealer under this Act shall be levied on

taxable turnover at the following rates:-

(a) in respect of goods specified in Schedule II, 1[at such rates not exceeding twenty paise in the rupee as the State Government may, from time to time by notification specify.]

Government of Sikkims order.-

1.1 In exercise of the powers conferred by sub-section (1) of section 8 and clause (a) of sub-section (1) of section 5 of Sikkim Sales Tax Act, 1983 (4 of 1983) and in super session of Notification No.522/IT&ST/2000 dated the 17th January 2000, published in Extraordinary Gazette No. 6 dated 17th January, 2000, and in supersession of notification no. 14(85) IT&ST/614 dated 25th February, 2000, of Finance (Income and Sales Tax) Department, the State Government hereby specifies the following rates of sales tax in respect of goods specified in Schedule I and Schedule II, namely:-

[Please see Section 8 for Schedule I]

SCHEDULE II

Sl. No.	Description of Goods	Rate of Tax
1.	Mustard oil and mixture of mustard oil	2% [4% w.e.f. 1.12.2001 vide Notification No. 357/ ST & IT/ 2001-2002]
2.	Vehicles of all types driven or operated by petrol/diesel or electrical energy except those specified elsewhere in this Schedule	12%
3	Declared Goods	4%
4.	Edible oils and oil cakes Rapeseed oil, Palm/Palmoleon oil	4%
5.	Processed Salt, Fish and Meat when sold in sealed containers.	4%
6.	Cumin seed	4%
7.	Branded Bread	4%
8.	Bicycles	4%
9.	Ready made garments	4%
10.	Utensils and Kitchen wares excluding aluminum utensils.	4%
11.	Bone meal	4%
12.	chemical fertilizers, pesticides, weedicides and insecticides	4%
13.	Ores and minerals	4%
14.	Ice	4%
15.	All types of Yarn	4%

16.	Charcoal	4%
17.	Raw wool	4%
18.	Hosiery goods	4%
19.	Bran oil	4%
20.	Sponge iron	4%
21.	HDPE packs	4%
22.	GI pipe	4%
23.	Starch	4%
24.	Garlic and Ginger	4%
25.	Maize Products	4%
26.	Safety matches excluding hand made safety matches	4%
27.	Cardamom	4%
28.	Gingeli oil	4%
29.	Hand pump/water pump and oil engines.	4%
30.	Aluminium in all its forms namely : aluminium ingots, slabs, bars, rods, pipes, tubes, wires, coils sheets, plates, circles, sections, channels, angles, joints, extrusions, including aluminium scraps but excluding aluminium foils.	4%
31.	Information technology (IT) products, namely: computers computer peripherals, digital electronic equipments, communication equipments, electronic components, IT software other than those specified elsewhere in the Schedule.	4%
32.	Industrial inputs:	4%
	(a) Non ferrous metal viz. Sulphur and zinc	
	(b) Belting	
	(c) Bearing	
	(d) all types of chemicals and intermediate chemicals including barytes, hydrogen peroxide, silicon carbide, lime, caustic soda including wax and paraffin and ferro silicon.	
	(e) Dyes and chemicals	
	(f) Ferro alloy and super alloy	
	(g) Transformer (h) Polystyrene	
	(h) Polystyrene	
33.	Bulk drugs other than those specified elsewhere in this schedule.	4%
34.	Blanket of all kinds, quilt, quilt cover and quilt razaigelafts.	4%
35.	Orange	4%
36.	Pollution control equipments.	4%

37.	Sand, stone chips and stones	4%
38.	Butter and ghee [8% w.e.f. 1.12.2001 vide notification NO. 357/IT&ST/2001-2002]	4%
39.	Fruits, vegetables and spices such as pastes, squashes, juices, pickles, jams and jellys processed or manufactured in Sikkim.	4%
40.	Sewing thread	4%
41.	Napa Slabs. [8% w.e.f. 1.12.2001 vide notification No. 357/IT&ST/01-02]	4%
42.	Kerosene	12%
43.	Vanaspati (Vegetable ghee)	4%
44.	File Wood	8%
45.	Raw Silk	8%
46.	Beedi Leaves.	4%
47.	Packing Materials including HDPE bags corrugated boxes and containers.	4%
48.	De-oiled cake.	4%
49.	Vegetable oil	4%
50.	Solvent oil	8%
51.	RCC sleepers	8%
52.	Filters	8%
53.	Agarbatti	4%
54.	Tiles	8%
55.	Ceramics	8%
56.	Suitcases	8%
57.	Cast Iron Castings.	4%
58.	Surgical Instruments	8%
59.	All types of electrical goods including fans but excluding transformers.	8%
60.	Tanned leather and leather goods	8%
61.	Paper and paper pulp	8%
62.	Saree falls	8%
63.	All kinds of bricks including refractory bricks	4%
64.	Printing ink	8%
65.	Electrodes	8%
66.	Sanitary ware.	8%
67.	Stainless steel.	8%
68.	Milk food and milk products.	8%
69.	Sewing machines.	8%
70.	Nut powder.	8%
71.	Flasks.	8%

72	Explosives,	8%
73	Blades and razors etc.	8%
74	Timber.	8%
75	Drugs and medicines other than life saving drugs and anti- tuberculosis drugs (as listed in S. No.27 and 28 of Schedule I).	8%
76	Foot wear other than rubber and plastic chappals /sandals and shoes with MRP of Rs.200/- or less	8%
77	Magnets.	8%
78	Electric Motors.	8%
79	Nutrition food.	8%
80	Hose pipes.	8%
81	Sweet meat	8%
82	Plants and machinery including spare parts, components and accessories thereof.	8%
83	Tea and coffee	8%
84	Toffee, chocolate, biscuits and confectionery	8%
85	Cake, pastries, cocoa products including chewing gums.	8%
86	Toothpaste, tooth brush, tooth powder, mouth wash and deodorants.	8%
87	Batteries and parts thereof	8%
88	All types of furniture	8%
89	Camphor	8%
90	Electrical bulbs and tube lights including vapour lamps, halogen lamps of all varieties and descriptions.	8%
91	Photographic goods.	8%
92	Tyres and tubes and flaps of tyres and tubes	8%
93	Foam.	8%
94	Electronic goods other than those specified elsewhere in the Schedule.	8%
95	Cooking gas (LPG).	12%
96	Building materials such as plywood and cement	12%
97	Paints and colours.	8%
98	Diesel oil	10%
99	Dry fruits.	8%
100	Plastic goods other than plastic chappals, sandals, and shoes with MRP of Rs.200/- or less.	8%

101	Roofing light and false roofing materials including cement and asbestos sheets, hard and soft boards and panels as well as asphaltic roofings.	8%
102	All types of cables and electrical wires	8%

103	Fire fighting equipments.	8%
104	Cereals and pulses when sold in sealed containers including polypackets	8%
105	Articles of foods and drinks including sweet and sweet meat when sold: - (a) in the three star, four star and five star hotels as recognised by the Ministry of Tourism, Government of India/Sikkim (b) in places other than (a) above when sold in sealed container, or packet including polythene packet.	8%
106	Food preservatives, food colours and food flavouring	4%
	essences.	
107	Hardware goods specified as hardware under the Notification 832/ST/1 1/3096 dated 16.12.86.	8%
108	Jointing powder and SITU mixture for laying tiles and chips and deodorants.	8%
109	Kirana goods and spices when sold in sealed containers of polythene packets.	4%
110	Mercury.	8%
111	Mosquito repellents.	4%
112	Magnesium Carbide/Carbonate	8%
113	Manihari goods specified as "manihari goods" under Notification No.832/ST/I 1/3096 dated 16.12.86.	8%
114	Lubricants including lubricating oil, brake oil, grease and engine oil.	12%
115	Optical goods, namely spectacles, sunglasses, goggles, lenses and frames including attachments.	4%
116	Pipes and pipefitting of all varieties including casing, other than GI pipe.	4%
117	Rolling shutters and collapsible gates whether operated manually, mechanically or electrically and their parts and accessories thereof.	8%
118	Sacks of all types.	4%
119	Sport goods of all types.	4%
120	Stoves, that is gas stove and kerosene stoves, Gas metallic cylinder, Gas mantle, parts and accessories thereof.	8%
121	Chicory, Coffee beans seed raw or toasted.	4%
122	Chana-choor, Dalmut, Fried potato chips, Fried gram when sold in sealed containers including poly-packets.	8%
123	Fruits, vegetables and spices such as pastes, squashes, juices, pickles, jams and jelly s	4%

124	processed or manufactured outside Sikkim. Instant mix such as jamoon mix, idli mix. ice-cream mix, jelly mix and the like, samber and rasam powders and pastes, masala powders and pastes, curry powder and pastes such as soft drink concentrates (other than soft and vegetables concentrates) whether in liquid or powder or crystal form when sold in bottles, tins, cans, or in any cans, or in any kinds of sealed containers.	8%
125	Water tank and storage tank of all varieties and descriptions.	8%
126	Toys other than electronic toys.	8%
127	Motor parts, accessories and components thereof.	8%
128	Stationeries including the items specified under Notification No.832/ST/I1/3096 dated 16.12.86.	8%
129	Glazed earthenware.	8%
130	Chinaware including crockery.	8%
131	Gypsum of all forms and descriptions.	8%
132	Acids.	8%
133	Coir products of all kinds.	8%
134	Bulldozers, tractors, excavators, pipelayers, wheel laden scrappers, mobile cranes, power tillers, earth movers, dumpers, dippers and parts and accessories/components thereof	8%
135	Items of goods not specified by name or description other than those specified in Schedule I and Schedule 11 and by any other Notifications.	8%
136	Weather proofing compounds.	12%
137	Fire works.	12%
138	Furs and skins.	12%
139	Lifts and elevators.	12%
140	Marble and marble tiles.	12%
141	Sandalwood and oil.	12%
142	Telephone including cellular and mobile phones pagers and parts/accessories thereof	12%
143.	Typewriters	12% [4% with effect from 12.9.2000 vide IT&T Department Notification No. 398/IT&ST/2000 dated 12.9.2000]
144.	Cutlery	12%
145.	Preserved Food articles	12%
146.	Silk and silk fabrics	12%
147.	Vacuum cleaners	12%

148.	TV, VCR and CD. and. VCP	12%
149.	Tele-printers	12%
150.	Transmission wire and tower	12%
151.	Voltage Stabilizers	12%
152.	Washing machines	12%
153.	Wireless equipments	12%
154.	Air conditioner	12%
155.	Arms and ammunition	12%
156.	Articles of stainless steel	12%
157.	Carpets	12%
158.	Cushion and mattress	12%
159.	Electronic toys	12%
160.	Fancy leather goods	12%
161.	Musical instruments and equipments excluding indigenous hand made musical instruments	12%
162.	Non Alcoholic drinks, that is to say mineral water, aerated water including soda water, soft water whether or not flavoured or sweetened and whether or not containing vegetable or fruits juice or fruit pulp when sold in bottles, tins, cans or in any kind of sealed containers.	12%
163.	Hari oil	12%
164.	Synthetic gems 12% [1% with effect from 12.9. Department Notification No. 398/f 12.9.2000]	2000 vide ITST IT&ST 2000 dated
165.	Calculating machines	12% [4% with effect from 12.9.2000 vide IT&ST Department Notification No. 398/IT&ST/2000 dated 12.9.2000]
166.	Cigarette cases and lighters	12%
167.	Cinematographic equipment	12%
168.	Ivory Products	12%
169.	Air circulators and air coolers	12% [8% with effect from 12.9.2000 vide IT&ST Department Notification No. 398/IT&ST/2000 dated 12.9.2000]
170.	Glassware other than glass bangles	12%
171.	Naphtha	12%
172.	Spark plugs	8%
173.	Rubber goods other than rubber chappals, sandals and shoes with MRP of Rs. 200/- or less	12%
174.	Cosmetics and soaps	12%

175.	Adhesives	12%
176.	PVC articles	12%
177.	Laminated sheets	[12% w.e.f. 1.12.2001 vide notification No. 357/IT&ST/01-02]
178	Oxygen and gas	12%
179.	Aeronautics	12%
180.	Watches and clocks	12%
181.	ACSR conductors	12%.
182.	Refrigerators	12%
183	Radios, spare parts, accessories and components thereof	12%
184.	Loud speakers/public address systems.	12%
185.	Duplicating/address printing machines	12%
186.	Binoculars and telescopes	12%
187.	Disc antenna, spare parts and accessories thereof	12%
188	Photocopiers	12%
189.	Granite stones whether polished or unpolished, polished cuddapah stones, slabs and tiles	12%
190.	Industrial gas	12%
191.	petroleum products including motor sprit, aviation and turbine fuel.	20%
192.	Liquor	20%
193.	Narcotics	20%
194.	Molasses	20%
195.	Rectified spirits	20%
196.	Bullion	1%
197.	Gold articles	1%
198.	Precious stones	1%
199.	Silver articles	1%
200.	Cooked food	[8% w.e.f 1.12.2001 vide notification No. 357/IT&ST/01-02 dt: 24.11.2001].

[Finance (Income & Sales Tax) Department Notification No. 14 (85) IT&ST/156/2000 dated 31.05.2000 published in Sikkim Government Gazette (Extra-Ordinary) NO. 190 dated 31.5.2000].

2.1 In exercise of the powers conferred by clause (a) of sub-section (1) of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983) and in partial modification of the Notification No. 14(85)/IT&ST/156/2000 dated 31.05.2000, published in the Extra Ordinary Gazette NO. 190 dated 31st May 2000, the State Government, hereby, specifies that the rate of tax in respect of goods mentioned under column 2 of the table below shall be as shown against the corresponding entries under column 3

thereof with immediate effect:-
THE TABLE

Sl. No.	Description of goods	Rate of tax
1.	2	3
1.	Type writers	4%
2.	Calculators/calculating machines	4%
3.	Air circulators/fans	8%
4.	Synthetic gems	1%

[Income & Sales Tax Department Notification No. 398/IT&ST/2000 dated 12.9.2000 published in the Sikkim Government Extra Ordinary Gazette No. 346 dated 21.9.2000]

3.1 In exercise of the powers conferred by clause (a) of sub-section (1) of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983) and in partial modification of the Notification No. 14(85)/IT&ST/2000 dated 31st May, 2000 published in the Sikkim Government Extraordinary Gazette No. 190 dated 31st May, 2000, the State Government hereby specifies that the revised rates of Sales Tax in respect of the goods specified under column 2 of the Table in Schedule II appearing in serial numbers 1,38,41 and 177 and 200 shall be as shown against the corresponding entries as indicated under column 3 of the following Table, namely:-

TABLE

Sl. No.	Description of goods	Rate of tax
1.	2	3
1.	Mustard oil and mixture of mustard oil	4%
38.	Butter and Ghee	8%
41.	Napa Slabs	8%
177.	Laminated sheets	12%
200.	Cooked Food	8%

[Finance (Income and Sales Tax) Department Notification No.357/IT&ST/01-02 dt. 24.11.2001 published in the Sikkim Govt. Extra Ordinary Gazette No. 445 dt. 24.11.2001]

This notification shall come into force with effect from 1st December, 2001.

(b) in respect of declared goods, at such rate not exceeding four paise in the rupee as the State Government may, from time to time, by notification, specify;

Government of Sikkims Orders:-

1.1 In exercise of the powers conferred by clause (b) of sub-section (1) of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983), the State Government hereby specify the goods in the Table below on which the tax payable by a dealer under the said Act shall be four paise in the rupee:-

THE TABLE

Coal, including coke in all its forms.

1. Hides and skins, whether in a raw or dressed state.

2. Iron and steel, that is to say, -

(i) pig iron and cast iron including iron scrap, cast iron scrap, runner scrap and iron skull scrap;

(ii) steel semis;

(iii) skelp bars, tin bars, sheet bars, hoe-bars and sleeper;

(iv) steel bars;

(v) steel structural;

(vi) Sheets, hoops, strips and skelp, both black and galvanised, hot and cold rolled,

plain and corrugated, in all qualities in straight length and in coil form, as roller and in riveted condition.

3. Jute fibre.

[Finance (Income Tax &- Safes Tax) Department Notification No. 1132-500/ST dated 7.5. 1983 - published in Sikkim Government Gazette (Extraordinary) No. 75 dated 10.5.1983.]

(c) in respect of any other goods, at such rate not exceeding 17 twenty paise in the rupee as the State Government may, from time to time by notification specify.

Government of Sikkims order:-

1.1 In exercise of the powers conferred by clause (c) of sub-section (1) of section 5 read with sub-section (2) of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983), the State Government hereby specifies that the Tax payable by a contractor involved in the execution of works contracts referred to in sub-section (I) of section 4A of the stud Act shall be four paise in a rupee.

1.2 This Notification shall be deemed to have come into force with effect from the 2nd August, 1995.

2[Finance (Income Tax & Sales Tax) Department Notification No.120/IT&ST dated 22.6. 1996 published in Sikkim Government Gazette (Extraordinary) No. 94 dated 11.7.1996]

2.2 In exercise of powers conferred by clause (c) of sub-section (1) of section 5 read with section 4A of the Sikkim SalesTax Act, 1933 (4 of 1983), and in supersession of all the previous notifications in respect of works contract, the Stale Government hereby specifies the rate of sales tax payable by a contractor involved in the execution of works contract at four paise in a rupee with immediate effect.

[Finance (Income Tax & Sales Tax) Department Notification No.378 IT & ST/2000 dated 14..8.2000 published in Sikkim Government Gazette (Extraordinary) No. 297 doled 19.7.2000.]

3.1 In exercise of powers conferred by clause (c) of sub-section (1) of section 5 of the Sikkim Sales Tax Act, 1983 (Act No.4 of 1983) and insupersession of Finance Departments Notification No.14(85) IT & ST,the State Government hereby directs that the rate of Sales tax in respect of goods mentioned vide column 2 of the table below, when sold in course of Inter-State Trade or Commerce, shall he as shown against the corresponding entries under the column 3 thereof:

TABLE

SI No.	Description of goods	Rate of tax
1	Sikkim Made Foreign Liquor/Liqueur	Ten paise in a rupee
2	Country Liquor	Ten paise in a rupee
3	Beer produced in Sikkim	Ten Paise in a rupee

3.2 This Notification shall come into force with immediate effect.

[Finance (Income & Sales Tax) Department Notification No.820/Fin-IT&ST dated 7.1.1997 published in Sikkim Government Gazelle (Extraordinary) No.4dated 27.1.1997.]

4.1 In exercise of the power conferred by clause (c) of sub-section (1) of section 5 of the Sikkim Sales Tax Act, 1983 (Act No.4 of 1983) and in partial modification of the Notification No.820/IT dated 9 1.1997 and Notification No.821/Hn/IT & ST/97 dated 1.4.1997 the State Government hereby specifies that the rate of sales tax in respect of Indian Made Foreign Liquor (IMFL), imported Liquourand imported beer as mentioned under Sl.. No.7, 55(ii) and 56 of column 2 of the Notification No.821/Fin/IT&ST/97 dated 1.4.1997 shall be 15 paise in a rupee.

4.2 This Notification shall come into force with effect from 24th day of May, 1997.

4.3 The tax payable by a dealer on sale of the above goods shall be on first point of sale by an importing dealer or a wholesaler.

[Income Tax and Sales Tax (Finance) Department Notification No.63 IT&ST/97 dated 23.5..1997 published in Sikkim Government Gazette (Extraordinary) No.91 dated 27.5.1997.

5.1 In exercise of the powers conferred by clause (c) of sub-section (1) of section 5

of the Sikkim Sales Tax Act, 1953 (Act No. 4 of 1983) and in supersession of the Notification No. 24 I/IT&ST dated 28.9.1983, 10(17)IT&ST/88/430 dated 28.9.1988, 7(86)IT&ST/364 dated 24.5.1984, F7(99)ST/83/3766 dated 27.9.1983 and all such relevant notifications on the subject, the State Government, hereby, specifies that the rate of tax in respect of goods mentioned under column 2 of the table below shall be as shown against the corresponding entries under column 3 thereof with effect from 1.4.1997.

5.2 However, the rate of tax of goods specified under SI. No 7, 16, 20, 42, 55 and 69 of column 2 shall be deemed to have come into force with effect from the dates of commencement of the relevant notifications on the subjects already issued.

SI No.	Description of goods 2	Rate of tax 3
1	All metal including-(a) Aluminium in all its form, namely,, sheets, circles, hoops, plates, strips and rods, bars, senice, structural wires, ingots and tubes, coils, pipes channels, angles, joists, extrusions, aluminium foils and spare parts, accessories and components thereof. (b) Brass, bronze and copper articles, including rods, rounds, squares and flats ingots, wires, circles, sheets and skips,	8%
2.	(c) Galvanized iron buckets.. Animal feeds (cattle, poultry, pig, fish, prawn, shrimp) and feeds supplement.	3%
3.	Areca nut (supari)	8%
4.	Acid of all kinds	8%
5.	Batteries and parts excluding dry cell or dry cell batteries	10%
6.	Beedi leaves	8%
7.	Beer (first point sale)	15%
8.	Bicycle,, Tandem cycles, cycles combinations, parts and accessories.	3%
9.	Blasting gun powder and mechanical explosives.	
10.	Bricks of all kind	8%
11.	Bulldozer, excavator, pipe layer, wheel loader/scrapper, mobile crane, power tiller. earthmovers. dumpers, dippers and parts. accessories and components thereof	10%
12	Camphor of all kinds.	8%
13.	Cement (first point sale)	8%
14.	Charcoal (first point sale)	8%
15.	Chemicals of nil kinds including caustic soda, dyes sulphur and copper sulphate	8%
16.	Cardamom large.	3%
17.	Coir products of all type	8%
18.	(a) Computers, computer primers, micro processors, floppies, un-interruptible power supply systems and peripherals and pans and accessories thereof and computer stationery (b) Fax and information technology	3%
19.	Containers including tin plates. steel drums/crates/tubes, plastics woven sacks, corrugated paper boxes, folding cartoons and paper bags.	8%

20.	Cooking gas/Liquid Petroleum Gas (LPG) (first point sale)	8%
21.	Calcium carbonate of any form or description including chalk slicks/chalk powder and lime or lime stone.	8%
22.	Compact disc, C D. Players, Laser Disc and Laser Disc Players, parts, accessories and components thereof.	10%
23.	Crockery, cutlery, table ware, household-ware of all varieties and descriptions manufactured from porcelain, glazed earl hen ware, glass, melamine or plastic, China ware and stone ware	8%
24	Cellular Mobile Phones	10%
25.	Diesel engines and parts and accessories thereof (other than those specified under Schedule 11)	7%
26	Domestic and commercial electrical appliances of all varieties and descriptions, that is to say - (i) Grinders, mixers, -blenders, hair dryers. beates, cooking, ranges, boilers. extractors, cream whippers, egg beaters, message apparatus, ironers, Kettles, saucepans, steamers, coffee makers, cookers, egg boilers, churners and pails and accessories thereof (ii) Electrical earthen ware and porcelain. (iii) Pump sets with electrical motors. (iv) Electrical goods, instruments apparatus and appliances (other than electric heaters of" nil varieties and description specified under Schedule II).	8%
27.	Drugs and medicines/medicinal and pharmaceutical preparations including dextrose monohydrate, glucose, dextrine maize, phynile. bleaching powder but excluding condom (a contraceptive device), cinchona alkaloids and their salts and ehloroquine phosphate and life saving drugs.	3%
28.	Dish antenna	10%
29.	Druggests and durries.	8%
30.	Dry-cell batteries.	8%
31.	Edible oil including ground nut oil, soyabean oil, Sunflower oil, sea sum or till oil, rice bam oil, vanaspati oil and any other vegetable oil, but excluding those vegetable oils included in the goods specified elsewhere in this table or in Schedule 1 of section 8 Fire fighting equipment and devices	8%
32.	Fire works.	8%
33.	Fertilizer including hone meal, chemical	10%
34.	fertilizer, chemical fertilizer mixtures. Dolomite and plants growth promoters.	3%
35.	Food and non-alcoholic drinks. that is to say - (i) Ready to serve food. processed food, semi-cooked or semi-processed food stuff, fruits, dry fruits including almonds, walnuts, cashew and pista. dried vegetables (whether	8%

	<p>cooked or not), when sold in tins, cans, bottles or in any kind of sealed containers. (ii) Mineral water, aerated water including soda water, soft drink whether or not flavoured or sweetened and whether or not containing vegetables or fruit juice or fruit pulp when sold in bottles, tins, cans or in any kind of sealed container (iii) Instant mix such as jamoon mix, idli mix, Idli cream mix, jelly mix and the like, samba r and rasom powders and pastes, masala powders and pastes, curry powders and pastes and the like, soft-drinks concentrates (other than soft and vegetable-concentrates) whether in liquid or powder or crystal form when sold in bottles tins, cans bottles or in any kind of sealed containers. (iv) Confectionery including cakes, biscuits, cocoa products, chocolates, toffee and chewing gum (v) Chicory and coffee including coffee beans, seeds raw/roasted (vi) Chana choor, dalmut, fried potato chips, fried gram and sailed peanuts (sold in sealed containers including polythene packets) (vii) Cereals and pulses and broken particles husk and bran thereof when sold in sealed containers including polythene packets (viii) Cured and frozen meat and fish when sold in sealed containers including sealed polythene jar, pouch or packet.</p>	
36.	Article of food and drinks including sweet and sweet meat when sold — (a) In three star, four star and five star hotels as recognised by Tourism Department, Government of Sikkim / India; (b) In places other than (a) above when sold in sealed container, packet including polythene packet	8%
37,	Food preservatives, food colours and food flavouring essences.	8%
38.	Forest produce that is to say timber, firewood, bamboo and cane and other minor forest produce (first point sale).	8%
39.	Foot wear of all descriptions, brand and unbrand, including gum boots, chappals, hawai chappals and sandals made of polyvinyl chloride or plastic.	8%
40.	Glass sheets, fibre glass sheets and all articles made of glass and fibre glass including glass bottles, table and household glassware and hairnets.	8%
41.	Gypsum	8%
42.	Ginger	3%
43.	Hand pumps	8%
44	Hardware, that is to say (i) Fittings of doors, windows and furniture (made of base metal or alloy thereon) (ii) Bolts, rivets and nuts (thread of trapped) and hinges and screws of base metal or alloy thereof including bolt ends, screws studding, self-tapped screws, screw books, screw rings and wirenails and lock and key. (iii) Metallic barbed wire, metallic wire mesh and metallic wire	8%

	netting. (iv) Paint brushed. (v) Sanitary finings and fixtures of all types (vi) Machine tools. (vii) And such other goods specified as hardware under Notification Number 832/ST/11/3096 dated 16.12.1986.	
45.	(a) Blanket of all kinds, quilt cover, quilt, razaigelafts (b) Knitting wool. (c) Ready made garments	3%
46.	Industrial gases like oxygen, nitrogen, acetylene	8%
47.	Incense stick (Agarbathi)	8%
48.	Pesticide, insecticide, germicide, fungicide, rodenticide and herbicide including weedicide.	3%
49.	Ivory and sandal wood article.	8%
50.	Jointing powder and SHU mixture for laying tiles and chips and deodorants	8%
51.	Juggary and Khandsari sugar	8%
52.	Kerosene both sold under Public Distribution System or otherwise.	8%
53	Kirana goods and species when sold in sealed container or polythene packets - (i) Jeera, methi, poppy seed, turmeric, dry chilies, coriander, tamarind, shajera, somph, katha azwan, kesar, kabab chinni. bhojur phool tcj patha, japatri, nutmeg, kalhoova, wet dates, dry dates, saigo. kharbhuj seek;	8%
	(ii) Small cardamom, pepper, cinnamon, dal chini, cloves.	
54.	Kitchen ware and utensils made of aluminium, brass, bronze and copper or other non-ferrous	8%
55.	metals and coated with stick resistant coating and used for cooking as well as serving Liquor (first point sale)	
	(i) Sikkim Made Foreign Liquor	10%
	(ii) Indian Made Foreign Liquor	15%
56,	Liquor (first point sale)	15%
57.	Lubricants, lubricating oils, brake fluids, castor oil, grease, mobile oil, furnace oil, transformer oil. coolant etc.	7%
58	Leather goods of all kinds.	8%
59.	Mercury.	8%
60.	Milk products butter, ghee or condensed milk,	8%
61.	cheese when sold in sealed packet or container.	
62.	Mosquito repellents (including device and accessories).	8%
	Motor spirit-High Speed Diesel..	4%
63.	Motor spirit - Petrol	3%
64.	Musical instruments all types and parts and accessories thereof.	8%
65.	Magnesium carbide/carbonate	8%
66	Manihari goods specified as manihari goods under	8%

66.	Mineral goods specified as mineral goods under Notification No.832/ST/11/3096 dated 1612.1986.	8%
67.	Opium, ganja and bhang	10%
68.	Optical goods (other than those specified elsewhere in this Table), spectacles, sunglasses, goggles, lenses and frames Including attachments.	8%
69.	Orange	3%
70.	Paper pulp	8%
71.	Plastic goods of all kinds and descriptions (other than those specified elsewhere in this Table.)	8%
72.	Pipes, tubes and fittings of iron (other than those enumerated elsewhere in the table)	8%
73.	Plastic granules and plastic powder	3%
74.	Pagers all types	10%
75.	Photocopiers	10%
76.	Pipe and Pipe fittings made of Polyvinyl Chloride (PVC), Plastic or other synthetic substances	8%
77.	Pollution Control Equipment	3%
78.	Rolling shutters and collapsible gates whether operated manually, mechanically or electrically and their parts.	8%
79.	Roofing, light and false roofing materials including cement and asbestos sheets asphalt sheets, hard and soft boards and panels and laminated sheets but excluding those specified elsewhere in this table.	8%
80.	Rubber, that is to say - (i) Raw rubber namely, latex in liquid or sheet form, (ii) Rubber plates, sheets and strips unhardened whether unhardened or not and whether combined with any textile materials or otherwise. (iii) Piping and tubing or unhardened vulcanised rubber, (iv) Transmission, convey or elevator belts or belting of vulcanised rubber whether combined with any textile materials or otherwise. (v) Synthetic rubber including butadiene, a crylonitrile rubber, styrene butadiene rubber and butyl rubber, synthetic rubber latex including one vulcanised synthetic rubber latex and synthetic foam article. (vi) Any other rubber articles.	8%
81.	Sacks all types	8%
82.	Sand, stone chips and stone boulders granite stone whether polished or unpolished, polished cuddapah stones, slabs and tiles.	8%
83.	Spirits and alcohol, that is to say -(i) Denatured spirit, (ii) Rectified spirit, (iii) Ethyl alcohol.	10%
84.	Sports goods all types	8%
85.	Stoves, that is gas stoves and kerosene stoves, gas cylinder metallic gas mantle and parts and accessories thereof excluding NUTAN stoves.	8%
86.	Suit cases, brief cases, attach cases and dispatch cases	8%

86.	Suit cases, brief cases, attach cases and dispatch cases including those made of leather but excluding steel trunks.	8%
87.	Sulphur	8%
88.	Surgical and dental instruments, tools and aids including electrical and electronic equipment and appliances, syringes and needles, operation theatre equipment, shadow bulbs and tubes, specially made operation and examination tables and cots and suction apparatus, stands, stretchers, trolleys, dental chairs, laboratory equipment and glassware, stethoscopes, thermometers, lactometers, BP instruments. surgical cotton wool, cans, bedpans, kidney trays and such other hospital-ware, surgical gloves, aprons, operation suits, rubber sheets, catheters, I.V. sets and the like, cervical collars. abdominal belts and such diagnostic imaging therapy equipment.	8%
89.	Sewing Machines, knitting machines and accessories.	8%
90.	Stationeries including the items specified under Notification No. 832/ST/1 1/3096 dated 16.11.1986, Ball point pens and accessories and paper (all kinds) including blotting papers, water proof paper, PVC coiled paper, Ferro paper, ammonia paper, pulp boards, out boards, duplex boards, triplex boards, straw boards, corrugated boards, cellophane and the like but excluding photographic papers and news prints (news paper) and the items specified under Schedule 1 of the Sikkim Sales Tax Act, 1983.	8%
91.	Tea, tea leaf & dust.	3%
92.	Toys and dolls	10%
93.	All numbers and spare parts and components thereof	8%
94.	Vacuum cleaner and its accessories	10%
95.	Water and weather proofing compounds	8%
96.	Water storage tanks made of fibre glass, plastic or synthetic materials.	8%
97.	Weights and measures	3%
98.	Washing machine	10%
99.	Yarn, that is to say -	
	(i) all non-cotton yarn, other than pure	3%
	silk yarn, (ii) coir yarn.	3%
100	Yeast	8%
101	Any other goods not specified in Schedule I or Schedule II of the Sikkim Sales Tax Act, 1983 or declared goods under section 14 of the Central Sales Tax Act, 1956 or the table above.	8%

dated 1.4.1997.]

(2) Notwithstanding anything contained in sub-section (1), the State Government may, in public interest, by notification and subject to such conditions as may be specified therein, direct that no tax or a lower rate of tax shall be payable in respect of any specified transactions or goods or class of dealers and such notification may be given such retrospective or prospective effect as may be specified therein.

Government of Sikkims order. -

1.1 In exercise of the powers conferred by sub-section (2) of section 5 of the Sikkim Sales Tax Act, 1983 (Act No.4 of 1983) the State Government hereby directs that no tax shall be payable in respect of the goods of any type produced by the Sikkim Khadi and Village Industries in Sikkim.

1.2 This Notification shall deem to have come into force with effect from 13th June, 1989.

[Income & Sales Tax Department Notification No.447/CT dated 23.1.1991.]

2.1 In exercise of the powers conferred by sub-section (2) of section 5 of the Sikkim Sales Tax Act, 1983 (Act No.4 of 1983), the State Government hereby directs that no sales tax shall be payable on the sale of Palm and Palmoleon oil being sub-allocated its quota to the dealers in Sikkim from time to time by the Department of Food and Civil Supplies, Government of Sikkim under the Public Distribution System.

[Finance Department Notification No. 456/Fin/IT&ST dated 2.2.1991].

3.1 Whereas a draft Notification was published as required by sub-section 2) of section 8 of the Sikkim Sales Tax Act, 1983 (4 of 1983), vide Notification No.I/IT & ST dated 2nd April, 1993, in the Sikkim Government Gazette, Extraordinary No 47 dated the 19th April, 1993, inviting objections and suggestions from all persons likely to be affected thereby before the expiry of forty-five days from the date of publication in the Official Gazette;

3.2 And whereas no objections and suggestions were received within the said period of forty-five days;

3.3 Now, therefore, in exercise of the powers conferred by subsection (2) of section 8 of the Sikkim Sales Tax Act, 1983 (4 of 1983), and in supersession of the Finance Departments Notification Nos. 14(85)92/6/Fin/IT & ST, 14(85)92/8/Fin/IT & ST and 14(85)92/9/Fin/IT & ST dated 1* April, 1992, the State Government hereby omits the following goods from Schedule I of the said Act namely, -

(a) Drugs and formulations (that is patent or proprietary medicines including Ayurvedic medicines and unani drugs and excluding Life Savings Drugs.

(b) Betal nuts.

(c) Chemical fertilizers.

(d) Pesticides.

3.4 This notification shall be deemed to have come into force with effect from the 1st April 1992.

[Finance (Income & Sales Tax) Department Notification No.240/IT & ST dated 2.8.1993].

4.1 In exercise of the powers conferred by sub-section (2) of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983) and in supersession of Notification No.8(I74)IT&ST/85/3396 dated 28.1.1987 and Notification No.639/CT dated 31.10.1991 and in partial modification of Notification No.10(17)IT&ST/88/430 dated 28.9.1988, the State Government, being satisfied that it is necessary to do so in the public interest, hereby, fixes the rate of sales tax in respect of goods specified below: -

(a)	Commercial vehicles with "(3),4,6 and 8 cylinders	2%
(b)	Scooter, motor cycle and other 2 or 3 wheelers.	4%
(c)	Spare parts and accessories including tyres, tubes and flaps in respect of all the above categories of vehicles.	10%
(d)	Television set its parts and accessories	10%
(e)	Franking machines and address printing machines and spare	10%

(f)	parts, accessories and components thereof.	
	Telephone of every description and parts thereof.	10%

4.2 This Notification shall come into force from 1.2.1997.

[Finance (Income and Sales Tax) Department Notification No.387/IT&ST/97 dated 1.1.1997 - published in Sikkim Government Gazette (Extraordinary) No.153 dated 26/7/1997].

5.1 In exercise of the power conferred by sub-section (2) of section 5 of the Sikkim Sales Tax Act (Act No.4 of 1983), the State Government is hereby pleased to grant the "CRY" an independent registered Indian Trust from payment of Sikkim Sales Tax on Intra-state Sales of its seasonal products in the State for the purpose of raising funds for welfare of the underprivileged children.

5.2 This Notification shall come into force from the date of its publication in the Sikkim Government Gazette (i.e. 28.8.1998) and shall remain in force till further order.

[Income & Sales Tax Department Notification No. 609/ST dated 17.8.198 published in Sikkim Government Gazette (Extraordinary) No. 188 dated 28.8.1998.]

6.1 In exercise of the powers conferred by sub-section 2 of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983), the State Government in public interest, hereby notifies that the sales tax at the rate of five poise in a rupee shall be levied in respect of sale of products of the Sikkim Time Corporation Limited (SITCO) Deorali, Tadong, Sikkim, namely, -

1. Analog watches
2. Digital watches
3. Time piece and
4. Wall clocks, in the course of Intra-State Trade or Commerce.

6.2 This shall come into force from 1st September 1997.

[Income & Sales Tax Department Notification No.669/CT dated 23.8.1997 published in Sikkim Government Gazette (Extraordinary) No.209 dated 12.9.1997].

7.1 In exercise of the powers conferred by sub-section (2) of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983), the State Government hereby exempts the registered dealers from payment of Sikkim Sales Tax on Intra-State sales of scientifically cured large cardamom produced by the All India large Cardamom Growers Association and marketed by Messers Spices Board, Gangtok, Sikkim in a consumer packets.

7.2 Further, the Spices Board, Gangtok shall imprint a label on the packet - STRICTLY FOR SALE WITHIN THE STATE OF SIKKIM ONLY.

7.3 This notification shall come into force from the date of its publication in the Government Gazette and shall remain in force till 31st day of March, 2000.

[Income & Sales Tax Department Notification No.439/IT&ST/1998-99 dated 8.3.1999 published in Sikkim Government Gazette(Extraordinary) No.55 dated 26.3.1999]

8.1 Whereas the State Government is satisfied that it is necessary so to do in the public interest.

Now therefore, in exercise of the powers conferred by sub-section (2) of section 5 of the Sikkim Sales Tax Act, 1983 (4 of 1983), the State Government is hereby pleased to direct that no Sikkim Sales Tax is payable by firms /individuals operating from the Regulated Wholesale Market, Rangpo, Sikkim on their sale of agricultural produces.

The above exemption is deemed to have come into effect from 0.3.10.2000 and shall remain in force for a period of one year ending on 02.10.2001.

[Income & Sales Tax Department Notification No.457/30 (33) IT&ST/ 2000/2001 dated 04.11.2000 published in Sikkim Government Gazette (Extraordinary) No. 382 dated 4.11.2000].

(3) For the purposes of this Act, the expression "taxable turnover" means that part of dealers gross turnover during the prescribed period in any year which remains after deducting therefrom -

(a) his turnover during that period on -

- (i) the sales, at the subsequent stages of sales, of such goods as are specified, by a notification, issued under section 6 to be subject to tax at the first point in the series of sales in Sikkim in respect of which tax due under this Act is shown to have been paid to the satisfaction of the prescribed authority;
 - (ii) the sales of goods exempted under section 8;
 - (iii) the transactions not liable to tax under section 9;
 - (iv) the sales of goods which are proved to the satisfaction of the Commissioner to have already been subjected to tax under this Act;
 - (v) the sales to a registered dealer-
 - (a) of goods of the class or classes specified in the certificate of registration of such dealer, as being intended for use by him as raw materials in the manufacture in the State of any goods, other than goods declared as tax-free under section 8, -
 - (1) for sale inside the State; or
 - (2) for sale in the course of inter-State trade or commerce, being sale occasioning or effected by transfer of documents of title to such goods during the movement of such goods from the State; or
 - (3) for sale in the course of export outside India being a sale occasioning the movement of such goods from the State, or a sale effected by transfer of documents of title to such goods during the movement of such goods from the State, to a place outside India, and after the goods crossed the customs frontiers of India; or
 - (b) of goods other than those notified under section 6 as taxable at the first point in the series of sales, of the class or classes specified in the certificate of registration of such a dealer as being intended for re-sale by him in the State or for sale in the course of inter-State trade or commerce or in the course of export outside India in the manner specified in item (2) or item (3) of item (a) of this sub-clause as the case may be; and
 - (c) of containers or other materials for the packing of goods of the class or classes specified in the certificate of registration of such dealer, other than declared goods intended for sale or re-sale:
- Provided that no deduction in respect of sale referred to in sub-clause (v) shall be allowed unless a true declaration duly filled and signed by the registered dealer to whom the goods are sold and containing the prescribed particulars in the prescribed form is furnished in the prescribed manner and within the prescribed time, by the dealer who sells the goods:
- Provided further that where any goods are Purchased by a registered dealer for any of the purposes mentioned in sub-clause (v) but are utilised by him for a different purpose, the price of the goods so purchased shall be allowed to be deducted from the gross turnover of selling dealer but shall be included in the taxable turnover of the purchasing dealer;
- (vi) such other transactions as are exempted from payment of tax by a notification issued under sub-section (2).

1. Substituted for the words "at the rate of ten paise in the rupee " with effect from 13.1.2000 vide section 2 of the Sikkim Sales Tax (Amendment) Act, 2000 (Act of 6 of 2000) published in Extra Ordinary Gazette No. 127 dated 18.4.2000.
2. Substituted for "fifteen paise" vide section 2 of the Sikkim Sales Tax (Amendment) Act, 2000 (Act No. 6 of 2000) published in Extraordinary Gazette No. 127 dated 18.4 2000.
3. Substituted for 10% with effect from 24. 5.1997 vide IT % STDepartment Notification No 63/IT& ST/97 dated 23. 5.1997.
4. Substituted for "10%" with effect from 24 5.1997 vide IT & STDepartment Notification No.63/IT&ST/97 dated 23.5.31997 published inSikkim Government Gazette(Extraordinary) No.91 dated 27.51997.
5. Substituted for "10% with effect from 24.5 1997 vide ibid.

6. Power Of Government To Prescribe Point At Which Goods May Be Taxed :-

Notwithstanding anything contained in this Act, the Government may, by notification in the Official Gazette, specify the point of sale at which any goods or class of goods may be taxed.

Government of Sikkims orders. -

1.1 In exercise of the powers conferred by Section 6 of the Sikkim Sales Tax Act, 1983 (Act No.4 of 1983) the State Government hereby specify the point of sale at which the goods described in the Table shall be taxed; -

(a) in case of goods imported into the State of Sikkim from outside Sikkim, at the point of Sale by the importer, and

(b) in case of goods manufactured, produced or processed in the State of Sikkim, at the point of first sale.

TABLE

1. Sikkim Made Foreign Liquor
2. India Made Foreign Liquor
3. Cement
4. Products of Sikkim Fruit Preservation Factory
5. All petroleum products including Petrol, High Speed Diesel Oil, Low Speed Diesel Oil, Kerosene Oil and Liquid Petroleum gas.
6. Fertilisers
7. coal
- "[8. Liquid Petroleum Gas bottled and sold by the Bottling Plant, (IOC), Bagay Khola, Rangpo, Sikkim and
9. Timber - all types.]
- 37 [10. Mustard oil and mixture of mustard oil.
11. Vehicles of all types driven or operated by petrol/diesel or electrical energy except those specified elsewhere in this schedule.
12. Declared goods.
13. Edible oils and oil cakes, Rapeseed oil, and palm/palmleon oil.
14. Processed salt, fish and meat when sold in sealed containers
15. Cumin seed
16. Branded bread
17. Bicycles
18. Ready made garments
19. Utensils and kitchen wares excluding aluminium utensils
20. Bone meal
21. Pesticides, weedicides and insecticides
22. Ores and minerals
23. Ice
24. All types of yarn
25. Charcoal

26. Raw wool
27. Hosiery goods
28. Branded oil
29. Sponge iron
30. HDPE packs
31. GI-pipe
32. Starch
33. Garlic
34. Maize products
35. Safety matches excluding hand made safety matches
36. Gingeli oil
37. Hand pump/water pump and oil engines
38. Aluminium in all its forms namely: Aluminium ingots, slabs, bars, rods, pipes, tubes, wires, coil sheets, plates, circles, sections, channels, angles, joists, extrusions, including aluminium scraps but excluding aluminium foils.
39. Information Technology (IT) products, as follows namely:-
 - 84.69 Word processing machine and electronic diaries.
 - 84.70 Electronic calculators.
 - 84.71 Computers systems and peripherals, electronic diaries.
 - 84.73 Parts and accessories of word processing machines, electronic calculators, electrical typewriters, computer systems and peripherals, electronic diaries.
 - 85.01 DC micromotors/stepper motors of an output not exceeding 37.50 watts.
 - 85.03 part of HSN 85.01 for items listed above.
 - 85.04 Uninterrupted Power Suppliers (UPS) and their parts.
 - 85.05 Permanent magnets and articles, intended to become permanent magnets (Ferrites).
 - 85.17 Electrical apparatus for line telephony or line telegraphy including line telephone sets with cordless handsets and telecommunication apparatus for acaries current line systems or for digital line systems, video phones.
 - 85.18 Microphone, multimedia speakers, headphones, earphones and combines of micro phones/speaker sets and their parts.
 - 85.12 Telephone answering machines
 - 85.22 Parts of telephone answering machines
 - 85.23 Prepared unrecorded media for sound recording or similar recording of other phenomena.
 - 85.24 IT Software on any media
 - 85.25 Transmission apparatus other than apparatus for radio broadcasting or TV broadcasting transmission apparatus

incorporating reception apparatus, digital still image video cameras.

85.27 Radio communication receivers, radio pagers

85.28 (i) Aerials, antennas and their parts.

85.31 (ii) Parts of items at 85.27 listed above.

85.32 LCD panels, LED panels and parts thereof.

85.23 Electrical capacitors, fixed variables or adjustable (Pre-set) and parts thereof.

85.33.1 Electrical resistors including rheostats and potentiometers other than heating resistors.

85.34 Printed circuits.

85.36 Switches, connectors and relays for upto 5 amps.

85.40 Data graphic display tubes other than TV picture tubes and parts thereof.

85.41 Diodes transistors and similar semi-conductor devices, photo sensitive semi-conductor devices including photovoltaic cells whether or not assembled I modules or made up into panels. Light emitting diodes, mounted piezo electric crystals.

85.42 Electronic integrated circuits and micro assemblies.

85.43 Signal generators and parts thereof.

85.44 Optical fibre cables.

90.01 Optical fibre and optical fibre bundles and cables.

90.13 Liquid crystal devices, flat panel display.

90.30.1 Cathode ray oscilloscopes, spectrum analysers, cross talk meters, gain measuring instruments, distortion factor meters, psophometers, network and logic analyzer and signal analyzer.

40. Industrial inputs:-

(a) Non-ferrous metals viz. sulphur and zinc.

(b) Bearing.

(c) Belting.

(d) All types of chemicals and intermediate chemicals including barytes, hydrogen peroxide, silicon carbide, lime, caustic soda including wax, paraffin and ferro silicon.

(e) Dyes and chemicals

(f) Ferro alloy and super alloy

(g) Transformer (h) Polystyrene

(h) Polysterene.

41. Bulk drugs other than those specified elsewhere in this schedule

42. Blanket of all kinds, quilt, quilt cover and quilt razaigelafts

43. Pollution control equipments

44. Butter and ghee

45. Fruits, vegetables and spices such as pastes, squashes, juices,

pickles, jams and jellies processed or manufactured in Sikkim.

46. Sewing thread.

47. Napa Slabs

48. Venaspati (Vegetable ghee)

49. Fire wood

50. Raw silk

51. Beedi leaves

52. Packing materials including HDPE bags, corrugated boxes and containers.

53. De oiled cake

54. Vegetable oil

55. Solvent oil

56. RCC sleepers

57. Filters

58. Agarbatti

59. Tiles

60. Ceramics

61. Suitcases

62. Cast iron castings

63. Surgical instruments

64. All types of Electrical goods including fans but excluding transformers

65. Tanned leather and leather goods

66. paper and paper pulp

67 Saree falls

68. All kinds of bricks including refractory bricks

69. Printing ink

70. Electrodes

71. Sanitary ware

72. Stainless steel

73. Milk food and milk products

74. Sewing machines

75. Nut powder

76. Flasks

77. Explosives

78. Blades and Razors etc

79. Drugs and medicines other than life saving drugs and anti tuberculosis drugs, (As listed in SI No. 27 and 28 of schedule I)

80 Footware other rubber and plastic/chappal/sandals and shoes with MRP of Rs. 200 or less.

81. Magnets

82. Electric motors

83. Nutrition food
84. Hose pipes.
85. Sweet meat
86. Plants and machinery including spare parts, components and accessories thereof.
87. Tea and coffee
88. Toffee, chocolate, biscuits and confectionery
89. Cake, pastries, cocoa products including chewing gums
90. Toothpaste, toothbrush, toothpowder, mouthwash and deodorants.
91. Batteries and part thereof.
92. all types of furniture.
93. Camphor
94. Electrical bulbs and tube lights including vapour lamps, halogen lamps of all varieties and descriptions.
95. Photographic goods
96. Tyres and tubes and flaps or tyres and tubes
97. Foam
98. Electronic goods other than those specified elsewhere in the schedule
99. Building materials such as plywood (but excluding cement)
100. Paints and colour
101. Dry fruits
102. plastic goods other than plastic chappals, sandals and shoes with MRP of Rs. 200/- less.
103. Roofing light and false roofing materials including cement and asbestos sheets, hard and soft boards and panels as well as asphaltic roofing.
104. All types of cables and electrical wires,
105. Fire fighting equipments
123. Stoves that is gas stoves and kerosene stoves, gas metallic cylinder, gas mantle, parts and accessories thereof.
124. Chicory, coffee beans, seed raw or toasted.
125. Chana-choor, dalmut, fried potato chips, fried gram when sold in sealed containers including polypackets
126. Fruits, vegetables and spices such as pastes, squashed juices, pickles, jam and jellies processed or manufactured outside Sikkim.
127. Instant mix such as jams on mix, idli mix, ice-cream mix, jelly mix and the like sambar and rasam powders and pastes such as soft drink concentrates (other than soft and vegetable concentrates) whether in liquid or powder or crystal form when sold in bottles, tins, cans or in any cans or in any kinds of sealed

containers.

127. Water tank and storage tank of all varieties and description.

128. Toys other than electronic toys.

129. Motor parts, accessories and components thereof.

130. Stationaries including the items specified under Notification No. 832/ST/11/3096 dt: 16.12.86

131. Glazed earthenware

132. Chinaware including crockery

133. Gypsum

134. Acids

135. Coir products of all kinds

136. Bulldozers, tractors, excavators, pipelayers, wheel laden scrappers, mobile cranes, power tillers, earth movers, dumpers, dippers and parts and accessories/components thereof.

137. Items of goods not specified by name or description other than those specified in Schedule-I and Schedule-II and by any other Notification.

138. Weather proofing compounds.

139. Fire works

140. Furs and skins

141. Lifts and elevators

142. Marble and marble tiles

143. Sandal wood and oil

144. Telephone including cellular and mobile phones, pagers and parts/accessories thereof

145. Typewriters.

146. Cutlery

147. Preserved food articles

148. Silk and silk fabrics

149. Vacuum cleaners

150. TV, VCR, CD and VCP

151. Teleprinters

152. Transmission wires and tower

153. Voltage stabilizers

154. Washing machines

155. Wireless equipments

156. Air conditioner

157. Arm and ammunition

158. Articles of stainless steel

159. Carpets

160. Cushion and mattress

161. Electronic toys

162. Fancy leather goods
163. Musical instruments and equipments excluding indigenous handmade musical instruments.
164. Non-alcoholic drinks, that is to say mineral water aerated water including soda water, soft water whether or not flavored or sweetened and whether or not containing vegetables or fruit juice or fruit pulp when sold in bottles, tins, cans or in any kind of sealed containers.
165. Hair oil
166. Synthetic gems
167. Calculating machines
168. Cigarette case and lighters.
169. Cinematographic equipments
170. Ivory products
171. Air circulators and air coolers
172. Glassware other than bangles
173. Naptha
174. Spark plugs
175. Rubber goods other than rubber chappals, sandals and shoes with MRP of Rs. 200/- or less
176. Cosmetics and soaps
177. Adhesives
178. PVC Articles
179. Laminated sheets
180. Oxygen and gas
181. Aeronautics
182. Watches and clocks
183. ACSR conductors
184. Refrigerators
185. Radios, spareparts, accessories and components thereof.
186. Loud speakers /Public Address systems
187. Duplicating/Address printing machines
188. Binoculars and telescopes
189. Disc antennas, spare parts and accessories thereof.
190. Photocopiers
191. Granite stones whether polished or unpolished, polished cuddapah stones, slabs and tiles
192. Industrial gas
193. Narcotics
194. Molasses
195. Rectified spirits
196. Bullion

- 197. Gold articles
- 198. Precious stones
- 199. Silver articles
- 200. Cooked food
- 201. Sand/stone chips/stones
- 202. Cardamom
- 203. Ginger
- 204. Orange]

This notification will come into force with immediate effect.

7. Burden Of Proof :-

The burden of proving that the dealer is not liable to pay tax under this Act in respect of any sale effected by him shall lie on him.

8. Tax-Free Goods :-

(1) No tax shall be payable under this Act on the sale of goods specified in Schedule I subject to the conditions and exceptions, if any, set out therein.

(2) The State Government, after giving by notification such previous notice as it considers reasonable of its intention so to do, may add to or omit from, or otherwise amend Schedule I and thereupon the said Schedule shall be deemed to be amended accordingly.

Provided that the said notification may be given such retrospective or prospective effect as may be specified therein.

Government of Sikkims orders:-

In exercise of the powers conferred by sub- section (1) of section 8 and clause (a) of sub-section (1) of section 5 of Sikkim Sales Tax Act, 1983 (4 of 1983) and in supersession of Notification No. 522/IT&ST/2000 dated the 17th January 2000, published in Extraordinary Gazette No. 6 dated 17th January, 2000, and in supersession of Notification no. 14(85)IT&ST/614 dated 25th February, 2000, of Finance (Income and Sales Tax) Department, the State Government hereby specifies the following rates of sales tax in respect of goods specified in Schedule I and Schedule II, namely,-

SCHEDULE I

TAX FREE GOODS (0%)

- 1. Betal Leaves.
- 2. Books, Periodicals, Journals and Newspapers, exercise books, educational charts, maps and instrument, boxes, globes and other

instruments used in educational institutes.

3. Unbranded bread.
4. Condoms and contraceptives.
5. Curd, lassi and butter milk except when sold in sealed container.
- 6.
6. Fresh eggs.
7. Electrical energy.
8. Fresh meat and fish.
9. Fresh vegetable, green or dried,(except when sold in sealed (container) including chilli.
10. Jaggery.
11. Unprocessed salt.
12. Unprocessed cereals and pluses including rice and wheat.
13. Fresh flowers.
14. Fresh milk and pasteurized milk other than powdered or condensed milk.
15. vegetables seed -Planting materials like seed, seedlings, suckers, nursery plants used for raising crops.
16. Handloom Woven.
 - (a) Handloom Khadi products except those made from silk yarn.
 - (b) Khadi/ handloom garments.
 - (c) Locally produced handicrafts.
17. Khandsari.
18. Organic manure.
19. Flour including atta, suji and maida.
20. Wheel chairs, crutches and such other articles used by handicapped persona.
21. Glass bangles.
22. Livestock including poultry.
23. Non-judicial stamp papers. Cartridge paper sold by Govt, treasury through stamp vendors.
24. Raw cotton.
25. Textbooks.
26. Exercise books for educational purposes.
27. Life saving drugs, namely, -

I ANTIDOTES

- (a) tropine
- (b) Oxime - Pralidoxime-Obidoxime
- (c) Naxolone
- (d) Sodium Calcium, edetate (EDTA)
- (e) Dimer Caprol (BAL) (0 Penicillamine
- (g) Amy! Nitrate and others.

II CARDIA STIMUMNTS

- (a) Adrenaline
- (b) Dopamine

III FIBRINOLYTIC AGENTS

- (a) Streptokinase
- (b) Urokinase
- (c) Ateplase(PA)

IV. STERIODS

- (a) Dexa methasone
- (b) Hydrocortisone

V. ANALEPTICS

- (a) Nikethamide
- (b) Doxapram

VI. DRUGS FOR HYPERTENSIVE EMERGENCIES

- (a) Diazoxide
- (b) Sodium Nitroprusside

VII. ANDRENERGIC CRISIS

- (a) Phentolamine
- (b) Phenoxy Benzamine

VIII. ANTI TOXINS

- (a) Tetanus Antitoxin
- (b) Gas Gangrene Antitoxin
- (c) Diptheria Antitoxin
- (d) Anti snake venom
- (e) Anti-D-Immunoglobulin (Human)
- (f) Anti rabies Hyperimmune Serum.

IX. INTRA VENOUS FLUIDS

- (a) Normal Saline
- (b) Dextrose - 5%, 10%, 25%
- (c) Dextran
- (d) Hemacel and others

28. ANTI T.B. DRUGS

- (a) Ethambutol (tablet)
- (b) Isoniazid (tablet/syrup)
- (c) Rifampicin (injection)
- (d) Streptomycin (injection)
- (e) Pyrazinamide (tablet)

29. Rubber and plastic chappal, sandal and shoes with MRP of Rs. 200/- or less.

30. Turmeric

31. Tamarind

32. Sugar as defined in the Central Excises and Salt Act, 1944 (1 of

1944) excluding imported sugar in all forms.

33. all varieties of cotton fabrics, man made fabrics and woolen fabrics excluding imported varieties of such fabrics.

Explanation :- The expression "Cotton Fabrics", "man made fabrics" and "Woolen Fabrics" shall have the same meanings as are respectively assigned to them in the Central Excise and Salt Act, 1944 (1 of 1944) excluding imported varieties of such fabrics.

34. Tobacco as defined under the Central Excises and Salt Act, 1944 (1 of 1944)

35. Renewable energy devices and spares parts.

1[***]

36. Agricultural implements

37. Poultry feed, Cattle feed, Pig feed, fish feed including feed additives like nutrients, medicines or supplements of such feed.

38. Rape seed oil and Palm/Palmoleon oil.

Government of Sikkims Order-

1.1 In exercise of the powers conferred by sub-section 2 of Section 8 of the Sikkim Sales Tax Act, 1983 (Act No. 4 of 1983) and in partial modification of the Governments Notification in the Finance (Income and Sales Tax) Department No. 832/ST/3508 dated 12.8.1983, the State Government is pleased to increase the rate of tax from 5% to 6% in respect of all goods other than those specified in Schedule I or Schedule II to the aforesaid Act.

1.2 This notification shall be deemed to have come into force with effect from 1st day of April, 1992.

1. Omitted and Sl. No. 37,38,39 renumbered as 36,37 and 38 vide Sikkim Sales Tax (Amendment) Act 2001. w.e.f. 12.11.2001.

9. Certain Sales And Purchases Not Liable To Tax :-

Nothing in this Act or the rules made thereunder shall be deemed to impose or authorise the imposition of tax on any sale or purchase of any goods when such sale or purchase takes place -

(i) in the course of inter-State trade or commerce; or

(ii) outside the State; or

(iii) in the course of import of goods into, or export of goods out of, the territory of India.

CHAPTER 4 REGISTRATION OF DEALERS, ETC

10. Registration Of Dealers :-

- (1) Every dealer liable to pay tax under this Act shall apply, within 30 days of his becoming so liable to the prescribed authority for registration under this Act
- (2) No dealer liable to pay tax under this Act, shall sell or purchase goods unless he is in possession of a valid registration certificate granted to him by or on behalf of the prescribed authority or has applied for such registration within the time specified in sub-section (1) and his application has not been finally disposed of by the said authority.
- (3) The prescribed authority may, on receipt of application in the prescribed form from a dealer for registration, and on being satisfied that the application is in order grant registration from such date as may be specified, to such dealer:
Provided that the said authority granting certificate may demand such security from the dealer as may be prescribed before the registration is granted to him:
Provided further that no application for registration made by a dealer shall be refused, or partly granted unless he has been given a reasonable opportunity of being heard before the order is passed.
- (4) If the prescribed authority is satisfied that a dealer liable to pay tax under this Act has failed to apply for and get himself registered, it may, by a notice in writing, direct the dealer to apply for and get himself registered within 15 days of the service of the notice, failing which the dealer shall be liable to pay a penalty of rupees twenty five for each days delay after the expiry of the said period of 15 days;
Provided that the said authority may, on application by the dealer and for reasons to be recorded in writing, reduce or waive the penalty, if it is satisfied that the delay has been caused by reasons beyond the control of the dealer.
- (5) The registration certificate shall be in prescribed form and shall contain such particulars as may be prescribed.
- (6) The prescribed authority may on its own motion for reasons to be recorded in writing or on an application by the dealer, cancel, vary, modify, or amend any registration certificate granted under sub-section (3):
Provided that a registration certificate shall cease to be in force when the dealer has ceased to be liable to pay tax under this Act or his business has been closed:
Provided further that when the registration certificate is cancelled, varied, modified or amended otherwise than on application by the dealer or when the application made by the dealer for the purpose

is proposed to be rejected in whole or in part, a reasonable opportunity of being heard or to show cause against the proposed action shall be given to the dealer.

(7) The registration certificate granted to a dealer shall not be transferable and if the business to which it relates is transferred to another dealer then that other dealer shall apply and get himself registered under sub-section (1) and (2) unless he is already registered.

CHAPTER 5 RETURN, ASSESSMENT, RECOVERY AND REFUND OF TAX

11. Returns And Payment Of Tax :-

(1) Every registered dealer shall furnish such returns for such period in such form, to such authority and within such time as may be prescribed.

Provided that if a dealer, having furnished a return discovers any omission, error or wrong statement therein, he may furnish a revised return in such manner as may be directed by the aforesaid authority at any time before the said authority passes the order determining the amount of tax payable by the dealer for the period for which the return has been furnished:

Provided further that the said authority may, for reasons to be recorded and after giving the dealer a reasonable opportunity of being heard, refuse to take the revised return into consideration if it is satisfied that the original or the revised return was deliberately false and it was furnished with intent to defraud the State Government of its revenue.

Explanation. - A dealer who is granted registration from any particular date shall also be liable after the grant of such registration, to furnish return also for the period prior to such date during which he was liable to pay tax under this Act, in such manner and within such time as may be prescribed.

(2) The dealer shall, before furnishing any return or revised return referred to in sub-section (1) pay to the Government in such manner and within such time as may be prescribed the amount of tax due under this Act according to the return or the revised return, as the case may be, and furnish along with the return or the revised return, such proof of the payment to tax due as may be prescribed, and any such return or revised return if not accompanied by any such proof of payment shall be deemed invalid and treated as if it has not been furnished.

(3) If a registered dealer fails, without reasonable cause to furnish any valid return within the time prescribed or within such further time as may be allowed on application, by the prescribed authority, a penalty at the rate not exceeding rupees five for each day of delay shall be imposed without prejudice to an action which is or may be taken under any of the other provisions of this Act.

12. Rebate :-

A rebate shall be allowed at the rate of one per cent of the amount of tax paid by the dealer within the time prescribed under sub-section (2) of section 11.

Provided that where the amount of tax finally assessed on the dealer is less than the tax paid by the dealer, the rebate shall be allowed only on the amount so assessed.

13. Procedure In Assessment And Re-Assessment :-

(1) If the prescribed authority is satisfied that the return of turnover furnished by a dealer is correct and complete, it may, without requiring the presence of the dealer or production of any further evidence by him, determine the amount of tax due from him.

(2) (a) If the prescribed authority is not satisfied as aforesaid but requires the presence of the dealer or the production of evidence by him, it may serve on such dealer a notice in the prescribed form requiring him or his representative to attend and produce or cause to be produced on a date to be specified, any evidence that such dealer may rely on in support of his return.

(b) On the date specified in the notice issued under clause (a) or on such other date as may be fixed by the prescribed authority under intimation to the dealer, and after hearing or examining or taking into consideration such evidence as the dealer may produce and such other evidence as the said authority may require on specified points, it shall, by an order in writing, assess and determine the tax payable by the dealer:

Provided that no evidence not produced by or on behalf of the dealer, shall be taken into consideration without giving a reasonable opportunity to the dealer to rebut such evidence.

(3) If a registered dealer fails to -

(a) furnish any valid return of turnover as required in sub-section (1) of section 11, or

(b) comply with the notice issued under sub-section (2) of this

section, or

(c) satisfy the assessing authority about the correctness of the returns furnished, or

(d) appear or produce or cause to be produced evidence on the date specified under sub-section (2),

the prescribed authority shall, after giving a reasonable opportunity to the dealer of being heard, determine the taxable turnover of the dealer to the best of its judgment and assess the tax on the basis of such determination and may, in addition, impose penalty of an amount not exceeding one half of the amount of tax so assessed:

Provided that no penalty under this sub-section shall be imposed unless prescribed authority is satisfied that the failure of the dealer was willful, deliberate or unjustified and unless a reasonable opportunity of being heard is given to the dealer:

Provided further that in cases covered by clause (a) of this sub-section, no proceedings for assessment shall be initiated after the expiry of four years from the expiry of the relevant period due for assessment or in cases in which the assessment is made as a result of an order in appeal, revision or review, after the expiry of two years from the date of such order.

(4) If upon information received, the prescribed authority is satisfied that a dealer liable to pay tax under this Act in respect of period willfully failed to apply for registration under sub-section (1) of section 10 or having applied, willfully failed to furnish any particulars or information required for the purpose of registration or having been registered fails to furnish returns within the period prescribed under sub-section (1) of section 11, the said authority shall, after giving the dealer a reasonable opportunity of being heard, assess, according to its best judgment, the amount of tax due from the dealer for such period or any subsequent periods and in addition, may impose a penalty of an amount not exceeding one half of the amount of tax so assessed:

Provided that no proceedings under this sub-section shall be initiated after four years from the expiry of such period.

Explanation. - for the purpose of sub-section (3) or sub-section (4), as the case may be, the proceedings shall be deemed to have been initiated when a notice therefor is served or deemed to have been served on the dealer.

1[(4a) If a registered dealer fails to prove to the satisfaction of the prescribed authority, the correctness of the sale price of the goods transferred, delivered, supplied, sold or otherwise disposed of in any of the manner referred to in clause (m) of section 2, the said

authority may determine the said price according to the best of its judgment subject to such rules as may be prescribed.]

(5) If upon information which has come into possession, the prescribed authority has reason to believe that any turnover of a registered dealer in respect of any period has for any reason escaped assessment or was under-assessed or assessed at a rate or rates lower than the rate or rates correctly applicable, or any deduction from turnover had been wrongly made, it shall, within six years of the expiry of such period, serve on the dealer a notice in the prescribed Form and proceed to assess or re-assess the amount of tax due from the dealer in respect of such turnover in the manner specified by or under this section:

Provided that the amount of tax shall be assessed or re-assessed after allowing such deduction and applying the same rate of tax as was admissible during the said period:

Provided further that the said authority may, after giving reasonable opportunity to the dealer of being heard, impose a penalty not exceeding the amount of extra tax found leviable in the proceedings under this sub-section, if it is satisfied that the escape from assessment or under-assessment had been caused by the deliberate and willful failure on the part of the dealer-

(a) to disclose, at the time of original assessment the particulars of such turnover; or

(b) to furnish correct particulars.

1. Inserted vide section 4 of the Sikkim Sales Tax (Amendment) Act. 1994 (Act No.,1 or 1994).

14. Procedure Of Payment Of Tax Or Penalty :-

(1) The tax admitted by the dealer to be due in any return or revised return furnished by him under section 11 shall be paid in the manner prescribed by or under sub-section (2) of that section.

(2) The amount of the tax and penalty assessed as due from the dealer under section (3) of section 11 or under section 13 after deducting any amount paid by him along with return under sub-section (2) of section 11 shall be paid by him in such manner and within such time as may be specified in the notice of demand in the prescribed Form issued by the prescribed authority; the date so specified being not less than 30 days from the date of service of the said notice:

Provided that the said authority may, in its discretion and for reasons to be recorded, on application by the dealer, extend the

date for such payment or allow the payment to be made in such installments as may be determined by it.

(3) If a dealer has failed, without reasonable cause, to make payment of any amount of tax together with the penalty, if any, by the date specified in the notice issued under sub-section(2) or by the date extended under the proviso thereto, interest at ten percent per annum shall accrue and be charged on such amount from such date and such interest shall be treated as it were tax under this Act and shall be paid by the dealer in the prescribed manner:

Provided that interest shall not accrue or be charged on, any amount the recovery of which is stayed under sub-section (5) during the period the stay operates.

(4) Any amount of tax, penalty or interest due from a dealer, which remains unpaid may be recovered on application by the prescribed authority to the Judicial Magistrate of the first class who shall realise it as if it were a fine imposed by him:

Provided that where, during the proceedings under this sub-section, the amount of tax, penalty or interest due from the dealer is reduced as a result of appeal or otherwise, the prescribed authority shall inform the dealer and the authority before whom the proceedings are pending, the amount so reduced and the reduced amount shall be deemed to be substituted for the amount originally intimated to that authority.

(5) Where an appeal against or an application for revision of the assessment of tax or levy of penalty or interest is entertained, the appellate, or the revisional authority, as the case may be, may on application, stay recovery of the tax, penalty or interest in whole or in part, subject to such conditions as it may impose till such date as it may direct:

Provided that the stay of recovery so granted shall stand vacated on the date the appeal or the application for revision is finally decided or on such other date as the appellate or the revisional authority may direct.

(6) No such proceedings for the recovery of tax under this section shall be commenced after the expiry of twelve years from the date on which the assessment was made:

Provided that where the assessment was under appeal or under any other proceedings under this Act, the aforesaid period of limitation shall commence from the date the appeal or other proceedings were terminated.

14A. Deduction Of Tax At Source From Bills Of Contractors :-

1[(1) Notwithstanding anything contained in sections 14 and 15, the State Government may prescribe that every person or any specified class of persons, making any payment to contractors as valuable consideration for the transfer of property in goods, whether as goods or in some other form, involved in the execution of works contracts, shall deduct such amount as may be prescribed, 2[not exceeding eight percent of the said payment] towards tax payable under this Act and remit the amounts so deducted to the Sate Government.

(2) The manner in which the deduction under sub-section (1) shall be made, the period within which the amounts so deducted shall be remitted to the State Government, form in which the certificate of deduction should be issued to the contractors and other incidental and ancillary matters shall be such as may be prescribed.

(3) If any person fails to deduct, or having deducted, fails to remit to the State Government within the prescribed time, the amount deductible under sub-section (1), he shall be liable for a penalty of a sum not exceeding twice the amount deductible.

(4) The amount deductible and actually deducted under sub-section (1) and penalty levied under sub-section (3) shall be deemed to be a tax for the purpose of the Sikkim (Collection of Taxes and Prevention of Evasion of Payment of Taxes) Act, 1987 (7 of 1987)

1. Inserted vide section 5 of the Sikkim Sales Tax (Amendment) Act, 1994 (Act 1994 (Act No.3 of 1994).

2. Substituted for the words "not exceeding four per centum of the said payment" with effect from 13.1.2000 vide section 3 of the Sikkim Sales Tax (Amendment) Act, 2000 published in Extra Ordinary Gazette No. 127 dated 18.4.2000.

15. Person Authorized To Collect Tax From Purchasers :-

(1) No person other than a registered dealer shall collect or recover from any person any amount towards tax or purporting to be tax under this Act on the sale of goods.

(2) No registered dealers shall collect from any person any such amount except in a case in which, and to the extent to which, such dealer is liable to pay tax under this Act:

Provided that where a registered dealer is in doubt about his

liability, he may collect and keep in deposit the tax so collected towards his anticipated liability of tax; but shall refund the deposit to the person from whom it was collected or to his successors or assignees, if any to the extent upto which it is finally determined in the proceedings under this Act that the dealer is held not so liable.

(3) Nothing contained in sub-section (1) or sub-section (2) shall relieve a registered dealer from his liability for the tax under this Act.

16. Procedure When Tax Is Paid In Excess :-

(1) Subject to such rules as may be made the amount of tax, penalty or interest paid in excess of the amount finally determined as payable by the dealer under this Act, shall be refunded to him, on his application within 60 days of the date on which the application is filed by him:

Provided that such application shall not be entertained unless it is filed before the prescribe authority within twelve months from the date on which the order of the assessment was passed:

Provided further that where the assessment was under appeal, revision or any other proceedings under this Act, the said period of limitation shall commence from the date on which order in the appeal, revision or other proceedings is passed:

Provided also that any dealer may, by application request, or the prescribed authority may, on its own motion, set off the refund due against any other dues of the dealer under this Act or under any other Act.

(2) Where a tax has been levied under this Act in respect of sales or purchases inside the State of any declared goods and such goods are subsequently sold in the course of inter-State trade or commerce the tax so levied shall be re-imbrued to the person making such sale in the course of inter-State trade or commerce, in such manner and subject to such conditions as may be prescribed:

Provided that no such-reimbursement shall be made unless an application in writing is made before the prescribed authority under this Act within twelve months of the date oh which the inter-State sale is made, which period may be extended for sufficient cause by the said authority by such time as may be considered necessary by it for reasons to be recorded in writing.

1[(3) Where any goods are delivered under any agreement of hire-purchase or any system of payment by installments and tax under this Act has been levied on the dealer who made the delivery of the

said goods and such goods are returned to the said dealer at any time during which the agreement of hire-purchase subsists, the proportionate amount of tax levied on the unpaid installments of sale price shall be refunded to the said dealer:

Provided that no such refund shall be admissible unless a claim therefor is filed before the prescribed authority in such manner and within such time as may be prescribed.]

1. Inserted with effect from 1.4.1986 vide section 4 of the Sikkim Sales Tax (Amendment) Act, 1986 (Act No. 4 of 1986).

17. Declaration By The Dealer :-

(1) Every dealer liable to pay tax under this Act, who is an Undivided Hindu Family, a firm, company, corporation, society, club or association shall furnish to the prescribed authority in the prescribed manner and within the prescribed time, a declaration stating the name and prescribed particulars of the person who shall be deemed to be in charge of the business for the purpose of this Act.

(2) Any statement made, return furnished, accounts, registers and documents produced for evidence given by such person or any other person authorized by him or by the dealer in this behalf, in the course of any proceedings under this Act, shall be binding on and enforceable against the dealer.

CHAPTER 6 MAINTENANCE AND PRODUCTION OF ACCOUNTS BY THE DEALER

18. Liability To Maintain And Produce Account And A Supply Of Information :-

(1) Every registered dealer shall keep a true and complete account in respect of all goods produced, raised, manufactured, processed, purchased, sold or delivered by him:

Provided that the Commissioner may, by notification, lay down the forms or registers or the manner in which the said dealers shall maintain the accounts as aforesaid as well as cash memoranda, bills, invoices etc., and the dealer shall maintain the accounts and documents accordingly.

1[(1a) Every registered dealer who transfers, delivers, supplies, sells or otherwise disposes of goods in any of the manner referred to in sub-clauses (b), (c) and (d) of clause (m) of section 2 shall

keep and maintain in his place of business, the original copies of all the agreements or contracts entered into by him which are under operation and statement of expenditure involved in any such work contract:

Provided that the Commissioner may, on application and for reasons to be recorded, permit any such dealer to keep and maintain the aforesaid documents at any other place in the State of Sikkim or keep and maintain Xerox or other copies thereof only in the place of business, the originals being made available on demand by the prescribed authority under this section.]

(2) The prescribed authority may direct the dealer to produce accounts or any information in such manner as may be required for the purpose of assessment of tax under this Act if the said authority is not satisfied that the accounts maintained and produced by the dealer are sufficiently clear and intelligible for determining the correct amount of the tax payable by the dealer.

(3) Subject to such rules as may be made by the State Government under this Act, prescribed authority may, either before or after the assessment of tax under this Act, require any dealer, including a dealer not registered under this Act, to produce before him all or any of the accounts, registers and documents maintained by the dealer and also to furnish any information relating to financial transactions of the dealer relating to his business, including information regarding stocks of goods held, imported, produced, manufactured, processed, bought, sold or delivered, the sale price realized, the profit derived therefrom, and the dealer shall comply with such requirements.

(4) Subject as aforesaid, all accounts and documents connected with the business of the dealer, stocks of all goods purchased or kept by him for sale, the cash, or bank pass books, statements or deposit receipts kept in any place of business shall at all reasonable times, be open to inspection and search by the prescribed authority or by any person appointed to assist him under sub-section (1) of section 3 or by such other person as may be authorized by him for the purpose in writing and the dealer shall render all possible assistance to such authority or person in the search or inspection, as the case may be.

Explanation 1. - It shall be open to the said authority or person to take or cause to be taken such copies of, or extracts from, the aforesaid accounts, registers and documents as may be considered by it or him necessary and to require the dealer or any of his employees present at the time to authenticate or witness such

copies or extracts, as the case may be.

Explanation 2. - The authority or person may, subject to such rules as may be made, break-open any door, window, almirah, safe or other containers in the place of business in which he has reason to believe that the dealer has kept or is keeping any accounts, registers or documents or stocks of goods or cash relating to the business which the dealer has refused to open or produce them for inspection.

(5) If the prescribed authority has reason to suspect that any dealer is attempting to evade the payment of any tax due under this Act or under the Central Sales Tax Act, 1956 (74 of 1956), such authority or person may, for reasons to be recorded in writing, seize or cause to be seized such accounts, registers or documents including bank pass books or statements, as may be considered necessary, and shall grant a receipt for the same. Such seized accounts, registers or documents may be retained by the said authority for so long as may be necessary for examination or for conducting any prosecution under section 23 and shall thereafter be returned to the dealer who shall acknowledge in writing the receipt of the same:

Provided that the seized accounts, registers and documents shall not be retained by any authority other than the prescribed authority for over 90 days save with the approval, in writing, obtained from the prescribed authority.

1. Inserted vide section 6 of the Sikkim Sales Tax (Amendment) Act, 1994 (Act No 3 of 1994).

19. Liability On The Transfer Of Business :-

(1) Notwithstanding anything contained to the contrary in any agreement, contract or understanding, when the ownership of a business of a dealer liable to pay tax under this Act, is transferred in whole or part, the transferor or the transferee shall be jointly or severally liable for informing the particulars of the transfer to the prescribed authority in such manner as may be prescribed and for the payment of any tax, penalty or interest, if any, payable in respect of such business and remaining unpaid at the time of such transfer.

(2) Where A dealer from whom any amount is due towards tax, penalty or interest dies, the executor, receiver, manager, administrator or successors-in-interest to his estate or any other

legal representative including Court of Wards shall be liable to inform the prescribed authority in such manner as may be prescribed and to pay out of the property of the deceased the amount so payable and shall be liable and responsible to attend and participate or be represented in all proceedings under this Act pending at the time of the death of the dealer:

Provided that nothing in this sub-section shall require re-issue of notices or intimation already issued to the dealer and the proceedings pending on the date of death of the dealer shall be continued as if the said dealer is substituted by the person or persons mentioned in this sub-section.

(3) Where the dealer is a minor or is incapacitated and his business is carried on by another person on his behalf, whether he be a guardian, trustee or agent, such person shall inform the prescribed authority and the tax shall be assessed upon and be recoverable from such person as if he were the dealer.

(4) Whether the dealer is a Undivided Hindu Family, firm or other association of persons, and such family, firm or association is partitioned, dissolved or business thereof is, due to any reason, disrupted, as the case may be, the tax, penalty and interest for the period or periods up to the date of such partition, dissolution or disruption may be assessed, imposed and levied as if the partition, dissolution or disruption has not taken place and every person who was at the time of such partition, dissolution or disruption a member of such family, firm or association, shall be liable severally and jointly for furnishing such particulars as may be prescribed and for the payment of such tax, penalty or interest, whether the assessment, imposition or levy was made before or after such partition, dissolution or disruption.

CHAPTER 7 SUITS, APPEAL, REVISION AND REVIEW

20. Bar To Certain Proceedings :-

(1) No assessment made, proceedings taken or order passed under this Act shall be called into question in any civil court save as provided in this Act.

(2) No suit, prosecution or other legal proceedings shall lie against any public servant or any person appointed under section 3 for anything done in good faith under this Act or the rules or notifications made there under save with the previous sanction of the State Government.

21. Appeal, Revision And Review :-

(1) Subject to such rules as may be made, any dealer may, in the prescribed manner, appeal to such authority as may be prescribed against any order passed under sub-section (3) of section 11, section 13 and section 16 of this Act.

(2) No such appeal shall be entertained unless -

(a) it is accompanied by a proof of payment, in such manner as may be prescribed, of the amount of tax admitted by the dealer to be due from him and ten per cent of the difference between such amount of tax including penalty and interest assessed; or

(b) it is filed within forty five days of the date of passing of the orders as aforesaid or thirty days from the date on which the demand, if any for tax or penalty is served or deemed to have been served on the dealer, whichever is later:

Provided that the aforesaid authority may admit an appeal after the expiry of the said period, if, on application by the dealer, it is satisfied that the dealer was prevented by sufficient cause from preferring the appeal within the aforesaid time.

(3) Subject to such rules as may be made, any order passed in appeal under sub-sections (1) and (2) may be revised by such authority as may be prescribed on an application by the dealer or by or on behalf of the State Government as the case may be:

Provided that no application for revision shall be entertained unless it is made before the said authority within sixty days of the date of passing of the orders under sub-section (1) or sub-section (2), as the case may be, but the said authority may, if it is satisfied, on application, that there was sufficient cause for the delay, admit the said application for revision after condoning the delay:

Provided further that the Commissioner may call for and examine the record of any proceedings under this Act in which any order other than an order passed in appeal under subsections (1) and (2) has been passed by any person appointed to assist the Commissioner for the purpose of satisfying himself as to the legality or propriety of such order and may, after such examination and after making or causing to be made such enquiry as he may deem necessary, pass any order which he thinks fit and proper:

Provided that no action under the second proviso shall be initiated while any appeal under sub-section (1) is pending or when the time prescribed in sub-section (2) for filing the appeal has not expired and except before the expiry of four years from the date of order which is the subject of scrutiny by the Commissioner.

- (4) The aforesaid appellate or revising authority may-
- (a) confirm, reduce, annul, enhance or otherwise modify the assessment of tax, penalty or interest;
 - (b) set aside any order and direct the authority which made the order, to pass a fresh order after further enquiry on specified points; or
 - (c) pass such other orders as it may deem fit and proper.
- (5) No order prejudicial to any dealer shall be passed under this section without a reasonable opportunity of being heard being given to him.
- (6) Subject to such rules as may be made by any authority under this Act or its successors in office may, on application or otherwise, review any order passed by it to correct any error or mistake apparent from records:

Provided that neither an application under this sub-section nor the period during which it is pending shall be considered as cause for the delay, if any, in filing any appeal or application for revision.

Provided further that no such review shall be made if it has the effect of enhancing the tax or penalty or both, or of reducing a refund, unless the dealer or the person who is liable to pay the tax or the penalty or both, or as the case, eligible to get refund, is given a reasonable opportunity of being heard.

22. Payment Of Fee :-

The amount of fees payable for any appeal or application made under this Act shall be such as may be prescribed:

Provided that the amount of fees so prescribed shall not be less than a rupee and shall not exceed five hundred rupees:

Provided further that no fee shall be payable for any appeal or application filed by or on behalf of the State Government.

CHAPTER 8 PROSECUTION AND PENALTIES

23. Offences :-

(1) Without prejudice to any action taken or that may be taken or any order passed or may be passed under any of the provisions of this Act, whoever-

- (a) being a dealer, sells or purchases goods in contravention of sub-section (2) of section 10 or fails or neglects to comply with the provisions of sub-section (1) thereof; or
- (b) fails without sufficient cause, to submit any return required

under section 11 or willfully submits a false return; or
(c) not being a registered dealer falsely represents that he is such a dealer; or
(d) fails or neglects to maintain or produce accounts under section 18 or produces false and incorrect accounts; or
(e) prevents or obstructs any authority under this Act in the performance of its duties and functions under this Act; or
(f) fails to pay the tax due in accordance with section 14, or
(g), contravenes the provisions of section 15; or
(h) fails to furnish the information or particulars mentioned in section 19; or
(i) contravenes section 26; or
(j) abets any person in the commission of any of the offences specified in clauses (a) to (i),
shall be punishable with imprisonment of either description which may extend to one year or with fine which may extend to ten thousand rupees or with both and if the offence is continuing one, with a daily fine not exceeding one hundred rupees during the period the office continues.

(2) No court shall take cognizance of any offence under this Act or the rules made there under except with the previous sanction of the prescribed authority.

(3) All offences punishable under this Act shall be cognizable and bailable.

(4) Notwithstanding anything contained in subsection (1), the prescribed authority may compound any offence under this Act or the rules made thereunder before or after the institution of proceeding under that sub-section by accepting from the person charged with the offence a sum not exceeding twenty thousand rupees as may be determined by the said authority, in addition to the tax, penalty or interest that may be leviable under the Act, and on payment of the sum so determined together with the amount of tax, penalty or interest due, the proceedings before any court or prescribed authority under this section shall abate.

24. Appearance Through Authorized Agent :-

A dealer or any other person required to appear or to produce any accounts, documents or other records before any authority under this Act may appear, or produce as the case may be, in person or be represented by any other person in such manner as may be prescribed.

25. Secrecy Of Information Given By Dealer :-

Any particular or information contained in any statement made, returns filed, books or documents produced by a dealer under this Act or any assessment made or order passed by any of the authorities under this Act shall be treated as confidential and no person other than the said dealer shall be compelled to give evidence derived from any of the aforesaid records, save with the general or special previous sanction of the State Government which may give or withhold such sanction as it may deem fit:

Provided that nothing in this section shall prevent the disclosure of all or any such particulars or information to any Government servant for the purpose of-

- (1) investigation of any crime and prosecution of any person under this Act or under any of the laws of Central or State Government; or
- (2) audit of receipts and refunds of the tax including penalty and interest and fees levied by or under this Act; or
- (3) enforcing recovery of all amounts due under this Act:

Provided further that the State Government may by notification and subject to such conditions as it may impose, delegate its power under this section to any authority subordinate to it.

26. Check-Posts :-

(1) Subject to such rules as may be made in this behalf, the State Government may, by notification, set up and erect in such manner as it may deem fit, check-posts and barriers at any place in the State, at which all persons, vehicles or other means of transportation shall be searched to prevent evasion of tax under this Act.

(2) Every person transporting such goods across the said check-posts or barriers may be required to file such documents or other proof as may be prescribed before being allowed to proceed.

1[(3) (a) If on a search conducted under sub-section (1), or on a scrutiny of the documents, declarations or other proof filed under sub-section (2), or on information otherwise received, the prescribed authority under section 3 or the authority in charge of the check post, is satisfied that there has been, or, there is likely to be, evasion of tax payable under this Act in respect of the sale or purchase of the goods, it may, for reasons to be recorded and after giving a reasonable opportunity of hearing to the owner or the

person in charge of the goods, detain the goods and direct that they shall not be transported across the check post unless the tax evaded or likely to be evaded is paid or adequate security to the satisfaction of the said authority is furnished for the payment of the tax due or likely to become due thereon:

Provided that a time of not less than seven days shall be allowed for the payment of tax or for furnishing the security.

(b) If the owner or the person in charge of the goods fails to pay the tax or furnish the security as aforesaid, the said authority may seize the goods and dispose of them by public auction and sale proceeds shall be appropriated in the manner prescribed:

Provided that if the goods are, in the opinion of the authority, perishable or hazardous when stored, they shall not be seized but shall be released on an undertaking by consignor or the consignee in the State and that the tax will be paid on the sale or the purchase of the goods and these goods will be properly accounted for in the books of account, along with a Bank Guarantee or cash security equivalent to the current market value of goods. The Bank Guarantee or cash security so furnished shall be released as soon as the due amount of tax is paid]

1. Inserted vide section 3 of the Sikkim Sales Tax (Amendment) Act, 1997 (Act No. 4 of 1997).

26A. Inspection And Seizure Of Goods Stored In The State :-

1[(1) Where the prescribed authority is satisfied that goods stored in any go-down or other storage are intended for sale in the State or in the course of inter-state trade or commerce or in the course of import or export, it may inspect the go-down or other place where the goods are stored and check and verify the accounts maintained and also make a physical verification of the stock to ensure that the accounts have been maintained correctly.

(2) If, on the verification under sub-section (1), the prescribed authority is satisfied that the accounts have not been maintained correctly or that the stock, of goods do not correspond to the stock, shown in the accounts, it may assess the tax evaded or sought to be evaded by the dealer to whom the goods belong or who has a right of disposal over them and direct him to pay the tax forthwith along with a penalty equal to the amount of the tax evaded or sought to be evaded:

Provided that no order under this sub-section shall be passed

unless the dealer has been given a reasonable opportunity of showing cause against the levy of the tax and the penalty.

1. Inserted with effect from 15.5. 1997 vide section 4 of the Sikkim Sales Tax (Amendment) Act, 1997.

27. Removal Of Difficulties :-

If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by general or special order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as appear to it to be necessary or expedient for the removal of the difficulty:

Provided that no such order shall be made after the expiration of two years from the commencement of this Act.

28. Power To Make Rules :-

(1) The State Government may, make rules for carrying out the purposes of this Act.

(2) The rules so made may be given effect from such date or with such retrospective effect as the State Government may specify therein.

(3) In making any rules, the State Government may direct that a breach thereof shall be punishable with a fine not exceeding rupees one thousand and when the offence is a continuing one with a daily fine not exceeding rupees fifty during the continuance of the offence.

(4) In particular, without prejudice to the generality of the foregoing power, such rules may provide for-

(a) the particulars to be contained in a declaration referred to in the proviso to sub-clause (v) of clause(a) of sub-section (3) of section 5, the forms of such declarations, the manner in which, the conditions and restrictions subject to which and the authority from which such forms shall be obtainable and the manner in which such declarations are to be furnished;

(b) the authority to which the application for registration under section 10 shall be made;

(c) the procedure for, and other matters incidental to, the registration of dealers and the granting of certificates of registration and the forms of such certificates under section 10;

(d) the intervals at which, and the manner in which the tax under

this Act shall be payable under section 11;

(e) the returns to be furnished under section 11 and dates by which, and the authority to which, such returns shall be furnished;

(f) the date by which returns for any period are to be furnished and the procedure to be followed for assessment under section 13;

1[(fa) the manner in which the price is to be determined under sub-section(4a) of section 13;]

2[(b) prescribing the rate of tax, the manner of its deduction, the time within which the amount is to be remitted and the form of certificate of deduction to be issued to the contractors and other incidental and ancillary matters under section 14A;]

(g) the manner in which refunds under section 16 shall be made;

(h) the accounts and forms of refunds and reimbursement under section 16;

(i) the conditions for the maintenance and production of accounts or documents or for furnishing information and the authority to which such accounts, documents or information may be furnished under section 13;

(j) the manner in which, and the authority to which appeals or revisions against any order passed under this Act may be preferred under section 21;

(k) the procedure for, the disposal of appeals and application for revision and reviews under section 21 ;

(l) the amount of fees payable under section 22 for any appeal or application filed under this Act;

(m) the conditions under which, and the authority by which the offences may be compounded under section 23;

(n) the manner in which, and the time within which applications shall be made, information furnished and notices served under this Act;

(o) the procedure of setting up and erecting barriers under section 26;

(p) any other matter which may be, or is required to be prescribed.

1. Inserted vide Sikkim Sales Tax (Amendment) Act, 1994.

2. Inserted vide Sikkim Sales Tax (Amendment) Act, 1994.

CHAPTER 9 MISCELLANEOUS

29. Repeal And Validation :-

(1) On and from the commencement of this Act, all laws relating to

Sales Tax in force in the State shall stand repealed.

(2) All collections of tax, penalty and interest, and all proceedings or assessments made, actions taken, things done or orders passed, by any authority under any law referred to in sub-section (1) are hereby, validated and shall for all purposes be deemed to have always been made, done, taken or passed in accordance with law.

(3) All proceedings pending on the commencement of this Act with regard to assessment, collection of tax, penalty or interest, or matters in appeal, revision or review shall continue and be disposed of as if this Act had not been passed.