

No.C1-36320/10/CT

Office of the Commissioner of
Commercial Taxes
Thiruvananthapuram
Dtd.15 / 12 / 2011

CIRCULAR 30 / 2011

Sub:- Sale to and by Central Police Canteen - Production of Form
No.45 - Instruction issued - reg.

Ref:- Kerala Finance Act, 2011

The following amendment is brought in the fifth proviso to Section 6(1) of KVAT Act, 2003 by Kerala Finance Act, 2011.

“Provided also that where,--

- (a) the sale is to or by Military, Naval, Air-force or National Cadet Corps Canteens, Indian Naval Canteen Service, Central Police Canteen and Canteen Stores Department; and*
- (b) in case of motor vehicles, the sale is to ‘Defence Personnel’ or Ex-servicemen on production of authorization duly issued by the authorized officer of the Canteen Stores Department, Indian Naval Canteen Stores or Air Force Canteen as the case may be,*

the tax payable under Clauses (a) or (b) above shall subject to such condition and restrictions as may be prescribed, be at half the rate applicable to such goods”.

As such, where the sale is to or by Central Police Canteens, the rate of tax applicable is fifty percent of the rate applicable to such goods. As per Rule 12C a dealer making sale of goods under the fifth proviso to Sec.6(1) has to obtain declaration in Form No.45.

The changes brought by Kerala Finance Act, 2011 requires amendment in the said rules and the corresponding Form No.45. To avoid hardship that may be caused to dealers selling goods to Central Police Canteens, it is permitted to use the present Form No.45 until the corresponding rule provisions are modified suitably to meet the requirement under item (a) of the fifth proviso to Sec.6(1).

Sd/-
COMMISSIONER