

No. ITMC-02/2012

Office of the Commissioner  
Commercial Taxes Department  
Tax Towers, Killipalam, Karamana P.O  
Thiruvananthapuram dt. 06/12/2014

**CIRCULAR No. 30/2014**

**Sub:-** Works Contract – Filing of Form 10B Quarterly Return – procedure - Instructions Issued

**Ref:** Amendment Ordinance No. 21 of 2014 dated 03/09/2014

Consequent to the amendments made to Works Contract rate of tax, several dealers in works contract have represented to the Department that there is ambiguity in filing of e-returns. In the circumstances the following instructions are issued with regard to filing of works contract returns.

Procedure for declaring the turnover for the 2<sup>nd</sup> Quarter, 2014 for those contracts having receipts upto 2<sup>nd</sup> September 2014, and receipts from 3<sup>rd</sup> September, 2014

First Step ( Receipts for the period upto 2<sup>nd</sup> September 2014)

- In Column "Awarder Details", fill up the awarder details, work order no. etc - Select Compounded Type with tax rate prior to date of effect of amendment.
- Show the gross amount of the contract after deducting the amount of receipts from 3<sup>rd</sup> September, 2014 to 30<sup>th</sup> September, 2014 (ie, Total contract amount - Receipts from 3<sup>rd</sup> Sept to 30<sup>th</sup> September) and the balance outstanding.
- In the column Amount received during the quarter – enter amount received upto 2<sup>nd</sup> Sept, 2014.

Second Step ( Receipts from 3<sup>rd</sup> September 2014 to 30<sup>th</sup> September 2014) for the same contract

- In Column "Awarder Details", enter the awarder details same as above, but add within bracket (2014-15 2<sup>nd</sup> Qtr Split). Fill up the work order no., date etc.
- Select the Compounded Type with new tax rate after amendment.
- In the Column "Gross amount", enter the total of the receipts received from 3<sup>rd</sup> September, 2014 to 30<sup>th</sup> September, 2014 and the balance amount outstanding.
- In the column Amount received during the quarter – enter receipts from 3<sup>rd</sup> September, 2014) to 30<sup>th</sup> September.
- Enter "0" in Amount received upto previous quarter.
- In the column "Amount Received during the quarter", enter the receipts during the period.

If the data are entered in the above manner, turnover details taxable at two different rates will automatically appear in Form No.10B Part B – Turnover details

**ILLUSTRATION**

Awarder details : ABC Ltd – Work order No.100/2013 dated 15-04-2013

Gross Amount of the Contract : Rs.1,00,000/-

Receipts upto previous Qtr : Rs.40,000/-

Receipts in 2<sup>nd</sup> Qtr 2014-15:

From 1<sup>st</sup> July, 2014 to 2<sup>nd</sup> September, 2014 ; Rs.18,000/-

From 3<sup>rd</sup> September, 2014 to 30<sup>th</sup> September, 2014 ; Rs.22,000/-

Balance Outstanding fro the next qtr : Rs.20,000/-

Form 10B – Part A – Details of Ongoing Contracts.

Sl.No.1 ( For receipts from 1-7-2014 to 2-09-2014)

Awarder details: ABC Ltd – Work order No.100/2013 dated 15-04-2013

Compounded Type : Compounded 3%

Gross Amount : Rs.78,000/- ( Rs.1,00,000- Rs.22,000/-)

Received upto previous Qtr ;Rs.40,000/-

Received during the Qtr: Rs.18,000/-

Balance Outstanding :.20,000

Sl.No.2 ( For the same contract for receipts from 03-09-2014 to 30-09-2014)

Awarder details: ABC Ltd – Work order No.100/2013 dated 15-04-2013 **(2014-15 2<sup>nd</sup> Quarter Split)**

Compounded Type : Compounded 4%

Gross Amount : Rs.22,000/- **(Actual receipt during the period 03-09-2014 to 30-09-2014 and the balance outstanding)**

Received upto previous Qtr: Nil

Received during the quarter: Rs.22,000/- **(Actual receipt during the period 03-09-2014 to 30-09-2014)**

Balance Outstanding : Rs.0/-

Form 10B-Part A – Details of Ongoing Contracts/Projects

Awarder Details	Compounded Type	Gross Amount	Received upto previous Quarter	Received during the Quarter	Balance Outstanding
ABC Ltd-Work Order No.100/2013 dated 15-4-2013	Compounded 3%	38,000	40,000	18,000	20000
ABC Ltd-Work Order No.100/2013 dated 15-4-2013 <b>(2014-15 2<sup>nd</sup> Quarter Split)</b>	Compounded 4%	22,000	0	22,000	0
		<b>1,00,000</b>	<b>40,000</b>	<b>40,000</b>	<b>20,000</b>

Form 10B-Part B – Turnover Details ( Data captured automatically from Part A)

Compounded.Type	Received during the Quarter	Exemption under Rule 10	Taxable Turnover	Rate of Tax	Output Tax Due
Compounded Type 3%	18,000	0	18,000	3	540
Compounded Tax 4%	22,000	0	22,000	4	880
Total	40,000	0	40,000		1,420

In annual return also, the project details are to be entered as mentioned above. From the 3<sup>rd</sup> quarter onwards the new rate of tax is applicable.

  
COMMISSIONER