

**GOVERNMENT OF KERALA**

Abstract

Taxes Department-Reduction of the rate of Central Sales Tax from 4% to 3% on coconut oil traded by oil millers during inter-state trade for the year 2004-05-Orders-issued-

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TAXES (B) DEPARTMENT

G.O (Ms) No: 145/2008/TD.

Dated, Thiruvananthapuram, 14th July 2008

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Read: 1) Representation dated 26.8.06 from Kerala State Oil Millers' Association, Irinjalakuada.

2) Letter No: C1-66612/04/CT dated:6.6.2005 & 25.3.2008 from the Commissioner of Commercial Taxes, Thiruvananthapuram.

**ORDER**

As per SRO 1731/93 the coconut oil millers in the State are liable to pay 2% Central Sales Tax for interstate sale of coconut oil from 1993 onwards. This SRO was superseded by SRO No. 958/2002 and this was further amended by SRO 322/04. As per this notification, the rate of tax of coconut oil is fixed at 1% when tax is levied under Kerala General Sales Tax Act on its first sale in the state and subject to production of 'C' Form. With the introduction of SRO 322/04, the concession enjoyed by the oil millers (i.e. Central sales Tax 2% on inter state sale of coconut oil) as per SRO's 1731/93 and 958/2002 was withdrawn. Thus the oil millers have to pay Central Sales Tax @4% (Scheduled rate) w.e.f. 1.4.2004.

In the representation read as first paper above. The Kerala State Oil Millers Association has represented to make necessary amendment of SRO No.322/2004, to give retrospective effect from 1.4.2004 reinstating concessional rate of 2% when coconut oil is sold inter-state by an oil miller.

The Commisisoner of Commercial Taxes in his letter read as second paper above has reported that an anomaly happened while issuing SRO No:322/2004 and suggested to make an amendment to SRO 322/2004 so as to make available the concessions sanctioned as per SRO No:958/2002 subject to production of C/D forms.

Government have examined the case in detail and are pleased to reduce the rate of Central Sales Tax from 4% to 3% in respect of traders during the course of the inter-state trade during the period 2004-05, against C Form.

Tax if any, already collected shall be paid over to Government and tax if any, already paid over to Government shall not be refunded.

By order of the Governor,  
P. Mara Pandiyan,  
Secretary to Government.