

**GOVERNMENT OF KERALA
TAXES (B) DEPARTMENT**

NOTIFICATION

G.O.(P) No. 40/2012/TD

Dated, Thiruvananthapuram 23rd March, 2012.

S.R.O. No. 184 / 2012.— In exercise of the powers conferred by sub-Section 1 of Section 10 of the Kerala General Sales Tax Act, 1963 (15 of 1963) read with subsection (1) of section 3 of the Kerala Surcharge on Taxes Act, 1957 (11 of 1957) and subsection (5) of section 98 of the Kerala Value Added Tax Act, 2003 (30 of 2004), the Government of Kerala, having considered it necessary in the public interest so to do, hereby reduce the rate of surcharge payable under sub-section (1) of section 3 of the Kerala Surcharge on Taxes Act, 1957 (11 of 1957) by a dealer in foreign liquor holding FL.1 License under the Abkari Act, 1 of 1077 and the rules made there under on the tax payable under subsection (1) of section 5 of the Kerala General Sales Tax Act, 1963 from 10 percent to 5 percent with effect on and from the 18th day of May, 2004 to the 26th day of September, 2010.

By Order of the Governor,

A. AJITH KUMAR,
Secretary to Government

Explanatory Note

(This does not form part of the notification, but is intended to indicate the general purport)

As per notification issued under G. O. (P) No. 78/2004/TD, dated 14th May, 2004 and published as S. R. O. No. 499/2004 in the Kerala Gazette Extraordinary No. 1064 dated 18th May, 2004, Government had reduced the rate of surcharge payable by the Kerala State Beverages Corporation as dealer holding FL. 9 license under subsection (1) of section 3 of the Kerala Surcharge on Taxes Act, 1957, on the sales tax payable under sub-section (1) of section 5 of the Kerala General Sales Tax Act, 1963 from 10 per cent to 5 per cent with effect from 18th May, 2004. As per para 217 of the Budget Speech, 2010-11, it has been clarified that the reduction of surcharge payable by the Kerala State Beverages Corporation Limited will be applicable in *toto* irrespective of the nature of license granted under the Abkari Act 1 of 1077. As per para 359 of the Budget Speech 2011-12, Government have decided to restore the original rate of per cent surcharge payable on Foreign Liquor, as such the Notification published as S. R. O. No. 499/2004 has been rescinded vide G. O. (P) No. 139/2011 dated 27th September, 2011 and published as S.R.O. No. 614/2011 dated 27th September 2011 in the Kerala Gazette Extraordinary No. 1818 dated 27th September, 2011. In order to give statutory validity to the declaration made as per para 217 of the Budget Speech, 2010-11 and the decision of the Government to limit the reduction to the FL. 1 licenses up to 27-09-2010, i.e. one year before the cancellation of S. R. O. No. 499/2004; Government have decided to issue notification to reduce the rate of surcharge on the sales tax payable by a dealer in foreign liquor holding FL. 1 License also from 10 per cent to 5 per cent in public interest by giving effect on and from the 18th May, 2004 to 2th September, 2010.

The notification is intended to achieve the above object.