

CIRCULAR. 23/06/CT

Sub:- Realization of Compounding Fee for belated payment of-Renewal of Registration fee- instructions issued-Reg: -

1. The certificate of registration once issued is valid for one year and it is to be renewed every year not later than 30th April of that year. Carrying on business without renewing registration is an offence punishable under Section 67 of the Kerala Value Added Tax Act.
2. It has come to the notice of the undersigned that there is no uniformity in taking action by assessing authorities on the belated receipt of registration renewal applications.
3. Therefore the following instructions are issued under Section 74 read with Section 3 of the Kerala Value Added Tax Act 2003 to realize Compounding Fee in lieu of penal action from dealers who are filing belated registration renewal application:

| <u>Period of delay</u> | <u>Dealers who are not importers (registered under CST)</u> | <u>Others</u> |
|------------------------|---|---------------|
| Up to 30 Days | Rs.100 | Rs.250 |
| Up to 60 Days | Rs.200 | Rs.500 |
| Above 90 Days | Rs.300 | Rs.750 |

4. All officers should ensure that the Compounding Fee for belated payment of registration fee is realized in all cases at the rate prescribed above. However it should be kept in mind that during 2006 the renewal date was extended up to 10.5.2006.
5. All Deputy Commissioners are requested to acknowledge the receipt of this Circular and communicate the same to their subordinates with due acknowledgement.

Commissioner
Commercial Taxes.