

No.C1. 56048/06/CT

Office of the Commissioner
Commercial Taxes,
Thiruvananthapuram,
Dated: 18-9-2007.

CIRCULAR NO 41/2007

Sub:- Taxes Department- Problems faced by the dealers in cement sector –
instructions – issued

Ref:- Govt letter No 14357/B1/2007/TD dated 11-9-2007

Based on the announcement made in Para 149 of the Budget Speech and the decisions taken after elaborate discussion in the meeting taken by the Minister (Finance) with cement dealers and senior officials of the Commercial Taxes Department the following instructions are issued to tackle the problems faced by the dealers in cement sector as decided by Government as per the letter read above.

- (i) The cement companies should have remitted the entire tax collected as per sale bills without any deduction along with interest within 28.2.2007.
- (ii) The cement companies shall issue declarations to its distributors that they have paid the entire tax shown in their sale bills from 1-4-2005 without reducing it consequent on trade discount.
- (iii) The cement distributors shall submit such declarations to their assessing authorities and ensure that excess input tax is not claimed for 2005-06. On submission of the above declaration the assessing authorities will drop all further action under KVAT Act, 2003 on account of the credit notes issued by the companies up to 31-3-2006.
- (iv) Only those companies/dealers who withdraw unconditionally all writ petitions/appeals filed by them on account of amendment made in this context will get the benefit.

All assessing authorities shall see that the above instructions are complied with.

Commissioner

To

All Concerned.