

CIRCULAR No.03/08

Sub:- Fixation of Floor rates for Ceramic Tiles for Advance Tax – reg.

Rampant under-valuation in consignments of ceramic tiles of all types has been widely reported from the trade. Market investigation confirms that only about half of the value is conceded by the traders while issuing bills in respect of the tiles distributed through the unauthorized sector, especially from Morbi, Gujarat. This practice of under-billing during purchase results in undervaluation in the sales also and leads to loss of revenue to the State Government.

There is however a need to fix floor values on purchase of such goods to prevent arbitrary action by the officials of the Commercial Taxes Department.

In the circumstances, based on market survey and data collected from several leading companies the following floor rates are fixed as benchmark in respect of the purchase of wall, floor and vitrified tiles of the lowest quality.

Wall tiles of all sizes	Rs.75/- per M ²
Floor tiles of all sizes	Rs.90/- per M ²
Vitrified tiles of all sizes	Rs.270/- per M ²

The above purchase value is prescribed excluding freight incurred. While estimating the sale price for the purpose of collecting advance tax as per Circular No.50/2006, if the purchase value is declared below the floor rate, it should be reckoned by adopting the above floor rate by adding the freight charges and 5% gross profit. The details regarding the lowest freight charges from Gujarat to various destinations in Kerala are annexed for information.

In order to arrive at a uniform method in measurement, it is directed that all dealers shall mention the quantity in meter square (M²) in invoices. If the consignments are brought from outside the State using other units of measurements, the quantity should be declared at the check post / assessing authority in square meters (M²) along with declaration in Form No.8F.

While filing the stock statement as well as audit report, the quantity of tiles should be specified in square meters (M²).

All officers are directed to ensure that the volume of purchase and sale of tiles of all types are given in square meters (M²) and that the purchase value declared excluding freight is not below the floor rate fixed above.

They are also directed to ensure that the selling price shall be based on the valuation adopted for the purpose of advance tax, for which periodical visits shall be done to the premises by the assessing authorities as well as the Intelligence Officers and Audit Officers.

Commissioner
Commercial Taxes

To

All Deputy Commissioners

FREIGHT & LORRY FREIGHT FROM KANDLA
PORT TO KOCHI PORT INCLUDING DELIVERY
CHARGES TO DIFFERENT DESTINATIONS IN
KERALA

DISTRICT	Town	Freight per tonne	
		Container	Lorry
Kasargod	Kasargod	2500	3035
Kannur	Kannur	2500	3225
Kannur	Thalassery	2500	3225
Kannur	Payyannor	2500	3135
Kannur	Thaliparambu	2500	3135
Wayanad	Manathavadi	2500	3135
Calicut	Calicut	2300	3225
Malappuram	Manjeri	2300	3325
Malappuram	Malappuram	2300	3325
Malapuram	Perinthalmanna	2200	3325
Malappuram	Tirur	2300	3325
Malappuram	Kottackal	2150	3225
Palakkad	Pattambi	2300	3225
Palakkad	Palakkad	2300	3225
Thrissur	Kunnamkulam	2000	3515
Thrissur	Thrissur	2000	3425
Thrissur	Irinjalakkuda	2000	3425
Thrissur	Chalakkudi	2000	3425
Ernakulam	Cochin Local	1900	3375
Ernakulam	Aluva	2200	3515
Ernakulam	Angamali	1950	3425
Ernakulam	Muvattupuzha	2000	3515
Alappuzha	Alappuzha	2200	3515
Wayanad	Suthan Bathery	2300	3470
Alappuzha	Chengannur	2150	3425
Alppuzha	Kayamkulam	2100	3550
Kottayam	Athirampuzha	2000	3470
Kottayam	Ettumanoor	2000	3470
Kottayam	Kottayam	2000	3470
Pathamnthitta	Thiruvalla	1900	3515
Pathanamthitta	Adoor	2100	3550
Pathanamthitta	Pathamthitta	2100	3515
Kollam	Kundara	2000	3515
Kollam	Kollam	2050	3550
Trivandrum	Trivandrum	2100	3575