

No.C1.59787/ 05/ CT

Office of the Commissioner
Commercial Taxes
Thiruvananthapuram
Dated. 10..02..06

CIRCULAR No.9/ 06/ CT

Sub:- Application for Registration - Dealers in petroleum products – Modified directions issued – Speedy disposal of registration application – reg.

Ref :- 1) Lr.No.C1.68656/ 01/ CT dtd.11.04.02 of the CCT Tvpm.
2) Lr.No.C2.26924/ 04/ CT dtd.15.12.05 of the CCT Tvpm.
3) Circular No.36/ 83/ TX dtd.02.12.83

As per the reference first cited instructions were issued to all registering authority to issue registration in respect of petroleum products only after getting prior clearance from the Commissioner of Commercial Taxes.

Since petroleum products contribute about 1/ 3 of the Sales Tax Revenue, detailed guidelines were issued for granting registration certificate to the dealers vide circular 3rd cited.

Under VAT regime it is necessary to bring more dealers under the tax net so as to increase State revenue. Hence following further directions are issued to all registering authorities in exercise of the powers conferred by subsection (c) of Section 3 of KVAT 2003.

1. Registration certificate to the dealers in Petroleum products can be granted immediately, without obtaining the prior permission of the Commissionerate, but subject to prior approval of Inspecting Assistant Commissioner or Deputy Commissioner as the case may be.
2. Regarding petroleum dealers who deal with both IVth Schedule and Vatable items, separate registration application has to be filed under KGST and VAT. But registration fee need be paid only under VAT and for computation of turnover in calculating registration fee the turnover under both IVth Schedule and IIIrd Schedule items has to be taken into consideration.
3. Permission may also be granted for dealers to opt for payment of Presumptive tax under section 6(5) of KVAT Act 2003 for Vatable commodity, if the turnover under both Vatable and non Vatable items does not exceed Rs.50 lakhs in an assessment year.

The Circular directions should be strictly adhere to by all officers concerned.

Sd/ -
Commissioner

To

All Officers
CAs to CCT, J C-I/ DC(G)/ DC(A&I)/ DC(LW)
The J C(Law)Ekm / VAT Consultant / DC(I) Tvpm for website
The Secretary, STAT, Tvpm / AC(T) Tvpm / All IACs in CCT
All Supdts. in CCT/ file/ SF/ Spare

Dtd.16-03-2006

ERRATUM

Sub:- Registration of dealers in petroleum products – reg.

Ref:- Circular No.9/2006/CT dtd.10-02-2006

In para 3 of the above circular it was directed as follows “Permission may also be granted for dealers to opt for payment of Presumptive tax under section 6(5) of KVAT Act 2003 for vatable commodity, if the turnover under both vatable and non vatable items does not exceed Rs.50 lakhs in an assessment year.”

But in the proviso to sub-rule (1) of Rule 9 of the KVAT Rules, 2005, it has been specifically provided that the amount for which goods included in the Fourth Schedule are sold by a dealer shall not be included in the total turnover.

Para 3 of Circular No.09/2006/CT dtd.10-02-2006 therefore stands substituted as follows:-

“3. Permission may also be granted to dealers to opt for payment of presumptive tax under Section 6(5) of the KVAT Act, 2003, if the total turnover of the dealer in respect of goods to which the provisions of the Act applies is below fifty lakh rupees and the turnover under the KGST Act in respect of the goods included in the fourth schedule to the KVAT Act, 2003 shall not be reckoned for the purpose of deciding the eligibility for payment of presumptive tax under Sec.6(5).”

Sd/-
COMMISSIONER