

No.C1-33300/13/CT

Office of the Commissioner of
Commercial Taxes
Tax Towers, 8th Floor
Killipalam, Karamana
Thiruvananthapuram 695002
Dtd.09 / 01 / 2015

CIRCULAR No.02 / 2015

Sub:- Stay on collection of disputed amount – instructions – reg.

Read:- Rule 72A of KVAT Rules, 2005.

Rule 72A of KVAT Rules inserted by S.R.O.No.414/2014 is extracted under:

"72A. Without prejudice to the powers of Appellate or Revisional Authorities, in cases where the appellant or the revision petitioner files an appeal under Section 55 or revision under Section 57, along with the proof of payment of 30% of the disputed amount in such appeal or revision, and furnishes security for the balance amount, stay may be granted on collection of the disputed amount for a period of one year or till the disposal of the appeal, whichever is earlier."

Now, it has come to notice that the Inspecting Asst. Commissioners are treating payment of 30% of the disputed amount as stays and stopping RR action. This is not the correct procedure.

The Appellate Authorities can take decision on the basis of rule 72A and stay on collection of disputed amount shall be granted only on production of stay orders of the appellate authority.

COMMISSIONER