

No.C1.11839 /08

Office of the Commissioner
Commercial Taxes
Thiruvananthapuram,
Dt.28.10.08

CIRCULAR No. 44/08

Sub:- KVAT rules,2005-Adjustment of input tax
credit against CST- production of Form No.44-
reg

Ref:_ Circular No. 2/08

(1) Rule 46 (2) stipulates the production of Form 44, for refunds/adjusting ITC claims against CST. This has been a major area of concern in the field of refunds under the Act and ITC adjustment against CST, especially to the trade. They have repeatedly pointed out the difficulty in getting Form 44 signed by the consignees in other states for the reason that such consignees are under no obligation to do so .It is felt that the issue deserves consideration and the matter is reviewed.

(2) Form 44 is in the nature of an acknowledgement and the purpose is well served by the production of statutory forms under CST Act. Insisting of Form 44 in such cases would cause undue hardship to the trade and will clog the refund process which is a basic feature of the VAT system.

(3) Hence it has been decided that Form 44 under KVAT Rules need not be insisted. in cases where the statutory forms under CST Act has been produced.

Circular read above is modified to the above extent.

COMMISSIONER