

No. C1- 33300/2013

Office of the Commissioner of  
Commercial Taxes,  
Thiruvananthapuram.  
Dated 11.02.2014

**CIRCULAR No. 5 /2014**

Sub: FINANCE BILL 2014 - Budget speech 2014 - Certain administrative  
direction issued for implementation thereof in 2013-14- reg-  
Ref: Kerala Finance Bill 2014

1. The amnesty scheme available under KGST for settling arrears up to 31-03-2005 has been extended up to 31-03-2014. So all authorities are directed to contact the dealers eligible for such scheme and to collect maximum amount under the scheme. The full payment under this scheme has to be paid on or before 31-3-2014.

2. As per Para 355 of the budget speech those dealers who were paying tax under compounding scheme under section 8(f), rate of tax were revised and as per the speech it is applicable for the year 2013-14 as well. It will be included only in the commencement clause of the Finance Act 2014. So dealers paying compounded tax under section 8(f) during last year and have not compounded yet, facility for filing compounding application may be given up to Feb 20, 2014 and for those whom compounding order has been given the order has to be revised as per the rates prescribed in Finance Bill 2014.

3. Regarding Ayurvedic cosmetics covered under entry 36(27) of 3<sup>rd</sup> schedule, the rate of tax has been reduced with retrospective effect from 13-11-2009. So if any assessment was completed under higher rate or penalty imposed on differential rate no coercive action shall be taken to collect the amount so demanded. Further, with regard to such dealers who have collected tax at higher rate it must be ensured that it is paid over to government and the tax so paid shall not be refunded.

The above instructions should be strictly adhered to. The receipt of the circular shall be acknowledged by all officers.

  
Commissioner