

No.C1-13021/12/CT

Office of the Commissioner of  
Commercial Taxes  
Thiruvananthapuram  
Dtd 30 / 04 / 2012

**CIRCULAR No 12 / 2012**

Sub:- Kerala Tax on Luxuries Act, 1976 – Luxury Tax on Direct to Home  
(DTH) service providers – Operational instructions – Modified – reg.

Ref:- Circular No.11/2010

As per circular read above, every DTH service provider for obtaining registration under Kerala Tax on Luxuries Act has to furnish security in the form of Bank Guarantee for the amount of tax chargeable for a period of three months. This has created hardship for the stake holders as it would place an additional burden on the finances of the company. Hence, a considerate view is hereby taken and point 3 of Circular No.11/2010 is modified as under:

*“(3) They shall also furnish security in the form of Bank Guarantee for the amount of tax chargeable for a period of three months. The company can also furnish a security bond for such amount as in Form 6 prescribed under KVAT Rules, 2005 (with suitable modifications wherever necessary to suit the purpose of KTL Act)”*

COMMISSIONER