

**CIRCULAR NO. 17 /2012**

Sub:- Commercial Tax Department – Price fixation of Imported Timber- Instruction issued-reg.

- Ref:- 1. Circular No. 28/2008 dated 19.06.2008  
2. Order No. C2/22421/08/CT dated 28.03.2011 of the CCT  
3. Report No. DC(I)T/B-347/10 dated 18.07.11 of DC(Int), Tvpm

As per the Circular read above, floor rates were fixed for imported timber varieties for the purpose of collection of Advance Tax/Security Deposit. It has been brought to the notice of the Department that the prices of these varieties have increased significantly since then. Hence, vide reference 2<sup>nd</sup> cited above, an expert committee was constituted consisting of the three zonal Deputy Commissioners (Intelligence) and Deputy Commissioners of Thiruvananthapuram, Kollam, Palakkad and Kozhikode, to study the issue and to suggest whether any revision of floor price is necessary.

The Committee analyzed the market intelligence, data relating to wholesale prices and other trade practices prevailing throughout the state. The actual profit margin at various levels of business, incidental expenses like freight, insurance, loading and unloading charges etc. were also considered. The Committee also heard representatives of the trade on 06.07.2011 and submitted their report with recommendations vide reference cited 3<sup>rd</sup> above. A committee of three Joint Commissioners had further examined the report.

From the facts evolved from the deliberations, it is seen that the revision in the floor rates fixed is imminent. So, considering the recommendations of the committees and in the interest of revenue, the floor rates of imported timber fixed as per circular referred 1<sup>st</sup> above is revised as under for the purpose of collection of Advance Tax as per section 47(16A) of the Kerala Value Added Tax Act, 2003.

Type	Floor rate per cubic feet (in Rs.)
Teak	2340
Pincoda	1040
Purple heart (violet)	975
Green heart	975
Mora/Cibida/Kabukali	520
Padak	1170
Kussia	975
Sal	975
Beachwood/Ashwood	1040

This order will take effect from 25.06.2012.

Sd/-  
**COMMISSIONER**