

**31. PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES
THIRUVANANTHAPURAM
Present:- Sri.Paul Antony.IAS**

Sub:- KVAT Act 2003- Clarification – under section 94- tax payable U/s.8- orders issued- Reg:

Read:- Application put in by Sri.N.P.Kesavan, NPK Jewellery, AM Road, Perumbavoor.

ORDER No.C3.18621/07/CT Dt. 24.05.07

Sri.N.P.Kesavan, NPK Jewellery, AM Road, Perumbavoor has preferred an application U/s. 94 of KVAT Act 2003 seeking clarification on how the tax payable U/s.8 for 06-07 is to be calculated in the case of a dealer who is doing gold business w.e.f 01.04.2000 and had paid tax U/s.5 of KGST Act for the year 2003-04, U/s.7 of KGST Act for the year 2004-05, U/s. 6 of KVAT Act for the year 2005-06. The authorised representative was heard. The contentions put forth were examined with reference to relevant statutory provisions.

The dealer had three consecutive years of business prior to 2006-07. So he would be eligible to pay tax U/s.8(7) (i) of the KVAT Act 2003 at 200% of the highest tax payable by him under the respective Acts for a period of 12 months during 2003-04, 2004-05 & 2005-06. The tax would be worked out, as follows:

2003-04- Tax Due U/s. 5 + 5A of KGST Act
2004-05- Tax Due U/s. 7 of KGST Act
2005-06- Net tax payable + Tax Due U/s 6(2) KVAT Act.

The issue raised is clarified accordingly.

Commissioner