

GOVERNMENT OF ASSAM
OFFICE OF THE COMMISSIONER OF TAXES::ASSAM::GUWAHATI

ORDER

Dated Dispur, the 21st February, 2017.

No.CTS-51/2011/344 - The petitioner Krishna Kanta Das, Sualkuchi, Kamrup, Assam filed a petition seeking clarification whether the process of desilting and maintenance of natural rivers/channels through engagement of manual labourers and machines only and not involving any transfer of property in goods is eligible to tax and whether tax is deductible under the Assam Value Added Tax Act, 2003. The applicant is a registered dealer under the Assam Value Added Tax Act bearing GRN Nos.18410051475.

The facts as stated by the Authorized Representative of the petitioner, Sri Amit Jain, are that the matter relates only to de-silting and maintenance of natural rivers/channels through engagement of manual labourers. There is no transfer of property in goods. The work contract is entirely labor oriented.

Perused the petitioner's prayer and also the work order submitted. The dealer even submitted a clarification vide nos.GIE D/A/120/Pt-111/40 dated 30/12/2016 given by the Executive Engineer, Ghy East W.R. Division, Ghy-08 which states that order nos CF/CC/WR/WO/2014-15/361/Pt/47 dated 12.01.2015 issued to Mr. Ashok Kumar Jain do not involve any transfer of property in goods and is solely a order involving execution of works through manual laborers and machinery. The cost of Pol mentioned in the order means the use of Petrol, Oil and Lubricant for the execution of works.

From perusal of the work order and the clarification given it is clear that dealer's work contract is labour oriented. There is no transfer of property in goods. Therefore the dealer is not liable to pay tax for this particular work contract under the Assam Value Added Tax Act, 2003.

With the above observation, the petitioner's prayer is disposed off with the clarification that dealer is not liable to pay tax for this particular work contract under the Assam Value Added Tax Act, 2003.

Sd/-
(Anurag Goel, IAS)
Commissioner of Taxes, Assam
Dispur, Guwahati-6.

Memo No.CTS-51/2011/344-A Dated Dispur, the 23 th February, 2017.

Copy to:-

1. The Principal Secretary to the Government of Assam, Finance Department, Dispur for favour of kind information.
2. The Additional Commissioners of Taxes/Joint Commissioners of Taxes (All), Head Office for information.
3. The Deputy Commissioner of Taxes, (All) for information.
4. The Assistant Commissioner of Taxes, (All) for information.
5. Krishna Kanta Das, Sualkuchi, Kamrup for information.

H/23/2/17
(H. Borgohain)
Joint Commissioner of Taxes, Assam,
Dispur, Guwahati-6.