

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

ORDER

Dated Dispur the 2nd March/2016.

No.CTS-71/2015/32 : M/s. Continental Milkose (India) Limited, A-73, New Friends Colony, New Delhi – 110025 filed an application under section 105 of the Assam Value Added Tax Act, 2003 seeking clarification as to whether the Directorate of Social Welfare, Government of Assam, Guwahati, being the purchaser is liable to deduct tax at source against supply of goods by the applicant in the course of inter-state trade or commerce.

CA. Omprakash Agarwalla, FCA appeared on behalf of the applicant and placed his submission. He submitted that the Directorate of Social Welfare, Government of Assam, Guwahati has placed order for supply of "Micronutrient Fortified Energy- Dense Food" as take home ration in ICDS Project with a direction to deliver such goods at the different office godowns of the "Child Development Project Officers" in the state of Assam on the applicant i.e., M/s. Continental Milkose (India) Limited, New Delhi. He explained that the said goods will be sent by the applicant to the State of Assam and the said movement of goods will be made in pursuance of the sales as per the aforesaid order. He further explained that entry tax @ 4% on the import value (sales price) of the said goods has already been deposited as per the provisions of the Assam Entry Tax Act, 2008 and the goods will brought to the State on the strength of 'Road Permits' issued in favour of the purchaser. He claimed that as the sale is squarely covered by section 3(a) of the Central Sales Tax Act, 1956, tax on such sales/purchase is not deductible.

Perused the submission. Section 47(1) of the Assam Value Added Tax Act, 2003 casts responsibility on the specified persons to deduct tax on the total sale price of sale or supply of goods liable to tax under AVAT Act, 2003. There is no provision in the Act to deduct VAT on sales/purchase executed in course of inter-state trade or commerce. In the instant case, where supply will be made in course of inter-state trade or commerce on the strength of the Road permits issued in the name of the purchaser, and where entry tax on such import value (sales price) has already been paid, no tax on such sales/purchases has to be deducted at source by the Directorate of Social Welfare, Government of Assam, Guwahati.

With the above observation, the petitioner's prayer is disposed of.

Sd/-

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

Memo No.CTS-71/2015/32-A

Dated Dispur, the 3rd th March, 2016.

Copy to :-

1. The Principal Secretary to the Govt. of Assam, Finance Department, Dispur, Guwahati - 6 for favour of kind information of the Government.
2. The Addl. Commissioner of Taxes/Joint Commissioners of Taxes (All) for information.
4. The Deputy Commissioner of Taxes (All) for information.
5. The Assistant Commissioners of Taxes/Superintendents of Taxes (All) for information.
6. M/s.Continental Milkose(India) Limited, A-73, New Friends Colony, New Delhi-110025 for information.


(A. Choudhury)

Joint Commissioner of Taxes, Assam,
Dispur, Guwahati-6.

msd
3/03/16