

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

ORDER

Dated Dispur, the 24 th March, 2017.

No.CTS-72/2016/20 The petitioner Nezone Tours and Travel, K.K.B Road, Panbazar, Guwahati filed a petition seeking clarification regarding the deduction of tax for cab rental service.

The fact as stated by the petitioner in his letter dated 17/11/2016 is that they are operating a Cab Rental Service from Guwahati in the name of Nezone Tours and Travel. They have made an agreement with Assam Science Technology and Environment Council (ASTEAC), Guwahati on 09/12/2015 for providing vehicles on daily requirement basis. The petitioner is charging ASTEC Hire Charges, Fuel Charges, and Parking Fee. The petitioner has further clarified that they maintain all necessary expenses i.e. Driver Salary, Fuel Lubricants, Parking Place and Repairs of vehicles.

Perused the petitioner's prayer and the Deed of Agreement executed between the petitioner and ASTEC. From the Deed of Agreement it is obvious that the transaction between ASTEC (1st Party) and petitioner (2nd Party) is not Lease transaction because-

1. The control and possession of vehicles is not given to 1st Party;
2. The Transporter is providing services to ASTEC (1st Party) deploying their own vehicles and drivers;

After perusal of the petitioner's petition, I am of the firm opinion that the agreement between ASTEC and Nezone Tours and Travel does not fall under the definition of "Lease" as defined in Section 2 of the Assam Value Added Tax Act, 2003.

With the above observation, the petitioner's prayer is disposed off with the clarification that for this particular transaction the petitioner is not liable to pay tax under the Assam Value Added Tax Act, 2003. It is once again reiterated that this clarification is valid only for this particular query only.

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

Memo No. CTS-72/2016/20-A
Copy to:-

Dated Dispur, the 24 th March, 2017.

1. The Principal Secretary to the Government of Assam, Finance Department, Dispur for favor 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. Nezone Tours and Travel, K.K.B Road, Panbazar, Guwahati for information.

H. Borgohain
(H. Borgohain)
Joint Commissioner of Taxes, Assam,
Dispur, Guwahati-6.

Mop S
24/3/17