

THE CENTRAL SALES TAX ACT, 1956.

This is a Central Act governing such areas of sales of taxable commodities, which take place in the course of inter-state trade or commerce. The basic purpose of this Central Legislation is to ensure uniformity of Legislation and avoid claims and counter-claims by States for authority to tax commodities under such trade. An assessee incurs liability under this Act only when the goods actually move from one State to another in the course of trade or commerce. In no case tax levied under this Act shall exceed the ceiling fixed for this purpose, to avoid cascading of tax. Where the inter-state sales tax is charged on declared goods, the local tax charged and realised on the same goods (in the event of inter-state sale made on goods locally purchased) under the local Sales Tax Act shall have to be refunded to the dealers.