

GOVERNMENT OF ASSAM
OFFICE OF THE COMMISSIONER OF TAXES::ASSAM::KAR BHAWAN
DISPUR, GUWAHATI.

ORDER

Dated Guwahati the 22nd February, 2011

No. CTS-3/2009/208 : M/s. New Age Marketing, 669, 2nd Floor, Air Sahara Office Building, G.S. Road, Ulubari, Guwahaty-7 filed an application seeking clarification on rate of tax on readymade garments, the maximum retail price per piece exceeding rupees five thousand.

Shri S.K. Sureka, Advocate appeared on behalf of the petitioner and place his submission. He submitted that as per Notification No. FTX.25/2008/Pt/14 dtd. 10-11-2010, readymade garments sold up to Rs. 5,000/- shall be taxed @ 5% under Second Schedule and readymade garments sold above Rs.5,000/- shall be taxed @ 13.5% under Fifth Schedule attached to the Act. He also submitted that after the publication of said notification customers insist them to show the notification in which it is mentioned that readymade garments whose MRP is above Rs. 5000/- will be taxed @ 13.5%

In this connection it may be stated that readymade garments was taxable @ 5% before 10/11/2010 as per entry at Sl. No. 53 of Part-A of Second Schedule. In the Notification No.FTX.25/2008/Pt/14 dtd.10-11-2010, the said entry was modified and made as "53, Readymade Garments, the maximum retail price per piece of which dose not exceed rupees five thousand" . Therefore it becomes clear that Govt., vide Notification referred to the above, intended to keep readymade garments whose maximum retail price per piece dose not exceed rupees five thousand under 5% category of tax. However, as there is no specific entry at First, Second, Third and Fourth Schedule of readymade garments, the maximum retail price per piece exceeding Rs. 5000/-, therefore it shall be covered under entry at Sl. No. 1 of Fifth Schedule which reads as "All other goods not covered by First, Second, Third and Fourth Schedule" and shall taxable @ 13.5%.

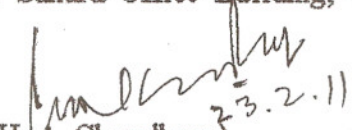
Sd/-(Sanjay Lohiya),
Commissioner of Taxes, Assam,
Dispur, Guwahti-6.

Dated Dispur, the 24th February, 2011.

Memo No. CTS-3/2009/208 -A

Copy to :-

1. The Principal Secretary to the Govt. of Assam, Finance Department, Dispur, Guwahati - 6 for favour of kind information of the Government.
6. The Addl. Commissioner of Taxes/Joint Commissioners of Taxes (All) for information.
7. The Deputy Commissioner of Taxes (All) for information.
8. The Assistant Commissioners of Taxes/Superintendents of Taxes (All) for information.
9. M/s. New Age Marketing, 669, 2nd Floor, Air Sahara Office Building, G.S. Road, Ulubari, Guwahaty-7 for information.


(M. H. A. Choudhury),
Addl. Commissioner of Taxes, Assam,
Dispur, Guwahati-6.
