

VAT ONLINE SYSTEM

The Department of commercial taxes, Karnataka has introduced the VAT e-filing system to enable the dealers to file the details of purchase and sale electronically through web-based application software with technical support from National Informatics Centre, Bangalore with effect from September 2007. To begin with, 500 dealers were notified as eligible to enter the details of purchases made from and sales made to the dealers registered under the Karnataka Value Added Tax Act. Subsequently, this facility is extended to more than 25000 dealers and, entering the details of export sale out of territory of India is also made mandatory in addition to entering the details of purchase and sale. This initiative of the department has enhanced the efficiency and effectiveness of process of refund claims towards input tax credit. Further, the correctness and veracity of the claim of input tax credit could also be verified once the dealer submits the details of purchase, sale and export sale into the website electronically.

All dealers registered under the KVAT ACT, 2003 are enabled to obtain the delivery note in Form VAT 505 electronically through VAT Online System from anywhere any time. In case, at the place of loading of the goods, there is no facility of computer or internet, still the dealers can use the unique number printed on the delivery note in form VAT 505 obtained electronically from a place where computer and internet facility is available.

Further, the declarations in C form are also being issued electronically to all the dealers registered under the CST Act 1956. It is mandatory for the dealers to submit the details of interstate purchases electronically to obtain the declarations in C form. However, an option is provided to the dealers to obtain the printout of C forms at their place of business or from the offices of the jurisdictional LVO or VSO after approval by such authorities.

1. Website for submitting purchase sale and export sale : <http://vat.kar.nic.in/>
2. Website for obtaining C Form : <http://vat.kar.nic.in/>
3. Websites for obtaining delivery note in Form VAT 505 :
 - i. <http://vat.kar.nic.in/>
 - ii. <http://vatkar.gov.in/>
 - iii. <http://164.100.80.20/vat505>

Delivery note in Form VAT 505 may be downloaded from any one of the three websites.
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The gist of notifications and proceeding issued from time to time in respect of Online VAT System are as under:

Sl. No	Notifications/Proceeding No.	Dated	Subject
1	KSA.CR.228/2008-09	29-03-2010	Obtaining delivery note in Form VAT 505 electronically from anywhere anytime by the dealers transporting copra.
2	KSA.CR.248/2008-09	10-03-2010	Issue of C form electronically and providing the printing facility at their place of business to all the dealers registered under the CST Act.
3	KSA.CR.228/2008-09	31-12-2009	Option for obtaining delivery note Form VAT 505 electronically from anywhere anytime by the dealers registered under the provisions o the KVAT Act, 2003
4	KSA.CR.155/2007-08	23-12-2009	Amendment to notification No.KSA.CR.155/2007-08 dated 23-06-2008
5	KSA.CR.248/2008-09	28-08-2009	Issue of C form electronically and providing the printing facility to certain dealers.
6	KSA.CR.155/07-08	08-06-2009	Furnishing the details of purchase, sale and export sale electronically by the class of dealers as specified in the notification
7	KSA.CR.248/2008-09	21-03-2009	Furnishing the details of interstate purchase electronically to obtain the C form by the dealers to whom 'username' and 'password' have already been furnished

8	KSA.CR.228/2008-09	21-03-2009	Obtaining delivery note in Form VAT 505 electronically from anywhere anytime by the dealers borne on files of the LVO-020, 065 and 075 Bangalore.
9	KSA.CR.248/2008-09	10-12-2008	Furnishing the details of interstate purchases electronically to obtain the C form by the dealers borne on LVO-010 and 030 Bangalore
10	KSA.CR.228/2008-09	19-11-2008	Obtaining delivery note Form VAT 505 electronically from anywhere anytime by the dealers borne on LVO-010 and 030 Bangalore.
11	KSA.CR.155/2007-08	17-11-2008	Extension of last date for furnishing the details of purchases, sales and export sales electronically by the dealers coming under the purview of notification of even no. dated 23-06-2008
12	KSA.CR.155/2007-08	23-6-2008	Furnishing the details of purchase, sale and export sale electronically by the class of dealers as specified in the notification
13	KSA. CR.155/2007-08	6-10-2007	Furnishing the details of purchase and sale by the registered company with aggregate of output tax liability for the year ending 31st March, 2007 is more than one Crore

GOVERNMENT OF KARNATAKA
(Department of Commercial Taxes)

No. KSA. CR. 228 /2008-09

Office of the Commissioner of
Commercial Taxes (Karnataka),
Gandhinagar, Bangalore-560 009
Dated: 29-03-2010

NOTIFICATION

In exercise of the powers conferred under sub-rule (2-A) of Rule 157 of the Karnataka Value Added Tax Rules, 2005, it is hereby notified that every dealer registered under the Karnataka Value Added Tax Act, 2003 and who is required to carry a delivery note in Form VAT 505 or Form VAT 515 for transporting copra, shall obtain a delivery note in Form VAT 505 for such transportation of copra, electronically from 5th day of April, 2010 in the following manner:

- i. Every such dealer shall log on to any one of the following three websites: 1) <http://vat.kar.nic.in/> 2) <http://164.100.80.20/vat505/> 3) <http://vatkar.gov.in/>
- ii. Using the user name and password communicated to him by the jurisdictional Local VAT Officer (LVO) or VAT Sub Officer (VSO) he shall proceed to obtain the delivery note in Form VAT 505 following the instructions contained in the website.
- iii. Each such delivery note would have an automatically generated unique number. In case the dealer is unable to generate the delivery note in Form VAT 505 electronically in the place of loading of copra due to non availability of internet or computer facility, he may still log on to any one of the websites specified in clause (i) above, at a place where such internet or computer facility is available, feed the required details and then obtain the delivery note bearing the unique number. This unique number could then be communicated to the place of loading and a self printed delivery note in Form VAT 505 may be used. However, the unique number obtained shall be written on self printed delivery note in Form VAT 505 in clear legible way.

- iv. Every such dealer shall obtain his user name and password from the jurisdictional LVO or VSO, if it is not communicated to him by the LVO or VSO.
- v. Every such dealer can view the report of all the delivery notes in Form VAT 505 issued by him during any given period for which a facility is provided on the website specified in clause (i) above in the main menu under the heading “Reports and Help”. In order to ensure that the electronic issue of delivery note in Form VAT 505 is not misused by any unauthorized persons, the dealer shall verify regularly such report of issue of delivery notes in Form VAT 505 to ascertain its genuineness and correctness. In case a dealer finds that any delivery note in Form VAT 505 recorded in his account is not issued by him, he should immediately change his password and for any reason he is unable to change the password he should report this fact to the jurisdictional LVO or VSO in writing. Further, such dealer shall also inform the jurisdictional LVO or VSO within three days from the date of issue of such delivery notes which he claims to be not issued by him.
- vi. Any issue or use of delivery note in either Form VAT 505 or Form VAT 515 obtained earlier from the department or self printed, by these dealers on or after 05.04.2010 would be in contravention of the provisions of the KVAT Act and Rules and would attract penal action as per law.

Sd/-

(PRADEEP SINGH KHAROLA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore.



Government of Karnataka
Department of Commercial Taxes

No.KSA.CR.248 /08-09

Office of the Commissioner of
Commercial Taxes(K), Gandhinagar,
Bangalore, dated: 10-03-2010

NOTIFICATION

In exercise of the powers under sub-rule (aaaaa) of Rule 6 of the Central Sales Tax (Karnataka) Rules, 1957, considering it necessary to extend the facility of obtaining of declaration in Form C electronically to all the dealers registered under the Central Sales Tax Act, 1956 with an option to obtain a printout of such declaration at their place of business, in supersession of the notification No. KSA.CR.248/08-09 dated 21st March, 2009 issued under the said sub-rule, it is hereby notified that with effect from 15th day of March, 2010, every dealer registered under the Central Sales Tax Act, 1956 shall make requisition for declaration in Form C and shall be issued the declaration sought in the following manner:

1. Every such dealer shall log on to the website <http://vat.kar.nic.in/>.
2. Using the user name and password communicated to him by this office or from the jurisdictional Local VAT Officer (LVO) or VAT Sub Officer (VSO), every such dealer shall proceed to file his request for issue of declaration in Form C in such website. He shall also indicate in the website his option whether he would like to print the form himself or would like the LVO or VSO to print it.
3. The declarations in Form C sought by the dealer would be approved by the Concerned LVO or VSO within three working days from the date of his successful request.
4. After such approval, the dealer can print the declaration in Form C in triplicate on A4 size paper of not less than 75 gsm. Each declaration Form so printed will have a unique number assigned on it. After printing, the dealer can have the seal of the Department of Commercial Taxes affixed by producing it before the LVO or VSO concerned.
5. In cases where the dealer has opted for printing of the form by the LVO or VSO, the C Form declarations sought by the dealer would be printed by the LVO or VSO concerned. Subject to payment of the prescribed fee, such forms would be dispatched to the dealer within three working days from the day of his successful request. Any dealer wishing to collect the C Form declarations personally should indicate his preference for such mode

of delivery at the time of filing in his request for their issue in the website. Such dealer can collect the declarations from his jurisdictional LVO or VSO on the fourth working day.

Sd/-

(Pradeep Singh Kharola)
Commissioner of Commercial Taxes
in Karnataka, Bangalore



GOVERNMENT OF KARNATAKA
(Department of Commercial Taxes)

No.KSA.CR.228 /2008-09

Office of the Commissioner of
Commercial Taxes (Karnataka),
Gandhinagar, Bangalore.
Dated: 31-12-2009

NOTIFICATION

In exercise of the powers conferred under sub-rule (2-A) of Rule 157 of the Karnataka Value Added Tax Rules, 2005, it is hereby notified that every dealer registered under the Karnataka Value Added Tax Act, 2003 and who is required to carry a delivery note in Form VAT 505 or Form VAT 515 for transporting goods, may obtain a delivery note in Form VAT 505 for such transportation of goods, electronically from 1st day of January, 2010 in the following manner:

- i. Every such dealer shall log on to the website: <http://vat.kar.nic.in/>.
- ii. Using the user name and password communicated to him by the jurisdictional Local VAT Officer (LVO) or VAT Sub Officer (VSO), he shall proceed to obtain the delivery note following the instructions contained in the website.
- iii. Each such delivery note would have an automatically generated unique number. In case the dealer is unable to generate the delivery note in Form VAT 505 electronically in the place of loading of goods, due to non availability of internet or computer facility he may still log on to the website <http://vat.kar.nic.in/> , at a place where such internet or computer facility is available, feed the required details and then obtain the delivery note bearing the unique number. This unique number could then be communicated to the place of loading and a self printed delivery note in Form VAT 505 may be used. However, the unique number obtained shall be written on self printed delivery note in Form VAT 505 in clear legible way.

- iv. Every such dealer shall obtain his user name and password from the jurisdictional LVO or VSO, if it is not communicated to him by the LVO or VSO.
- v. Every such dealer can view the report of all the delivery notes in Form VAT 505 issued by him during any given period for which a facility is provided on the website: <http://vat.kar.nic.in/>, in the main menu under the heading “Reports and Help”. In order to ensure that the electronic issue of delivery note in Form VAT 505 is not misused by any unauthorized persons, the dealer shall verify regularly such report of issue of delivery notes in Form VAT 505 to ascertain its genuineness and correctness. In case a dealer finds that any delivery note in Form VAT 505 recorded in his account is not issued by him, he should immediately change his password and for any reason he is unable to change the password he should report this fact to the jurisdictional LVO or VSO in writing. Further, such dealer shall also inform the jurisdictional LVO or VSO within three days from the date of issue of such delivery notes which he claims to be not issued by him.

Explanation: Dealers who are already required to obtain delivery note in Form VAT 505 electronically would not be covered by this notification.

Sd/-
(PRADEEP SINGH KHAROLA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore.



Government of Karnataka
Department of Commercial Taxes

No.KSA.CR.155/07-08

Office of the Commissioner
of Commercial Taxes(K),
Gandhinagar, Bengaluru.
Dated: 23-12-2009

NOTIFICATION

In exercise of the powers conferred under clause (b) of sub-rule (3) of Rule 33 of Karnataka Value Added Tax Rules, 2005 read with Section 21 of the Karnataka General Clauses Act, 1899 (Karnataka Act, 3 of 1899), the notification No.KSA.CR.155/2007-08, dated 8th June 2009, is hereby amended with immediate effect, as follows:-

In the said notification, in item (1), after the word and figures “Act, 2003” the words “who is claiming deduction of input tax and” shall be inserted.

(Pradeep Singh Kharola)
Commissioner of Commercial Taxes (K),
Bengaluru.



GOVERNMENT OF KARNATAKA
(Department of Commercial Taxes)

No. KSA/CR-248/08-09

Office of the Commissioner of
Commercial Taxes in Karnataka,
Gandhinagar, Bangalore -560009
Date: 28.08.2009

NOTIFICATION

In exercise of the powers under sub-rule (aaaaa) of Rule 6 of the Central Sales Tax (Karnataka) Rules, 1957, considering it necessary to provide an option of self-printing of declarations in Form C to the dealers covered by the notification No.KSA.CR.248/08-09, dated 21st March, 2009 issued under the said sub-rule, in partial modification of the said notification, it is hereby notified that with effect from 10th day of September, 2009, every dealer specified under the said notification shall be issued the declaration in Form C sought in the following manner:

- (i) Every such dealer shall log on to the website <http://vat.kar.nic.in/>.
- (ii) Using the user name and password communicated to him by this office, every such dealer shall proceed to file his request for issue of declarations in Form C in such website. He shall also indicate in the website his option whether he would like to print the form himself or would like the Local VAT Officer (LVO) or VAT Sub Officer (VSO) to print it.
- (iii) The declarations in Form C sought by the dealer would be approved Electronically by the concerned LVO or VSO within three working days from the date of his successful request.
- (iv) After such approval, the dealer can print the declaration in Form C in triplicate on A4 size paper of not less than 75 gsm. Each declaration form so printed will have a unique number assigned on it. After printing, The dealer can have the seal of the Department of Commercial Taxes affixed by producing it before the LVO or VSO concerned.

- (v) In cases where the dealer has opted for printing of the form by the LVO or VSO, the C Form declarations sought by the dealer would be printed by The LVO or VSO concerned. Subject to payment of the prescribed fee, such forms would be dispatched to the dealer within three working days from the day of his successful request. Any dealer wishing to collect the C Form declarations personally should indicate his preference for such mode of delivery at the time of filling in his request for their issue in the website. Such dealer can collect the declarations from the jurisdictional LVO or VSO on the fourth working day.

(PRADEEP SINGH KHAROLA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore.



Government of Karnataka
(Department of Commercial Taxes)

No. KSA CR.155/ 2007-08

Office of the Commissioner of
Commercial Taxes in Karnataka
Gandhinagar, Bangalore-560 009
Dated: 08-06-2009

NOTIFICATION

In exercise of the powers under clause (b) of sub-rule (3) of Rule 33 of the Karnataka Value Added Tax Rules, 2005, it is hereby notified that, commencing from the tax period of the month of June, 2009,-

- (1) every dealer registered under the Karnataka Value Added Tax Act, 2003 who is effecting sale of any goods in the course of export outside the territory of India; and
- (2) every dealer registered under the Karnataka Value Added Tax Act, 2003 who is claiming deduction of input tax of five lakh rupees or more under section 10 of the said Act for the year ending 31st March, 2008 or in any subsequent year as declared in the monthly returns filed for that year, shall enter in the website: <http://vat.kar.nic.in/>, the details of-

- (i) his purchase of goods made within the State from other registered dealers in respect of which he is eligible to claim refund or deduction of input tax,
- (ii) his sales of goods in the course of export outside the territory of India, and
- (iii) his sales of goods made to other registered dealers in the State,

on or before the 20th day of the succeeding month in the following manner:

- (a) The dealer shall operate his account in the website using the user name and password communicated to him by the Commissioner and in case such user name and password is not communicated by 30th June, 2009, he shall obtain the same from the Commissioner or from the jurisdictional Local VAT officer or VAT sub-officer.

(b) He shall follow the procedure and instructions as specified in the website to enter the details specified in clauses (i), (ii) and (iii) above.

Explanation: This notification shall not be applicable to those dealers who are covered by earlier notifications already issued under clause (b) of sub-rule (3) of Rule 33 of the Karnataka Value Added Tax Rules, 2005.

Sd-
(B.A.HARISH GOWDA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore



GOVERNMENT OF KARNATAKA
(Department of Commercial Taxes)

No.KSA.CR.248 /08-09

Office of the Commissioner of
Commercial Taxes, Karnataka,
Vanijya Therige Karyalaya,
I Main Road, Gandhinagar,
Bangalore, dated: 21-03-2009

NOTIFICATION

In exercise of the powers under sub-rule (aaaaa) of Rule 6 of the Central Sales Tax (Karnataka) Rules, 1957, it is hereby notified that with effect from 25th day of April, 2009 every dealer registered under the provisions of the Central Sales Tax Act, 1956 and who has been issued with a user name and password for the purpose of electronic filing of details of his purchase and sales or for obtaining delivery notes electronically under the Karnataka Value Added Tax Act, 2003, shall make requisition for declaration in Form C and shall be issued the declarations sought in the following manner:

- (i) Every such dealer shall log on to the website <http://vat.kar.nic.in/>.
- (ii) Using the user name and password communicated to him by this office, every such dealer shall proceed to file his request for issue of C Form declarations required towards inter-State purchases made by him, following the instructions contained in the website. Any dealer who is in the list of the dealers required to obtain C Form declarations electronically as displayed in the departmental website <http://ctax.kar.nic.in/> shall obtain his user name and password, if it is not communicated to him by 25-04-2009.
- (iii) Every such dealer shall enter the details of utilisation of C Form declarations obtained previously if not submitted earlier, electronically on to the website: <http://vat.kar.nic.in/>.
- (iv) The C Form declarations sought by the dealer would be printed by the concerned Local VAT Officer or VAT Sub-officer (LVO or VSO) and dispatched to the dealer within three working days from the day of his successful request. Any dealer wishing to collect the C Form

declarations personally should indicate his preference for such mode of delivery at the time of making his request for their issue and can collect them from the jurisdictional LVO/VSO on the fourth working day.

(v) All such dealers shall surrender on or before 25-04-2009 the stock of any unused declaration in Form C held with them along with an account of declarations in Form C used by them. Any issue or use of C Form declarations obtained earlier from the department, by these dealers on or after 25-04-2009 would be in contravention of the provisions of the Central Sales Tax Act, 1956 and the Rules made thereunder and would attract penal action as provided under law.

Sd/-

(B.A.HARISH GOWDA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore



GOVERNMENT OF KARNATAKA
(Department of Commercial Taxes)

No.KSA.CR.228 /08-09

Office of the Commissioner of
Commercial Taxes, Karnataka,
Vanijya Therige Karyalaya,
I Main Road, Gandhinagar,
Bangalore, dated: 21-03-2009

PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES

Sub: KVAT Rules, 2005 – Documents in the form of delivery notes prescribed to be carried in support of transport of goods by a dealer – simplification of the procedure of issue of delivery notes – reg.

Ref: Notification No.KSA.CR.327/2005-06, dated 5.1.2006 published in the Karnataka Gazette dated 26.1.2006.

The provisions of Section 53(2) of the KVAT Act, 2003 require carrying of documents as may be prescribed in support of transport of goods by a dealer in the State. Rule 157(1) of the KVAT Rules, 2005 prescribes carrying of a delivery note in Form VAT 505 or Form VAT 515 in respect of such goods and transactions and by such dealers as notified by the Commissioner. Pursuant to the same, in the notification No.KSA.CR.327/2005-06, dated 5.1.2006, the transactions and goods and the category of dealers requiring carrying of a delivery note in Form VAT 505 or Form VAT 515 have been notified. Whereas, a delivery note in Form VAT 505 has to be obtained by dealer from the Local VAT Office or VAT sub-office on payment of prescribed fee, a delivery note in Form VAT 515 is permitted to be printed by the dealer belonging to the notified category. The dealers are required to maintain account of stock and utilization of these delivery notes.

2. While the dealers seeking fresh delivery notes in Form VAT 505 from the department are required to furnish the particulars of utilization of the delivery notes obtained by them earlier, the dealers permitted to use delivery notes in Form VAT 515 are not required to furnish any such account to the department. While the dealers required to use delivery note in Form VAT 505 have expressed difficulties in procurement of fresh stocks from the department hampering their business and have represented for relaxing the requirement of carrying such delivery notes, the department is finding it difficult to monitor proper utilization of self printed delivery notes in Form VAT 515 by the dealers and to prevent leakage of revenue by misuse of such facility extended.

3. After careful examination of the issues involved in the scheme and procedure relating to issue and utilization of delivery notes in Form VAT 505 and Form VAT 515, it was considered necessary to evolve a simple and effective procedure that would ease the difficulties currently faced by the dealers and the department. Accordingly, considering the current satisfactory status of computerisation of the department and the capability of the dealers through

their own computers or extensive infrastructure owned by service providers available almost in all places at reasonable charges in accessing any electronic facility that may be extended by the department in this regard, it was proposed to discontinue the present system of issue and self-printing of deliver notes and to introduce a simplified procedure of issue of delivery note electronically to the dealers in a phased manner. As a first step the new procedure was introduced in jurisdiction of LVO- 010 and LVO-030, Bangalore with effect from 15-12-2008. The new procedure is working satisfactorily.

4. Having successfully implementing the new procedure in LVO-010 and LVO-030, Bangalore, it is considered proper to extend the same in phased manner, to other Local VAT offices also. Accordingly, with effect from 15-04-2009 all the dealers borne on the files of LVO-020, LVO-065 and LVO- 075 Bangalore and who are required to carry a delivery note either in Form VAT 505 or Form VAT 515 in support of transport of goods in the State on or after 15-04-2009, shall obtain such delivery notes electronically in the following manner:

(i) Every such dealer shall log on to the website <http://vat.kar.nic.in/>.

(ii) Using the username and password communicated to him by this office, he shall proceed to obtain the delivery note following the instructions contained in the website.

(iii) All the dealers who have so far obtained delivery note in Form VAT-505 from or have informed the use of self printed delivery note in Form VAT 515 to the LVOs concerned, whose list is displayed in the departmental website <http://ctax.kar.nic.in/> are being communicated with username and password. Any such dealer shall obtain his username and password, if it is not communicated to him by 15-04-2009 and any other dealer borne on the files of LVO-020, LVO-065 and LVO-075 who requires a delivery note for transport of goods shall obtain a username and password, from the office of the Commissioner.

(iv) All the dealers who had obtained delivery notes in Form VAT 505 from the department shall surrender on or before 15-04-2009, stock of any unused delivery note held with them along with an account of delivery notes used by them. Similarly, all dealers who were using delivery notes in Form 515 shall immediately discontinue issue of such delivery note in Form 515. Any issue or use of delivery note in either Form VAT 505 or Form VAT 515 obtained earlier from the Department or self printed, by these dealers on or after 15-04-2009 would be in contravention of the provisions of the KVAT Act and Rules and would attract penal action as per law.

Sd/-

(B.A.HARISH GOWDA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore



GOVERNMENT OF KARNATAKA
(Department of Commercial Taxes)

No.KSA.CR.248 /08-09

Office of the Commissioner of
Commercial Taxes, Karnataka,
Vanijya Therige Karyalaya,
I Main Road, Gandhinagar,
Bangalore, dated: 10.12.2008

PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES

Sub: Central Sales Tax (Karnataka) Rules, 1957– Declaration in Form C
prescribed to be obtained and furnished under Rule 12(1) of the
Central Sales Tax (Registration and Turnover) Rules, 1957–
simplification of the procedure of its issue– reg.

The provisions of Section 8(4) of the Central Sales Tax Act, 1956 require any dealer effecting sale of goods in the course of inter-State trade or commerce to furnish to the prescribed authority the prescribed declaration duly filled and signed by the purchasing registered dealer, which has been obtained from the prescribed authority in order to claim the concessional rate of tax specified under Section 8(1). Such declaration is prescribed to be in Form C under rule 12(1) of the Central Sales Tax (Registration and Turnover) Rules, 1957. The declaration in Form C is required to be obtained by a registered dealer from the Local VAT Office or VAT sub-office on payment of prescribed fee under rule 6(a)(i) of the Central Sales Tax (Karnataka) Rules, 1957. The purchasing registered dealers are required to fill in all the required particulars in the form so obtained and affix their signature before furnishing the original and duplicate portions of the declaration to the selling registered dealers, while retaining the counterfoil of the form. The purchasing registered dealers are also required to maintain account of stock and utilization of these delivery notes. The registered dealers seeking fresh declarations in Form C from the department are required to furnish the particulars of utilization of the declarations obtained by them earlier.

2.. The dealers have expressed difficulties in procurement of fresh stocks from the department as per their requirement and the consequential delay in they furnishing C Form declarations to the selling dealers adversely affecting their business relations. They have therefore represented for liberal issue of C Form declarations to them. On the other hand, the department is finding it difficult in ensuring that the C Form declarations issued are not misused and in obtaining the utilization reports from the dealers about C Form declarations obtained so as to ensure recovery of tax due on disposal of goods purchased from outside the State.

3. After careful examination of the issues involved in the scheme and procedure of issue of C Form declarations, it is considered necessary to evolve a simple and effective scheme that would ease the difficulties currently faced by the dealers and the department. Accordingly, considering the current satisfactory status of computerization of the department and the dealers

and also the extensive internet facilities available almost in all place of the State, it is proposed to discontinue the present scheme of issue of C Form declarations and to introduce a simplified scheme of issue of C Form declarations and furnishing of details of their utilization by the dealers.

4. To begin with, all dealers borne on the files of LVO-010 and LVO-030, Bangalore and who are currently obtaining C Form declarations shall make requisition for such declarations electronically and shall be issued the declarations sought in the following manner from 5.1.2009 onwards:

(i) Every such dealer shall log on to the website <http://vat.kar.nic.in/>.

(ii) Using the user name and password communicated to him by the Commissioner, he shall proceed to file his request for issue of C Form declarations required towards inter-State purchases made by him, following the instructions contained in the website. Any dealer who has already been issued with a user name and password for the purpose of electronic filing of details of his purchase and sales or for obtaining delivery notes electronically can use the same user name and password for the purpose of obtaining C Form declarations also. The C Form declarations sought by the dealer would be printed and dispatched to the dealer within three working days from the day of his successful request. Any dealer wishing to collect the C Form declarations personally should indicate his preference for such mode of delivery at the time of making his request for their issue and can collect them from the jurisdictional LVO on the fourth working day.

(iii) Any dealer who is in the list of the dealers required to obtain C Form declarations electronically as displayed in the departmental website <http://ctax.kar.nic.in/> shall obtain his user name and password, if it is not communicated to him by 5.1.2009.

(iv) All the identified dealers shall surrender on or before 5.1.2009 stock of any unused declaration in Form C held with them along with an account of declarations in Form C used by them. Any issue or use of C Form declarations obtained earlier from the Department, by these dealers on or after 5.1.2009 would be in contravention of the provisions of the Central Sales Tax Act and Rules and would attract penal action as per law.

Sd/-

(B.A.HARISH GOWDA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore



GOVERNMENT OF KARNATAKA
(Department of Commercial Taxes)

No.KSA.CR.228 /08-09

Office of the Commissioner of
Commercial Taxes, Karnataka,
Vanijya Therige Karyalaya,
I Main Road, Gandhinagar,
Bangalore, dated: 19.11.2008

PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES

Sub: KVAT Rules, 2005 – Documents in the form of delivery notes prescribed to be carried in support of transport of goods by a dealer – simplification of the procedure of issue of delivery notes – reg.

Ref: Notification No.KSA.CR.327/2005-06, dated 5.1.2006 published in the Karnataka Gazette dated 26.1.2006.

The provisions of Section 53(2) of the KVAT Act, 2003 require carrying of documents as may be prescribed in support of transport of goods by a dealer in the State. Rule 157(1) of the KVAT Rules, 2005 prescribes carrying of a delivery note in Form VAT 505 or Form VAT 515 in respect of such goods and transactions and by such dealers as notified by the Commissioner. Pursuant to the same, in the notification No.KSA.CR.327/2005-06, dated 5.1.2006, the transactions and goods and the category of dealers requiring carrying of a delivery note in Form VAT 505 or Form VAT 515 have been notified. Whereas, a delivery note in Form VAT 505 has to be obtained by dealer from the Local VAT Office or VAT sub-office on payment of prescribed fee, a delivery note in Form VAT 515 is permitted to be printed by the dealer belonging to the notified category. The dealers are required to maintain account of stock and utilization of these delivery notes.

2. While the dealers seeking fresh delivery notes in Form VAT 505 from the department are required to furnish the particulars of utilization of the delivery notes obtained by them earlier, the dealers permitted to use delivery notes in Form VAT 515 are not required to furnish any such account to the department. While the dealers required to use delivery note in Form VAT 505 have expressed difficulties in procurement of fresh stocks from the department hampering their business and have represented for relaxing the requirement of carrying such delivery notes, the department is finding it difficult to monitor proper utilization of self printed delivery notes in Form VAT 515 by the dealers and to prevent leakage of revenue by misuse of such facility extended.

3. After careful examination of the issues involved in the scheme and procedure relating to issue and utilization of delivery notes in Form VAT 505 and Form VAT 515, it is considered necessary to evolve a simple and effective scheme that would ease the difficulties currently faced by the dealers and the department. Accordingly, considering the current satisfactory status of computerization of the department and the capability of the dealers through their own computers or extensive infrastructure owned by service providers available almost in all places at reasonable charges in accessing any electronic facility that may be extended by the department in this regard, it is proposed to discontinue the present scheme of issue and self-printing of delivery notes and to introduce a simplified scheme of issue of delivery note electronically to the dealers.

4. To begin with, all identified dealers borne on the files of LVO-010 and LVO-030, Bangalore and who are required to carry a delivery note either in Form VAT 505 or Form VAT 515 in support of transport of goods in the State on or after 15.12.2008, shall obtain such delivery notes electronically in the following manner:

(i) Every such dealer shall log on to the website <http://vat.kar.nic.in/>.

(ii) Using the user name and password communicated to him by the Commissioner, he shall proceed to obtain the delivery note following the instructions contained in the website.

(iii) Any dealer who is in the list of the identified dealers as displayed in the departmental website <http://ctax.kar.nic.in/> shall obtain his user name and password, if it is not communicated to him by 15.12.2008.

(iv) All the identified dealers shall surrender on or before 15.12.2008 stock of any unused delivery note in Form VAT 505 held with them along with an account of delivery notes used by them. Similarly, all identified dealers shall immediately discontinue issue of delivery note in Form VAT 515. Any issue or use of delivery note in either Form VAT 505 or Form VAT 515 obtained earlier from the Department or self printed, by these dealers on or after 15.12.2008 would be in contravention of the provisions of the KVAT Act and Rules and would attract penal action as per law.

Sd/-

(B.A.HARISH GOWDA)

Commissioner of Commercial Taxes
in Karnataka, Bangalore



Government of Karnataka
Department of Commercial Taxes

No.KSA.CR.155/07-08

Office of the Commissioner
of Commercial Taxes(K),
Gandhinagar, Bangalore-560 009
Dated: 17-11-2008

NOTIFICATION

In exercise of the powers under clause (b) of sub-rule (3) of Rule 33 of the Karnataka Value Added Tax Rules, 2005 read with Section 21 of the Karnataka General Clauses Act, 1899 (Karnataka Act.3 of 1899), the notification No.KSA.CR.155/2007-08, dated 23rd June, 2008, is hereby amended with immediate effect, as follows.

In the said notification, in item (2),

- (i) for the word and figures, “section 11”, the word and figures “section 10” shall be substituted;
- (ii) the following proviso shall be inserted, namely:-
Provided that the above details for the months of June,2008 to October, 2008 shall be entered in the website: <http://vat.kar.nic.in/> , on or before 30th November, 2008.

Sd/
(B.A.HARISH GOWDA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore.



GOVERNMENT OF KARNATAKA
DEPARTMENT OF COMMERCIAL TAXES

No. KSA CR.155/ 2007-08

Office of the Commissioner of,
Commercial Taxes in Karnataka,
Bangalore dated: 23.06.2008.

NOTIFICATION

In exercise of the powers under clause (b) of sub-rule (3) of Rule 33 of the Karnataka Value Added Tax Rules, 2005, it is hereby notified that, commencing from the tax period of the month of June, 2008;

(3) every dealer registered under the Karnataka Value Added Tax Act 2003 and who with his total turnover relating to sale of goods in the course of export outside the territory of India for the year ending 31st March, 2008 or in any subsequent year as declared in the monthly returns filed for that year is ten lakh rupees or more and also is claiming refund or deduction of input tax of one lakh rupees or more under the sub section (1) of Section 20 of the said Act on such sales; and

(4) every registered dealer who is claiming deduction of input tax under section 11 of the Act for the year ending 31st March, 2008 or in any subsequent year as declared in the monthly returns filed for that year is twenty lakh rupees or more and whose ratio of output tax to input tax is less than 1.25, shall enter in the website: <http://vat.kar.nic.in/>, the details of-

i) his purchase of goods made within the State from other registered dealers in respect of which he is eligible to claim refund or deduction of input tax,

ii) his sales of goods in the course of export outside the territory of India,

iii) his sales of goods made to other registered dealers in the State, on or before the 20th day of the succeeding month, in the following manner:

- 1) The dealer shall operate his account in the website using the user name and password communicated to him by the Commissioner and in case such user name and password is not communicated by 20th July, 2008, he shall obtain the same from the Commissioner.
- 2) He shall follow the procedure and instructions as specified in the website to enter the details specified in clauses (i), (ii) and (iii) above.

Explanation: Ratio of output tax to input tax means the aggregate of output tax payable under provisions of the Karnataka Value Added Tax Act, 2003 as declared by the dealer in the monthly returns filed for the year ending 31st March, 2008 divided by the aggregate of the input tax deduction claimed during the year.

Sd/-
(B.A.HARISH GOWDA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore.



GOVERNMENT OF KARNATAKA
(DEPARTMENT OF COMMERCIAL TAXES)

No.KSA. CR. 155/2007-08

Office of the
Commissioner of Commercial Taxes
in Karnataka, Gandhinagar,
Bangalore, dated: 6.10.2007

NOTIFICATION

In exercise of the powers under clause (b) of sub-rule (3) of Rule 33 of the Karnataka Value Added Tax Rules, 2005, it is hereby notified that, commencing from the tax period of the month of September, 2007, every dealer registered under the Karnataka Value Added Tax Act, 2003, which is a company registered under the Companies Act, 1956 or a company incorporated outside India, with aggregate of output tax liability for the year ending 31st March, 2007 as declared by it in the monthly returns filed during that year exceeds one crore rupees, shall enter in the website <http://vat.kar.nic.in/> , the details of,

- (i) its purchases made within the State from other registered dealers in respect of which it is eligible to claim deduction of input tax, and
- (ii) its sales made to other registered dealers in the State ,
on or before the 20th day of the succeeding month, in the following manner:

- I. It shall operate its account in the website using the user name and password communicated to it by the Commissioner of Commercial Taxes and in case such name and password is not communicated to it by 20th October,2007, it shall obtain the same from the Commissioner of Commercial Taxes.
- 2. It shall follow the procedure and instructions as specified in the website to enter the details specified in clauses (i) and (ii) above.

Sd/
(B.A. HARISH GOWDA)
Commissioner of Commercial Taxes
in Karnataka, Bangalore

