

NOTIFICATIONS UNDER VAT FROM 01.04.2008 ONWARDS

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GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 20.03.2008

NOTIFICATION - I

In exercise of the powers conferred by sub-section (1) of section 8-A of the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957), the Government of Karnataka hereby exempts with effect from the first day of April 2008, the tax payable by a dealer under section 5 of the said Act, on the sale of diesel not exceeding seventy thousand (70,000) kilo litres for supply to fishermen for use in fishing activities as per the indents issued on a monthly basis by the Director of Fisheries, Government of Karnataka, as under:-

| Sl.No. | Period | Quantity of Diesel to be released for the Month |
|--------|--------------------------|---|
| 1. | 01.04.2008 to 30.04.2008 | 7400 kilo litres |
| 2 | 01.05.2008 to 31.05.2008 | 7400 kilo litres |
| 3 | 01.06.2008 to 10.06.2008 | 2400 kilo litres |
| 4 | 15.08.2008 to 31.08.2008 | 3800 kilo litres |
| 5 | 01.09.2008 to 30.09.2008 | 7000 kilo litres |
| 6 | 01.10.2008 to 31.10.2008 | 7000 kilo litres |
| 7 | 01.11.2008 to 30.11.2008 | 7000 kilo litres |
| 8 | 01.12.2008 to 31.12.2008 | 7000 kilo litres |
| 9 | 01.01.2009 to 31.01.2009 | 7000 kilo litres |
| 10 | 01.02.2009 to 28.02.2009 | 7000 kilo litres |
| 11 | 01.03.2009 to 31.03.2009 | 7000 kilo litres |

Provided that the unutilized quantity of diesel specified for any month may be released by the Director of Fisheries, Government of Karnataka for the immediately succeeding month so as to however not exceed seventy thousand kilolitres for the year ending 31st March 2009.

By Order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, dated: 20.03.2008

NOTIFICATION – II

In exercise of the powers conferred by sub-section (1) of section 8-A of the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957), the Government of Karnataka hereby exempts with effect from the first day of April 2008 and upto 31st day of July, 2008 , the tax payable by a dealer under section 25-B of the said Act, on the purchase of sugar cane.

By order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 20.03.2008.

NOTIFICATION – III

In exercise of the powers conferred by sub-section (1) of section 5 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby exempts with effect from the first day of April 2008 and upto thirty first day of March, 2009, the tax payable by a dealer under the said Act on the sale of the following goods, namely:-

- (1) Paddy and rice.
- (2) Wheat.
- (3) Pulses
- (4) Flour and soji of rice and wheat.
- (5) Maida of wheat.

By Order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, dated: 24.03.2008

NOTIFICATION – IV

In exercise of the powers conferred by section 14 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), read with section 21 of the Karnataka General Clauses Act, 1899 (Karnataka Act III of 1899), and in supercession of the Notification No.FD 141 CSL 07(11), dated 30th March 2007, published in the Karnataka Gazette Extraordinary, dated 30th March 2007, the Government of Karnataka hereby notifies that deduction of input tax shall be allowed on purchase of goods, specified in clauses (5) and (6) of sub-section (a) of section 11 to the extent of the input tax charged at a rate higher than two percent, with effect from the first day of April, 2008.

By order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, dated: 24.03.2008

NOTIFICATION – V

In exercise of the powers conferred by sub-section (3) of section 4 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby reduces with effect from the first day of April 2008, the tax payable by a dealer under the said Act to four percent on the sale of the following goods, namely:-

- (1) Batteries sold to Indian Railways.
- (2) Sanitary napkins
- (3) Biomass smokeless stoves.
- (4) Crumb Rubber Modified Bitumen (CRMB)
- (5) Motor vehicles run on batteries.

By order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,



GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, dated: 25.03.2008

NOTIFICATION – VI

In exercise of the powers conferred by clause (3) of sub-section (a) of section 11 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), read with section 21 of the Karnataka General Clauses Act, 1899 (Karnataka Act III of 1899), the Government of Karnataka hereby amends with effect from the first day of April, 2008 the Notification No.FD 141 CSL 2007 (1) dated 30th March 2007, published in Karnataka Gazette Extraordinary dated 30th March 2007, as follows, namely:-

In the said Notification, item (4) and the entries relating thereto shall be omitted.

By order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, dated: 25.03.2008

NOTIFICATION – VII

In exercise of the powers conferred by sub-section (3) of section 4 of the Karnataka Value Added tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby reduces with effect from the first day of April 2008, the tax payable by a dealer under the said Act to four percent on the sale of denatured spirit.

By order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, dated: 25.03.2008

NOTIFICATION – VIII

In exercise of the powers conferred by sub-section (1) of section 5 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby exempts with effect from the first day of April, 2008, the tax payable by a dealer under the said Act on the sale of the following goods, namely:-

- (1) Ethyl alcohol
- (2) Rectified spirit
- (3) Molasses.

By order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No.FD 507 CSL 2007

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 01.04.2008.

NOTIFICATION- IX

In exercise of the powers conferred by Section 14 of the Karnataka Value Added Tax Act,2003 (Karnataka Act 32 of 2004),read with section 21 of the Karnataka General Clauses Act,1899 (Karnataka Act III of 1899) and in supercession of the Notification-IV No.FD 507 CSL 2007, dated 24th March, 2008, Published in the Karnataka Gazette, Extraordinary, dated 24th March, 2008,the Government of Karnataka hereby notifies that deduction of input tax shall be allowed on purchase of goods specified in clauses (5) and (6) of sub-section (a) of section 11 to the extent of the input tax charged at a rate higher than three percent or such lower rate as may be notified by the Central Government under the proviso to sub-section (1) of section 8 of the Central Sales Tax Act,1956 (Central Act 74 of 1956),with effect from the first day of April,2008.

By order and in the name of the
President of India

(R.S.ITAGI)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No: FD 5 CET 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 23.04.2008.

NOTIFICATION-I

In exercise of the powers conferred by sub-section (1) of section 11-A of the Karnataka Tax on Entry of Goods Act, 1979 (Karnataka Act 27 of 1979), the Government of Karnataka, being of the opinion That it is necessary in the public interest so to do, hereby exempts the Tax payable under the said Act,

- (i) On the entry of machinery and parts thereof directly involved in the power generation into a local area caused by a dealer who is an independent power producer located in Zone-1 or Zone-2 areas as specified in the Government Order No.CI 319 SPI 2005, dated 26th August 2006, for a maximum period of three years from the date of commencement of the project implementation or till the completion of the project implementation, whichever is earlier; and
- (ii) on the entry of any goods for use as consumables (excluding petroleum products, that is to say, crude oil, petrol, diesel, super light diesel oil, bitumen (asphalt), tar, furnace oil, break fluid or clutch fluid, transformer oil, coolants, white oil, hexane, lubricating oil, petroleum jelly, naphtha and LSHS for whatever purpose) into a local area caused by a dealer who is an independent power producer located in Zone-1 or Zone-2 area as specified in the Government Order No. CL 319 SPI 2005, dated 26th August 2006, for a period of five years from the date of commencement of power generation by such unit.

1. **Explanation.-** For the purpose of this notification;-

- (a) “Machinery” would include equipments, moulds, tools and jigs
- (b) An “independent Power Producer” means a unit Which has made new investments on fixed Assets and includes an existing independent power producer, who has undertaken Expansion with new investments on fixed assets.
- (c) The Government Order means the Government Order No. DE 23 PPC 97, dated 30th June,2007.

NOTE;- (1) This Notification is applicable to investments made by new independent power producers and existing independent power producers on or after 1st April, 2006 and on or before 31st March 2011.

(2) This Notification shall not apply to:-

(a) such of those independent power producers who have already been granted a package of incentive and concessions as per the previous policies except those units which have undertaken expansion with new investments in fixed assets during the period specified in (1) above; and

(b) an independent power producer who do not provide minimum 80% employment to the local people on an overall basis 100% employment to the local people in case of group C and D categories.

2. Procedure:- An independent power producer claiming tax exemption under this Notification shall produce the following documents at the time of filing first monthly or quarterly statements under the Karnataka Tax on Entry of Goods Rules, 1979 namely:-

(a) In the case of new independent power producer or an existing independent power producer, a certificate in original issued by the Secretary, Department of Energy, Karnataka Government Secretariat or his authorized nominee, certifying:-

- (i) That it is an independent power producer recognized as such by the Government of Karnataka;

- (ii) no part of its fixed assets other than land and building is old/used/second-hand, with the exception of those imported from outside the country;
 - (iii) the date on which the investment in fixed assets has taken place;
 - (iv) the date of commencement of project implementation of the unit;
 - (v) the date of commencement of its commercial power generation;
 - (vi) that it is eligible for exemption from payment of entry tax as per the Government Order; and
 - (vii) the zone under which the unit is eligible for tax exemption.
- (c) In each of the subsequent years for which tax exemption is claimed under this notification, the unit shall produce the following at the time of filing first monthly or quarterly return during each of the succeeding year of assessment.
- (i) a certificate from the Secretary, Department of Energy, Karnataka Government Secretariat, or his authorized nominee certifying that the unit is recognized as independent power producer throughout the year.
 - (ii) in the case of a unit undertaking expansion with new investments in fixed assets, a certificate from the Secretary, Department of Energy, Karnataka Government Secretariat or his authorized nominee certifying that the unit was recognized as independent power producer throughout the year.

By Order and in the name of the
President of India.

(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No: FD 5 CET 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 23.04.2008.

NOTIFICATION-II

In exercise of the powers conferred by sub- section (1) of section 5 of the Karnataka Special Tax on Entry of Certain Goods Act, 2004 (Karnataka Act 29 of 2004), the Government of Karnataka , being of the opinion that it is necessary in the public interest so to do, hereby exempts the tax payable under the said Act,

(i) On the entry of machinery and parts thereof directly involved in the power generation, into a local area caused by an importer who is an independent power producer located in Zone-1 or Zone-2 areas as specified in the Government Order No. CI 319 SPI 2005, dated 26th August, 2006, for a maximum period of three years from the date of commencement of the project implementation or till the completion of the project implementation, whichever is earlier , and

(ii) On the entry of any notified goods for use as consumables (excluding petroleum products, that is to say, crude oil, petrol, diesel, super light diesel oil, bitumen (asphalt), tar, furnace oil, break fluid or clutch fluid, transformer oil, coolants, white oil, hexane, lubricating oil, petroleum jelly, naphtha and LSHS for whatever purpose) into a local area caused by an importer who is an independent power producer located in Zone-1 or Zone -2 area as specified in the Government Order No. CI 319 SPI 2005, dated 26th August 2006, for a period of five years from the date of commencement of power generation by such unit.

1. Explanation.- For the purpose of this Notification:

(a) “Machinery would include equipments, moulds, tools and jigs.

(b) An “independent power producer” means an unit which has made new investments on fixed assets and includes an existing independent power producers, who has undertaken expansion with new investments on fixed assets.

(c) The Government order means the Government Order No. DE 23 PPC 97, dated 30th June, 2007.

NOTE: (1) This Notification is applicable to investments made by new independent power producers and existing independent power producers on or after 1st April, 2006 and on or before 31st March 2011.

(2) This Notification shall not apply to:-

(a) such of those independent power producers who have already been granted a package or incentive and concessions as per the previous policies except those units which have undertaken expansion with new investments in fixed assets during the period specified in (a) above; and

(b) an independent power producer who do not provide minimum 80% employment to the local people on an overall basis 100% employment to the local people in case of group C and D categories.

2. Procedure.- An independent power producer claiming tax exemption under this Notification shall produce the following documents at the time of filing first monthly or quarterly statements under the Karnataka Special Tax on Entry of Certain Goods Rules, 2004:-

(a) In the case of new independent power producer or an existing independent power producer, a certificate in original issued by the Secretariat, the Department of Energy, Karnataka Government Secretariat, or his authorized nominee, certifying:-

(i) that it is an independent power producer recognized as such by the Government of Karnataka;

- (ii) no part of its fixed assets other than land and building is old/used/second-hand, with the exception of those imported from outside the country;
- (iii) the date on which the investment in fixed assets has taken place;
- (iv) the date of commencement of project implementation of the unit;
- (v) the date of commencement of its commercial power generation;
- (vi) that it is eligible for exemption from payment of special entry tax as per the Government Order; and
- (vii) the zone under which the unit is eligible for tax exemption.

(b) In each of the subsequent years for which tax exemption is claimed under this notification, the unit shall produce the following at the time of filing first monthly or quarterly return during each of succeeding year of assessment.

- (i) a certificate from the Secretary, Department of Energy, Karnataka Government Secretariat, or his authorized nominee certifying that the unit is recognized as independent power producer throughout the year.
- (ii) In the case of a unit undertaking expansion with new investments in fixed assets, a certificate from the Secretary, Department of Energy, Karnataka Government Secretariat or his authorized nominee, certifying that the unit was recognized as independent power producer throughout the year.

By Order and in the name of the
President of India.

(D.R. SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T.-1)



GOVERNMENT OF KARNATAKA

No.FD 67 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 20.05.2008

NOTIFICATION

Whereas, the draft of the Karnataka Value Added Tax (Amendment) Rules, 2008 was published as required by sub-section (1) of section 88 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004) in Notification No.FD 67 CSL 2008, dated: 25th March, 2008 published in part IV A of the Karnataka Gazette (Extraordinary), No.299, dated: 25th March, 2008 inviting objections and suggestions from all the persons likely to be affected thereby, and notice was given that the said draft will be taken into consideration after fifteen days from the date of its publication in the Official Gazette.

And whereas, the said Gazette was made available to the public on 25th March, 2008.

And whereas, no objections and suggestions have been received in respect of the said draft by the Government.;

Now, therefore in exercise of the powers conferred by sub-section (1) of section 88 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby makes the following rules, further to amend the Karnataka Value Added Tax Rules, 2005, namely:-

RULES

1. **Title and Commencement:** -(1) These rules may be called the Karnataka Value Added Tax (Second Amendment) Rules, 2008.
(2) They Shall come into force from the date of their publication in the Official Gazette.

2. Amendment of rule 56:- In the Karnataka Value Added Tax Rules, 2005, in rule 56, in sub-rule(1), after clause(c), the following proviso shall be inserted, namely:-

“ Provided that the Commissioner may specify any officer of the Commercial Taxes Department to be the Tax Recovery Officer in respect of any area or cases irrespective of the quantum of tax or other amount due under the Act”.

By Order and in the name of the
President of India
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T –I)



[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY,
PART II, SECTION 3, SUB-SECTION (ii)]

Government of India
Ministry of Finance
(Department of Revenue)

New Delhi, dated the 30th May, 2008

NOTIFICATION

S.O. (E)- In exercise of the powers conferred by the proviso to sub-section (1) of section 8 of the Central Sales Tax Act, 1956(74 of 1956), the Central Government hereby reduces the rate of tax as specified in sub-section (1) of section 8 of the said Act from three per cent to two per cent with effect from 1st June, 2008.

[No.1/2008-CST-F.No.28/11/2007-ST]

(R.G. Chhabra)

Under Secretary to Government of India



GOVERNMENT OF KARNATAKA

No.FD 148 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 19.06.2008

NOTIFICATION - I

In exercise of the powers conferred by sub-section (1) of section 8-A of the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957) and in supersession of the Notification No.FD 54 CSL 2002 (24), dated 30th March, 2002, published in the Karnataka Gazette, Extraordinary, dated 30th March, 2002, the Government of Karnataka hereby reduces the tax payable by a dealer under section 5 of the said Act on the sale of goods specified in column (2) of the table below to the rate mentioned in the corresponding entries in column (3) thereof with effect from the twentieth day of June, 2008.

Table

| Sl.No | Description of goods | Rate of tax |
|-------|---|----------------------|
| (1) | (2) | (3) |
| 1. | Petrol | Twenty-five percent |
| 2. | Aviation fuel | Twenty-eight percent |
| 3. | Motor spirit not falling under Sl.Nos. 1 and 2 above | Eighteen percent |

By Order and in the name of the
President of India
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T -I)



GOVERNMENT OF KARNATAKA

No.FD 148 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 19.06.2008

NOTIFICATION - II

In exercise of the powers conferred by sub-section (3) of section of section 4 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby reduces the tax payable by dealer under the said Act to one percent on the sale of Liquefied petroleum gas for domestic use with effect from the twentieth day of June, 2008.

By Order and in the name of the
President of India
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T -I)



GOVERNMENT OF KARNATAKA

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;

- (1) 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
- (2) 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 field for that year is twenty lakhs 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 field 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

No.FD 182 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 31.07.2008

NOTIFICATION - I

In exercise of the powers conferred by sub-section (3) of section 8-A of the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957), the Government of Karnataka hereby amends with effect from the first day of August, 2008, the Notification-I No.FD 507 CSL 2007, dated: 20th March, 2008, published in Part IV-A of the Karnataka Gazette, Extraordinary, dated: 20th March, 2008, as follows, namely:-

In the said Notification,-

- (i)for the words, brackets and figures “seventy thousand (70,000) kilo litres”, the words, brackets and figures “seventy five thousand (75,000) kilo litres”, shall be substituted;
- (ii)for the entries relating to serial numbers 4 to 11, the following shall be substituted, namely:-

| | | |
|----|-----------------------------|------------------|
| 4 | 01.08.2008 to 31.08.2008 | 7400 kilo litres |
| 5 | 01.09.2008 to 30.09.2008 | 7200 kilo litres |
| 6 | 01.10.2008 to 31.10.2008 | 7200 kilo litres |
| 7 | 01.11.2008 to 30.11.2008 | 7200 kilo litres |
| 8 | 01.12.2008 to 31.12.2008 | 7200 kilo litres |
| 9 | 01.01.2009 to 31.01.2009 | 7200 kilo litres |
| 10 | 01.02.2009 to 28.02.2009 | 7200 kilo litres |
| 11 | 01.03.2009 to 31.03.2009 | 7200 kilo litres |

(iii) in the proviso, words “seventy thousand kilolitres”, the words “seventy five thousand kilo litres” shall be substituted.

By Order and in the name of the
Governor of Karnataka.
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T -I)



GOVERNMENT OF KARNATAKA

No.FD 182 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 31.07.2008

NOTIFICATION - II

In exercise of the powers conferred by sub-section (1) of section 3 of the Karnataka Tax on Entry of Goods Act, 1979 (Karnataka Act 27 of 1979) read with section 21 of the Karnataka General clauses Act, 1899 (Karnataka Act III of 1899) the Government of Karnataka hereby rescinds with effect from the first day of August, 2008, the Notification No.FD 199 CET 02 (2), dated 1st October, 2002 published in part IV-A of the Karnataka Gazette Extra –ordinary dated 1st October 2002.

By Order and in the name of the
Governor of Karnataka
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T –I)



GOVERNMENT OF KARNATAKA

No.FD 182 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 31.07.2008

NOTIFICATION - III

In exercise of the powers conferred by sub-section (1) of section 5 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby exempts with effect from the first day of August, 2008, the tax payable by a dealer under the said Act on the sale of the following goods, namely.-

- (1) All varieties of textiles and fabrics imported from outside the territory of India, other than those specified in Third Schedule to the said Act;
- (2) Branded brooms manufactured out of grass, natural fibers and natural sticks;
- (3) Ice when sold to fishermen who are members of any Fishermen Co-operative Society or owners of registered fishing boats and whose full name and membership or registration number are mentioned in the corresponding bills of sale issued.

By Order and in the name of the
Governor of Karnataka
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T -I)



GOVERNMENT OF KARNATAKA

No.FD 182 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 31.07.2008

NOTIFICATION - IV

In exercise of the powers conferred by sub-section (3) of section 4 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby reduces with effect from the first day of August, 2008, the tax payable by a dealer under the said Act to four per cent on the sale of vermicelli.

By Order and in the name of the
Governor of Karnataka
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T -I)



GOVERNMENT OF KARNATAKA

No.FD 182 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 31.07.2008

NOTIFICATION - V

In exercise of the powers conferred by sub-section (3) of section 4 of the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004) and in super session of Notification No. FD 300 CSL 2005, dated: 24th October, 2005, the Government of Karnataka hereby reduces with immediate effect, the tax payable by a dealer engaged in the purchase and sale of used motor vehicles, on the sale of all kinds of used motor vehicles including used motor cycles under sub-section (1) of Section 4 of the said Act to four percent on the difference between the taxable turnover in respect of such sale and the amount paid towards purchase of such motor vehicles subject to the condition that.-

- (1) no deduction of input tax is claimed by the dealer in respect of purchase of any goods used in the motor vehicles sold; and
- (2) such motor vehicles have been registered in the State prior to their sale, under the provisions of the Motor Vehicles Act, 1988 (Central Act 59 of 1988).

By Order and in the name of the
Governor of Karnataka
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T -I)



GOVERNMENT OF KARNATAKA

No.FD 182 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 31.07.2008

NOTIFICATION - VI

In exercise of the powers conferred by entry 51 of the Third Schedule to the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004), the Government of Karnataka hereby notify 'Corn cobs, powder and grits' as industrial inputs for the purpose of said entry with effect from the first day of August, 2008.

By Order and in the name of the
Governor of Karnataka
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T -I)



GOVERNMENT OF KARNATAKA

No.FD 182 CSL 2008

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, Dated: 31.07.2008

NOTIFICATION - VII

In exercise of the powers conferred by entry 20 of the Third schedule to the Karnataka Value Added Tax Act, 2003 (Karnataka Act 32 of 2004) the Government of Karnataka hereby notify with effect from the first day of August, 2008 the goods specified in column (3) of the table below, having heading and sub-heading numbers given under the Central Excise Tariff Act, 1985 (Central Act 5 of 1986) as specified in corresponding entry in columns (2) thereof to be the capital goods for the purpose of the said entry,-

TABLE

| Sl. No. | Heading and sub- heading No. | DESCRIPTION |
|--------------------|---|--|
| (1) | (2) | (3) |
| 1. | 8448 | Auxiliary machinery for machines of Central Excise Tariff heading 8444, 8445, 8446 or 8447; |
| (i) | 8448 1 1 | Dobbies and jacquards; card reducing; copying; punching or assembling machines for use therewith. |
| (ii) | 8448 1 1 10 | Jacquards and harness liner cards for cotton textile machinery. |
| (iii) | 8448 1 1 90 | Other |
| (iv) | 8448 19 00 | Other |
| 2. | 8448 20 00 | Parts and accessories of machines of Central Excise Tariff heading 8444 or of their auxiliary machinery. |
| 3. | | Parts and accessories of machines of Central Excise Tariff heading 8445 or of their auxiliary machinery. |
| (i) | 8448 31 00 | Card Clothing |
| 4. | | Of machines for preparing textile fibres, other than card clothing |
| (i) | 8448 32 10 | For cotton processing machines |
| (ii) | 8448 32 20 | For jute processing machines |
| (iii) | 8448 32 30 | For silk and man-made (regenerated and synthetic fibres processing machines) |
| (iv) | 8448 32 40 | For wool processing machines |

| | | |
|-------|------------|---|
| (v) | 8448 32 90 | Other |
| 5. | | Spindles, Spindle flyers, spinning ring and ring travelers |
| (i) | 8448 33 10 | For cotton spinning machines |
| (ii) | 8448 33 20 | For jute spinning machines |
| (iii) | 8448 33 30 | For silk and man-made (regenerated and synthetic) fibre spinning machines. |
| (v) | 8448 33 40 | For wool spinning machines |
| (v) | 8448 33 90 | For other textile fibre spinning machines |
| 6. | | Other |
| (i) | 8448 39 10 | Combs for cotton textile machinery |
| (ii) | 8448 39 20 | Gills for gill boxes |
| (iii) | 8448 39 90 | Other |
| 7. | | Parts and accessories of all weaving machines (looms) or of their auxiliary machinery |
| (i) | 8448 42 | Reeds for looms, healds and heald frames |
| (a) | 8448 42 10 | Healds (excluding wire healds) and reeds for cotton machinery |
| (b) | 8448 42 20 | Healds, wire |
| (c) | 8448 42 90 | Other |
| (ii) | | Other |
| (a) | 8448 49 10 | Parts of cotton weaving machinery |
| (b) | 8448 49 20 | Parts of jute weaving machinery |
| (c) | 8448 49 30 | Parts of silk and man-made fibres weaving machinery |
| (d) | 8448 49 40 | Parts of wool weaving machinery |
| (e) | 8448 49 50 | Parts of other textile weaving machinery |
| (f) | 8448 49 90 | Other |
| 8. | | Parts and accessories of machines of Central Excise Tariff heading 8447 or of their auxiliary machinery |
| (i) | | Sinkers, needles and other articles used in forming stitches |
| (a) | 8448 51 10 | Of Cotton hosiery machine |
| (b) | 8448 51 20 | Of wool knitting machines |
| (c) | 8448 51 30 | Of machines for tulle, lace |
| (d) | 8448 51 90 | Other |
| (ii) | 8448 59 00 | Other |
| 9. | 5602 | Felt, whether or not impregnated, coated laminated. |

Explanations: (1) The Rules for the interpretation of the Central Excise Tariff Act, 1985 along with the Explanatory Notes as updated from time to time published by the Customs Co-operation Council, Brussels mutatis mutandis apply for the interpretation of entries in this notification.

(2) Where any commodities are described against any heading or, as the case may be, sub-heading, and the aforesaid description is different in any manner from the corresponding description in the Central Excise Tariff Act, 1985, then only those

commodities described as specified in column (3) of the table shall be covered by the scope of this notification and other commodities though covered by the corresponding description in the Central Excise Tariff shall not be covered by the scope of this notification.

(3) Subject to Explanation 2, for the purpose of any entry contained in this notification, where the description against any heading or, as the case may be, sub-heading, matches fully with the corresponding description in the Central Excise Tariff Act, 1985 then all the commodities covered for the purposes of the said tariff under that heading or sub-heading shall be covered by the scope of this notification.

By Order and in the name of the
Governor of Karnataka.
Sd/-
(D.R.SHASHIDHAR)
Under Secretary to Government,
Finance Department (C.T -I)



GOVERNMENT OF KARNATAKA
(DEPARTMENT OF COMMERCIAL TAXES)

No.KSA.CR.76/08-09

Office of the Commissioner of
Commercial Taxes in Karnataka,
Gandhingar, Bangalore, Dated:28.7.2008.

NOTIFICATION

In exercise of the powers under sub-section (1) of Section 18-A of the Karnataka Value Added Tax Act, 2003, it is specified with effect from the 1st day of August, 2008, that a dealer registered under the said Act purchasing iron and steel, hardware, timber, plywood, veneers, particle board, laminated sheets, panel boards and similar articles of wood for use in the execution of civil work contracts, from another dealer registered under the said Act, shall deduct tax at source as specified under the said Section.

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



GOVERNMENT OF KARNATAKA
(DEPARTMENT OF COMMERCIAL TAXES)

No.KSA.CR.57/08-09

Office of the Commissioner of
Commercial Taxes in Karnataka,
Gandhingar, Bangalore, Dated:8.8.2008.

NOTIFICATION

In exercise of the powers conferred by clause (a) of sub-rule (1) of Rule 157 of the Karnataka Value Added Tax Rules, 2005, it is hereby notified with immediate effect that, scrap of non-ferrous metal shall be carried, whether as a result of sale or not, on the strength of a delivery note in Form VAT 505 issued by the registered dealer, who is the consignor or owner of such goods.

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

