



Government of Karnataka
Commercial Taxes Department

**PROCEEDINGS OF THE COMMISSIONER OF COMMERCIAL TAXES,
(KARNATAKA), BANGALORE- CLARIFICATION UNDER SECTION 59(4) OF
THE KARNATAKA VALUE ADDED TAX ACT, 2003.**

Sub: KVAT Act, 2003 - Clarification under Section 59(4)
regarding the rate of tax applicable on 'HSS Tool bits
and Solid carbide cutting tools-reg.

Ref: Application dated: 17-10-2012 of M/s. Prakash Enterprises,
Bangalore. TIN-29360749527.

In the application cited above of M/s. Prakash Enterprises, No.577, 2nd Main, MICO Layout, BTM 2nd Stage, Bangalore-560076 has sought clarification regarding the rate of tax applicable on 'HSS Tool bits and Solid carbide cutting tools'.

2. Section 59(4) of the Karnataka Value Added Tax Act, 2003 empowers the Commissioner of Commercial Taxes to clarify the rate of tax payable under the Act, if he considers it necessary or expedient so to do, for the purpose of maintaining uniformity in the work of assessments and collection of revenue. It is examined and found that the clarification requested by the petitioner is within the scope of the aforesaid provision and it is necessary that the clarification be issued for the purpose of maintaining uniformity in the work of assessments and collection of revenue.

3. Hence the following clarification is issued.

CLARIFICATION NO.CLR.CR.137/12-13, DATED: 05-12-2012

It is clarified that interchangeable tools for machine tools namely 'HSS Tool bits and Solid carbide cutting tools' are liable to tax at 5.5% with effect from 01.08.2012 under entry Sl.No.93(7) of Third Schedule to the Karnataka Value Added Tax, 2003.

(YOGENDRA TRIPATHI)
Commissioner of Commercial Taxes,
(Karnataka), Bangalore
Commissioner of Commercial Taxes
Karnataka, BANGALORE