



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 'Old and
used machinery' - reg.

Ref: Application dated: 12-07-2012 of M/s.Arun Engineering
and Industrial Works, Bangalore. TIN No.-29140648574.

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In the application cited above of M/s. Arun Engineering and Industrial Works,
No.25, 10th Cross, 4th Block, Peenya, Bangalore-560058 has sought clarification
regarding the rate of tax applicable on 'old and used machinery'.

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.64/12-13, DATED: 03-08-2012

It is clarified that 'Old and used machinery' are liable to tax at 14% till
31.07.2012 and 14.5% from 01.08.2012 onwards under Section 4(1)(b) of the Karnataka
Value Added Tax Act,2003.


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