



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 'hiring  
of forklift'-reg.,

Ref: Application dated 12.06.2012 of the Prime  
Forklifters Pvt Ltd., Bangalore-560 016.  
TIN-29260820489.

\* \* \* \*

In the application cited above, the Managing Director, Prime Forklifters Pvt Ltd., No.26, Bangalore Co-op. Industrial Area, Old Madras Road, Dooravaninagar, Bangalore-560 016, has sought clarification regarding the rate of tax applicable on 'hiring of forklift'.

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.49/12-13, DATED 10-07-2012**

It is clarified that transfer of right to use 'forklift' is liable to tax at 14% from 01-04-2011 under Section 4(1)(b) of the Karnataka Value Added Tax Act, 2003.

**4**  
(YOGENDRA TRIPATHI)  
Commissioner of Commercial Taxes,  
(Karnataka), Bangalore  
Commissioner of Commercial Taxes  
in Karnataka, BANGALORE