

Twelfth Kerala Legislative Assembly
Bill No. 236

**THE KERALA VALUE ADDED TAX
(AMENDMENT) BILL, 2008**

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further to amend the Kerala Value Added Tax Act, 2003.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Value Added Tax Act, 2003 for the purposes hereinafter appearing;

BE it enacted in the Fifty-ninth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Value Added Tax (Amendment) Act, 2008.

(2) It shall be deemed to have come into force on the 1st day of April, 2008.

2. *Amendment of section 20A.*—In clause (b) of section 20A of the Kerala Value Added Tax Act, 2003 (30 of 2004) (hereinafter referred to as the principal Act), for the words, figures and symbols “for the years 2005-06, 2006-07 and 2007-08”, the words, figures and symbols “for the years 2005-06, 2006-07, 2007-08 and 2008-09” shall be substituted.

3. *Repeal and Saving.*—(1) The Kerala Value Added Tax (Amendment) Ordinance, 2008 (40 of 2008) is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

As per section 20A of the Kerala Value Added Tax Act, 2003 (30 of 2004) inserted through the Kerala Finance Act, 2008 (21 of 2008), the Deputy Commissioners of Commercial Taxes Department having jurisdiction over the area, have been authorised to condone delay, for valid and sufficient reasons to be recorded in writing, in filing options by the assessee under section 8, pertaining to payment of tax at compounded rates, upto 31st December, 2008, for the years 2005-06, 2006-07 and 2007-08. Now Government have decided to include payment of tax in respect of the current financial year, i.e., 2008-09 also within the purview of the said section.

As the Legislative Assembly of the State of Kerala was not in session and the proposals had to be given effect to immediately, the Kerala Value Added Tax (Amendment) Ordinance, 2008 (40 of 2008) was promulgated by the Governor on the 30th day of October, 2008 and was published in the Kerala Gazette Extraordinary No. 2359 dated 31st October, 2008.

The Bill seeks to replace Ordinance No. 40 of 2008 by an Act of the State Legislature.

FINANCIAL MEMORANDUM.

The Bill if enacted and brought into operation would not involve any additional expenditure from the Consolidated Fund of the State of Kerala.

DR. T. M. THOMAS ISAAC

EXTRACT FROM THE RELEVANT PORTION OF THE KERALA VALUE
ADDED TAX ACT, 2003 (30 OF 2004)

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20A. *Condonation of Delay.*—The Deputy Commissioners having jurisdiction over the area may, for valid and sufficient reasons, to be recorded in writing, condone delay,—

(a) in applying for any refund under this Act and Rules made thereunder ;

(b) in filing options under section 8 of this Act upto 31st December, 2008 for the years 2005-06, 2006-07 and 2007-08 :

Provided that the time limit for completion of any assessment under this Act shall be extended by a further period of three years from the date of condoning such delay, under this section.

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