

GOVERNMENT OF JHARKHAND
COMMERCIAL TAXES DEPARTMENT

NOTIFICATION

S.O. 27 dated 17.6.08

In exercise of the powers conferred under Section 97 of the Jharkhand Value Added Tax Act 2005, I Alka Tiwari, Secretary cum Commissioner, Commercial Taxes Department, Jharkhand, Ranchi in the public interest do hereby clarify that the subsidy of Rs. 40/- per 14.2 kg domestic cylinder of LPG or other packages for domestic use only not exceeding the weight of 14.2 kg by the Government of Jharkhand shall not form part of the sale price as this subsidy would be provided by the State Government and the entire benefit of subsidy will pass on to consumers and such subsidy would be reduced from the basic price and such reduced price would be construed as sale price for the purpose of calculation of Value Added Tax (VAT) under the Act.

It is further, clarified that while filling returns, the oil companies shall adjust the subsidy amount as mentioned above so calculated on their sales of domestic LPG cylinder in the State of Jharkhand against the VAT payable to the Government on the sales of company and the differences between tax payable by the company in accordance to the provisions of the Act and amount tax paid by the company shall not be termed as tax deficiency due to adjustment of such subsidy since the subsidy amount shall be credited to this Department on monthly basis by the Food, Public Distribution and Consumers affairs Department of Government of Jharkhand.

The subsidy claimed on account of deduction on the price of the domestic LPG cylinder should be clearly reflected in the challan filed by the Oil Companies with the Department. They will also submit invoice details of each distributor every month. The number of distributed cylinders by the Oil

Companies and the subsidy amount shall be verified by Food, Public Distribution and Consumers affairs Department of Government of Jharkhand and its report shall be made available to Commercial Taxes Department, Jharkhand, Ranchi

This shall be deemed to be effective from 14.06.2008.

(File No. - Va.Kar.1/VAT/Vividh/10/2008)

A. Tiwari
(Alka Tiwari) 7/6/08

Secretary-cum-Commissioner,
Commercial Taxes Department,
Jharkhand, Ranchi