

**GOVERNMENT OF MEGHALAYA
EXCISE, REGISTRATION, TAXATION & STAMPS DEPARTMENT**

ORDERS BY THE GOVERNOR

Notification

Dated Shillong, the 1st Sept, 2015

No. ERTS (T) 24/2015/107 - In exercise of the powers conferred by Section 14 of the Meghalaya Clinker Cess Act, 2015 (Act No. 4 of 2015), the Government of Meghalaya is pleased to make the following rules, namely,-

The Meghalaya Clinker Cess Rules, 2015

1. **Short title and commencement**:- (1) These Rules shall be called the Meghalaya Clinker Cess Rules, 2015.
(2) They shall come into force with immediate effect.
2. **Definition**:- (1) In these Rules, unless the context otherwise requires –
 - (a) “Act” means the Meghalaya Clinker Cess Act, 2015.
 - (b) “Appropriate Authority” means the Commissioner of Taxes, or any Taxation officer not below the rank of Superintendent of Taxes as may be delegated by him;
 - (c) “Rules” means the Meghalaya Clinker Cess Rules, 2015;
 - (d) “Section” means a Section under the Act.
 - (e) “Form” means a form appended to these rules.(2) Words and expressions used in these rules but not defined and defined in the Act shall have the meaning respectively as assigned to them under the Act.
3. **The Authorities and Appellate Tribunal**:- The Authorities competent to recover and enforce payment of Cess, hear appeals and exercise powers and functions under the Act shall be the authorities competent to exercise the corresponding powers and function as provided under the Meghalaya Value Added Tax Act, 2003 and Rules, 2005.
4. **Payment and collection of Cess**:-
 - (1) The rate of Cess to be levied and collected from Clinker is rupees twenty per metric tonne.
 - (2) The cess has to be collected by the proprietor or the officials of the factories at the time of lifting of the products for sale or transfer at the rate as prescribed under the Act and these Rules.

- (3) The person who collects the cess has to issue the cash memos in duplicate to the person lifting the goods as a proof of levying of cess and will have to produce the same to the taxation officials on checking and will retain the counterfoils of the receipt books or cash memos for verification of accounts by the appropriate authorities.
- (4) The counter foils and the books of accounts are to be retained by the officials of the factories for a period of not less than 8 (eight) years.
- (5) The quarterly Statement of sale/transfer of goods shall be submitted by the official of the factories in Form I within twenty one days from the closure of the quarter of the year before the appropriate authority of the area of the producer or before the Assessing Authority where the factory is registered under the Meghalaya Value Added Tax Act, 2003 and Central Sales Tax Act, 1956 and shall be accompanied by Treasury Challan in Form 4 of the Meghalaya Value Added Tax Act, 2003 as proof of payment.
- (6) The official of the factories liable to pay/deposit cess shall pay the prescribed amount of cess to the Government treasury within twenty one days from the end of every month of the year.

5. The Books of Accounts to be maintained by the producer/official of factories –

- (1) The Sales or Transfer Statement shall be maintained by the proprietor/official of factories in duplicate. The original copy of the quarterly statement should be submitted to the appropriate authority alongwith a copy of the treasury challan as proof of payment and the duplicate copy of the Statement alongwith a copy of the challan is to be retained by the proprietor/official of the factories for future record.
- (2) All the Books of Accounts as provided under these rules shall be preserved by the proprietor/official of factories for a period of not less than 8 (eight) years or till such periods as such case records may be required for final disposal of any appeal, review, revision or reference under the Act or for final disposal of any case pending before any court or tribunal.
- (3) All the statements and treasury receipts submitted by the proprietor/official of the factories shall be kept by the appropriate authority for a period of not less than 8 (eight) years or till such periods as such case records may be required for final disposal of any appeal, review, revision or reference under the Act or for final disposal of any matter pending before any court or tribunal.
- (4) The Bill or cash memorandum or the Sales Voucher as required to be issued at the time of removal or lifting or transportation of any manufactured clinker from the factory, stock yard, warehouse and godown for sale or transfer should be in Form

memo/sale voucher has to accompany the goods sold/transferred and the original copy has to be surrendered by the transporter at the checkpost, whereas the counterfoil or the triplicate copy has to be kept by the proprietor/official of factories for verification of accounts by the appropriate authority.

6. Penalty for non-payment of Cess:-

(1) If any Cess payable is not paid within a prescribed period, the authority prescribed in this behalf may impose on a proprietor/official of factories producing or removing Clinker a penalty not exceeding the amount of Cess in arrears in addition to the Cess payable.

(2) If the proprietor/official of factories fails to pay any Cess payable within the prescribed period, the appropriate authority may, either before or after initiating action under section 9 of the Act, impose a penalty as provided under sub-rule (1) of this rule and in imposing such penalty, the appropriate authority shall give the proprietor/official of factories a reasonable opportunity of being heard.

(3) For the purpose of Section 7 of the Act read with sub-rule (2) of this rule, the appropriate authority shall serve a notice in Form 3 requiring the producer to make payment of the required cess and penalty.

(4) The appropriate authority to call for payment of cess and also for realizing penalty as provided under Section 7 of the Act should not be below the rank of the Superintendent of Taxes.

7. Recovery of sums due and offences – (1) If any cess and penalty due under the Act is not paid by the proprietor/official of the factories within the time prescribed or if the clinker is transported for sale or transfer without payment of cess due, the clinker transported for sale or transfer may be seized and detained by the appropriate authority or any official acting on his behalf at the checkgates or the godown or while on transit.

(2) On detaining or seizure of such clinker, the appropriate authority shall issue the seizure list in Form 4 to the transporter or the official in-charge of the godown or the driver of the vehicle transporting such clinker, and shall also serve a notice in Form 5 requiring the proprietor or the official of factories or the owner of the clinker to appear for payment of the amount of cess and in addition to cess recoverable, a sum of money double the amount of cess recoverable and on payment of such amount of money as may be determined, the appropriate authority shall on such payment, release the clinker seized or detained.

(3) If the producer or the transporter or the owner of such seized clinker fails to comply with the notice issued or fails to pay the required amount of cess and/ or penalty, the appropriate authority or any officer acting on his behalf, before or

memo/sale voucher has to accompany the goods sold/transferred and the original copy has to be surrendered by the transporter at the checkpost, whereas the counterfoil or the triplicate copy has to be kept by the proprietor/official of factories for verification of accounts by the appropriate authority.

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(2) If the proprietor/official of factories fails to pay any Cess payable within the prescribed period, the appropriate authority may, either before or after initiating action under section 9 of the Act, impose a penalty as provided under sub-rule (1) of this rule and in imposing such penalty, the appropriate authority shall give the proprietor/official of factories a reasonable opportunity of being heard.

(3) For the purpose of Section 7 of the Act read with sub-rule (2) of this rule, the appropriate authority shall serve a notice in Form 3 requiring the producer to make payment of the required cess and penalty.

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(3) If the producer or the transporter or the owner of such seized clinker fails to comply with the notice issued or fails to pay the required amount of cess and/ or penalty, the appropriate authority or any officer acting on his behalf, before or

after initiating action under Section 9 and 10 of the Act, may sell or auction such clinker seized or detained and deposit the taxable amount to the government treasury, whereas the balance of the sales proceeds shall be refunded/surrendered to the proprietor/official of factory/owner of clinker who will issue a receipt accordingly.

(4) The appropriate authority who sells or auctions or detains the seized clinker shall give one copy of the treasury receipt or challan to the producer or the transporter or the owner of such clinker.

(5) The appropriate authority to seize or detain the clinker transported or stock in the godown should not be below the rank of Inspector of Taxes.

(6) The appropriate authority to recover the cess payable and also to impose penalty at the checkpoint should not be below the rank of the Superintendent of Taxes or where the officer in-charge of the checkpoint is the Inspector of Taxes, then the power to realize the cess and penalty from the clinker while on transit should not be below the rank of the Inspector of Taxes.

(7) The appropriate authority to sell or auction the clinker seized should not be below the rank of the Superintendent of Taxes.

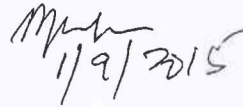
(8) **Notice for transportation without payment of cess** – If the proprietor/official of the factory is found transporting / allowed transporting clinker without payment of prescribed cess as required under section 6 (2) of the Act, such official of the factory shall be issued a show cause notice in Form 5 and will be required to show cause as to why the quantity of clinker transported/stocked in the godown should not be sold and auctioned to enable the Government to recover the cess and penalty payable by the factory and if they fail to provide satisfactory reply to such show cause notice, the quantity of clinker shall be sold/auctioned without further notice.

Sd/- J. Lyngdoh
Commissioner & Secretary to the Government of Meghalaya
Excise, Registration, Taxation & Stamps Department.

Copy to :-

1. P.S to Chief Minister, Meghalaya, Shillong.
2. P.S. to Chief Secretary, Meghalaya, Shillong.
3. Special Officer, Law Department.
4. The Commissioner of Taxes, Meghalaya, Shillong for information and necessary action.
5. The Cabinet Affairs Department with reference to their endorsement vide I/D No. 68/2015 dt. 1.9.2015.
6. The Director, Printing & Stationery, Meghalaya, Shillong for publication in the next issue of the Gazette of Meghalaya and furnishing this Department with 200 copies.
7. The Superintendent of Taxes, Circle – I, II, III, IV, V, VI, VII, VIII, Jowai, Khliehriat, Nongstoin, Nongpoh, Tura – I, II, Williamnagar, Enforcement Branch Shillong/ Tura / Byrnihat Taxation Checkgate/ Dainadudi Checkgate, North Garo Hills.
8. Smt. M.A Sohkhlet, Programme Assistant office of the Commissioner of Taxes, Shillong with a request to upload the same in the official website.
9. Finance (EA) Department with reference to their endorsement vide I/D No. FEA.1565/15 dt. 8.7.2015.

By order etc.,


1/9/2015

*Deputy Secretary to the Government of Meghalaya
Excise, Registration, Taxation & Stamps Department.*

THE MEGHALAYA CLINKER CESS ACT & RULES

THE MEGHALAYA CLINKER CESS RULES, 2015

FORM - 1

[See Rule- 4(5)]

TIN

QUARTER ENDING _____

CST

QUARTERLY STATEMENT OF SALE/TRANSFER OF CLINKER

Month	Quantity of clinker Sold/Transferred in MT	Cess Paid in Rupees	Remarks
Total			

DECLARATION

I _____ do solemnly declare that to the best of my knowledge and belief the information furnished in the above statement is true and complete and that it relates to the period from _____ to _____

**Full name of the Proprietor/
Partner/Manager**

(Signature) _____
For _____