

THE MEGHALAYA VALUE ADDED TAX RULES, 2005. [DRAFT]

CHAPTER – I PRELIMINARY

1. Short title and commencement:-

- (1) These Rules may be called the Meghalaya Value Added Tax Rules, 2003.
- (2) They shall come into force from the date the State Government in the official Gazette, shall appoint.

2. Definition:-

- (1) In these Rules, unless the context otherwise requires –
 - (a) “**The Act**” means the Meghalaya Value Added Tax Act, 2005;
 - (b) “**Deputy Commissioner**” means the Deputy Commissioner of Taxes appointed by the State Government to assist the Commissioner under sub -section (1) of Section 25 of the Act.
 - (c) “**Assistant Commissioner**” means the Assistant Commissioner of Taxes appointed by the State Government under sub-section (1) of Section 25 of the Act to assist the Commissioner of Taxes.
 - (d) “**Superintendent of Taxes**” means a person appointed by that designation by the State Government under sub -section (1) of Section 25 of the Act to assist the Commissioner of Taxes.
 - (e) “**Inspector of Taxes**” means a person appointed by that designation by the State Government under sub -section (1) of Section 25 of the Act to assist the Commissioner of Taxes.
 - (f) “**agent**” means a person authorized by a dealer in writing to appear on his behalf before the Appellate and Revisional Board, the Commissioner or any person appointed to assist the Commissioner under sub-section (1) of Section 25, as the case may be, being –
 - (i) a relative of the dealer,
 - (ii) a person regularly employed by the dealer,
 - (iii) an advocate or any other person entitled to plead in any court of law in India,
 - (iv) a person who has been enrolled as a member of the Institute of Chartered Accountants of India or the Institute of Costs and Works Accountants of India or the institute of Company Secretaries of India,
 - (v) a person who has passed the degree examination in arts/science or commerce recognized by any Indian University incorporated by the law for the time being in force, and who makes an application in writing before the Commissioner along with attested copies of testimonials in support of his educational qualification and is permitted by the Commissioner in writing to act as authorized representative or agent on behalf of dealers.

- (g) **“appellate authority”**, in respect of any particular dealer, means such Assistant Commissioner of Taxes to whom an appeal from any order of assessment of such dealer lies under sub-section (1) of Section 65;
- (h) **“assessing authority”**, in respect of any particular dealer, means the Deputy Commissioner of Taxes, or the Assistant Commissioner of Taxes, or the Superintendent of Taxes, as the case may be, within whose jurisdiction such dealer’s place of business is situated or, if such dealer has more than one place of business in Meghalaya, the Deputy Commissioner of Taxes, or the Assistant Commissioner of Taxes, or the Superintendent of Taxes within whose jurisdiction the chief branch or head office in Meghalaya of such business is situated;
- (i) **“audit authority”**, in respect of any particular dealer, means the Deputy Commissioner of Taxes, Assistant Commissioner of Taxes, or Superintendent of Taxes, within whose jurisdiction the principal place of business of the dealer is located;
- (j) **“Government Treasury”** in relation to a dealer-
- (i) having one place of business, means the treasury or sub-treasury within the district in which his place of business is situated; and
 - (ii) having more than one place of business, means the treasury or any sub-treasury within the district in which his principal of business is situated;
- (k) **“registering authority”**, in respect of any dealer, means the appropriate assessing authority referred to in clause (h) who is also the prescribed authority for the purpose of Section 31 and shall include such other authority, who is otherwise competent to deal with an application for registration under sub-section (2) of Section 31 as the commissioner, may, by order in writing authorize;
- (l) **“revisional authority”**, in respect of any dealer, means the authority to whom a revision lies under Section 66 from any order passed by the appropriate registering authority, appropriate assessing authority, the appropriate appellate authority, or otherwise, as the case may be;
- (m) **“certificate officer”** means the person appointed to assist the commissioner under sub-section (1) of Section 25 to exercise the power under Section 107 of the Act.
- (n) **“return period”** means in relation to any dealer, the period for which returns are to be furnished by such dealer under Chapter V of these Rules.
- (o) **“Section”** means a Section of the Act;
- (p) **“Schedule”** means a Schedule to the Act;

- (q) **“Tax Period”** means the English Calendar Month for which tax is to be paid under the Act
- (r) **“fees”** means any fee payable under the provisions of the Act;
- (s) **“form”** means a form appended to these Rules;
- (t) **“State Bank of India or any other “Banks”** authorized by the Government for the purpose of transactions of government Money payable under the Act.
- (u) **“Repealed Act”** means the repeal **Meghalaya Sales Tax Act**, (Assam Act XVII of 1947), the **Meghalaya Finance (Sales Tax) Act** (Assam Act XI of 1956) and the **Meghalaya Purchase Tax Act** (Assam Act XIX of 1967) as adapted by Meghalaya.

(2) All expressions used in this Rule, which are not defined but defined in the Act, shall have the same meaning as on the Act.

CHAPTER – IX
Offence and Penalties

62. Conditions for causing investigation of offences under Section 95

The following shall be the conditions in causing an investigation by the Commissioner into an offence:-

- (i) the officer entrusted with the work of investigation will confine himself to the extent and the nature of evasion of tax under the Act :
- (ii) the investigation may be conducted outside the State if the circumstances so warrant;
- (iii) the officer making the investigation will report to the Commissioner about progress of investigation from time to time till the investigation is completed;
- (iv) in case, the Officer conducting investigation is transferred or retired before completion of investigation, he shall handover the case with the up-to-date findings of the investigation to the Commissioner, who will entrust other officer to completes the investigation.

63. Manner of assessment, re -assessment and imposition of Penalty

(1) Where –

- (a) a dealer has failed to comply with a notice issued under sub-section 5(c) of Section 55 or
- (b) a registered dealer has failed without sufficient cause, to furnish returns in Form 5 under clause (a) of sub-section (1) of Section 55 for any period and the statement in Form 6 under clause (a) of sub- section 1 of the said Section by the prescribed date; or
- (c) a registered dealer has rendered himself liable to the best judgment assessment under sub-section 5 (e) of Section 55; or
- (d) a dealer liable to pay tax has willfully failed to apply for registration and had thereby rendered himself liable to best judgment assessment under sub-section (1) of Section 56; or
- (e) the sale or purchase of goods by a dealer during any period has been under assessed or has escaped assessment, or has been assessed at a lower rate or any deduction has been wrongly made there from or Input Tax Credit has incorrectly been allowed, or
- (f) a dealer has concealed his turnover or aggregate of purchase prices in respect of any goods or has furnished a false return,

then in every such case, the appropriate assessing authority shall serve on the dealer a notice which shall, as far as may be, in Form 44 specifying the default, escapement or concealment, or incorrect allowance or Input Tax Credit, as the case may be, and call upon him to show cause by such date, ordinarily not less than thirty days from the date of service of the notice as may be fixed in that behalf, why he should not be assessed or re-assessed to tax to the best of judgment and/or penalty should not be imposed upon him and direct him to produce on the said date his books of accounts and other documents which the appropriate assessing authority may require and any evidence which he may wish to produce in support of his objection.

- (g) The order of assessment or re assessment shall be in Form **54** and an authenticated copy of the order shall be served on the dealer in Form **54(A)** Provided that no such notice shall be necessary where the dealer, appearing before the appropriate assessing authority, waives such notice.
- (2) On the date fixed in the notice issued under sub-rule **(1)** or in case the notice is waived, on such date which may be fixed in this behalf, the appropriate assessing authority shall, after considering the objection raised by the dealer and examining such evidence as may be produced by him and after taking such other evidence as may be available, assess or re-assess, the dealer to tax and/or impose penalty or pass any other suitable order.
- (3) In making an assessment to best of his judgment under sub-section **(1)** of Section **56** the appropriate assessing authority shall, as far as practicable, have due regard to the extent of the business carried on by the dealer, the surrounding circumstances and all other matters which may be of assistance in arriving at a fair and proper estimate of the taxable turnover of the dealer.
- Where –
- (a) a dealer without reasonable cause fails to get himself registered within the prescribed time as required by sub-section **(1)** of Section **31**; or
 - (b) a dealer fails to pay the tax assessed or penalty imposed on him or any other amount due from him within the time specified thereof in the notice of demand and the dealer has not obtained any order under Appeal or Revision or has failed to pay tax or penalty in accordance with the Notice of Demand; or
 - (c) a registered dealer, who contravenes the provisions of sub-section **(1)** of Section **88**; or
 - (d) a registered dealer has concealed his turnover or aggregate of purchase prices or has furnished false particulars or sales/purchases in returns furnished by him; or
 - (e) a dealer has not accounted for any goods in the books, registers or accounts maintained by him in order to sell them with a view to evade payment of tax; or
 - (f) a dealer contravenes the provisions of any rule made under the Act,

then, in every such case, the appropriate assessing authority or the authority competent to impose penalty, as the case may be, shall serve on the dealer, a notice which shall, as far as may be in Form **44** specifying the default and call upon him to show cause by such date ordinarily not less than fifteen days from the date of service of the notice, as may be fixed in that behalf, why additional penalty should not be imposed upon him and may require him to produce any evidence which he may wish to produce in support of his objection;

Provided that no such notice shall be necessary when the dealer appearing before the appropriate assessing authority or the authority competent to impose penalty, as the case may be, waives such notice.

On the date fixed in the notices issued under sub-rule **3(f)** the appropriate assessing authority or the authority competent to impose penalty as the case may be, shall after considering objections raised by the dealer and examining such evidence as may be produced by him and after taking such other evidence as may be available, impose additional penalty or pass any other suitable order. An authenticated copy of the order shall be served on the dealer.

CHAPTER – II
Tax Authorities and Appellate Tribunal

1. Subject to the provisions of the Act and Rules made thereunder, the Commissioner may, by notification in the official gazette, delegate the powers to be exercised by different officers under sub section (1) of Section 26 of the Act and shall, by like notification, specify the area in which powers are to be exercised by each of the classes of officers.
2. The officers to whom powers under sub-section (1) of Section 26 have been delegated shall exercise the powers in respect of such persons or classes of persons and in respect of such cases and areas as the Commissioner may direct.
3. The power to call for returns, to make assessments, to cancel or rectify them, to conduct Audit, to impose a penalty, to compound offences and to order maintenance of accounts shall not be delegated to any officers below the rank of the Superintendent of Taxes.
4. The officers to whom powers may be delegated under sub-section (1) of Section 26 shall exercise the powers subject to the provisions of the Act and the Rules made there-under and to such restrictions as may be imposed by the Commissioner in delegating the powers.
5. While delegating the above powers by the Commissioner, he shall not delegate to any officer appointed to assist him any power, other than those enumerated below in respect of the Sections mentioned in column (2), nor shall he delegate any power specified in column (3) to any officer below the rank specified in the corresponding entry in column (4) of the Table below:-

THE TABLE

Sl. No.	Section	Description of power	Designation of officer
1	2	3	4
1.	5(1)	Levy of tax on goods	Superintendent of Taxes
2.	31(1)	To fix the date of commencement of the liability of a dealer to pay tax.	Superintendent of Taxes
3.	40	To levy interest for non-payment of tax due within due time.	Superintendent of Taxes
4.	45, 54, 56, 106, 107	To determine, collect and recover the amount of tax payable and to exercise all other powers including tax deduction at source and special powers for recovery of tax as arrears of land revenue. Scrutiny of returns Rectification of Assessment	Superintendent of Taxes
5.	39		Superintendent of Taxes
6.	51		Superintendent of Taxes
7.	31(3), 31(6),	To register a dealer and to grant him a certificate of registration, amend	

	<i>31(8), 31(11)</i> <i>33(1)</i>	suspend or cancel his certificate of registration. To issue a fresh certificate and to demand security.	Superintendent of Taxes
8.	<i>56</i>	To impose penalty on a dealer for failure to get himself registered after being liable to pay tax and enforce payment and recovery of such penalty. Special mode of recovery	Superintendent of Taxes
9.	<i>60</i>	To make assessment of dealers who fail to get himself registered.	Superintendent of Taxes
10.	<i>56</i>		Superintendent of Taxes
11.	<i>49(3)</i>	To refund tax, penalty and interest paid in excess under Section 45 and Section 56 .	Superintendent of Taxes
12.	<i>50(1), 50(2)</i>	To make provisional refund to exporters and to obtain security against such refund.	Superintendent of Taxes
13.	<i>42 (2)</i>	To determine the interest payable by the Commissioner and to pay such interest to the dealer in case of delayed refund. To withhold refund in certain cases.	Assistant Commissioner of Taxes
14.	<i>42</i>	Power to direct manner of keeping	Superintendent of Taxes
15.	<i>11(2)</i>	accounts by dealers. Power to impose penalty for failure to furnish certificate of Audit of Accounts.	Superintendent of Taxes
16.	<i>86(3)</i>	To make survey for identification of dealers for registration.	Superintendent of Taxes
17.	<i>83</i>	Cross-checking of transactions made by dealers or persons.	Inspector of Taxes.
18.	<i>52, 84,104</i>	Inspection of accounts, documents, search of premises and seizure of accounts and goods.	Superintendent of Taxes
19.	<i>84</i>	Inspection and checking of goods vehicles, records and goods, seizure of goods and document and all other	Inspector of Taxes
20.	<i>82</i>	related matters excluding the power to levy tax and penalty and the power to auction goods. Power to levy tax and penalty and the power to auction goods. Restrictions on movement of goods and issue of Transit pass, realisation of	Inspector of Taxes
21.	<i>85(1), 85(2)</i>	security against Transit Pass and release of such security.	Superintendent of Taxes
22.	<i>75, 77</i>	Inspection of document produced and goods being moved at the check posts. Revision by Commissioner on own motion.	Superintendent of Taxes/ Inspector of Taxes
23.	<i>76</i>	To compound offence under the Act and to determine and accept composition money.	Superintendent of Taxes/ Inspector of Taxes
24.	<i>66</i>		Commissioner of Taxes.
25.	<i>96</i>		Superintendent of Taxes

26.	6	To exercise all powers under the section.	Superintendent of Taxes
27.	98	Power of taking evidence on oaths etc.	Commissioner of Taxes.
28.	79	Power to collect statistics.	Superintendent of Taxes
29.	63	To hold enquiry and issue notice and decide matters relating to transfer of property to defraud revenue. To select dealer for audit assessment.	Commissioner of Taxes.
30.	55	To issue clearance certificate	Commissioner of Taxes.
31.	115	Penalty and forfeiture of tax collected in	Superintendent of Taxes
32.	61	contravention of the provisions of the Act. Appeal against assessment	Superintendent of Taxes
33.	65		Assistant Commissioner of Taxes
34	80	Registration of Transporters	Commissioner of Taxes/ Superintendent of Taxes Enforcement Branch

(2) sub-rule (2) of Rule 7 For the purpose of these Rules, Inspector of Taxes shall be subordinate to a Superintendent of Taxes, a Superintendent of Taxes shall be subordinate to an Assistant Commissioner of Taxes, and an Assistant Commissioner of Taxes shall be subordinate to a Deputy Commissioner of Taxes.

(3) Notwithstanding the provision of sub-rule (2), the persons appointed by the designation mentioned in that sub-rule shall be subordinate to the Commissioner of Taxes.

8. Appellate Tribunal:- The Meghalaya Board of Revenue shall exercise the power and perform the function conferred on the tribunal under this rule:

- (1) The Board of Revenue shall comprise the Chairman, Secretary and other members appointed by the Government through notification in the Official Gazette.
- (2) Any appeal to the Board of Revenue shall be made by application to the Chairman through the Secretary of the Board.

CHAPTER – III

9. Levy of composition tax on registered dealer

- (1) A registered dealer eligible to pay a lump sum in lieu of tax by way of composition may opt for such composition and give his option in Form 3 to the appropriate tax officer within the period of thirty days.
- (2) The lump sum payable by a registered dealer shall be one per cent of his turnover for every quarter of the year for which the option has been given. Such lump sum shall be paid by challan in Form 4 within fifteen days, of the expiry of the quarter. A copy of challan as proof of such payment shall be sent to the appropriate assessing authority within seven days of such payment.
- (3) Where an option given by a registered dealer under Section 17 stands revoked under the provisions of the said Section, such dealer shall, for the period from the date of which the option stands revoked to the date of expiry of the year for which the option has been given shall furnish returns in accordance with the provisions of Section 35.

10. Interval and manner of payment of composite tax

For the purpose of Section 17 the following will be the interval and the manner of payment of tax:-

- (i) Payment for the fourth quarter will cover the entire tax liability of the dealer covering the twelve months as a whole. Estimated tax liability for any year comprising of twelve months will be divided into four equal instalments payable for each quarter.
- (ii) While the instalments payable for the first, second and third quarter will be made through Tax Challan on the State Bank of India or any other banks authorized by the State Government and the same will be produced before the appropriate assessing authority within twenty days of the subsequent month from the quarter.

11. Books of Accounts to be maintained by the dealer for making payment of composite tax and filing of return

For the purpose of Section 17, the dealers making payment of composite tax will maintain the following books of accounts:-

- (i) Sales and purchase invoices.
- (ii) Sales register and purchase register.
- (iii) Cash book and ledger.
- (iv) Stock register.

The return will be filed quarterly by such dealers in Form 5 along with the proof of payment of tax. An annual return will be filed in Form 6.

12. Works Contract.

For the purpose of clause c of Section 5 of the Act, the following are the prescription:

- (1) Subject to the provisions of Section 5 of the Act and Section 3 in determining the taxable turnover of a works contract, the amount specified in the following clauses shall be deducted from the gross turnover –
- (a) Where under the contract, the transfer of property takes place in the form of finished goods or the contractor is required to build, construct, manufacture, process, fabricate or otherwise procure or supply any finished goods –
 - (i) the charge for freight and delivery of finished goods; and
 - (ii) any amount charged for in respect of any works not involving any transfer of property, done after the emergence of the goods but before the transfer of property is affected under the works contract.
 - (b) Where under the contract, the transfer of property does not take place in form of goods but takes place in some other form, such sum towards labour and other charges, not involving any transfer of property in goods, actually incurred in connection with the execution of the contract.

Provided that where the labour and other charges not involving any transfer of property in goods incurred in connection with the execution of the contract are not determinable from the accounts or where such charges are shown in the accounts are, according to the appropriate assessing authority unreasonable high considering the nature of the contract, the deduction towards labour and other charges shall be made by the appropriate assessing authority according to the best of his judgement, subject to the limit specified in column 3 for the type of contract shown in column 2 of Schedule prescribed

- (2) In case where proper books of accounts are not maintained or the amount exclusively incurred towards charges for labour and other services and profit relating to supply of labour and services are not ascertainable from the accounts maintained by the contractor, the amount of such charges for labour and services and such profit may be determined by allowing deductions at the rate or rates specified in the schedule.

13. Requirement of maintenance of registers and books of accounts for availing Input Tax Credit.

For availing of the Input Tax Credit referred to in sub-section (2) of Section 11, a registered dealer shall have to maintain the following registers and document –

- (i) true and up-to date account of sales of goods made in Output register in Form 7,
- (ii) true and up-to date account of all purchases of goods made in Input register in Form 8,
- (iii) delivery Notes received and utilization record thereof,

- (iv) sale and purchase documents, vouchers, bills or cash memos, counterfoils of delivery notes issued, copies of tax invoice issued and received, documents and certificates relating to exports,
- (v) inventory of raw materials used for manufacturing of goods and upto date account of manufactured goods,
- (vi) dispatch register of goods for sale outside the State,
- (vii) VAT Account register in Form 9.

14. Credit of input Tax within the tax period by the Commissioner – Section 103

The Commissioner may allow credit of input Tax within the tax period itself for good and sufficient reasons provided the registered dealer, due to reasons of closures of business or otherwise, applies before the appropriate assessing authority for credit of such input Tax before the expiry of the tax period. Before such permission, the Commissioner may, however, ensure scrutiny of the claim of the dealer through an Audit assessment.

15. Manner of the reversing of Input Tax Credit.

For the purpose of sub-section (3) of Section 11, the procedure for reversing the Input Tax Credit will be as follows.

The appropriate Assessing Authority will –

- (i) first ascertain the quantum of purchase for the purpose of disqualifying the same for input Tax rebate,
- (ii) the amount of input Tax rebate sought to be reversed will be worked out by the appropriate assessing authority from the (i) above and the same will be reduced from the total claim of input Tax rebate made during the month, in case where there is no input Tax rebate claimed in VAT return for the month in which such reversal of input Tax rebate is being made, or where the total claim of input Tax rebate in the month is not sufficient to offset the aforesaid amount of reversed Input Tax Credit, the appropriate assessing authority will issue Demand notice to the dealer for recovery of the amount of reversed Input Tax Credit, availed of by the dealer and the dealer will deposit such amount to the Government account in the State Bank of India or any other banks authorized by the State Government, forthwith and produce the receipted copy of the Challan to that effect before the appropriate assessing authority.

16. Condition for adjustment of Input Tax Credit in respect of goods return etc.

For the purpose of sub-section (1) of Section 15, the registered dealer will produce the following on being asked to do so by the appropriate assessing authority:-

- (i) Copy of the credit note or debit note as the case may be,
- (ii) Challan copy of goods returned supported by transportation document.

17. Stock brought forward during transition

For the purpose of computation of the Input Tax Credit to be claimed by or allowed to a registered dealer under Section 19 of the Act in respect of stock held by him on the date of commencement of this Act, the element of tax that such goods have borne under the Repealed Act and included in the sale price of such goods, shall be arrived at by deducting there from the element of such tax, by applying the following formula.

Turnover X rate of tax under the repealed Act. _____

100 + rate of tax under the repealed Act.

The registered dealer who is claiming the Input Tax Credit to whom such Input Tax Credit is to be allowed shall, prove to the satisfaction of the appropriate assessing authority that the goods so purchased were liable to tax under the Repealed Act at the hands of the selling registered dealer. Tax shall be calculated as the case may be, on Input Tax Credit equal to the amount of tax so calculated shall be claimed by or be allowed to the registered dealer, on furnishing of the details of stock by him as on 31/03/2005 in form 61.

Provided that no tax credit under this Rule shall be allowed unless :- _____

- (a) The dealer has in his possession, sale vouchers issued by a dealer registered under the Repealed Act against the purchase of the said goods; and
- (b) the amount of tax the goods who have suffered tax is indicated separately on the said vouchers.

Explanation - The expression “*turnover*” used in the formula given means the turnover of the goods at the hands of the selling registered dealer from whom the tax paid goods relating to which Input Tax Credit is claimed by the registered dealer, had been purchased.

CHAPTER – IV

18. Registration of dealers, amendment and cancellation of registration certificate

Registration of dealer:-

- (1) Every application under sub-section (2) of Section 31 of the Meghalaya VAT Act shall be made in Form 1 to the appropriate registering authority.
- (2) Every application shall be made, signed and verified in the case of a business carried on by (a) an individual, by the proprietor or by a person having due authority to act on behalf of such proprietor; (b) a firm, by partners thereof; (c) a Hindu Undivided Family (HUF), by the Head of the family or an adult member thereof; (d) a body corporate (including a company, a co-operative society, or a corporation or a local authority), by a Director, Manager, Secretary or the Principal Officer thereof or by a person duly authorized to act on its behalf; (e) an association of individuals to which sub-clause (b), (c) or (d) does not apply, by the Principal Officer thereof or person managing business.
- (3) The person signing and verifying an application for registration shall specify the capacity in which he does so, and shall whenever possible give particulars of the authority vested in him for signing and verifying the application.
- (4) Every person signing and verifying an application for registration in the capacity specified in sub-clause (a), (b), (c) or (d) of sub-rule (2) shall also furnish with the application two recent passport sized photographs.
- (5) The photographs should be signed before the appropriate registering authority when he is called upon to do so, whenever the photograph is furnished.
- (6) Every dealer other than corporate body residing outside the State but carrying on business in the State and liable to get himself registered and every manager or agent of a non-resident dealer, shall also furnish residential address in the State (in which such dealers ordinarily reside) obtained from the local authority of that State.
- (7) The appropriate registering authority receiving the application, shall, if he is satisfied, after making such enquiry as he thinks fit, that the particulars contained in the application are correct and complete, register the dealer and grant him a certificate of registration under sub-section (3) of Section 31 of the Act in Form 2 and also a copy of such registration certificate in respect of place/places other than the principal place of business mentioned therein. Such certificate should be held by the dealer subject to the provisions of the Act and these rules and the restrictions and conditions specified in the certificate.
- (8) Every registration certificate granted under sub-section (3) of Section 31 of the Act and read with this Rule shall deemed to have been granted personally to the dealers specified therein. No registration certificate shall be sold or transferred.
- (9) The certificates granted under this Rule shall be exhibited at a conspicuous place within the premises of the principal place of business mentioned in the certificate

and a copy of such certificate shall also be exhibited at a conspicuous place within the premises of every other place of business mentioned in the certificate.

(10) Every registered dealer who discontinues or transfers his business otherwise gets his registration certificate cancelled shall forthwith surrender to the appropriate registering authority the certificate of registration and the copies thereof, if any, granted to him.

19. Grant of duplicate copy of registration certificate (Section 31)

Where a registration certificate granted under these rules is lost, destroyed, defaced or mutilated, the appropriate registering authority shall on application and on payment of a fee of rupee fifty per copy, grant a duplicate registration certificate. Such certificate shall be stamped “*Duplicate*” in red ink.

20. Amendment of registration certificate

Where any registered dealer on the occurrence of any event of any other provision of the Act makes an application for amendment of his registration certificate, the appropriate registering authority, if it is satisfied after making such enquiry as it may think necessary, that the information furnished by the applicant is correct, shall amend the registration certificate of the applicant under sub-section (6) of Section 31.

21. Information on the death of a dealer

When any dealer dies, his legal representative shall, within thirty days of his death, inform the appropriate registering authority about it in writing.

22. Replacement of certificate of registration under the earlier sales tax law

In respect of a dealer already registered under the Repealed Acts and prior to the appointed day, the appropriate registering authority shall issue a fresh certificate of registration, on receipt of application for registration in Form 1 in replacement of the existing certificate of registration. However, in cases where fresh certificate of registration cannot be granted immediately, the appropriate registering authority may permit such dealer to continue to remain as registered dealer liable under the Meghalaya Value Added Tax Act, 2005 till the dealer is registered formally within one hundred twenty days from the date of receipt of such application and beyond that with the permission of the next higher authority.

23. Cancellation of registration certificate under sub-section (8) of Section 31.

A dealer may apply to the appropriate registering authority in Form 51 for the cancellation of his registration certificate on any of the grounds mentioned in clause a,b,c,d,e,f and g of sub-section (8) of Section 31. If the application is on the ground mentioned in any clause of sub-section (8) of Section 31 he shall also tender along with the application the registration certificate together with certified copies thereof, if any. On the receipt of such application, the appropriate registering authority shall, if it is satisfied after making such enquiries as it deems necessary, that the application is correct, cancel the registration certificate. The cancellation of Registration Certificate shall take effect from the date of discontinuance or transfer of business or the date of communication of order to the dealer.

24. For the purpose of sub-section (1) and sub-section (8) of Section 31, the following conditions and restrictions shall apply:-

- i) The dealer shall deal in goods taxable under the Act.
- ii) The dealer must carry on his business in a regular course within the state.
- iii) The dealer shall maintain all necessary books of accounts as provided in the Rules.
- iv) The dealer shall apply for compulsory registration before the appropriate registering authority in Form 1
- v) The dealer shall apply for cancellation of the compulsory registration in the event of his intention to discontinue such registration before the appropriate registering authority by tendering such reasons thereof in writing.

25. Security to be furnished

- (1) Where the appropriate registering authority is of the opinion that a dealer who has been registered or has applied for registration should furnish security or additional security for the proper payment of tax payable by him, the said officer may direct him in writing to furnish within such time as may be specified by such officer, security for an amount not exceeding the amount equivalent to tax anticipated to be payable in a year or paid in any previous year. For the purpose of determining the amount of security, the appropriate registering authority shall take into account the taxable turnover of the dealer, if any, at the time of such determination, the nature of goods dealt in by him and such other factors as may in the opinion of the said officer appear necessary in making a proper determination.

Provided that the appropriate registering authority shall have power to demand at any time additional security if he has reason to believe that the security fixed was insufficient or for any other reasons to be recorded in writing.

- (2) Such security may be furnished by the dealer in any ways, namely –
- (a) by depositing as security in the State Bank of India or any other banks authorized by the State Government, the amount fixed by the appropriate registering authority.
 - (b) by furnishing with the said officer a guarantee from a nationalized bank agreeing to pay the State Government on demand the amount of security fixed by the appropriate registering authority.
 - (c) by furnishing National Savings Certificate.
- (3) The security furnished may, in the event of default of payment of any tax, penalty or other amount due, be adjusted towards such tax penalty or other amount. The appropriate registering authority may in any case where adjustment has been made, demand fresh security or additional security to makeup the amount adjusted towards the tax, penalty or other dues.

26. Imposition of penalty for failure by the dealer to get himself registered

For the purpose of sub-section (2) of Section 56, the notice of demand in respect of penalty levied shall be in Form 10.

27. Information to be furnished under Section 103

- (1) The information required to be furnished under Section **103** of the Act in respect of _____
any change in the business of the dealer including the sale of or transfer of the
business will be in Form 11&12 to the appropriate registering authority within
fourteen days of the occurrence of the event in respect of which the information is to
be furnished.
- (2) The information required to be furnished under Section **103** of the Act in respect of _____
transfer of the business shall also require the transferee or the lessee to furnish
information to the appropriate registering authority within fourteen days of the
transfer/lease about the transfer or the lease in Form 11&12. The transferee of the
lessee shall for all purposes of the Act (except for liabilities under the Act already
discharged by the transferor) be deemed to be and to have always been registered as if
the certificate of registration originally issued to the transferor (dealer) had initially
been granted to the transferee or the lessee and such transferee and lessee shall be
entitled to apply to the appropriate registering authority for amendment of the
Certificate of Registration within the time prescribed as above.
- (3) In the event of closure of business or of cessation of liability to pay tax by a registered
dealer, he shall apply before the appropriate registering authority for cancellation of
registration in Form 13 within fourteen days from the date of occurrence.

28. Manner of suspension of registration certificate under sub-section (10) of Section 31

In the events of failure to pay any tax, interest, penalty or any sum payable under this Act or on failure to furnish return, the certificate of registration of a dealer shall be suspended after affording a reasonable opportunity to the dealer of being heard and the reasons of such suspension shall be recorded in writing. The dealer shall be intimated of such suspension with reasons thereof and such intimation shall be published in the official gazette and in the leading newspaper of the State. Such dealer shall not be entitled to issue tax invoice in respect of sales made by him or to receive tax invoice at the time of purchase of taxable goods during the period of such suspension of registration certificate.

29. Liability to obtain registration and to furnish information by transporter under Section 80.

- (1) Every transporters liable for registration under Section **80**, shall submit to the appropriate registering authority, a single application for registration of his principal place of his business and all the branches in the State, within sixty days from the commencement of these rules, if he was carrying on business on such date and within thirty days of commencement of business, if he commences business after publication of these rules. _____
- (2) An application shall be made in Form **14**.

- (3) An application for registration shall be signed and verified in case of
- (a) an individual, by the proprietor of the transport business.
 - (b) a partnership firm, by the managing partner of the firm.
 - (c) a Hindu undivided or joint family, by the karta of the family.
 - (d) a company, by the Managing Director or the Secretary or the Manager of the Principal Officer of the Chief Executive Officer of the Company.
- (4) The person making application for registration under sub-rule (2) shall submit two copies of his/her attested passport size recent photograph along with the application for registration, one copy of which shall be affixed at the space at the top right hand corner of the certificate of registration issued and sealed with the round seal of the office of the appropriate registering authority and the other copy shall be affixed in the register of certificate against the name of the concerned transporter, carrier of transporting agent.
Provided that no photograph shall be required to be affixed on the copies of the certificate for the branches, if any.
- (5) When the appropriate registering authority is satisfied after making such enquiry as he thinks fit, that the particulars contained in the application are correct and complete and the fee payable along with an application of registration under these Rules has been paid, he shall register the applicant and grant him a Certificate of Registration in Form **15** and also an extra copy of such certificate for each branch within the State, inscribing on each such extra copy the name of the branch for which it is issued.
- (6) The Certificate of Registration granted under sub-rule (5) shall be kept at the principal place of business and displayed at the conspicuous place, and each extra copy of such Certificate granted for the branches under the said sub-rule shall be kept in the respective branch and displayed at the conspicuous place of the branch.
- (7) Whenever, for any reason, there is a change in the particulars furnished in the application for registration, the transporter, carrier or transporting agent shall, within fourteen days from the date of such occurrences, submit an application to the appropriate registering authority together with the Certificate of Registration and copies thereof for the branches, if any, for necessary amendment, and the appropriate registering authority may, if he is satisfied, make necessary amendment in the Certificate of Registration and the copies thereof.
- (8) The appropriate registering authority shall maintain the Register of Certificate in Form **16**.
- (9) When a registered transporter, carrier or transporting agent closes down his business within the state, he shall apply within thirty days from the date of closure of his business on a plain paper to the appropriate registering authority for cancellation of his registration and surrender the Certificate of Registration and the copies thereof for the branches, if any.

The appropriate registering authority, if satisfied after such enquiry as may be necessary that the transporter, carrier or the transporting agent has really closed down his business, and there is no outstanding liability against him or no proceeding

pending against him, shall cancel the Registration and deface properly the Certificate of Registration and the copies thereof.

- (10)The appropriate registering authority shall cancel the Certificate of Registration when the business in respect of which the Certificate was issued has been discontinued and there is no outstanding liability against the transporter, carrier or transporting agent and no proceeding is pending against him.
- (11)Every registered transporter, carrier or transporting agent shall keep correct and complete account of his daily transactions.
- (12)The registered transporter, carrier or transporting agent shall submit a monthly statement of goods transported and delivered into Meghalaya in Form **17** and a monthly statement of goods transported outside Meghalaya in Form **18** to the appropriate registering authority within 15 days of the following month.
- (13)The appropriate registering authority shall have the power to call for and examine the books of accounts, other documents and records in possession of a transporter, carrier or transporting agent for the purpose of verifying the correctness of the statements, submitted under sub-rule (**11**) or for any other purpose and the transporter, carrier or the transporting agent shall be bound to furnish the books of accounts or other documents when so called for.
- (14)No registered transporter, carrier or transporting agent shall deliver any consignment of goods taxable under the Act without countersignature of the consignment note, bill or invoice by the appropriate registering authority.

CHAPTER – V

30. Manner of submission of periodical returns and payment of tax under Section 35.

- (1) The return to be submitted under Section 35 shall be in the following manner covering the tax period shown against each :-
- (a) All registered dealers paying composite tax under Section 17 shall pay within twenty one days from the close of a quarter of the year.
 - (b) Any dealer liable to pay tax but not composite tax under Section 35 shall pay within twenty one days from the end of a month of the year.
- (2) A correct and complete tax return of a tax period shall be submitted in Form 5 within twenty one days of the closure of the tax period before the appropriate assessing authority of the area of the dealer.
- (3) Every registered dealer and every dealer liable to pay tax shall furnish in addition to tax return, if any, furnished under sub-rule (4), a correct and complete annual return in Form 6 within thirty days of the completion of the year.
- (4) For the purpose of sub-section (4) of Section 35, the appropriate assessing authority shall serve a notice in Form 54 requiring the dealer to furnish tax return under sub-rule (2) and annual return under sub-rule (3) if the dealer is a registered dealer.
- (5) In case of discovery of any omission or any other error in the return filed, the dealer may furnish a revised annual return and a revised tax return, as the case may be in Form 5 and Form 6 respectively within sixty days from the date of submission of the tax return or the annual return, but not after an assessment has been completed by the appropriate assessing authority in respect of the period covered.
- Provided that, no revised tax return or revised annual return shall be entertained if the case has been taken up for Audit assessment and notice to that effect has already been served on the dealer.

31. Payment of tax in advance under Section 35

- i) The returns mentioned in sub rules (2) and (3) shall be accompanied by a receipt from the State Bank of India or any other banks authorized by the State Government, a crossed cheque or a crossed demand draft for the full amount payable as per the VAT return in Form 5.
Explanation – I. For the purpose of this rule, the Form 6 will cover the period beginning with the first day of April of the year ending on the thirty first day of the month of March next.
Explanation – II. Every dealer who discontinues his business during the course of a year shall submit to the appropriate assessing authority the return of turnover in Form 6 for the period upto the inclusive of the date of discontinuance within fifteen days from such discontinuance.

- ii) The aforesaid receipt from a State Bank of India or any other banks authorized by the State Government, a crossed cheque or a crossed demand draft in favour of the appropriate assessing authority will be payable at a bank situated in the place of location of the office of the appropriate assessing authority of the principal place of business of the dealer in Meghalaya for the full amount of tax payable by him on the basis of his actual taxable turnover during the tax period to which the return relates.
- iii) If the amount sent by any dealer along with return is less than the amount of tax payable by him the appropriate assessing authority shall serve upon the dealer a notice in Form 19 and the dealer shall pay the sum demanded in the said notice within the time and in the manner specified in the notice.

32. Scrutiny of returns –

The notice to be issued by the appropriate assessing authority for the purpose of sub-section (1) of Section 39 shall be in Form 20.

33. Manner of completion of provisional assessment –

Where a registered dealer fails to submit his return in Form 5 or in Form 6 by the prescribed date, the appropriate assessing authority shall notify an assessment of tax and interest in the form of a demand notice to the registered dealer stating that the assessed tax and interest shall be paid within twenty one days from the date of receipt of the notice in the manner mentioned in the notice in Form 10

34. Self assessment –

Notwithstanding anything contained in Section 53, the appropriate audit authority may require the dealer,

- 1) that on the transfer of business before completion of the year, or
- 2) on discontinuance or closure of business before completion of the year.

Such dealer who is liable to get his account audited shall furnish the audited report to the appropriate audit authority duly signed and verified by such accountant as prescribed under Rule 49.

35. Audit assessment –

1) a Notice referred to in clause (d) of sub-section (1) of Section 55 shall be in Form 21 and the same shall contain the date and the place requiring the dealer to appear for the purpose of completion of Audit assessment.

2) the Commissioner shall select by the 31st January, every year, on random basis a certain number of registered dealers for Audit assessment under Section 55 of the Act.

Provided that the Commissioner, may, upon receipt of information or otherwise, select those dealers for Audit assessment who according to him, are required to be audited.

- 3) the Audit assessment referred to in sub-rule (2) , may be made for a particular period or for the aggregate of periods.
- 4) upon selection of registered dealers for Audit assessment under sub-rule (1), the Commissioner shall send the list of registered dealers so selected to the appropriate audit authority for conducting the Audit assessment.
- 5) the Audit assessment shall be performed by the appropriate audit authority as a team.
- 6) such team of audit may consist of one or more Superintendent of Taxes, Assistant Commissioner of Taxes, Deputy Commissioner of Taxes and any other person appointed to assist the Commissioner with the Deputy Commissioner of Taxes as its head.
- 7) where a registered dealer is selected for Audit under sub-rule (2), the concerned officer who shall audit the records of such dealer, shall, issue a Notice in Form 21 to such dealer asking him to produce or cause to be produced the books of accounts and all evidence on which the dealer relies on support of his return as may be specified, before him, on the date and time, specified in the said Notice, not earlier than fifteen days from the date of issue of such Notice.
- 8) if the dealer fails to comply with the requirement of the Notice, the appropriate audit authority, shall, proceed to assess the dealer to the best of his judgement the amount of tax due from him.
- 9) before commencement of the Audit assessment certain information shall be furnished by the dealer as and when required and asked for by the appropriate audit authority.
- 10) on completion of the audit assessment the Audit team shall send a copy of the Audit report to the concerned dealer and also a copy to the Commissioner of Taxes.

36. Best judgment assessment –

The appropriate audit authority shall issue a notice to the dealer in Form 22 and the same will contain one or more reasons mentioned in sub-section (1) of Section 55 for proceeding for completion of the best judgment assessment.

37. Assessment of dealer who fails to get himself registered –

For the purpose of sub-section (1) of Section 56, a notice to be served by the appropriate assessing authority shall be in Form 23.

38. Payment and recovery of tax, penalty and interest under Sections 35, 60 and 107

- (1) The return in Form 5 under sub-section (2) of Section 35 shall be sent to the appropriate assessing authority so as to reach it within twenty one days after the closure of the month of the year or after the closure of the quarter, as the case may be, to which such return relates.
- (2) (a) Such return shall be accompanied by a receipt from a State Bank of India or any other banks authorized by the State Government, in the form of a challan in Form 4, a crossed cheque or a crossed demand draft in favour of the appropriate assessing authority encashable at a State Bank of India or any other banks authorized by the

State Government, situated in the Place of location of the office of the appropriate assessing authority or of the principal place of business of the dealer in Meghalaya for the full amount of tax payable by him on the basis of his actual taxable turnover during the tax period to which the return relates.

(b) However the dealers filing the returns under Section **35** once in a year shall remit the tax in the manner specified above within twenty one days from the close of the quarter.

- (3) If the amount sent by any dealer along with return is less than the amount of tax payable by him the appropriate assessing authority shall serve upon the dealer a notice in Form **20** and the dealer shall pay the sum demanded in the said notice within the time and in the manner specified in the notice.
- (4) Where any amount payable by a dealer or a person in respect of any period on account of tax assessed, interest or penalty is found due from him in an order of assessment, reassessment, re-determination, appeal, revision or review, as a case maybe, the appropriate assessing authority shall serve a notice of demand in Form **10** in the manner specified in the notice therein.

39. Special provisions relating to deduction of tax at source in certain cases

- (1) The amount of tax payable shall be deducted by every person as referred to in sub-section (1) of Section **106** from the bill or cash memo in respect of sale and supply or works contract and deposited by him/her into the State Bank of India or any other banks authorized by the State Government by challan in Form **4** on behalf of the dealer.
- (2) No deduction shall be made under sub-section (2) of Section **106** where the amount paid or credited by such person in a financial year does not exceed five thousand rupees.
- (3) The tax deducted shall be deposited into the account of the state Government in the following manner :
- (a) the person deducting the tax shall within ten days from the expiry of each English Calendar month, deposit into a State Bank of India or any other banks authorized by the State Government by appropriate challan in Form **4** the total amount so deducted from one or more dealers during the immediate proceeding month and the same will accompany a brief statement of account showing clearly the amount of valuable consideration and the amount of tax so deducted from the suppliers or contractors with their TIN and a copy of such brief statement will also be forwarded to the appropriate assessing authority.
 - (b) a challan for each deposit in respect of a month shall be filled up in quadruplicate and signed by the person making such deposit.
 - (c) the challan shall specify the Government Department Undertaking, Authority company or Corporation with the name and designation of the person making deposit of the amount referred to in sub-rule **3(b)** and mention therein in clear detail the *Name(s) Address(s) and Sales Tax Registration Number(s) of the dealer(s)* on whose behalf *Tax(es)* is/are paid.

(d) deposit of the amount, two copies of the receipted challan shall be retained by the Government Treasury of which one copy shall be sent to the assessing officer of the area along with the Treasury advice list and other two copies of such receipted challan shall be returned by the treasury to the person making such deposit.

(4) The person who deducts or deposits any amounts under sub-rule 3(a) shall, within seven days from the date of deposit of the amount so deducted from the payment made to a dealer, issue to the dealer concerned, a certificate of tax deducted in Form 24 in duplicate in respect of such deduction and deposit, together with attested photocopy of the challan. The dealer shall furnish one copy of the certificate and the challan copy for adjustment of such deposit against his dues to the Assessing Officer of the area.

(5) No deduction of tax under Section 43 shall be made in case of supply of goods where such sale is certified by the appropriate assessing authority as being not liable to tax. Such certificate shall invariably be embodied in each bill to be presented for payment.

(6) (i) In case of deduction of tax at source for supplies or works contracts to the Treasury shall enclose to each bill four copies of challan for deposit of the amount so deducted at source. No such bill shall be passed by the Treasury unless it is accompanied by the four copies of the challan in Form 4. The Treasury shall keep proper account of deposit of the amount by transfer.

(ii) Two copies of the challan i.e. the original and the duplicate copies duly signed by the officer of the State Bank of India or any other banks authorized by the State Government, as proof of payment by transfer shall be returned to the tenderer and the other two copies i.e. triplicate and the quadruplicate copies shall be retained by the bank.

(iii) In respect of the triplicate and quadruplicate copies retained by the Bank, the procedure, as prescribed in sub-rule 3(d) shall apply.

(iv) On receipt of the signed original and duplicate copies of the challan from the Bank, the Drawing and the Disbursing Officer shall retain the original copy in his office and give the duplicate copy to the concerned party who made the supply or executed the work.

40. Information to be given to the Appropriate Assessing Authority in case of execution of contract under Section 106

The following information shall be submitted to the appropriate assessing authority by any person entering into any contract with any contractor for transfer of property in goods (whether as goods or in some other form) –

Full particulars of the contractor including TIN – (Taxpayer Identification Number), if any:

- (a) Details of the work to be executed as covered by the Deed of contract including the value of the work;
- (b) Period of completion of the works;
- (c) Manner of deduction of tax at source proposed by the contractee.

Provided that, the aforesaid information shall be submitted by the contractee to the appropriate assessing authority within fifteen days from the date of execution of the Deed of work contract.

41. Tax deduction certificate

For the purpose of sub-section (4) of Section 106, a certificate of tax deduction shall be in Form 24. The person issuing certificate of tax deduction shall maintain an account in Form 25 in respect of certificates received and issued by him.

Provided that, the person responsible for deduction of tax shall file a return in Form 26 after one month from the end of each year before the appropriate assessing authority.

42. Refund of the excess payment of tax, penalty or interest arising out of rectification, assessment, appeal, review, refund of the excess amount deducted at source in respect of works contract and payment of interest by the Commissioner for delayed payment of refund –

(1) Manner of refund in consequence of order of assessment, re-assessment, appeal, revision, etc.

Where any amount payable by a dealer or a person in respect of any period on account of tax assessed or interest determined is found in excess of the amount payable is an order of assessment or, where any amount payable by a dealer or a person in respect of any period on account of tax assessed, penalty imposed or interest determined is reduced in consequence of any order passed on re-assessment, re-determination, appeal, revision or review, as the case may be, and if it is found that the amount payable is less than the amount paid for such period, including the amount recovered under Section 49, if any, the appropriate assessing authority shall, within three months from the date of such order, serve upon such dealer or a notice in Form 27 specifying therein the amount paid in excess and send along with such notice a Refund Adjustment Order or the said authority shall refund the excess amount to the dealer.

Provided that, where any amount of tax assessed, penalty imposed or interest determined in respect of a dealer for any period remains unpaid till the date of the order in consequence of which such refund arises, the appropriate assessing authority shall adjust the amount of excess payment towards the arrear tax, penalty or interest and thereupon, if any amount still remains refundable, he shall specify such adjustment in the said notice in Form 27 and send to the dealer along-with such notice a Refund Adjustment Order or the said authority shall refund the excess amount to the dealer.

Provided that, an application for refund shall be made before the expiry of three years from the date of assessment / re-assessment to which such payment

relates, or from the date of confirmation of reduction of liability due to appeal, revision, review, etc. and the application for refund will be made in Form 28.

Provided further that, if the amount of tax penalty or interest due from a dealer in respect of any period, proceedings for the recovery of which as an arrear of land revenue have been commenced under Section 107, is subsequently reduced in consequence of any order referred to above, the appropriate assessing authority shall send a copy of the aforesaid notice to the Certificate Officer or Tax Recovery Officer to whom the Certificate has been sent.

(2) Refund arising out of rectification of the order determining interest –

Where, upon a rectification of the amount of interest under Section 41, it appears to the appropriate assessing authority that the amount of interest is in excess of the amount that a dealer has already paid, such appropriate assessing authority shall serve a notice in Form 27 upon such dealer specifying the amount of interest refundable to him and send along-with such notice a Refund adjustment Order for such refundable amount or the said authority shall refund such amount.

Provided that, in case there are arrears of tax, penalty or interest due from such dealer, in respect of any other period, the appropriate assessing authority shall adjust the amount of interest refundable to such dealer with such arrears and for the balance amount of interest refundable, if any, he shall send along with the notice in Form 27 a Refund Adjustment Order or the said authority shall refund the excess amount to the dealer.

Provided that, if the proceedings for recovery of the amount of interest have already been commenced before rectification, the said authority shall send a copy of the notice to the concerned Certificate Officer or Tax Recovery Officer.

(3) Conditions and restriction for refund of Input Tax Credit.

For the purpose of sub-section (4) of Section 49, a registered dealer shall furnish the following informations along-with his application for refund of Input Tax Credit for a certain tax period :-

- (i) Statement of purchase and sale of taxable goods,
- (ii) Statement of Tax Invoice received,
- (iii) Statement showing output tax payable,
- (iv) A declaration to the effect that no tax, penalty or interest remain un-paid for any other tax period under the Act or the Central Sales Tax Act' 1956 at the time of making the claim.

An application for refund of Input Tax Credit shall be in Form 30.

Provided that, the appropriate assessing authority may call for and examine the documents and records covered in the paras above before making the refund and in case he decides to dispense with such examination, he shall invariably refer the matter, on the date of making the refund, for subsequent scrutiny by Audit team.

- (1) An application for refund of security under sub-section (6) of Section 33 shall be made to the authority to whom the security has been furnished and this application shall contain all the particulars in respect of mode and date of furnishing the security. The application for refund shall be in Form 29.
- (2) On receipt of application under sub-rule (4), if the said Authority is satisfied about the bonafide of the application he shall refund the amount of security furnished or part thereof if such security is not required for the purposes for which it was furnished.
- (3) Input Tax Credit at the end of the financial year shall be refunded to the Dealer excepting on capital goods which will be adjusted against Tax payable in 36 equal monthly instalments.

43. Manner of payments of interest by the Commissioner for delayed payment of refund

Where the Commissioner, or the Assistant Commissioner, if the power in this behalf is delegated to him under sub-section (1) of Section 26, is satisfied that the Commissioner is required to pay interest under Section 41, he shall, by an order in writing, direct the appropriate assessing authority to pay to the dealer, who is entitled to payment of such interest, the amount of interest by issuing a Refund adjustment Order or by making payment of the said amount.

The assessment records along-with the appellate or revision order referred to in Section 41 which gives rise to the payment of interest by the Commissioner under that Section shall be placed before the Commissioner, or Assistant Commissioner for determination of the amount of interest payable to the dealer.

44. Manner of making provisional refund to exporters who export out of the territory of India

- (1) For the purpose of sub-section (1) of Section 50, an exporter making exports out of the territory of India shall make an application for refund of input Tax in Form 31 and such application will be submitted before the appropriate assessing authority within ninety days of the submission of the tax return relating to such exports.
- (2) While making an application under sub-rule (1), an exporter shall submit a statement before the appropriate assessing authority containing details of sales made in course of export out of the territory of India and purchase of such goods within the State and payment of tax on such goods.
- (3) An exporter claiming refund under sub rules (1) and (2) shall produce all necessary documents relating to his purchase, sale, stock, payment of input Tax etc. before the appropriate assessing authority on demand or before any Audit team, the appropriate assessing authority may refer to, before or after granting of such provisional refund.
- (4) For the purpose of sub-section (2) of Section 50, the security required to be furnished by an exporter before the appropriate assessing authority shall be a Bank Guarantee or a Call Deposit of Nationalised Bank, in favour of the appropriate assessing authority, for an amount equal to the amount of refund. The Bank Guarantee or the Call Deposit

shall not be released by the appropriate assessing authority who granted the refund until such time when the Tax Audit team completes Audit works and provides a certificate confirming the correctness of the refund made.

- 44.A** When an order for refund has been passed, refund voucher in Form – 57 shall be issued in favour of the claimant if he desires payment in cash. An advice list shall, at the same time, be forwarded to the treasury officer concern.
- 44. B** A register shall be maintained in Form – 56 wherein particulars of all applications for refund and orders passed thereon shall be entered.

CHAPTER VI

ACCOUNTS AND RECORD

45. **Maintenance of accounts and records – A registered dealer shall maintain the following: -**
- (1) Purchase and stock register of raw material for manufacturing and/or processing of goods.
 - (2) Manufacturing accounts.
 - (3) Fuel purchase and consumption accounts.
 - (4) Purchase register for resale of goods and stock register thereof.
 - (5) Sales register.
 - (6) Input – tax paid or payable register.
 - (7) Output tax paid or payable register.
 - (8) Delivery note receipt and issue register.
 - (9) Credit note and debit note issue and receipt register.
 - (10) Goods liable to be taxed at the last point of purchases within the state shall maintain purchase register and dispatch register.
 - (11) Any other document or register as may be directed by the Commissioner from time to time.
 - (12) Every register dealer shall maintain all records in support of any entry in his accounts/register.
46. **Tax Invoice – A tax invoice mentioned in Section 88 shall be in Form 32**
47. **Retail Invoice:-** A registered dealer, when not required to issue a Tax invoice, shall issue to the purchaser a retail invoice against a sale exceeding rupees two hundred, shall indicate the Book No., serial No. with Date and the TIN of the seller.
48. **Credit and Debit Notes:-**
- (1) A credit note as required under this Statute shall unless the Commissioner provides otherwise contain the following particulars, shall be in form 59:-
 - (i) The word “*credit note*” in a prominent place;
 - (ii) The commercial name, address, place of business and the taxpayer identification number of the taxable persons making the supply;

- (iii) The commercial name, address, place of business and the taxpayer identification of the recipient of the taxable supply;
- (iv) The date on which the credit note was issued;
- (v) The taxable value of the supply shown on the tax invoice, the correct amount of the taxable value of the supply, the difference between those two amounts, and the tax charged that relates of that difference;
- (vi) A brief explanation of the circumstances giving rise to the issuing of the credit note; and
- (vii) Information sufficient to identify the taxable supply to which the credit note relates.

(2) A debit note as required under this Statute shall unless the Commissioner provides otherwise contain the following particulars, shall be in form 60:-

- (i) The word "*debit note*" in a prominent place;
- (ii) The commercial name, address, place of business and the taxpayer identification number of the taxable person making the supply;
- (iii) The commercial name, address, place of business and the taxpayer identification number of the recipient of the taxable supply;
- (iv) The date on which the debit note was issued;
- (v) The taxable value of the supply shown on tax invoice, the correct amount of the taxable value of the supply, the difference between those two amounts and the tax charged that relates to that difference;
- (vi) A brief explanation of the circumstances giving rise to the issuing of the debit note; and
- (vii) Information sufficient to identify the taxable supply to which the debit note relates.

The invoice shall bear serial number which shall run continuous ly from one to not less than 100 and each series of invoice shall be distinguished by one or more alphabets.

49. Audit of Accounts –For the purpose of sub section (1) of Section **86**, a report of the Accountants covered by the Section shall be in Form **33** and in Form **34**.

CHAPTER – VII

Inspection of accounts and documents and search of premises and establishment of check-posts

50. Manner of releases of the books of accounts etc.

When any accounts, registers, documents including electronic records or the computer of a dealer seized by any authority appointed under Section 84 have to be returned to the dealer, such return may be made after taking such extracts there-from, as may be necessary. The authority making the return shall affix its signature or official seal or both on such accounts, registers or documents and the dealer shall give a receipt in acknowledgement, which shall mention the numbers and particulars of the places where the accounts, registers or documents were returned to him.

51. Fees payable for providing true copies of the seized documents etc.

Any person applying for true copies of the seized documents etc. shall deposit under proper Head of Accounts the actual amount to be incurred for providing Xerox copies of the seized documents etc. before the appropriate assessing authority.

52. Procedure for disposal of seized goods by open auction

For the purpose of clause (b) of sub-section (3) of Section 85 the following shall be the procedure laid down for disposal of goods by sale in open auction :-

- (i) The Officer shall cause to be published in the notice board of his office, a list of the goods detained or seized and intended for sale with a notice under his signature specifying the place where and the day and the hour at which the detained goods shall be sold in public auction and display the copies of such list and notice in more than one public places near the check-post or the barrier or other place where the goods are detained. Copies of these list and notices shall be displayed in the office of the Superintendent of Taxes and appropriate assessing authority having jurisdiction over the area where the check-post or barrier or other place where the goods were detained or seized is situated.
- (ii) Intending bidder shall deposit as earnest money a sum amounting to ten percent of the estimated value of the goods.
- (iii) At the appointed time, the goods shall be put in one or more lots as the Officer conducting the auction sale may consider necessary, and shall be knocked down in favour of the highest bidder, subject to confirmation of the sale by the Superintendent of Taxes or the senior Superintendent of Taxes concerned when the value of the goods auctioned does not exceed Rs. 1,00,000.00 and the Deputy Commissioner of Taxes in other cases.
- (iv) The auction purchaser shall pay the sale value of the goods immediately after the sale and he shall not be permitted to carry away any part of the goods until he has paid for the sale in full and until the sale has been confirmed by the appropriate assessing authority mentioned in clause (ii) of this rule. Where the auction

purchaser fails to pay the purchase money, the goods shall be resold by auction at once and earnest money deposited by the defaulting dealer shall be forfeited to the Government.

- (v) The proceeds shall be remitted into State Bank of India or any other banks authorized by the State Government.

- (vi) The earnest money deposited by the unsuccessful bidders shall be refunded to them in cash or by Demand Draft or Accounts Payee cheque immediately after the auction is over.

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Documents to be carried by owner or the person in charge of a goods vehicle to be produced at the Check-Post for the purpose as provided under Section 75, 76 and 77

- (i) In case of movement of non taxable goods from Megha laya to places outside the State, Bill of Sale in Form **35**, invoice and Consignment Note;

- (ii) In case of import of taxable goods into Meghalaya, Road Permit in Form **40**, Invoice, Consignment Note and Manifest of the transporter, carrier or the transporting Agent;

- (iii) In case of dispatch of taxable goods outside the State from a place within Meghalaya, Permit Form **37**, Invoice, Consignment Note, Manifest of the transporter, carrier or transporting Agent ;

- (iv) In case of movement of goods taxable in Meghalaya, through Meghalaya, from any place outside the State to any other place outside the State;
 - (a) **At the entry check-post:** Invoice, Consignment Note, Manifest of the transporter, Carrier or transporting agent and the statutory documents of the importing State, if the goods are taxable in the State;
 - (b) **At the exit check-post:** Invoice, Consignment Note, Manifest of the transporter, carrier or transporting agent, statutory documents of the importing State, if the goods are taxable in that State and transit pass in Form **38** issued by the entry Check-post ;
 - (c) i) In case where there is reason to doubt the true destination of goods as claimed by the consignor to be meant for outside the State; the Officer- in-Charge of Entry Check Post may, after giving the dealer/consignor a reasonable opportunity of being heard; ask the consignor to deposit by way of Demand Draft (DD) a security in Form **52** equivalent to the amount of tax on such goods before issuing of Transit Pass.
 - ii) Security realized under clause (iv) sub-clause (c)(i) maybe refunded by the Officer- in-Charge. Entry Check Post on fulfillment of the following condition:
 - a) Transit Pass should be duly endorsed i.e., sealed and signed by the Officer- in-Charge Exit Check Post.
 - b) Original copy of the endorsed Transit Pass be furnished within 30(thirty) days to the Officer- in-Charge Entry Check Post.

(iii) In case of intra-State movement of taxable goods, a valid Tax clearance Certificate in Form 39 and invoice of the selling dealer, Consignment Note and Manifest of the transporter, carrier or transporting agent:

(iv) In every case mentioned in sub-clauses (i) to (iv) above where goods are carried by a motor vehicle, in addition to the documents mentioned herein the registration certificate of the vehicle issued under the Motor Vehicles Act and the weightment slip of the goods carried by the vehicle.

54. Particulars to be included in a trip-sheet or a log book of goods vehicle

A trip-sheet or a log book shall contain the following particulars:-

- (i) Place and date of loading,
- (ii) Particulars of goods loaded,
- (iii) Quantity and weight of goods,
- (iv) Destination of the trip,
- (v) Registration number of the vehicle,
- (vi) Name of the driver along with driving license number,
- (vii) Remarks.

55. Particulars to be furnished by a carrier or by a bailee

When required by any Officer appointed to assist the Commissioner under sub-section (1) of Section 26, the carrier or bailee or the person in-charge of the goods shall produce the documents referred to sub-section (2) of Section 76 and give a declaration containing the particulars as below:-

- (i) Description of goods;
- (ii) Quantity and weight of goods;
- (iii) Value of the goods;
- (iv) Invoice number and date;
- (v) Consignment Note number and date of booking;
- (vi) Destination of booking.

56. Transit Pass to be carried by goods vehicle passing through the State or to any place outside State

The Transit Pass in Form 38 is to be obtained as referred to in Section 77

57. Form for obtaining permission for taking delivery of taxable goods consign through Rail, River, Air or Post from a place outside the state

Form – 49 shall be applicable for the purpose of sub-section (1) of Section 75 and this rule.

58. Restrictions and conditions in respect of import of goods into the State by Rail, River, Air or Post or any other place (of similar nature or otherwise)

(1) No person other than the registered dealer shall take delivery or transport from any Railway Station, Steamer Station, Post Office, Air Port, carrier delivery point or any other place whether of similar nature or otherwise in Meghalaya any consignment of taxable goods dispatched from outside Meghalaya:

Provided that this restriction shall not apply to any consignment which does not exceed –

(i) In the case of goods sold by quintal and kilogram 5 kilograms in weight.

(ii) In the case of goods sold by liters 5 liters in weight.

(iii) In the case goods sold by metre 5 metres in length.

(iv) In the case goods sold by pieces 1 in number.

(v) In the case goods sold by gross 1 gross in number.

(vi) In the case goods sold by dozen 1 dozen in number.

(vii) In the case goods sold by pair 1 pair

(viii) in case of precious stones, namely; diamond, 1 gram in weight.

Emeralds, rubles, real pearls, and sapphires, synthetic
Or artificial precious stones, pearls artificial or cultured.

(2) (i) Where any person intends to bring, import or otherwise receive into the State from any place outside the State, any goods other than the exempted goods. In excess of the quantity or measure as may be notified by the Government from time to time, for his own use and not for resale or for transfer in any other manner and the consignment of such goods is transported into the State by road, railways, air or waterways, such person shall make an application for Road Permit in Form 36 to the appropriate assessing authority in whose jurisdiction the applicant carries on business or, if he does not carry on any business, within whose jurisdiction the applicant resides;

(ii) Where any person, whether registered under the Act or not, having a manufacturing or industrial unit or intending to set up such unit, intends to bring, import or otherwise receive into the State from any place outside the State, any goods other than the exempted goods. In excess of quantity or measure as prescribed in these Rules or as may be notified by the Government from time to time, for use in setting up of the industrial unit or for use as raw materials in manufacture of goods in the industrial unit (before getting registered under the Act) and not for resale or for transfer in any other manner and the consignment of such goods is transported into the State by road, railways, air or waterways, such person shall make an application in Form 36 for Road Permit to the appropriate assessing authority in whose jurisdiction the industrial unit or its office is located;

(iii) The application for a Road Permit shall be in Form 36 and the Road Permit shall be in Form 40 and shall be submitted to the appropriate assessing authority in triplicate;

(iv) The application form shall be accompanied by a court fee stamp of rupees Two.

(v) If the appropriate assessing authority, after due enquiry as may be necessary, is satisfied about the bonafide requirement of such person, he shall on such application

prepare a Road Permit in Triplicate in Form 40 and such Road Permit shall be made over to the applicant.

(vi) The person transporting the goods shall produce the “*Original*” and the “*Duplicate*” foils of the Road Permit before the Officer-in-charge of the check-post and the said officer shall after proper verification, allow the movement of the goods conforming to the description and quantity mentioned in the Road Permit. The Officer- in-charge shall sign and seal both the foils of the Road Permit as a mark of having verified the particulars furnished there- in, retain the “*Original*” foil and return the “*Duplicate*” foil to the person producing it. He shall send the “*Original*” foil retained by him to the appropriate assessing authority, who had issued the Road Permit;

(vii) If the appropriate assessing authority is of the opinion that the consignment of goods mentioned in the application referred to in sub-clause (iii), involves any tax liability under any provisions of the Act and considers it necessary to obtain security for safe- guarding the payment of tax on such transaction, he shall, before issuing the Road Permit, direct the applicant to make payment of an amount equivalent to the amount of tax that may become payable on such transactions;

(viii) Where the appropriate assessing authority is of the opinion that a person, who has applied for Road Permit should furnish security with a view to ensure that there is no misutilisation of the Road Permit, direct the applicant to furnish security in the form of a call deposit or bank guarantee for an amount not exceeding the amount of tax under the Act calculated on the value of the goods;

(ix) The Road Permit obtained under sub-clause (v), shall not be transferred under any circumstances;

(x) No Road Permit shall be issued to a person unless he has furnished satisfactory account of the utilization of the Road Permits previously issued to him;

(xi) The appropriate assessing authority shall maintain a register to maintain proper stock and issue of such Road Permits issued under sub-clause (v);

CHAPTER – VIII

Appeal and Revision

59. Manners of filing appeals

For the purpose of Section 65 of the Act, the following shall be the manners of filing an appeal before the Appellate Authority.

- (1) Any dealer or person (hereinafter referred to as the appellant) intending to prefer an appeal under sub-section (1) of Section 65 against an order passed under the Act by Taxing Authority lower in rank than a Deputy Commissioner of Taxes shall present a memorandum in Form 41 in duplicate to the Appellate Authority.

- (2) The memorandum of appeal –
 - (a) shall contain the following particulars;
 - (i) the date of order appealed against;
 - (ii) the name and designation of the officer who passed the order;
 - (iii) the grounds of appeal briefly but clearly set out;
 - (iv) the date of receipt of notice of demand in respect of the order appealed against.
 - (v) the amount of tax and interest admitted to be due from the appellant;
 - (vi) prayer of the appellant for remedy of the grievance expressed in the grounds referred to in Sub-clause (iii);

 - (b) shall be endorsed by the appellant or by an agent authorized in writing in this behalf by the appellant, as follows:-
 - (i) such amount of tax and interest, as the appellant admits to be due from him has been paid; and
 - (ii) that to the best of his knowledge and belief, the facts set out in the memorandum are true;
 - (c) shall be verified in the manner referred to in the memorandum of appeal and signed by the appellant or by agent duly authorized by him;
 - (d) shall be accompanied by –
 - (i) a copy of the order of assessment against which the appeal is preferred, and
 - (ii) court fee stamp for the amount of fee as prescribed under Rule 67 for presenting an appeal.

- (3) A memorandum of appeal may be presented to the appropriate appellate authority by the appellant or by an agent duly authorized by him or may be sent to the said authority by registered post.

- (4) If a memorandum of appeal or a stay petition, if any, is sent by registered post, such memorandum or petition shall be deemed to have been presented on the day on which it is accepted and registered by a post office.

- (5) A copy of the memorandum of appeal in Form 41 and a stay petition, if any, shall be sent by the dealer or person to the appropriate assessing authority

within seven days from the date of filing of such memorandum of appeal and stay petition, if any, before the appropriate appellate authority.

60. Manner and Form of filing appeals to the Appellate Tribunal for the purpose of Section 69

Form 42 and 43 shall be applicable in the matter of filing an appeal to the Appellate Tribunal against the order of the Appellate Authority and for filing cross objections.

61. Payment of tax and penalty consequent upon rectification of orders

The payment of enhanced tax or penalty or both resulting on rectification of any order passed under Section 51 of the Act shall be paid through challan into a State Bank of India or any other banks authorized by the State Government into the State Government account under proper Head.

CHAPTER – XI

Repeal and savings

77. Statement of claim of Input Tax Credit in respect of goods purchased under the Repealed Acts, held in stock on the appointed day

A statement of claim of Input Tax Credit in respect of goods where tax was paid in the Repealed Acts shall be made before the appropriate assessing authority of the area with whom the dealer is registered under the Meghalaya Value Added Tax Act, 2005, in Form – 50.

78. Manner of adjustment of Input Tax Credit in respect of stock brought forward during transition

For the purpose of sub-section (1) of Section 19, adjustment of the Input Tax Credit shall be claimed in the VAT return to be filed monthly by the dealer before the appropriate assessing authority. A separate statement shall be submitted along with every such return by the claimant showing the total claim of ITC and the balance available ITC for adjustment in subsequent month/months.

79. Preservation of assessment records for the purpose of sub-section (8) of Section 84

(1) All the papers relevant to the making of any assessment including determination of interest, imposition of penalty and refund of tax, interest or penalty in respect of any particular dealer, owner or lessee of warehouse, person, or owner of goods, as the case may be, shall be kept together and shall form part of assessment case records.

(2) Assessment case records referred to in sub-rule (1) shall be preserved by the appropriate assessing authority for 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.

CHAPTER – X

Miscellaneous

64. Manner of declaration of dealer's business manager

Every dealer registered under the Act, shall within thirty days from the date of registration, furnished to the appropriate assessing authority a declaration in writing in respect of the manager or managers referred to in Section 87 of the Act and shall send in like manner a revised declaration within thirty days from the date of change of such manager or managers.

Matters relating to appearance before any authority in proceedings by authorized agent or representative for the purpose of Section 111 –

(1) The Prescribed qualification of Sales Tax practitioner shall be:-

- (i) a degree in Arts/Science or Commerce or Management/Administration from a recognized University.
- (ii) a degree in law from a recognized University;

Business

(2) Form 45 shall be mandatory to be filled up by a dealer or a person, who is a party to any proceeding before any authority under the Act, when he desires to be represented by an authorized agent or representative.

(3) Form 46 shall be mandatory on the Tax Practitioner(s) to be filled in and furnish to the appropriate assessing authority for approval.

(4) After the appropriate assessing authority having been satisfied that the applicant fulfill Rule 64 clause (1), and (2) will issue a certificate of enrolment in Form 47 on payment of fee of Rupees Five Hundred Only.

65. Power to write off demand under Section 97

The following restrictions and conditions shall apply in the matter of writing off of demands :-

(i) The satisfaction for want of any kind of property of the dealer must be certified by land revenue authority of the local area/areas in which the dealer resides or carried on business;

Or

(ii) declaration of insolvency by a court of law.

(iii) The appropriate assessing authority before proceeding for writing off shall ensure proper enquiry regarding existence of any movable, immovable properties etc. of the defaulter.

66. Determination of disputed questions

The application to be made to the Commissioner for determination of disputed question or questions shall be in Form 48 and will be presented before the Commissioner, which will be signed by the registered dealer, president or secretary of any association of trade, commerce or industry, as the case may be.

67. Fees payable for appeal, revision, review and other miscellaneous applications or petitions for the purpose of Section 109

(1) The amount of fee as indicated in column (3) of the table below against memorandum of appeal, application for revision, review or any other application or petition as described in column (2) of such Table shall be payable when such memorandum is presented or such application or petition is filed.

TABLE

Sl. No.	Description of Memorandum, application or petition	Amount of fee
(1)	(2)(3)	
1.	Memorandum of appeal under Section 65 against an order of assessment as referred to in the said Section. involved in the appeal subject to a minimum of two hundred rupees and maximum of five hundred rupees. Application for revision under Section 66	Five per centum of the amount of tax penalty or interest in dispute One hundred rupees.
2.	Application to the Appellate Tribunal for revision under Section 69	Five per centum of the amount of tax, penalty or interest in dispute,
3.	Application for registration under Section 31	subject to a minimum of two hundred rupees and a maximum of five hundred rupees. Five hundred rupees.
4.		
5.	Application for issue of duplicate copy of a copy of registration under Section 31	Rupees twenty- five for every application and rupees twenty- five each for additional copies for additional place of business.
6.	Application for amendment of certificate of registration under Section 31	Ten rupees for each application.
7.	Application for Clearance certificate referred to under Section 115	Ten rupees for each application.
8.	Miscellaneous application or petitions, other than those referred to above or petition Fees for certified copies - An application fee.	Five Rupees for each application Rupees five
9.	Authentication fee for every	Rupees five
(i)	thereof .	
(ii)		

(iii) Urgent fee	Rupees ten
(iv) Searching fee	Rupees ten
(v) Where the applicant wants the certified copy to be sent by post (ordinary).	Rupees five
(vi) One impressed folio for every 360 words	Rupees ten

Provided that no fee shall be payable for filing any objection, written or verbal, made in reply to any notice served under the provisions of the Act or the Rules made there-under or for filing any application requiring information from any person appointed under the Act.

Provided that no court fee is required to be affixed by a dealer on the application for registration in the Form 1, if he is registered under the repealed Meghalaya Sales Tax Act, immediately before the appointed day.

Fees payable under this rule shall be paid in court fee stamp in respect of Sl. 6, 7, 8, and 9. All other fee shall be paid either by Cash or Challan under the Head Of Account "0040-Sales Tax".

10. Notwithstanding anything contained in sub-Rules above no fee shall be payable when memorandum is presented or application for revision or review is made by the Commissioner Of Taxes, Deputy Commissioner Of Taxes, Assistant Commissioner Of Taxes and Superintendent Of Taxes to the Appellate Tribunal under the provisions of the Act or the Rules made there – under.

LIABILITY IN SPECIAL CASES

68. Liability in case of transfer of business

The prescribed time for application for amendment of a certificate of registration in case of a transfer of business or a lease shall be fifteen days, as required by clause (a), (b) and (c) of Section 103 of the Act.

69. Liability of contractor or sub-contractor to tax

As required by sub-section (1) of Section 106 of the Act, the following shall be the proof and manner necessary for exclusion from liability to tax:-

- (i) A certificate from the contractor to the effect that the tax has been deposited against the works allotted to the sub-contractor to be obtained by the sub-contractor from the contractor and to be furnished before the appropriate assessing authority;
- (ii) A certificate from the sub-contractor to the effect that the tax has been deposited against the works allotted by the contractor to be obtained by the contractor and to be furnished before the appropriate assessing authority;
- (iii) The certificates above shall be countersigned by the appropriate assessing authority before issuance by a contractor or a sub-contractor, as the case may be;
- (iv) The certificate mentioned herein above shall contain details of the works executed and shall specify the total turnover from the execution of works contract and deduction made there- from for the purpose of calculation of net turn-over and amount of tax actually paid.

70. Collection of Tax only by dealers under Section 61

1) The appropriate assessing authority shall serve on a person or dealer who has made himself liable to forfeiture of any sum under sub-section (2), a notice in Form 53 requiring him on a date and at a place specified in the notice to attend and show cause as to why the said amount should not be forfeited to the Government.

2) The appropriate assessing authority shall publish or cause to be published a notice containing details of forfeiture of tax made covered by sub-rule (1) and prominently display the same on the notice board of the appropriate assessing authority in addition to sending a copy of the same to the person from whom the forfeiture is made. As far as possible where the particulars of such person are available from the records of the concern transaction, copies of such notice will be sent to each of the persons from whom such tax was realized un-authorisedly.

71. Display of signboard

(1) Every dealer registered under this Act shall display a signboard at conspicuous places at his place of business showing his trade name and address of place of business including premises number, floor, room no., etc., if any.

(2) The sign-board shall also show the number of certificate of registration granted under the Act.

(3) If a dealer uses more than one trade names, all such names should be displayed on the sign-board.

(4) For any breach of the provisions of sub-rule (1), a dealer shall be punishable with a penalty not exceeding one hundred rupees for each day of default.

72. Service of notice

(1) Any notice which is issued under the provisions of the Act or the rules made there-under may be served on a dealer or person by any of the following methods, namely :-

- (a) Personally upon the addressee, if present,
- (b) By messenger, including a courier
- (c) By registered post.

Provided that if the authority issuing the notice is satisfied that an attempt has been made to serve a notice by any of the above mentioned methods and the dealer is avoiding service or that for any other reason the notice cannot be served upon him by any of the above mentioned methods, the said authority may, after recording his reasons for so doing, cause such notice to be served by affixing a copy thereof in some conspicuous place in his office and also upon some conspicuous part of the last notified place of business of the dealer, and a notice served shall deemed to have been duly served.

(2) When a notice is sent by registered post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by a registered letter in transit unless the contrary is proved.

73. Manner of issue of clearance certificate to a dealer or person under Section 115

(1) Where a dealer or person requires a clearance certificate, such dealer shall, make application in Form 39 in duplicate containing therein a declaration regarding position of submission of returns, payment of due taxes, payment of demanded taxes, interest and penalty under the Act, position of any litigation cases lying before the Appellate Authority, Appellate Tribunal as the case may be and having the same duly verified and signed by the appropriate assessing authority, with a prayer to issue a clearance certificate to him for the purpose(s).

(2) If the appropriate assessing authority is satisfied that the application is in order and the declaration made by a dealer or person in his application is correct, such authority shall, within seven days from the date of receipt of such application, issue to such dealer or person a clearance certificate in Form 39 send the clearance certificate to such dealer or person ordinarily by post or through courier service.

(3) A clearance certificate issued under sub-rule (2) shall be valid for twelve months from the date of order for issuing such certificates and the period of validity shall be specified in such clearance certificate over the signature and seal of the appropriate assessing authority.

(4) Copy of the clearance certificates so issued shall be retained by the appropriate assessing authority for his record.

(5) Where the appropriate assessing authority does not issue a clearance certificate to a dealer or person under sub-rule (2), such authority shall, after giving the dealer an opportunity of being heard, reject his application within seven days from the date of receipt of such application for reasons recorded there- for and intimate him in writing accordingly.

74. Method of payment of dues under the Act

(i) The dues required to be paid under the Act, (except the fees to be paid by means of Court Fee Stamps) shall be paid into State Bank of India or any other bank authorized by the State Government by challan in Form 4.

(ii) Challans shall be filled in quadruplicate. Two copies of challan i.e. original and the duplicate copies duly signed as proof of payment shall be returned to the dealer or the tenderer and the other two copies i.e. the triplicate and the quadruplicate copies shall be retained by the Bank.

(iii) The quadruplicate copy retained by the bank shall be transmitted to the appropriate assessing authority on the day following the day of payment.

(iv) Every State Bank of India or any other bank authorized by the State Government shall send the scroll along with the triplicate copies of challans to the concerned Treasury Officer on the 6th day of every month showing therein the amount

received in the previous month. The scroll shall contain the challan numbers and dates, the name of the dealers or tenderer and the amount paid by each. The Treasury Officer on receipt of the scroll from the bank shall forthwith send an advice list to the appropriate assessing authority of the area showing the same details as given in the scroll.

75 Conditions for dealers dealing in goods where Tax is levied on Purchase

For the purpose of Section 6 of the Act, the registered dealer shall be subjected to the following conditions:-

- i) A dealer registered under Section 31 of the Act, for the purpose of Section 6 of the Act, shall, not be eligible to opt for composition of Tax under Section 17 of the Act and the Rules framed thereunder.
- ii) A registered dealer, for the purpose of Section 6 of the Act, who export such goods outside the state, in course of interstate trade or commerce, shall have to obtain a 'permit form' in Form 37 from the appropriate assessing authority.

76. Assessment of dealers dealing in goods other than Vatable goods – (Section 6 and Section 47)

(i) Subject to other provisions of the Meghalaya Value Added Tax Act, 2005 and Rules framed there under, registered dealers dealing in goods that are Non-Vatable, for the purpose of Section 6 and Section 47 of the Act shall maintain the following books of Accounts:-

- a) Purchase and stock register of raw material for manufacturing/ processing of goods,
 - b) Manufacturing accounts,
 - c) Purchase register for resale of goods and stock register thereof,
 - d) Sales register
 - e) Dispatch register of sales of goods along with any other documents pertaining to export outside the State or export out of the territory of India,
 - f) Permit Form register
 - g) Any other documents or register as may be directed by the Commissioner from time to time.
- ii) All returns, as provided under Section 35 of the Act, shall be submitted quarterly, in Form 5 along with full payment of tax due or payable and to be accompanied by treasury challan, before the appropriate assessing authority within twenty one days of the closure of tax period.
- iii) Assessment proceedings as provided in Section 47 shall be in the same procedures and manners as prescribed in Rule 33, 35, 36 and 37 without Input Tax Credit set off at any stages. The assessment order or reassessment shall be in Form 56. Assessment order passed shall be in Form 56(A).
- iv) Excess payment of tax made by the dealer, if any, shall be carried over and adjusted towards the next quarter ending.