

EXTRAORDINARY

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No. 01

सरकारी राजपत्र OFFICIAL GAZETTE



भारत सरकार
Government of India

संघ प्रदेश दमण एवं दीव प्रशासन

U.T. ADMINISTRATION OF DAMAN & DIU

प्राधिकरण द्वारा प्रकाशित
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SECRETARIAT, DAMAN.

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NOTIFICATION

The following Daman & Diu Value Added Tax (Amendment) Regulation, 2007 (No. 2 of 2007) published in the Gazette of India, Extraordinary, Part-II-Section-1, dated 20th December 2007/Agrahayana 29, 1929 (Saka) is hereby published in the Official Gazette of this UT Administration of Daman & Diu for general information of the public.

Sd/-
(P. S. Jani)
Deputy Secretary (Taxation)

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 20th December, 2007/Agrahayana 29, 1929 (Saka)

THE DAMAN AND DIU VALUE ADDED TAX (AMENDED)
REGULATION, 2007

No. 2 of 2007

Promulgated by the President in the Fifty-eighth Year of the Republic of India.

In exercise of the powers conferred by article 240 of the Constitution, the President is pleased to promulgate the following Regulation made by him : -

1. (1) This Regulation may be called the Daman and Diu Value Added Tax (Amended) Regulation, 2007.

Short title and commencement.

(2) It shall come into force at once.

Reg. 1 of 2005

2. In the Daman and Diu Value Added Tax Regulation, 2005 (hereinafter referred to as the principal Regulation), in section 2, -

Amendment of section 2.

(i) after clause (u), the following clause shall be inserted, namely : -

(ua) "output tax" means the amount of tax payable by the dealer at the rates specified in section 4 in respect of the taxable turnover arising during the tax period, after making any adjustment to the tax as required by section 8;

(ii) after clause (v), the following clause shall be inserted namely : -

(va) "quarter" means a period of three months commencing on the 1st day of April, the 1st day of July, the 1st day of October or the 1st day of January in each year;

Amendment of section 11

3. In section 11 of the principal Regulation, -

(i) in sub-section (2), for clause (b), the following clause shall be substituted, namely -

"(b) in case the tax period for the dealer is monthly, carry forward the surplus amount, if any, after making adjustments under clause (a) to the next tax period of the same quarter"

(ii) in sub-section (3), the following sub-section shall be substituted, namely -

REGULATIONS
DATED : 10 JANUARY, 2008.

(3) Where the net tax of the dealer at the end of the quarter in a financial year is a negative value, the dealer shall be entitled to claim a refund of any excess amount of tax and the Commissioner shall deal with the claim of refund in the manner specified in sections 38 & 39

Provided that the dealer may opt to adjust the refund under this sub-section as a tax-credit in any succeeding tax period within the same financial year".

4. After section 36 of the principal Regulation, the following section shall be inserted, namely -

36A. (1) Notwithstanding anything contained in this Regulation, any person not being an individual or a Hindu undivided family, who is responsible for making payment to any dealer (hereinafter in this section referred to as "the contractor") for discharge of any liability on account of valuable consideration payable for the transfer of property in goods (whether as goods or in some other form) in pursuance of a works contract for value exceeding twenty thousand rupees or such amount as may be notified by the Commissioner from time to time shall at the time of credit of such sum to the account of the contractor or at the time of payment thereof in cash or by any other mode, whichever is earlier, deduct tax thereon at the rate notified by the Government from time to time.

(2) Any contractor responsible for making any payment or discharge of any liability to any sub-contractor, in pursuance of a works contract with the sub-contractor, for value exceeding twenty thousand rupees or such amount as may be notified by the Commissioner from time to time, for the transfer of property in goods (whether as goods or in some other form) involved in the execution, whether wholly or in part of the works contract undertaken by the contractor shall at the time of such payment or discharge in cash or by cheque or draft or by any other mode, deduct an amount equal to two percent of such payment or discharge purporting to be part of full amount of the tax payable under this Regulation.

(3) Where, on an application being mad by the contractor in this behalf, the Commissioner is satisfied that any works contract involves both transfer of property in goods and labour and service, or involves only labour and service and accordingly justifies deduction of tax on a part of the sum in respect of the works contract or, as the case may be justifies no deduction of tax, be shall, after giving the contractor a reasonable opportunity of being heard, grant him such certificate and for such period, as may be appropriate :

Provided that nothing in the said certificate shall affect liability of the contractor to pay tax under this Regulation.

insertion of
new section
36A

tax deducted
at source

(4) Where any such certificate is granted under sub-section (3), the person responsible for making payment under sub-section (1) shall, until such certificate is cancelled by the Commissioner, deduct tax at the rate specified in such certificate or deduct no tax, as the case may be.

(5) The amount deducted under this section shall be deposited into the Government treasury of Daman and Diu or a branch in Daman and Diu of a bank which may be prescribed, or at such other place or in such other manner as may be prescribed, by the person making such deduction before the expiry of twenty-eight days following the month in which such deduction is made.

(6) The person making such deduction under this section shall, at the time of payment or discharge, furnish to the contractor from whose bills or invoices such deduction is made, a certificate as may be prescribed by the Government in respect of the amount deducted, the rate at which it has been deducted and the details of deposits referred to under sub-section (5).

(7) If any person referred to in sub-section (6) fails to furnish to the contractor the certificate of tax deduction at source within seven days of making payment or discharge, he shall be liable to pay, by way of penalty, a sum of one hundred rupees per day from the day of making payment to the contractor or discharge until the failure is rectified.

Provided that the amount of penalty payable under this sub-section shall not exceed twenty thousand rupees.

(8) Any deduction made and deposited in accordance with the provisions of this section shall be treated as payment of tax on behalf of the person from whose bills or invoices the deduction has been made, and he shall claim the adjustment towards the payment of output tax of the amount so deducted in his return for the tax period in which the certificate of such deduction was issued to him.

(9) A dealer claiming adjustment in his tax return of the amount deducted under this section shall preserve the certificate issued to him for a period of seven years and shall produce the same to the Commissioner on demand.

(10) If any person responsible for deduction under this section fails to make the deduction or, after deducting fails to deposit the amount so deducted as required in this section, the Commissioner may, by order in writing, direct that such person shall pay, by way of penalty, a sum not exceeding twice the amount deductible under this section besides the tax deducted but not so deposited and, if deducted, not so deposited.

