

GOVERNMENT OF ARUNACHAL PRADESH  
OFFICE OF THE SECRETARY (TAX & EXCISE)  
ITANAGAR

NO. TAX-04/2000/Vol-II

Dated Itanagar, the 3<sup>rd</sup> July, 2009.

C I R C U L A R No. VAT- 05

It has been observed that there is some confusion regarding levy of Value Added Tax (VAT) on round timber.

The issue is clarified as follows:

Under section (7) of the Arunachal Pradesh Goods Tax Act, 2005 and vide Notification No. TAX-02/2000 dated 23<sup>rd</sup> March, 2005, the State Government has exempted tax on inter- State trade. So, if a registered dealer produces 'C' form of other State, no tax should be levied. Alternatively, if tax is levied and 'C' form is obtained afterwards, the registered dealer while submitting returns can claim Input Tax Credit (ITC) or refund of whatever tax paid by them while making purchase from the Forest Department. Thus, there will be no net liability on the timber dealer for sale outside the State.

Sd/-

Amit Singla, I.A.S.  
Secretary (Tax & Excise),  
Government of Arunachal Pradesh,  
Itanagar.

Memo NO. TAX-04/2000/Vol-II/50-155 Dated Itanagar, the 3rd July, 2009.  
Copy to:

1. The PPS to HCM, Itanagar for information please.
2. The PS to HM (Finance, Tax & Excise etc.), Itanagar for information please.
3. The PS to HM (Forest & Environment), Itanagar for information please.
4. The PS to Chief Secretary, Govt. of Arunachal Pradesh, Itanagar for information please.
5. The Principal Secretary (Env. & Forest), Government of Arunachal Pradesh, Itanagar for information please.
6. All Deputy Commissioners/ All Superintendents of Tax & Excise.
7. Office Copy.



(Amit Singla) I.A.S.  
Secretary (Tax & Excise),  
Government of Arunachal Pradesh,  
Itanagar.