

GOVERNMENT OF NAGALAND  
FINANCE DEPARTMENT  
(REVENUE BRANCH)

F. NO. FIN/REV-4/GEN-9/09

Dated 12<sup>th</sup> May 2009

NOTIFICATION

In exercise of the powers conferred by sub-section (2) of section 98 of the Nagaland Value Added Tax Act, 2005, and with a view to simplify and ensure transparency of procedures, the Government of Nagaland hereby prescribes the following procedures for deduction of Value Added Tax on works contract as follows:-

- (i) Henceforth, all D.D.O.s shall, at the time of submission of bills in respect of all works to the Treasury/Sub-Treasury Officer, indicate the tax to be deducted at source (TDS) – @ 4% on the full amount of works, or @ 12.5% with permissible deductions for labour and service charges, as the case may be. This procedure shall be applicable only in respect of bills relating to works contract.
- (ii) The Treasury Officer shall be responsible for ensuring that the amount so indicated is deducted at the time of passing of the bill for payment, which should be less the amount of Value Added Tax payable. Bills not reflecting the amount of tax on works contract should be rejected.
- (iii) All Treasury Officers deducting tax at source (TDS) shall prepare a monthly statement separately indicating TDS deductions as per format enclosed, and forward a copy to the Commissioner Taxes, Nagaland, Dimapur, with a copy endorsed to the Revenue Branch of Finance Department by the 10<sup>th</sup> of the succeeding month in which the tax was deducted.

This notification shall come into effect from the date of issue.

sd/-

Toshi Aier

Principal Secretary & Finance Commissioner.

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Copy to:-

1. The Secretary to the Governor of Nagaland, Raj Bhavan, Kohima.
2. The Commissioner & Secretary to the Chief Minister Nagaland, Kohima.
3. The Sr. P.S./P.S. to all Ministers, Nagaland, Kohima.
4. The P.S. to all Parliamentary Secretaries, Nagaland, Kohima.
5. The O.S.D. to the Chief Secretary, Nagaland, Kohima.
6. All Additional Chief Secretaries, Nagaland, Kohima.
7. All Principal Secretaries/Commissioner & Secretaries/Separate Secretaries/Additional Secretaries, Nagaland, Kohima.

*Circulate  
to all concerned  
for info.*

*15/10/2009*

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19/10/09*

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