

(107)

**GOVERNMENT OF NAGALAND
FINANCE DEPARTMENT
(REVENUE BRANCH)**

NOTIFICATION

Dated Kohima the 09th January, 2012.

F.NO.FIN/REV-3/VAT/2001: In exercise of powers conferred by sub-section (1) of section 53 of the Nagaland Value Added Tax (VAT) Act, 2005, hereinafter referred to as the Act, and notwithstanding Rule 54 of the Nagaland Value Added Tax Rules, 2005 except as respects things done or omitted to be done before this notification comes into effect, the Governor of Nagaland is hereby pleased to notify permitting a VAT Retail Dealer of the State whose annual gross turnover of sales is above ₹ 3 (three) lakh but does not exceed ₹ 40 (forty) lakhs, to pay at his option, in lieu of the amount of tax payable by him under the provisions of the Act, by way of composition, an amount equal to 0.50 % of the annual gross turnover.

The notification shall also be subject to the conditions and procedures as specified below.-

- (1) A **VAT Registered Retail Dealer** who desires to exercise option for payment of tax by way of the composition shall make an application in **CSR Form-I** appended to this notification to the Prescribed Authority.
- (2) A **Retail Dealer** making an application for registration may also exercise such option by simultaneously making an application in **CSR Form-II** appended to this notification to the Prescribed Authority.
- (3) On being satisfied, the Prescribed Authority shall grant a certificate of permission in **CSR Form-III** appended to this notification and shall also intimate accepted estimated turnover at which the dealer is liable to pay the tax. If the application is found incorrect or incomplete or the dealer is found ineligible for any other reason, the Prescribed Authority may, after giving the dealer an opportunity of being heard, reject his application for composition.
- (4) The option once exercised shall be final and cannot be revoked by the dealer during the year.
- (5) A retail dealer whose option for payment of compounded amount of tax has been

accepted by the Prescribed Authority shall have to pay the compounded amount of tax @ 0.50% for the year within 30 (thirty) days of acceptance by the Prescribed Authority. For any subsequent year, the dealer shall submit annual tax return of previous year in **CSRD Form -IV** appended to this notification and pay the compounded amount of tax on the basis of it within 31st May of the year.

- (6) If the Prescribed Authority finds that the estimated turnover is more than that stated by the dealer in his application or the turnover in year is more than earlier estimated turnover, the Prescribed Authority may, after providing the dealer a reasonable opportunity of being heard order payment of the compounded amount of tax by calculating at the higher turnover.
- (7) A retail dealer whose annual gross turnover exceed ₹ 10 (ten) lakhs but does not exceed ₹ 40 (forty) lakhs, shall furnish a tax return in **CSRD Form -IV** for each quarter within the 21st (twenty first) day of the end of the quarter and also furnish a **consolidated annual return** in the same format to the Prescribed Authority within 31st May to which such return relates.
- (8) The tax returns shall be accompanied by proof of full payment of the tax due in accordance with Rule 44 and Rule 46 of the Nagaland Value Added Tax Rules, 2005.
- (9) For the first year of the notification, the dealer opting for the composition can adjust his tax dues with the amount already paid during the year up to the date of acceptance of his option by the Prescribed Authority.
- (10) The retail dealer whose gross turnover in a year exceeds ₹ 40 (forty) lakhs shall continue to pay tax by way of composition during that year and composition of tax in his case shall cease to have effect only from 1st April of the next year.
- (11) The dealer opting for composition of tax under this notification shall be subject to all other provisions of the Act and the Rules as may be mutatis mutandis applicable.
- (12) The dealer opting for this notification shall not be eligible to make purchase of goods in course of inter-state trade or commerce or any other transaction governed by the Central Sales Tax Act, 1956 (Central Act 74 of 1956).

- (13) This notification shall also not be applied to importers, manufacturers, works contractors, lessors and suppliers of goods to the Government Departments/ Undertakings/Corporations.
- (14) The dealer shall not have any goods in stock, which are purchased without payment of tax in the State or brought from outside the State on the date he opts to pay tax by way of composition.
- (15) In determining the gross turnover, the sales of both taxable and non-taxable goods made by the dealer in a quarter or a financial year, as the case may be, shall be taken into account.
- (16) Every dealer opting to pay tax by way of composition under this notification shall:
 - (a) display his certificate at the prominent location in place of business,
 - (b) not collect tax on his sales,
 - (c) not issue any tax invoice,
 - (d) not receive any tax invoice,
 - (e) not claim any input tax credit (ITC) on his purchase.
- (17) The Government reserves the right to review or amend or withdraw the notification in the public interest, as and when deemed proper.
- (18) If any transitional difficulty arises in giving effect to the provisions of this notification, the Government may by notification in the Official Gazette make such further provisions as appear to it to be necessary or expedient for removing the difficulty.

CSRD Form-I

(Application for permission to pay compounded amount of tax under Composition Scheme for Retail Dealers for a dealer who is already registered under the Nagaland VA TAct, 2005).

To

The Prescribed Authority,

DistrictWard

1. I/We(incorporate status) on dated of liability w.e.f. and carrying on business as a retail dealer in Nagaland do hereby apply for permission to pay compounded amount of tax as provided in the **"Composition Scheme for Retail Dealers"**.
2. The annual gross turnover of my/our business during the previous year ending is ₹
3. I/We opt to pay the compounded amount of tax from the current year ending and also thereafter unless revoked or disallowed.
4. I/We hereby undertake that I/We shall make payment of the payable amount in accordance with the conditions and procedures specified under the Scheme and shall also file the returns as applicable in my/our case.
5. I/We solely declare that the above statements are true to the best of my/our knowledge and belief.

Place

Date

Signature

Status

CSRD Form-II

(Application for permission to pay compounded amount of tax under Composition Scheme for Retail Dealers for a dealer who is simultaneously making an application for registration under the Nagaland VAT Act, 2005).

To

The Prescribed Authority,
District Ward:

1. I/We (*Incorporate status*) of M/s. am/are applying for registration under the Nagaland VAT Act, 2005 do hereby apply for permission to pay compounded amount of tax as provided in the "**Composition Scheme for Retail Dealers**".
2. The gross turnover of my/our business is likely to be ₹ by the year ending
3. I/We opt to pay the compounded amount of tax from the current year ending and also thereafter unless revoked or disallowed.
4. I/We hereby undertake that I/We shall make payment of the payable amount in accordance with the conditions and procedures specified under the Scheme and shall also file the returns as applicable in my/our case.
5. I/We solely declare that the above statements are true to the best of my/our knowledge and belief.

Place

Signature

Date

Status

CSRD Form-III

(Certificate of Permission to pay compounded tax under the Composition Scheme of Retail Dealer)

This is to certify that the dealer, whose particulars are detailed below, is hereby permitted to pay at his option, in lieu of the amount of tax payable by him under the provisions of the Nagaland Value Added Tax Act, 2005, by way of composition, an amount equal to 0.50 % of the annual gross turnover of sales under the Composition Scheme of Retail Dealer with effect from

The accepted turnover at which the dealer is liable to pay the compounded tax during the period is estimated at ₹

1.	Name and style of business																	
2.	TIN											Date of Liability						
3.	Principal place of business																	
4.	Name and address of the proprietor/ partner/ Director etc																	
5.	Address of additional place of business/branches/ warehouse or godowns, if any																	

NB

- A Retail dealer whose turnover of sales does not exceed ₹10 (ten) lakhs shall submit annual tax return of previous year in **CSRD Form -IV** and pay the compounded amount of tax on the basis of it within 31st May of the year.
- A Retail dealer whose annual gross turnover of sales exceed ₹10 (ten) lakhs but does not exceed ₹ 40 (forty) lakhs shall furnish a tax return in **CSRD Form -IV** for each quarter within the 21st (twenty first) day of the end of the quarter and also furnish a consolidated annual return in the same format within 31st May to which such return relates.
- A Retail dealer shall continue to maintain the invoices of all his purchases separately for each quarter or financial year, as the case may, be for necessary inspection.

Place:

Date:

Prescribed Authority

FORMAT CSRD-IV

TAX RETURN

Original/Revised

1	Return Period ending	D	D	M	M	Y	Y	Y

2	Name & style of business	
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3	TIN	Date of liability

4	Effective date from becoming retail dealer under Composition Scheme	D	D	M	M	Y	Y	Y	Y

5	Turnover of purchases			Turnover of sales		
	Non-taxable	Taxable	Total	Non-taxable	Taxable	Total
Tax payable @0.50% on the gross turnover of sales						₹

6	Tax paid by way of adjustment from payment made earlier if any	TV No. & Date
	₹	

7	Net balance tax due after adjustment from earlier payment if any	₹
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8	Amount paid	TV No. & Date
	₹	

DECLARATION

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

(Signature)
Status (Proprietor/Karta/Partner/Manager/)

This notification shall come into force on the date of its publication in the Official Gazette.


Sd/ **LALTHARA**
Chief Secretary

F.NO.FIN/REV-3/VAT/2001

Dated Kohima the 9th January, 2012.

Copy to:-

1. The Secretary to the Governor of Nagaland, Raj Bhavan, Kohima.
2. OSD to CM for information of the Chief Minister.
3. OSD to CS for information of the Chief Secretary.
4. The P.S. to all Ministers, Nagaland for information.
5. All the Addl. Chief Secretaries/Principal Secretaries/Commissioner & Secretaries/Secretaries/ Addl. Secretaries to the Government of Nagaland.
7. The Addl. Chief Secretary and Commissioner, Nagaland, Kohima.
8. All Deputy Commissioner/Addl. Deputy Commissioner of Nagaland.
9. The Commissioner of Taxes, Nagaland, Dimapur.
10. All Heads of Department.
11. The Editor, Nagaland Gazette, Kohima for information and with direction to cause Extraordinary Gazette publication on 1st February, 2012 positively.
12. The Director, Information and Public Relations, Kohima for information and wide publicity.
13. Guard file.



(Toshikazu)
Addl. Chief Secretary & Finance Commissioner.