

## Composition Scheme for Brick Kilns, 2006

RAJASTHAN

India

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### Rule COMPOSITION-SCHEME-FOR-BRICK-KILNS-2006 of 2006

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Composition Scheme for Brick Kilns, 2006 Published vide Notification No. F. 12(63) FD/Tax/2005-38, dated 6-5-2006, Published in Rajasthan Gazette, Extraordinary, Part 4(C)(2), dated 8-5-2006, page 63(9)S.O. 86. - In exercise of the powers conferred by section 5 of the Rajasthan Value Added Tax Act, 2003 (Act No. 4 of 2003), the State Government being of opinion that it is expedient in the public interest so to do, hereby notifies the "Composition Scheme for Brick Kilns, 2006" (hereinafter referred to as 'the scheme'), and permits such dealers to opt for composition amount in lieu of their tax liability in respect of their sales of bricks manufactured by them, within the State of payment of composition amount as determined under the Scheme.

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#### 0. Date of Commencement.

- This scheme shall be deemed to have come into force with effect from April 1, 2006.

2.0 Applicability.- The scheme shall be applicable to the registered dealers who are manufacturing bricks in the State: Provided that registered dealers against whom cases of avoidance or evasion of tax are pending, shall not be eligible for composition of tax under this scheme.

3.0 Composition Amount.-

3.1 The composition amount to be paid per annum per dealer in lieu of tax shall be for the composition period of two years and shall be determined for the first year as follows:-

(a) In cases where the capacity of the brick kiln is less than eight bricks per round, the composition amount for the first year shall be Rs. 90,000/- per annum per Kiln.

(b) In cases where the capacity of the brick kiln is eight lac or more but less than eleven Lac bricks per round, the composition amount for the first year shall be Rs. 1,44,000/- per annum per kiln.

(c) In cases where the capacity of the brick kiln is eleven lac bricks or above per round, the composition amount for the first year shall be Rs. 1,44,000/- per annum per kiln for the first eleven lac and thereafter for every increased capacity per round of bricks for every one lac or part thereof, the composition amount at the rate of Rs. 1,300/- shall be added to arrive at the annual composition amount for such kiln.

3.2 Notwithstanding anything contained in clause 3.1, for dealers availing benefit under the old

composition scheme dated 03-04-2000, the composition amount for the year 2006-07 shall not be less than 120% of the composition amount payable by him in the year 2005-06 under the said old scheme.3.3If the dealer has deposited the composition amount for the financial year 2006-07 under the old composition scheme dated 03-04-2000, the amount so paid shall be adjusted against the composition amount payable under the scheme.3.4The composition amount for the subsequent years shall be equivalent to 110% of the composition amount for immediately preceding year.3.5If there is an increase in the capacity of the kiln(s) the composition amount shall be increased proportionately and the dealer shall be liable to pay increased composition amount in the manner provided in the scheme.3.6The composition amount determined under clauses 3.1, 3.2 & 3.4, shall be proportionately revised when the rate of tax on brick kilns is revised under section 4 of the Rajasthan Value Added Tax Act. 2003.4.0Manner of payment of composition amount.-4.1The composition amount shall be payable in four equal quarterly installments and such amount of installment shall be deposited in the Government Treasury through challan in Form ST 10, up to the 14th day of start of each quarter. Thus, the composition amount of first quarter i.e. April to June shall be deposited by April 14th, and for subsequent 2nd, 3rd and 4th quarters by 14th July, 14th October and 14th January, respectively.4.2For the composition period of the year 2006-2007, the installments of the composition amount already fallen due shall be deposited within 30 days of the publication of this notification in the Official Gazette and the tax, if any collected/charged prior to the issuance of the scheme shall be deposited immediately and if the amount of tax so deposited is less than or equal to the amount of installments due till date, such deposited tax shall be adjusted against due installments. However, if such tax is in excess of the amount of installments due, it shall stand forfeited in favour of the State Government and the remaining installments shall have to be paid by the dealer in accordance with the scheme.4.3In case of advance lump sum payment of the annual composition amount by 14th day of April of the relevant year, a rebate of 6% shall be admissible on the amount of composition amount.5.0Composition Certificate.-5.1The dealers opting for the scheme shall submit an application on a plain paper to his assessing authority mentioning therein basic facts such as the name, registration number (TIN), capacity of the brick kiln and the number of such kilns, within sixty days of the publication of this notification or within thirty days of date of issuance of registration certificate whichever is later.5.2Where a dealer has failed to opt for the scheme within the stipulated period, he shall be allowed to avail the benefits of the Scheme on fulfillment of the following conditions, namely:-(i)he shall deposit the whole of the amount which has become due under the Scheme along with the interest thereon at the rate notified under the Act.(ii)he shall also deposit a late fee, amounting to twenty five percent of the due composition amount required to be deposited under the Scheme where he exercises this option by December 31st and this late fee shall be fifty percent of due amount if he exercises this option after December 31 but before March 31, of the relevant financial year, and(iii)he shall deposit the tax charged or collected, if any, to the State Government before making application for availment of the scheme under this clause.5.3Where a dealer has failed to deposit the composition amount in the period specified under the Scheme, he shall be allowed to continue to avail the benefits of the Scheme on fulfillment of the following conditions, namely:-(i)he shall deposit the whole of the amount which has become due under the Scheme alongwith the interest there on at the rate notified under the Act, and(ii)he shall also deposit a late fee, amounting to twenty five percent of the due composition amount required to be deposited under the Scheme where he deposits the due installments by December 31st, and this late fee shall be fifty percent of due amount if he deposits the due installments after December 31

but before March 31, of the relevant financial year.5.4On receipt of the application for exercising the option, the assessing authority shall determine the composition amount payable in respect of each kiln after making necessary enquiries, if needed, and after giving an opportunity of being heard to the dealer, he shall, thereafter, issue the composition certificate in Form CS-2006.5.5The composition certificate shall be valid initially for a period of two years commencing from the first day of April of the first year of the composition period.5.6The composition certificate may be renewed for a further period of two years at a time of making an application to the assessing authority by the dealer on plain paper before 30 days of the expiry of the composition period. The composition certificate shall be enclosed with application. On receipt of the application the assessing authority shall determined the composition amount in accordance with clause 3.0 and renew the composition certificate.5.7If there is an increase in the capacity of the kiln(s) the dealer shall immediately inform in writing to his assessing authority about such increase, together with the composition certificate issued under this scheme and the assessing authority on receipt of the application shall amend the composition certificate accordingly.6.0Assessment.-The composition certificate showing the amount payable under the scheme shall be deemed to be the assessment order-cum-demand notice for a registered dealer. In case of default, it shall be recoverable as per the provisions of the said Act.7.0Conditions.-7.1Save as provided in the scheme, the dealer opting for composition of tax under this scheme shall be subject to all the provisions of the Rajasthan Value Added Tax Act, 2003 and rules made thereunder.7.2In cases where a dealer availing of the benefit of the Scheme opts out of it, and at any time thereafter opts for the scheme again, the composition amount payable shall not be less than what was payable in the last year as per the composition certificate.7.3The dealer shall not charge or collect any tax from a purchaser on the sale of goods during the composition period. However, tax charged or collected by the dealer shall have to be deposited forthwith and the tax already deposited shall not be refunded.7.4The dealer shall not be entitled to claim any input tax credit or refund in respect of purchases made by him.7.5If any dealer voluntarily withdraws from the scheme during the year, he shall be require to deposit the whole of the composition amount, if not already paid for the year, forthwith. Special surveys including stock verification of such dealers shall be conducted at regular periodic intervals.7.6Where during the composition period, the dealer violates any of the conditions of the scheme or aids or abets the evasion of tax, the assessing authority, after affording reasonable opportunity of being heard, may cancel the composition certificate. This will be without prejudice to the action, panel or otherwise, for which such dealer shall be liable under the provisions of the Rajasthan Value Added Tax Act, 2003 and rules made thereunder.7.7The composition amount and any other levy under the scheme shall be recoverable as arrears of land revenue under the Rajasthan Value Added Tax Act, 2003.7.8The State Government may review the scheme and on being satisfied that it is not in the public interest to continue the scheme, it may revoke the scheme forthwith or from such date as it may notify.

Form CS-2006Composition Certificate[Under Composition Scheme for registered dealers of Bricks Kilns-2006]

Book No. Circle

Serial No. Ward

Under the "Composition Scheme for Brick Kiln Dealers-2006", I hereby permit M/s ..... (address) R.C. No..... to deposit composition amount in lieu of tax for the years (i) & (ii) on the sale of all bricks manufactured in the Kiln owned by him, in accordance with the provision of the said scheme

as follows:-

Composition amount computed as per the Scheme for the year(s)	Composition amount (Rs. in lacs)
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2006-2007	
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2007-2008	
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The quarterly installments are to be paid in advance as per clause (4) of the Scheme. This certificate shall be initially valid for two years subject to further renewal or cancellation or the scheme is revoked.

Place: Signature

Date: Designation