

# **Composition Scheme for Registered Dealers Dealing in all Kinds of Synthetic Gems and Stones and all Kinds of Precious and Semi-Precious Gems and Stone (including Kharad), Pearls (whether Real or Cultured) and Diamonds**

RAJASTHAN

India

## **Composition Scheme for Registered Dealers Dealing in all Kinds of Synthetic Gems and Stones and all Kinds of Precious and Semi-Precious Gems and Stone (including Kharad), Pearls (whether Real or Cultured) and Diamonds**

### **Rule**

### **COMPOSITION-SCHEME-FOR-REGISTERED-DEALERS-DEALING-IN-A of 1999**

- Published on 3 May 1999
- Commenced on 3 May 1999
- [This is the version of this document from 3 May 1999.]
- [Note: The original publication document is not available and this content could not be verified.]

Composition Scheme for Registered Dealers Dealing in all Kinds of Synthetic Gems and Stones and all Kinds of Precious and Semi-Precious Gems and Stone (including Kharad), Pearls (whether Real or Cultured) and DiamondsPublished vide Notification No. F.4(4) FD/Tax-Div./99, dated 3-5-1999, page 81(5)S.O. 82. - In exercise of the powers conferred by Section 5 of the Rajasthan Sales Tax Act, 1994 (Rajasthan Act No.22 of 1995), the State Government being of the opinion that it is expedient in the public interest so to do, hereby notifies the "Composition Scheme for registered dealers dealing in all kinds of synthetic gems and stones and all kinds of precious and semi-precious gems and stone (including kharad), pearls (whether real or cultured) and diamonds (hereinafter referred to as "the Scheme"), and permit such dealers to opt for composition amount in lieu of their tax liability in respect of their sales of all kinds of synthetic gems and stones and all kinds of precious and semi-precious gems and stones (including kharad), pearls (whether real or cultured) and diamonds, within the State on payment of composition amount determined on the basis of their gross turnover as certified by the Jewellers Association, Jaipur or as disclosed in their books of accounts.

# 1.

## 0. Date of commencement.

- This scheme shall come into force with effect from April 1, 1999.

## 2. [0 Composition amount. [Substituted by Dated 28-6-2003, published in Rajasthan Gazette Extraordinary, part 4(ga), dated 30-6-2003, page 119(14).]

(a) In case of dealers, who opt for the scheme on or before 28-3-2001, the composition amount to be paid per annum per dealer in lieu of tax shall be for the composition period of five years and shall be determined for the first year as follows:-

S. No.	Annual Gross turnover in the immediate preceding year	Annual Composition Amount
1.	Upto Rs. 1.00 lac	Nil
2.	More than Rs. 1.00 lac and upto 10.00 lac	Rs. 2,000/-
3.	More than Rs. 10.00 lac and upto 50.00 lac	Rs. 7,000/-
4.	More than Rs. 50.00 lac and upto 100.00 lac	Rs. 11,000/-
5.	More than Rs. 100.00 lac and upto 200 lac	Rs. 15,000/-
6.	More than Rs. 200 lac	Rs. 21,000/-

(b) In case of dealer who opt for the scheme on or after 29-3-2001, the composition amount to be paid per annum per dealer in lieu of tax shall for the composition period of five years and shall be determined for the first year as follows:-

S. No.	Annual Gross turnover in the immediate preceding year	Annual Composition Amount
1.	Upto Rs. 1.00 lac	Nil
2.	More than Rs. 1.00 lac and upto 10.00 lac	Rs. 2,500/-
3.	More than Rs. 10.00 lac and upto 50.00 lac	Rs. 8,000/-
4.	More than Rs. 50.00 lac and upto 100.00 lac	Rs. 12,500/-
5.	More than Rs. 100.00 lac and upto 200 lac	Rs. 18,000/-
6.	More than Rs. 200 lac	Rs. 25,000/-

The composition amount for the year 2002-2003 and subsequent thereto, the composition amount shall be 130% of the composition amount determined for the immediately preceding year. However, for the year 2003-2004 and subsequent thereto, the composition amount shall be 105% of the composition amount determined for immediately preceding year.]

## 2A. [ [Inserted by Dated 30-9-2002, published in Rajasthan Gazette Extraordinary, part 4(ga), dated 3-10-2002, page 373(1).]

In case of new registration the amount of composition shall be calculated on the basis of declaration made by the dealer about his expected turnover during the year for which he has made the

composition application. It is further provided that in case it is found that his actual turnover is more than the turnover declared by him in his application, he shall be liable to pay the difference amount of the chargeable tax and the amount paid as Clause 2 of the composition scheme with interest thereon, as may be applicable from time to time, on the difference amount by 15th May of the following financial year.][[2B] [Added by Dated 28-6-2003, published in Rajasthan Gazette Extraordinary, part 4(ga), dated 30-6-2003, page 119(14).].In case a dealer has deposited composition amount for the year 2003-2004 by increasing the composition amount of the immediately preceding year by thirteen percent, the same shall be adjusted against the composition amount payable under this clause.].3.oRenewal of composition amount.- The composition certificate shall be renewable each time for a further period of five years on the dealer submitting an application to the Assessing Authority on plain paper before 30 days of the expiry of the composition period. The composition certificate shall be enclosed with application along with the details of turnover for the composition period. On receipt of the application the Assessing Authority shall, after making necessary inquiries, determine the composition amount in accordance with clause 2.0 and renew the composition certificate accordingly.Conditions.

**1. This scheme shall be applicable to the registered dealers only.**

**2. The 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 and the gross turnover of the immediately preceding year etc., within sixty days of the publication of this notification or within thirty days of date of issuance of registration certificate. For subsequent years, such application be submitted within thirty days of the commencement of the financial year. [However, for the year 2003-2004 such application may be submitted within 30 days of the date of publication of this amendment notification.] [Inserted by Dated 28-6-2003, published in Rajasthan Gazette Extraordinary, part 4(ga), dated 30-6-2003, page 119(14).] The application shall also be accompanied with a verification of gross turnover by the Jewellers Association, Jaipur or declaration of turnover as per books duly supported by an affidavit to this effect:**

[Provided that when a dealer has failed to opt for the scheme within the stipulated period or has failed to deposit the composition amount in the period specified under the scheme, he shall be allowed to avail the benefits of the scheme in 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, not later than the end of the relevant financial year;(ii)he shall also deposit a late fee. amounting to twenty five per cent of the due amount required to be deposited under the scheme where he exercises this option under clause (i) by December 31st, and this late fee shall be fifty per cent of the amount if he exercises the option after December 31 but before March 31, of the relevant financial year but for the financial years upto 2001 -2002, such

option can be exercise upto March 31, 2003, with late fee amounting to twenty five per cent of due amount, 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 proviso.]

**3. The whole of the composition amount shall be paid in lump sum by a dealer already registered with the Department, within one month of the commencement of financial year, however for the financial year 1999-2000, this amount can be deposited upto [30-5-2002] [Substituted by Dated 21-6-2002, published in Rajasthan Gazette Extraordinary, part 4(ga), dated 25-6-2002, page 205(3).]. In case of new registration, the whole of the composition amount shall be deposited in lump sum within thirty days from the date of issuance of registration certificate.**

**4. In 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 composition.**

**5. The composition certificates showing the amount payable under the scheme shall be deemed to be the assessment order cum demand notice for a registered dealer and no separate assessment order shall be required to be passed.**

**6. The dealer opting for composition of tax under this scheme shall be subject to all the provisions of the RST Act, 1994 and rules made thereunder, and the terms and conditions contained in this Notification.**

**7. The 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.**

**8. The dealer shall not be entitled to claim any deduction set- off, partial exemption or refund in respect of purchases made by him.**

**9. If any dealer voluntarily withdraws from the scheme during the year, he shall be required to deposit the whole of the composition amount, if not already paid for the year, forthwith.**

**10. The composition amount shall be recoverable as arrear of the land revenue under the Rajasthan Sales Tax Act, 1994.**

**11. The State Government may review the scheme and if substantial number or registered dealers of the State do not opt for it or on being satisfied that it will not be in the public interest to continue the scheme, the State Government shall have power to revoke the scheme forthwith or from such date as it may notify.**

Composition Certificate under "composition Scheme for dealers dealing in all kinds of synthetic gems and stones and all kinds of precious and semi-precious gems and stones (including kharad) pearls (whether real or cultured) and diamonds 1999

Book No. Circle :

Serial No. Ward :

Under the "Composition Certificate under "composition Scheme for dealers dealing in all kinds of synthetic gems and stones and all kinds of precious and semi-precious gems and stones (including kharad) pearls (whether real or cultured) and diamonds, I hereby permit M/s..... (Address) R.C. No. .... under Rajasthan Sales Tax Act, 1994 to pay composition amount in lieu of tax on the purchase and sale of all kinds of synthetic gems and stones and all kinds of precious and semi-precious gems and stones (including kharad) pearls (whether real or cultured) and diamonds, in accordance with the provisions of the said scheme as follows:-

The Composition amount computed as per the scheme for the year      Year Composition amount

This certificate remains valid for the period from.....day of..... 19.....

Place : Signature

Dated : Designation

In case of renewal:

The Composition amount computed as per the scheme for the year      Year Composition amount

This certificate remains valid for the period from..... day of.....19.....

Place : Signature

Dated : Designation

[Inserted by Dated 4-2-2003, published in Rajasthan Gazette Extraordinary, part 4(ga), dated 6-2-2003, page 565(3).]