

No. CTS-29/2008/33

Dated Dispur, the 11th August,2008

Sub: Clarification as to whether a contractor is liable to pay entry tax against goods other than plants and machinery, roller etc.

Extract of the Order

As per provision of section 2(1)(e)(i) of Assam Entry Tax Act,2008, an importer includes every person who carries on the business of transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract. Again as per provision of section 3(2) of the Assam Entry Tax Act, 2008, no entry tax is payable on specific goods if such goods are for the purpose of resale and if the dealer is liable to pay tax on sales of such goods under the Assam Value added Tax Act, 2003. Under the Assam Value Added Tax Act, 2003 sale includes a transfer of property in goods (whether as goods or in some other form) involved in the execution of contract.

It is, therefore, clarified that the importer of specified goods into the State for use in works contract shall not be liable to pay entry tax if such importers satisfy the provisions of section 3 of the Assam Entry Tax Act, 2008 and such goods are actually transferred in the course of works contract.

It is further clarified that the specified goods such as plants and machinery, bulldozers, excavators, earthmovers etc., which is though used in works contract but are not transferred in course of such contract, shall be eligible to entry tax.

Sd/- (Sanjay Lohiya)
Commissioner of Taxes, Assam
Guwahati