

No. CTS-63/2005/105

Dated Dispur, the 23rd April,2008

Sub: Clarification on rate of tax on sales of medicines to unregistered dealers in course of interstate trade and commerce.

Extract of the Order

It is clarified that as per the Central Sales Tax Act, 1956 the rate of tax on sale made to unregistered dealer in course of inter state trade & commerce shall be the rate applicable to the sale or purchase of such goods inside the appropriate State under the sales tax laws of that State. Again, under the Assam Value Added Tax Act, 2003, the rate of tax on Drugs & Medicine is 4% on MRP basis. Therefore it is held that the rate of tax on sales of medicine to unregistered dealers in course of inters state trade and commerce shall be 4% on MRP basis.

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