

Value Added Tax Act, 2003

Section 42 - Payment and Recovery of Tax, Penalties, Interest and Other Amounts

(1) Every registered dealer shall furnish returns to the prescribed authority, and the tax payable shall be paid in such manner as may be prescribed, within the period specified and on an application by a dealer, the Government or Commissioner may permit, subject to such conditions as may be prescribed, payment of tax or any other amount payable, in such instalments and at such intervals as may be prescribed.

(2) Every registered dealer shall, on receipt of a Notice from the prescribed authority, pay any penalty or interest due in such manner as may be prescribed.

(3) (a) The Government may, in such circumstances and subject to such conditions as may be prescribed, by notification, defer payment by any new industrial unit of the whole or any part of the tax payable in respect of any period and also permit payment of such tax before the expiry of any deferred period, subject to the condition that in respect of such industrial unit the Government has already notified exemption of tax or deferred payment of tax under the provisions of the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957).

(b) Notwithstanding anything contained in this Act but subject to such conditions as the Government may, by general or special order specify, where a dealer to whom incentives by way of deferment offered by the Government in its orders issued from time to time has been granted by virtue of eligibility certificate and where liability equal to the amount of any such tax payable by such dealer has been created as a loan by the Department of Industries and Commerce of the Government of Karnataka, then such tax shall be deemed, in the public interest, to have been paid.

(c) Notwithstanding anything contained in this Act, the deferred payment of tax under clause (a) shall not attract interest under sub-section (2) of Section 36, provided the conditions laid down for payment of the tax deferred are satisfied.

(4) Any other amount due under this Act shall be paid within ten days from the date of service of the order or proceedings imposing such amount, unless otherwise specified.

(5) The Commissioner or the Government may, subject to such conditions as they may specify, remit by an order the whole or any part of the interest payable in respect of any period by any person or class of persons.

(6) Where the amount paid falls short of the aggregate of the tax or any other amount due and interest payable, the amount so paid shall first be adjusted towards interest payable and the balance, if any, shall be adjusted towards the tax or any other amount due.

(7) A registered dealer, furnishing a revised return in accordance with this Act which shows a greater amount of tax to be due than was paid or payable in accordance with the original return, shall pay with that revised return the tax so payable in such manner as may be prescribed.

(8) Any amount, which remains unpaid under this Act after the due date of payment, shall be recoverable from a dealer in the manner specified under this Act.

(9) Any tax due or assessed, or any other amount due under this Act from a dealer, or any other person, may without prejudice to any other mode of collection be recovered.-

(a) as if it were an arrears of land revenue; or

(b) by attachment and sale or by sale without attachment of any property of such dealer or any other person by the prescribed authority or the prescribed officer in the prescribed manner, and any prescribed certificate issued towards such sale shall be deemed to be a decree of a Civil Court and shall be executed in the same manner as a decree of such Court; or

(c) notwithstanding anything contained in the Code of Criminal Procedure, 1973 (Central Act 2 of 1974), on application to any Magistrate, by such Magistrate as if it were a fine imposed by him.

(10) Where a dealer or other person who has appealed or applied for revision of any order made under this Act and has complied with an order made by the appellate or the revising authority in regard to the payment of the tax or other amount, no proceedings for recovery under this Section shall be taken or continued until the disposal of such appeal or application for revision.

(11) The High Court may, either suo motu or on an application by the Commissioner or any person aggrieved by the order, revise any order made by a Magistrate under clause (c) of sub-section (9).
