Value Added Tax Act, 2003

Section 43 - Duties of Receivers

(1) A receiver appointed by any court shall notify the Commissioner in writing within fourteen days after being appointed to the position of receiver or taking possession of an asset in the State whichever is earlier.

(2) The Commissioner may notify the receiver in writing of the amount which appears to be sufficient to provide for any tax which is or will become payable by the person whose assets are in the possession of the receiver.

(3) A receiver shall not part with any asset in the State, which is held by the receiver in his capacity as receiver without the prior written permission of the Commissioner or any other officer authorised by him.

(4) A receiver.-

(a) shall set aside, out of the proceeds of sale of an asset, the amount notified by the Commissioner under sub-section (2), or such lesser amount as may subsequently be fixed by the Commissioner;

(b) is liable to the extent of the amount set aside for the tax payable by the person who owned the asset; and

(c) may pay any debt that has priority over the tax referred to in this Section notwithstanding any provision of this Section.

(5) A receiver is personally liable to the extent of any amount required to be set aside under sub-section (4) for the tax referred to in sub-section (2) if and to the extent that, the receiver fails to comply with the requirements of this Section.

(6) In this Section, receiver includes a person, who with respect to an asset in the State is, -

(a) a liquidator of a company; or

(b) a receiver appointed out of court or by a court; or

(c) a trustee for a bankrupt person; or

(d) a mortgagee in possession; or

(e) an executor of a deceased estate; or

any other person conducting the business of a person legally incapacitated.