

Value Added Tax Act, 2003

Section 45 - Recovery of Tax, Penalty, or Any Other Amount, from Certain Other Persons

(1) The prescribed authority may at any time or from time to time, by notice in writing, a copy of which shall be forwarded to the dealer at his last address known to the prescribed authority, require any person from whom money is due or may become due to the dealer or any person who holds or may subsequently hold money for or on account of the dealer to pay to the prescribed authority, either forthwith upon the money becoming due or being held at or within the time specified in the notice, not being before the money becomes due or is held, so much of the money as is sufficient to pay the amount due by the dealer in respect of arrears of tax or penalty or the whole of the money when it is equal to or less than that amount.

(2) The prescribed authority may at any time or from time to time amend or revoke any such notice or extend the time for making any payment in pursuance of the notice.

(3) Any person making any payment in compliance with a notice under this Section shall be deemed to have made the payment under the authority of the dealer and the receipt of the prescribed authority shall constitute a good and sufficient discharge of the liability of such person to the extent of the amount referred to in the receipt.

(4) Any person discharging any liability to the dealer after receipt of the notice referred to in this Section shall be personally liable to the prescribed authority to the extent of the liability discharged or to the extent of the liability of the dealer for the amount due under this Act, whichever is less.

(5) Where any person to whom a notice under this Section is sent, proves to the satisfaction of the prescribed authority issuing such notice or any other officer to whom the matter is referred for verification, that the sum demanded or any part thereof is not due by him to the dealer or that he does not hold any money for or on account of the dealer, then nothing contained in this Section shall be deemed to require such person to pay the sum demanded or any part thereof, to the prescribed authority.

(6) Any amount which a person is required to pay to the prescribed authority or for which he is personally liable to the prescribed authority under this Section shall, if it remains unpaid, be a charge on the properties of the said person and may be recovered as if it were an arrear of land revenue.

(7) For the purpose of this Section, the amount due to a dealer or money held for or on account of a dealer by any person shall be computed after taking into account such claims, if any, as may have fallen due for payment by such dealer to such person and as may be lawfully subsisting.
