

Finance Act, 2003

Chapter VI - Central Sales Tax

In the Central Sales Tax Act, 1956(2 of 1956) (hereinafter referred to as the Central Sales Tax Act), in section 6, after sub-section (2), the following sub-section shall be inserted, namely:--

"(3) Notwithstanding anything contained in this Act, if--

(a) any official or personnel of--

(i) any foreign diplomatic mission or consulate in India; or

(ii) the United Nations or any other similar international body,

entitled to privileges under any convention to which India is a party or under any law for the time being in force; or

(b) any consular or diplomatic agent of any mission, the United Nations or other body referred to in sub-clause (i) or sub-clause (ii) of clause (a),

purchases any goods for himself or for the purposes of such mission, United Nations or other body, then, the Central Government may, by notification in the Official Gazette, exempt, subject to such conditions as may be specified in the notification, the tax payable on the sale of such goods under this Act."

Section 162 - Amendment of section 8

In section 8 of the Central Sales Tax Act, in sub-section (1), for the portion beginning with the words "shall be liable" and ending with the words "whichever is lower", the following shall be substituted, namely:--

"shall be liable to pay tax under this Act, with effect from such date as may be notified by the Central Government in the Official Gazette for this purpose, which shall be two per cent. of his turnover or at the rate applicable to the sale or purchase of such goods inside the appropriate State under the sales tax law of that State, or, as the case may be, under any enactment of that State imposing value added tax, whichever is lower:

Provided that the rate of tax payable under this sub-section by a dealer shall continue to be four per cent. of his turnover, until the rate of two per cent. takes effect under this sub-section."

Section 163 - Amendment of section 20

In section 20 of the Central Sales Tax Act,-

(a) in sub-section (1), for the words and figure "section 9 of this Act", the words and figure "section 9 of this Act, which relates to any dispute concerning the sale of goods effected in the

course of inter-State trade or commerce" shall be substituted;

(b) in sub-section (2), for the portion beginning with the words "aggrieved against" and ending with the words and figure "section 9 of this Act", the following shall be substituted, namely:--

"under sub-section (1) within forty-five days from the date on which order referred to in that sub-section is served on him:

Provided that the Authority may entertain any appeal after the expiry of the said period of forty-five days, but not later than sixty days from the date of such service, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.";

(c) sub-section (3) shall be omitted.

Section 164 - Amendment of section 21

In section 21 of the Central Sales Tax Act,-

(a) in sub-section (1), for the portion beginning with the words "assessing authority concerned" and ending with the words "returned to the assessing authority", the following shall be substituted, namely:-

"assessing authority concerned as well as to each State Government concerned with the appeal and to call upon them to furnish the relevant records:

Provided that such records shall, as soon as possible, be returned to the assessing authority or such State Government concerned, as the case may be.";

(b) in sub-section (3), for the first proviso, the following proviso shall be substituted, namely:--

"Provided that no appeal shall be rejected unless an opportunity has been given to the appellant of being heard in person or through a duly authorised representative, and also to the State Government concerned with the appeal of being heard.".

Section 165 - Amendment of section 23

In section 23 of the Central Sales Tax Act, for the words "in all matters", the words "in all matters, including stay of recovery of any demand" shall be substituted.
