

GOVERNMENT OF JAMMU AND KASHMIR
FINANCE DEPARTMENT

Notification

Jammu, the 25th Feb. 2011

SRO 68:- In exercise of the powers conferred by section 85 of the Jammu and Kashmir Value Added Tax Act, 2005, the Government hereby direct that in the Jammu and Kashmir Value Added Tax Rules, 2005, following amendments shall be made; namely:-

I. Rule 2 (1) shall be substituted by the following_

“(1) In these rules, unless the context otherwise requires:-

- (i) **"Act"** means the Jammu and Kashmir Value Added Tax Act, 2005 and any reference to a schedule to the Act includes reference to a Schedule as amended from time to time;
- (ii) **"Agent"**. means an authorized representative as defined in rule 87.
- (iii) **"Circle"** means the jurisdiction of the Assessing Authority determined by the Commissioner under rule 3.
- (iv) **"Commercial Taxes Officer"** means the officer appointed by 'that designation by the Government under sub-section (2) of section 3;
- (v) **"Digital signature certificate"** means digital signature certificate issued under sub-section (4) of section 35 of the Information Technology Act, 2000;
- (vi) **"Digital Signature"** means authentication of any electronic record by a subscriber by means of an electronic method or procedure in accordance with the provisions of section 3 of the Information

Technology Act, 2000;

- (vii) **"Document"** includes an electronic record as defined in clause (t) of sub-section (1) of Section 2 of the Information Technology Act, 2000.
- (viii) **"Empowered Authority"** means the officer empowered to exercise powers under the Act;
- (ix) **"Form"** means a form appended to these rules;
- (x) **"Inspector"** means a Commercial Taxes Inspector appointed by the Competent Authority, and posted in the Department;
- (xi) **"Jurisdictional' 'Assessing Authority"** means the Assessing Authority Incharge of a Local Commercial Tax Circle in-which the Principal place of business of a dealer is located;
- (xii) **"Month"** means a calendar month;
- (xiii) **"Notice"** means a notice issued under the Act or the rules, in the form prescribed under these rules. Where such notice is issued electronically, bearing a serial number generated by the computer, the signature of the issuing authority shall not be required;
- (xiv) **"Permanent Account Number" (PAN)"** means the Permanent Account Number (PAN) allotted under the Income Tax Act, 1962;
- (xv) **"Private Key"** means the key of a key pair used to create a digital signature;
- (xvi) **"Public Key"** means the key of a pair used to verify a digital signature and listed in the digital signature certificate;

- (xvii) "**Quarter**" means a unit of three months of the year;
- (xviii) "**Receipt**" means an acknowledgement of receiving the documents. Where such receipt is issued electronically, bearing a serial number generated electronically, the signature of the person receiving the document shall not be required;
- (xix) "**Registering Authority**" means an officer who in his capacity as Deputy Commissioner Commercial Taxes or Jurisdictional Assessing Authority issues a certificate of registration to the dealer;
- (xx) "**Return Period**" means the period for which the returns are prescribed to be filed by a dealer;
- (xxi) "**Section**" means a section of the Act;
- (xxii) "**State**" means the State of Jammu and Kashmir;
- (xxiii) "**Treasury**" means a treasury or sub - treasury of the Government or branch of the Jammu and Kashmir Bank Ltd. or any Scheduled / Nationalized Bank as may be notified by the Government from time to time;
- (xxiv) "**Verify**" in relation to a digital signature, electronic record or public key, with its grammatical variations and cognate expressions means to determine whether-
- (a) the initial electronic record was affixed with the digital signature by the use of private' key corresponding to the public key of the subscriber;
 - (b) the initial electronic record is retained intact or has been altered since such electronic record was so affixed with the digital signature.

Explanation: - For the purpose of this clause "subscriber" means a person in whose name the digital signature is issued.

- (xxv) **"Warehouse"** means any enclosure, building or a vessel in which a dealer keeps stock of goods for sale or re-sale;
- (xxvi) **"Website"** means the website as may be notified by the Commissioner".

(II). In rule 12 the following amendments shall be made__

- (i) in sub-rule (a) after the words and figures "V AT 02" the words "and application by' a dealer opting for composition scheme shall be in Form VAT-O1D" shall be added; and
- (ii) after sub-rule (o) the following sub-rules shall be added:-

“(p) Notwithstanding anything contained in sub-rule (a) an application for grant of registration certificate under the Act may be submitted by a dealer electronically through the official web-site of the Department to the office of the jurisdictional Registering Authority”

(q) The documents to be uploaded along. with the application for registration under sub-rule (p), shall be notified by the Commissioner.

(r) The dealer, who has submitted application under sub-rule (p), shall submit the documents as may be prescribed by the Commissioner, in hard copy thereof within three working days from the end of the day of submission of application to the jurisdictional Registering Authority.

(s) The jurisdictional Registering Authority, having satisfied that the application for e-registration is complete in all respects shall generate the Tax Identification Number (TIN) and intimate the same to the applicant at the e-mail address as mentioned in the application for registration within two working days after the receipt of such application and shall ensure that an enquiry to verify the facts and statements made in the application is conducted within twenty working days of such issuance and on being satisfied, the registration certificate shall be issued”.

(III). In rule 16 shall be substituted by the following__

"16. Validity of registration certificate: Every certificate of registration other than the certificate of registration of a casual trader issued under rule 12 shall remain valid till it is cancelled. However, in case of a casual trader the application of registration shall be valid only for the period as recorded in his certificate of registration".

(IV) In rule 17 the following amendments shall be made_

- (i) in sub-rule (1), after the words "certificate of registration" the words "in case of a casual trader," shall be inserted;
- (ii) in sub- rule (2);
 - (a) the words "quarterly" and "quarters" shall be substituted by the words "monthly" and" months"; and
 - (b) the words "for a further period of five years" shall be omitted".

(V) In rule 23, the following amendments shall be made

- (i) in sub-rule (1), the word "either" and the words "sells his business" shall be omitted;
- (ii) sub-rules (2) and (3) shall be substituted by the following—

“(2). Where a registered dealer carrying on business as an individual enters : In la partnership or where the ownership of the business is entirely transferred, he shall inform the Registering Authority in writing alongwith a final return within 30 days of such an event requesting for cancellation of his registration and make an application for fresh registration.

(3) Where a registered dealer dies and his legal heirs do not continue such business, his legal heirs shall submit the application in writing alongwith a final return for the cancellation of registration, within sixty days from the date of his/her death”; and

(iii) after sub-rule (3) the following sub-rule shall be added as sub- rule (4) _

“(4) Where a dealer to whom Tax Identification Number(TIN) has been assigned in pursuance of an application made under sub rule (p) of rule 12, fails to furnish all, the prescribed documents within three working days from the end of the day of submission of application, or after the receipt of such documents the jurisdictional Registering Authority is not satisfied with the confides of the applicant or any particulars furnished, the TIN assigned to such dealer, shall be cancelled ab-initio by the jurisdictional Registering Authority, after affording him an opportunity of being heard”.

(VI). In rule 28 the following amendments shall be made _

(i) in sub- rule (2), after the words “ tax period”, the words and figures “the dealer opting for composition scheme shall file' a return In Form VAT- 12 B. shall be added; and

(ii) after sub-rule (2), the following shall be added as sub- rule (2-A)_

“(2A) In respect of the dealers whose turnover exceeded Rs 60 lac in the previous financial year and in respect of the dealers claiming remission under section 79-A of the Act, each return in Form VAT-11 shall be accompanied by the

following:

- a) Statement of local sales in Form VAT-11G.
 - b) Statement of local purchases in Form VAT-11H.
 - c) Statement of interstate sales and purchases in Form VAT-11I.
 - d) Statement of Transit and Transfer in Form VAT-11J.
 - e) Annexure I and Annexure II in respect of dealers claiming tax remission".
- (iii) in sub-rule (3), after first proviso the following shall be added as second proviso—
- "Provided further that each return in Form 11-A shall be accompanied by the following:
- a) Balance sheet in Form VAT-11B.
 - b) Manufacturing and Profit and Loss Account in Form VAT-11C (in case of a dealer running an industrial unit).
 - c) Trading and Profit and Loss Account in Form VAT-11D.
 - d) Stock Statement in Form VAT-11E,
 - e) Invoice details in Form VAT-11F".
- (iv) in sub- rule (4) between the words "local authority" and, "shall" the words "which is deemed to be a dealer for the purposes of the Act" shall be inserted".
- (v) After sub-rule (8) the following shall be added as sub- rule (9) _
- "(9) Notwithstanding anything contained in this rule, any dealer or class of dealers as may be specified by the Commissioner by a notification, shall file the .returns electronically alongwith the proof of payment electronically and the prescribed forms and statements within the period prescribed in this rule".
- (VII) In rule 29 the following amendments shall be made _**
- (i) in sub rule (2), the words" quarterly," "one month" and "quarter" shall be substituted by the words

- "monthly," "seven days" and "month" respectively; and
- (ii) in sub-rule (3).-
- (a) the words "during the course of a quarter" and the word "quarterly" shall be omitted; and
- (b) the words "one month" shall be substituted by the words "seven days".
- (iii) after the rule 29, the following shall be added as rule 29-A –
- "(29-A)** The notice required to be served in terms of proviso to sub section (1) of section 38 of the Act, shall be in Form V AT 86-A".

(VIII) In rule 39 the following amendments shall be made __

- (i) in sub- rule (2), the word "quarter" shall be substituted by the word "tax period."
- (ii) after rule39, the following rule shall be added as rule 39-A—
- (39A)**Electronic Payment - (1) Notwithstanding anything contained in sub rules (2) and (3) of rule 39, tax or any other sum payable under the Act may also be paid electronically.
- (2) Where the payment of tax, demand or other sum has been made electronically the authorized bank shall generate e-challan in Form VAT-15A through a computer network. The authorized bank shall also forward a statement such e-challans (called as e-payment scroll) daily in Form of VAT-15B to the authorities as may be notified by the Commissioner. The date of payment for the purpose of these rules shall be the date of deposit generated on the e-challan in Form VAT-15A. The date of payment for all accounting purposes shall be the date of generation of e-payment challan and the daily statement from bank shall mention this date".

(IX). In rule 83 the following amendments shall be made in sub-rule (b)_____

- (a) after clause (ii) the following shall be inserted as clause (ii-a):-

- “(ii-a) Bye-mail on the e-mail address provided by the dealer”.
- (b) In clause (iii).-
- (1) the word "and" in between the figures "(i) and (ii)" shall be substituted by a "comma"; and
- (2) After the figure "(ii)" the word and figure "and (ii-a)" shall be inserted.
- (X). the forms VAT-01, VAT-03, VAT-11, VAT-11A, VAT-12, VAT-12A & VAT-82, shall be substituted by the forms appended hereto"
- (XI). After Form VAT-15, two new Forms VAT-15-A and VAT 15-B shall be added".

¹[This notification for the purpose of rules 16 and rule 39-A of the said rules shall and shall always be deemed to have come into force with effect from 20.12.2010, and remaining rules as amended under this notification shall come into force from the first quarter of the financial year 2011-12.]

By order of the Government of Jammu and Kashmir.

Sd/-
Commissioner/Secretary to Government
Finance Department

No:ET/Estt/246/2010

Dated 25.02.2011

¹ The words & figures (This notification shall and shall always be deemed to have come into force with effect from 20-12-2010) substituted vide SRO 117 of 2011 dated 31st March 2011.

