

GOVERNMENT OF KERALA
Taxes (B) Department
NOTIFICATION

G.O.(P) No.27/2010/TD.

Dated, Thiruvananthapuram, 2nd February, 2010

S.R.O.No.123/2010. -- In exercise of the powers conferred by section 10 of the Kerala General Sales Tax Act, 1963 (15 of 1963), read with sub-section (5) of section 98 of the Kerala Value Added Tax Act, 2003 (30 of 2004), the Government of Kerala having considered it necessary in the public interest so to do, hereby exempt manufacturers of centrifuged latex and crumb rubber from payment of tax payable under the Kerala General Sales Tax Act, 1963 on the purchase turnover of rubber in any form used for the manufacture of centrifuged latex and crumb rubber, subject to the condition that such rubber in any form, or the centrifuged latex and crumb rubber produced there from, should have suffered tax at least at one point either at the level of field latex or at the level of centrifuged latex under the Kerala General Sales Tax Act, 1963.

This notification shall be deemed to have been in force during the period from 1st April, 1998 to 9th October, 2001.

Tax, if any, already paid shall not be refunded.

By Order of the Governor,

P. MARA PANDIYAN,
Principal Secretary to Government

Explanatory Note

[This does not form part of the notification, but is intended to indicate its general purport]

S.R.O.65/2003 was issued to overcome the impact of the decision of the Honourable Kerala High Court in M/s. Supersonic Industries (130 STC 69). This decision was overruled by the Full Bench of the Kerala High Court and approved by the Honourable Supreme Court in Kurian Abraham Vs. State of Kerala (2008 13 VST 1). A doubt arose as to whether centrifuged latex or crumb rubber manufacturers effecting interstate sales or branch transfers need pay tax under the Kerala General Sales Tax Act, 1963 on the purchase turnover of rubber used for conversion of centrifuged latex or crumb rubber in the State, for the period from 1st April, 1988 to 9th October, 2001. Government have decided to clarify the position that while issuing S.R.O.No.695/2003, the intension of the Government was that, the State shall get tax under Kerala General Sales Tax Act, at least at one point, either at the level of field latex or at the level of centrifuged latex and not to levy tax at every point on different forms of rubber mentioned above.

This notification is intended to achieve the above object.

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