GOVERNMENT OF KERALA
ABSTRACT

Taxes –Sales Tax- Levy of sales tax on miscellaneous sales –Clarification –issued.

REVENUE (H) DEPARTMENT

G.O.Rt.No.568/67/RD.   Dated, Trivandrum . 8-6-1967

Read: 1. Letter No.A3-591/67 dated 16/17-2-1967 from the Director of Municipalities
2.Letter No.K.Dis 9054/67/C1/TX dated 15-4-1967 from the Board of Revenue(Taxes)

ORDER

The Director of Municipalities in the letter first read above has reported that the Auditors have raised objection in not realizing sales tax for the miscellaneous sales conducted by the Palaghat Municipality for the years 1963-64 and 1964-65. The miscellaneous sales conducted by the Municipality are, it is state, generally of the following categories viz. sale of unserviceable, dismantled and condemned articles broken branches of trees or fallen trees, improvements on lands to be acquired, annual auctions of usufructs of trees; etc. The Director of Municipalities states that casual sale of materials and condemned and unserviceable articles cannot be treated as sale in the course of trade and as such no sales tax is leviable on the miscellaneous sales by Municipality. The Board of Revenue also agree with the views of the Director of Municipalities.

2. Government after due consideration wish to clarify that occasional sales of unserviceable, dismantled and condemned articles; broken branches of trees or fallen trees; improvements on lands to be acquired; annual auctions of usufructs of trees etc. cannot be treated as sales as per the provisions in the Kerala General Sales Tax Act, 1963 and hence sales tax is not leviable on such sales.

(By order of the Governor)
A. Sethumadhava Menon
Secretary

To

        All heads of Departments

Endt. on A5-21801/67 (L.Dis) dated 6-7-1967
        Copy communicated to all sub officers for information
        Copy to A6 Section and Stock file and all Section Heads

Chief Conservator's   Sd/-
Office, Trivandrum   for Chief Conservator of Forests

Endt. on A1-11914/67 (L.Dis) dated 27-7-1967
        Copy to sections As, A2, TR, KT, CH., ML., G1, G2., HA
        Copy to Circular file
                                                     for Conservator of Forests