MEMORANDUM ON STATE BUDGET: 2015-2016

The **Calcutta Chamber of Commerce** is pleased to submit a Memorandum on State Budget 2015-16 highlighting the points and suggestions for your kind consideration.

INTRODUCTION

EASE OF DOING BUSINESS IN WEST BENGAL

The Government of West Bengal has come up with a new Investment & Industrial Policy 2013 and various sector specific policies in the areas like Textiles, MSME, ICT, to provide fillip to the industrial investments in the State. Many significant measures have been taken to improve the 'Ease of Doing Business' in West Bengal by introducing time bound, process driven and ICT enabled systems to bring more transparency and reduce red tape.

Ease of 'starting a business' portrays the ease/difficulty with which an entrepreneur is able to establish a new business. A less cumbersome and less expensive process could result in prompt responses to starting a business and a larger tax base. However, it is known that starting a business involves getting a host of clearances and permits.

Approvals related to environment clearances, land procurement, construction permits, industrial safety permits and power connection are the obstacles in starting a business. Obtaining approvals and clearances is a time-consuming process involving multiple procedures; costs incurred in the whole process are significantly high.

Trade & Industries frequently face delays in obtaining tax refunds. So, there is a need to simplify complex tax processes and reduce the time taken for availing incentives. Various states have taken initiatives to ease paying of taxes and reduce the cost of tax collection. Time-bound subsidies and tax exemptions should be ensured to the units located in different zones.

It is also found that huge investment is blocked in VAT Refund for number of years, as the VAT assessment is not done. Government should ensure that investment blocked in such taxes which are refundable should be settled within a particular time frame. Refund of Value Added Tax (VAT) should occur automatically and in a time-bound manner. The taxation and financial policies need to be streamlined with greater transparency.

1. VALUE ADDED TAX – INPUT TAX CREDIT

i) Artificial disallowances and restrictions in the Input Tax Credit (ITC) provisions of the VAT Law had complicated the entire issue for taxpayers as well as tax collectors. The law should be simplified. Rampant disallowance of input tax credit on the grounds of books and accounts and stock register are prevalent at grass root level (even where books of accounts & stock registers, duly audited, were produced before assessing officer). Similarly disallowances of claim of ITC on the ground of misinterpretation of negative list are also widely prevalent in assessment proceedings. These are **root causes of substantial number of pending appeals and revision cases**.

ii) VAT Rules 19(8) provides for making payment in respect of purchases by buyer to the seller in the form of account payee cheque or draft or through electronic banking clearance, where such payment exceeds Rs.20,000/- a day. In such case where adjustment against the amount of any liability incurred by the payee for any goods supplied to the dealer to such payee input tax credit are not allowed. Such interpretation of this rule is very unreasonable and trade restrictive. There are similar provision under Income Tax Act 1961 vide Sec. 40A(3) which restricts payment of any expenditure otherwise than by an account payee cheque, but Income Tax Rules 6DD Para (d) exempts application of such provision where the payment is being made by way of adjustment against the liability incurred by the payee for any goods supplied or rendered by the assessee to such payee.

It is suggested that similar exemption should be allowed by considering claim of Input Tax Credit of a dealer.

iii) Presently a manufacturer registered dealer is not entitled to claim input tax credit or rebate on purchase of consumable stores, since it is not within the purposes specified in Sec 22 (4) of WB VAT Act. Under the WB Sales Tax Act 1994, concessional rate of purchase was allowed on such product by way of use of declaration form, but this facility had been denied under the VAT Act. Use of generator by trade and industry for captive generation is very common in the State of West Bengal. Still the negative list of input tax credit provide for disallowance of ITC claim on the same. It is suggested that **input tax credit should be allowed to registered manufacturer on purchase of consumable stores, factory premises, captive power generating units, consumable stores.** It is pertinent to note here that Maharashtra, Gujarat & Odisha states are allowing such credits under VAT Act.

iv) Input tax credit for a manufacturer registered dealer is not available under present law for use of goods in power and fuel, for example coal, furnace oil etc. used for manufacturing of taxable goods intended for sale in West Bengal (Sec.22(4) of WB VAT Act 2003). Furnace oil is a major input for a quite of few industries and is the 2nd highest cost of production after raw material in most of the cases and in case of few industries such as glass industry, it is the highest cost of production. It is pertinent to note that in almost all the states which are highly industrialized, Input Tax Credit is allowed on furnace oil. Industries in West Bengal are at a disadvantage position in comparison to our competitors from other states who enjoy Input Tax Credit on furnace oil and as such local industries are devoid of level playing field.

It is a very important for the industries to survive. There should be no inequality in so far as Government Taxes and duties are concerned. By not allowing the input tax credit on the VAT charged on furnace oil the industries in Bengal are being put at a major disadvantage.

It is suggested that input credit should be allowed on coal, furnace oil etc. to a manufacturing dealer. It may be classified as power and fuel products.

v) Sec.22 Sub-Sec.7 provide for reversal of input tax credit in respect of dispatches of goods outside state otherwise than by way of sale (stock transfer etc.). It is linked with rate of tax under CST Act, which was 4% at the introduction of VAT Law and presently it is 2% w.e.f. 1st June 2008. It is proposed that the reversal should be linked with rate of tax under CST Act applicable to inter-state sale to registered dealers in place of mentioning any rate or any notification.

The rate was reduced from 3% – 2% by Union Government w.e.f. 1st June 2008 but no notification had yet been issued by State Government for reversal of input tax credit from 3% - 2% so far. In fact, there is a loss of revenue to the extent of rate of tax under CST Law, which is required to be reversed under State Value Added Tax Law and **there is no justification of reversal at a higher rate than rate of CST Act.**

vi) Sub-**Section 13A & 13B of sec 22.** It provides for allowing input credit only to the extent of output tax payable in cases where goods are sold at loss. **This provision is similar to the Sales Tax laws wherein sales tax paid was neither adjustable nor refundable.** It was only a one-way traffic.

When VAT laws were being framed, the then Commissioner, Commercial Taxes along with his team of officers explained in several meetings that VAT laws were simple and they understood the fact that if business prices moved up and down and losses could happen. One needed to add up the output tax, deduct the total input credit and pay the remaining balance to the department.

The amended law makes the provisions more complicated and cumbersome. The business is not a perfect science. Profits and losses go side by side. Prices move upwards and downwards. Losses do happen and are not by intention and or purpose as the basic aim of doing business is to make profit and to create wealth.

The retailers, distributive trade small and medium enterprises cannot comply with the provisions for all practical purposes. It is next to impossible to keep track of every unit of a product being sold at a loss and reverse the input credit. The provisions will only promote the inspector raj and corruption.

Such provisions need to be withdrawn and / or amended to bring uniformity, clarity and simplicity.

vii) Regarding maintenance of books and accounts and stock register etc. relaxation was provided by Finance Act 2010 giving retrospective effect from 01.04.2005 that **where turnover did not exceeded Rs. 2 crore, the provision for maintenance of records, books and accounts and stock register etc. were relaxed for the purpose of allowance by ITC claim.**

It is suggested that such limit should be enhanced from 2 crore to 5 crore considering the inflationary effect and providing relief to small dealers.

viii) **Refund Of Input Vat Credit (Itc)**

A. At present the special facilities are granted to exporters for refund of input tax credit where the exporters are having export turnover 75% or more of total turnover.

It is suggested that the limit of 75% should be brought down to 50% for granting special facilities for refund on exports, as a large number of exporters are not getting this facility which is otherwise available to other exporters.

B. The module of Central Excise Law may be followed as an alternate suggestion, whereby all the purchases made by the exporters should be exempted on execution of a bond by the exporters before an appropriate authority and such exporters shall furnish proper certificate against their purchase invoice to the selling dealer, which may be prescribed by the Government through notification on furnishing of such certificate VAT should be zero rated on sales by any dealer to such exporters. Alternatively Form 12A should be made applicable to all types of exporters in place present provision relating to resale cases only.

C. Central Government vide Notification No. 19/2004- Central Excise under Rule 18 of Central Excise Rules, 2002, directs that there shall be grant of rebate of the whole of the duty paid on all excisable goods falling under the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), exported to any country other than Nepal and Bhutan, subject to the conditions, limitations and procedures specified. By this provision a manufacturer charge excise duty on all our exports and claim rebate of same, after completion of physical exports from India and submission of proof of exports along with other supporting documents. Although a manufacturer can made exports without charging excise duty, under LUT, being granted by excise authority to exporters.

A manufacturer is utilizing credit amount of excise duty available in CENVAT account and getting its fund in rolling. It follows following system to get the rebate of excise duty charged on exports made.

a. Against the available credit in CENVAT account, it pays the excise duty at the time of export.
b. After physical export from India, against endorsed documents like ARE-1, EP copy of consignment and other supported documents, it lodge our claim for refund of excise duty with Excise department.
c. On average basis, it get refund of excise duty within 45-60 days of physical export from India.

Present Status of Input VAT

Almost 100% of raw materials are being purchased within West Bengal, where a manufacturer is paying VAT @5%. Out of total turnover, 50% of their sales are exports sale, wherein it do not charge any tax. 90% of balance 50% turnover is under Central Sale, it is charging CST @2%. Under the circumstances the VAT amount is getting accumulated. This has been the case for last few accounting years, thereby the working capital getting blocked.

Presently this carried forward credit amount is refundable after completion of assessment, which is going to happen in next two years, and if assessment is disputed and incomplete, the same is being refunded after completion of hearing which again will happen in another next two years.

As this amount will keep on accumulating every year, good amount or working capital of manufacturer is getting blocked.

It is, therefore, suggested to implement the same system of charging VAT in exports and grant of refund of same by VAT Department.

In case of excise, refunds are sanctioned on consignment basis. Considering the VAT amount per consignment, is less, the same can be arranged on monthly/ quarterly basis.

D. Vat Refund

Vat Refund is withheld till verification of input tax credit. A report for verification is called by assessing officer of the claimant dealer from the jurisdictional officer of the selling dealer on whose sales Tax Invoice ITC is claimed. At present there is no time limit within which such verification report is to be submitted by jurisdictional officer to the claimant dealer officer.

It is suggested that for submitting input tax credit claim verification report, a time limit of 60 days prescribed in the law otherwise it should be treated that

the verifying officer has no comments to pass on and the claim should be accepted on the face of it.

All old refunds prior to amendment (viz. Refunds through ECS to Exporters) **should be granted on a time frame basis and such time frame should be provided in the law itself.**

2. TAX ARREAR – STEP FOR EARLY REALISATION THEREOF – SETTLEMENT OF DISPUTE SCHEME (SOD)

Steps taken so far for realisation of tax arrears have not yielded desired results. Amendments wherein only certificate cases are covered under Settlement Scheme have not achieved its goal. A large number of revision cases of appeals are pending for years and revenue collection is affected adversely.

It is suggested that a new Settlement of Dispute Scheme (SOD) should be introduced under VAT law as well as under old Sales Tax Acts of 1941 and 1994 and Central Sales Tax including certificate cases pending. Such measure will augment the revenue collection.

We suggest that tax arrears up to Rs.10 lacs should be settled on payment of 25% of tax and 5% on accrued interest on tax; tax dispute in the range of Rs.10 lacs and one crore settlement amount should be 20% of tax and where tax due is more than one crore settlement amount should be 15%.

Above suggestion will bring tax arrears and boost the revenue, which are unrealizable in the next 2-8 years, collection in one financial year. Simultaneously on the other hand, it will reduce pendency of appeals and revision cases to a great extent.

3. CERTIFICATE CASES – TAX RECOVERY PROCEEDINGS

In practice it has been observed that while appeal/revision case is pending before Appellate Authority and connected stay application had not been disposed off by the Appellate Authority, the assessing officers initiate the recovery proceeding and forward cases to Tax Recovery Officers which is bad in law, in view of legal position as pronounced by High Court orders and orders of West Bengal Tax and Tribunal (WBTT).

It is, therefore, suggested that provision should be made in the VAT Act itself that during the pendency of appeal/revision case and its connected stay petition – neither any recovery steps would be taken against appellant dealer nor tax recovery proceeding would be initiated by Assessing Officer and in case of initiation of certificate case, the Assessing Officer should certify that no appeal/revision and connected stay petition are pending before Appellate Authority.

4. MEASURE TO AVOID MULTIPLICITY OF APPEALS/REVISION BEFORE KOLKATA HIGH COURT

As per present law appeal against the revision order passed by West Bengal Commercial Taxes and Appeal and Revision Board is filed before W.B. Taxation and Tribunal under the State VAT Law before Hon'ble Kolkata High Court under Central Sales Tax Act, although the facts and issues involved are similar in both the cases.

It is, therefore, suggested that both appeals/revisions should be filed before W.B. Taxation and Tribunal by way of amendment in the law. This amendment shall avoid

multiplicity of appeals before two appellate forums and reduce pending litigations before Hon'ble Kolkata High Court.

5. RELIEF TO MANUFACTURING EXPORTERS BY PROVIDING DEDUCTION FROM TURNOVER OF SALES SIMILAR TO SALES IMMEDIATELY PROCEEDING OF GOODS (SEC. 16(1)(b) OF WB VAT ACT)

At present merchant exporters are purchasing goods for exports of the same goods in same form upon its purchases without payment of tax by way of availing deduction from turnover of sales U/s 16(1)(b) of the Act. Thereby merchant exporters are not to pay VAT on its purchases and their export sales are free of tax, which does not give rise to any claim for refund of VAT. But in the case of manufacturing exporters the law is not

friendly to the exporters. Such manufacturing exporters are required to pay tax on purchases of raw materials and packing materials and on their sales there are no tax, resulting claim for huge amount of VAT refund.

It is suggested that the provision similar to Sec. 16(1)(b) and use of Form 12A should be introduced in the law for manufacturing exporters where the goods are used as raw materials, packing materials and capital goods.

6. TIME LIMIT FOR SUBMISSION OF VAT RETURNS FORM

At present the VAT Returns forms are voluminous. It requires number of annexure containing various details and such details are to be filed within one month from the end of the quarter.

It is suggested that without effecting any date of payment of tax the date of furnishing the return may be extended from 30 days to 60 days from the end of the quarter to allow dealers sufficient time to prepare voluminous details of annexure in VAT Return Forms.

At the same time there is a scope of simplification in the VAT Return Form. It is felt by various dealers that the present prescribed form is a complex one.

7. REVISED RETURN

At present a dealer is allowed to file a revised return within six months from the return filing due date. This period needs further extension. At the time of getting VAT Audit done, mistakes are detected in the returns already furnished which require rectification by way of filing a revised return.

Therefore, it is suggested that the period for filing of revised return should be extended for one financial year to 30 days ahead of furnishing VAT Audit report due date. It will not be out of place to mention here that under Income Tax Law, a revised return is allowed to be filed within one year after the end of the financial year or completion of the assessment proceeding, whichever is earlier.

8. ENTRY TAX

The levy of entry tax had become harsh on the trade, industry and commerce. Union Government is levying customs on import. General rate of tax had increased from 12.5% to 13.5%, 4% to 5% and simultaneously levy of entry tax had been imposed wef. 1 April, 2012. Therefore, **the multiple effects of two levies are adversely affecting the growth of the trade and industry in the state of West Bengal.**

9. WAY BILL

Under the new VAT regime all the registered dealers have a unique Registration No. on all India basis. As per the law, the registered dealers are required to mention the VAT/ST Registration No. on invoice. Transaction of a particular invoice can be tracked down through the help of computer as to under whose jurisdiction the same dealer is being assessed.

Under these circumstances, it is suggested that the requirement of Way Bill at the entry point of every State may not be required, as no transaction backed by invoice of registered dealer will be untraceable. Moreover, inter-state sales transaction is being computerized on all India basis whereby all inter-state movement of goods would be under control and the purpose of way bill would be achieved by computerization process itself.

Many states do not have any requirement of WAY BILL in the VAT Law and these states are receiving VAT revenues no less than West Bengal's revenue.

10. Schedule AA of WB VAT Act: Sales by a dealer to a dealer located in SEZ is exempted from tax under Section 21A read with Schedule – AA of the W.B. VAT Act, sales by a dealer to a dealer registered as 100% EOU and other exporters registered with respective Export Promotion Council, established by Government of India, Ministry of Commerce should be placed under Schedule AA, so that no VAT is charged on purchases of goods by exporters either for resale or for consumption as manufacturers of export goods.

11. WORKS CONTRACT

Works Contracts are often executed by small dealers. They cannot maintain regular books of accounts. Rate of tax prescribed is very high for small dealers up to a prescribed limit of total turnover during the year, should be in the range of 1 – 4%.

It is suggested that special provision for levy of VAT on Works Contract by small dealers should be framed in line with the provision of Section 44AD of the Income Tax Act, 1961. The basic facility provided under the Income Tax Act, which are missing in the present VAT Laws are as under –

Contractor is not required to maintain regular books of accounts, rather only civil construction bill of supply of labour bill is required to be maintained.

12. PURCHASE TAX

There should not be any levy of purchase tax of business expenditure items which are not used either for resale or for manufacture for processing of goods. It has been a practice in the VAT Department to levy purchase tax on expenditure items like printing stationery, staff welfare and so on.

13. PENAL PROVISIONS

It was suggested in the White Paper that penal provision under VAT Act should not be more stringent than the existing State Sales Tax Act.

But the provision under VAT Act for levy of penalty as included the term for imprisonment have been included which is much more stringent than the provision under W.B.S.T. Act, 1994. Although our Chamber does not support any tax evader, it definitely would like to ensure proper justice to all the dealers in terms that the promises made by the Empowered Committee to Indian citizens through White Paper.

Therefore, it is strongly suggested that the provision for imprisonment, (Sec. 93 etc) should be deleted for offences like maintenance of accounts, (Sec.63), reversal of input tax credit (Sec.22) non payment of security (Sec.26), Payment of tax & interest, way bill provisions (Sec.73) apart from seizure & levy of penalty), and so on and it should contain

only payment of fine to a prescribed sum. Imprisonment provisions under FERA had no place in FEMA (Foreign Exchange Management Act).

Penalty had been introduced for late filing of return. On principle, there is no dispute between the Govt. and the trade & business on this issue. But, where there is no tax liability due to nil gross turnovers, penalty should also be nil.

14. PENALTY – CASES OF MISMATCH OF PURCHASE OR SALE

Section 96 of the Act provides for 200% of the penalty for concealment of sales or purchase etc. While the interest of the government is required to be protected by prescribing the penalty present in the law, the cases of mismatch of purchase or sale in returns, where the dealer would produce sufficient evidences to prove that the dealer had no intend to reduce the amount of no tax payable by him, penalty should not be levied at all.

It is therefore, suggested that the law should be amended by way of explanation or proviso to explain that the cases of mismatch of purchase or sale where the dealer is not at fault, it would not be considered as case of concealment of sales or purchases.

15. PAYMENT OF DISPUTED AMOUNT OF TAX BEFORE FILING REVISION AT APPELLATE AND REVISION BOARD FORUM

As per the present law 10% of the amount of disputed tax or Rs. 5 lacs is required to be paid before the revision case is filed at Appellate and Revisional Board office. There are cases of arbitrary additions, illegal disallowances of input tax credit claims and tax demands arising from unreasoned passed assessment orders and on non-judicial appellate orders. Under these circumstances, it is not prudent to press for payment of part disputed amount of tax before filing revision case at the appellate.

It is therefore, suggested that the provision for payment of 10% of disputed tax as per 1st proviso to Section 87(1) of the VAT Act should be deleted.

16. GRANT OF APPEAL EFFECT ORDER BY THE ASSESSING OFFICER

At present there is no time limit for passing appeal effect order by the Assessing Officer for revision of taxable turnover and tax payable thereon if giving the effect of appellate order or order of revision etc.

It is suggested that a time limit of six months should be prescribed in law to pass appeal effect order by the Assessing officer. In case of default by officer, a penalty should be levied on the officer, which should be recovered from his / her salary.

17. POWERS OF APPELLATE OFFICERS IN APPEAL PROCEEDINGS

As per the present law in the course of 1st appeal, the Appellate Officer has no power to set aside the assessment order. Various instances have come to notice of Chamber where ex-parte assessment orders are passed and there are genuine reasons for accepting the dealer's plea and determining the turnover as per books of accounts and records of the dealer. In such cases determination of turnover in appeal proceedings is a cumbersome process as the entire exercise of the assessing officer is required to be executed by the Appellate Officer.

It is suggested that the powers of the Appellate Officer in 1st appeal proceeding should be enhanced to set aside the assessment order, like similar powers held by Appellate and Revisional Board and Taxation Tribunal.

18. INDUSTRIAL PROMOTION SCHEME

For industrial development in the state of West Bengal there is a need of re-introduction of 3 years Tax Remissions Scheme or deferment of tax scheme. This proposal will boost setting up of new industries and expansion of existing industries. Alternatively new Industrial Promotion Scheme should be implemented immediately.

19. GRIEVANCES

It is suggested that a Grievance Cell should operate in the office of the Commissioner of Commercial Taxes to be headed by a separate officer for redressal of any grievance of dealers like Grievance Cell operating at Income Tax Department, like Ombudsman.

The Ombudsman Officer should have adequate power and his order should be made mandatory on departmental officers for compliance and removal of grievances. Otherwise this scheme would be just ornamental one.

20. INTEREST PAYABLE BY DEPARTMENT TO THE DEALER

At present payment of interest by the Department have been provided only in the cases of excess tax paid by the dealer which arise as a result of any order passed in appeals, revision or reference. It does not cover cases of excess tax paid as found in assessment proceedings.

It is suggested that following the principle of Income Tax Law, any excess tax paid by the dealer, which may be determined at any stage i.e. assessment or appeal or revision etc., should carry interest payable Government to dealers at the rate of interest charged from dealer on short payment of tax.

21. CENTRAL SALES TAX (CST)

The White Paper on state level VAT has accepted in principle the need of phasing out of CST. But on implementation part, it is silent for one or other reasons. At the same time the Government is citing examples of different countries where VAT has been

successfully implemented, but on the point of implementation of VAT, we are dividing the whole concept into different parts. Some of the vital parts are left out and CST is one such vital part.

It is suggested that CST should be reduced to NIL on and from 1st April, 2015 against declaration forms.

22. E-FILING OF TAX RETURNS: EXTENSION OF THE CAPACITY OF THE SYSTEM (WEBSITE)

This is to note that the companies are facing difficulties in electronically furnishing returns on the last date of filing, because the system normally crashes due to congestion. This leads to the extension of the deadline for mandatory e-filing.

Hence it is suggested that in order to ensure smooth filing and to avoid system congestion, the capacity of the system (site) should be expanded similar to CBDT and Ministry of Corporate Affairs sites.

23. PROFESSION TAX

(i) Deemed Provision for Assessment for Profession under Profession Tax Law:

At present the deemed assessment provision is applicable for the period up to 31st March 2012 u/s 7(6) of the Act.

It is suggested such provision should be continued for future years as well.

(ii) A provision was introduced for branch-wise registration and enrolment for one entity under the profession tax law. It is suggested to allow one taxable entity to have only one registration certificate or enrolment certificate as per the old law and the dealers should not be forced to obtain separate enrolment and registration for each and every branches.

24. ENTERTAINMENT TAX

Entertainment Park has been put under negative list for the purpose of West Bengal Incentive Scheme for development of Industries and tourist Centers. It is also noted that Entertainment Tax is levied on the Amusement Park @ 20% which is a substantial amount. It is also noted that the Government is encouraging setting up of Multiplexes and exemption and incentives have been provided to new Multiplexes.

We draw your kind attention to the following facts-

1. Amusement Park, which has both educational as well as social benefits, is in the nature of infrastructure Project.

2. Amusement Parks provides impetus to tourism development and brings in all round growth in economy in the Region since it has a multiplier effect.

3. Almost all other states in the country encourage Amusement Parks by providing them incentives and have waived Amusement tax on new units so as to attract investments. Most Governments have also provided for incentives for setting up Amusement Park like Capital subsidy, interest subsidy, Income tax holidays and etc.

4. A study of benefits of Multiplex and Amusement Park shall reveal that Amusement Parks provide much more benefits compared to Multiplexes and hence deserve the same if not more encouragement.

5. The present rates of Entertainment Tax in various states are as follows:

West Bengal	20%
Uttar Pradesh	NIL
Bihar	NIL
Kerala	NIL
Orissa	NIL
Goa	NIL
Himachal Pradesh	No tax for first 10yrs
Rajasthan	No tax for first 5yrs
Uttaranchal	No tax for first 5yrs
Karnataka	No tax for entry up to Rs. 250/-
Gujarat	Entertainment and Electricity Tax holiday for 5-10 yrs.
Kerala	Entertainment and Electricity Tax holiday

Sir, without a Tax relief we fear that the social and other benefits will not come to its full right. We therefore pray your honor to encourage us by providing necessary incentives and also by completely exempting Amusement Parks from Entertainment Tax, like other states if not at least, for the initial period of 10yrs.

25. ELECTRICITY DUTY

At present concessional rate of electricity duty are applied to farmers and agriculturists. It is suggested that such concessional rate should be extended to provisions of commercial corps i.e. tea, jute etc. Such concession is already available to the commercial corps producers in the State of Assam.

26. STAMP DUTY

Rate of valuation adopted for the purpose of payment of stamp duty by the Registration Offices are highly irrational and sometimes much higher than the present market value. It requires thorough revision for the sake of trade and industry.

****