

FINANCE DEPARTMENT

Mantralaya, Mumbai 400 032, dated the 9th July 2010

NOTIFICATION

THE MAHARASHTRA VALUE ADDED TAX ACT, 2002.

No. VAT. 1510/CR-65/Taxation-1.—In exercise of the powers conferred by sub-section (3A) of section 42 of the Maharashtra Value Added Tax Act, 2002 (Mah. IX of 2005), the Government of Maharashtra hereby, provide a scheme of composition for the registered dealers specified in column (1) of the following Schedule, who under takes the construction of flats, dwellings or buildings or premises and transfer them in pursuance of an agreement along-with land or interest underlying the land and prescribes the rate of tax specified in column (2) of the said Schedule by way composition, in lieu the amount of tax payable on the transfer of goods whether as goods or in some other form, in the execution of such works contract by such registered dealer under the Act, subject to the conditions and restrictions specified in column (3) of the said Schedule.

*Schedule*

Class of dealer (1)	Composition amount (2)	Conditions (3)
A registered dealer who under takes the construction of flats, dwellings or buildings or premises and transfer them in pursuance of an agreement along with land or interest underlying the land	One percent of the aggregate amount specified in the agreement or value specified for the purpose of Stamp Duty in respect of said agreement under Bombay Stamp Act, 1958, whichever is higher.	(1) All the agreements, which are registered on or after 1st April 2010 shall be covered under this composition scheme. (2) The claimant dealer shall make e-payment of the amount of composition for the return period in which the agreement is registered and include such agreement value as turnover of sales in the said return. (3) The claimant dealer opting to pay composition under this scheme shall not be eligible to claim set-off of taxes paid in respect of the purchases. (4) The claimant dealer shall not

(1)	(2)	(3)
		transfer the property in goods, procured from out side the State, using the declarations in Form C under Central Sales Tax Act, 1956 in the contract for which the composition for tax payment is opted.
		(5) The claimant dealer shall not issue declaration in Form 409 to his sub-contractor in respect of the works contract for which composition is opted.
		(6) The claimant dealer shall not be entitled to change the method of computation of tax liability in respect of contract for which he has opted for this composition scheme.
		(7) The claimant dealer shall not issue Tax Invoice.

By order and in the name of the Governor of Maharashtra,

CHITRA KULKARNI,  
Officer on Special Duty to Government.