

**NOTIFICATION**

**Maharashtra Value Added Tax Act, 2002.**

No. VAT-1507/CR-53/Taxation-1.- Whereas the Government of Maharashtra is satisfied that circumstances exist which render it necessary to take immediate action further to amend the Maharashtra Value Added Tax Rules, 2005 and to dispense with the condition of previous publication thereof under the proviso to sub-section (4) of section 83 of the Maharashtra Value Added Tax Act, 2002 (Mah.IX of 2005);

Now therefore, in exercise of the powers conferred by sub-sections(1) and (2) read with sub-section (3) and the proviso to sub-section (4) of section 83 of the said Act, and of all other powers enabling it in this behalf, the Government of Maharashtra is hereby, makes the following rules further to amend the Maharashtra Value Added Tax Rules, 2005, namely:-

1. These rules may be called the Maharashtra Value Added Tax (Amendment) Rules, 2009.
2. In rule 58 of the Maharashtra Value Added Tax Rules, 2005, after sub-rule (1) the following sub-rule shall be inserted and shall be deemed to have been inserted with effect from the 20th June 2006, namely:-

"(1A) In case of a construction contract, where alongwith the immovable property, the land or, as the case may be, interest in the land, underlying the immovable property is to be conveyed, and the property in the goods (whether as goods or in some other form) involved in the execution of the construction contract is also transferred to the purchaser such transfer is liable to tax under this rule. The value of the said goods at the time of the transfer shall be calculated after making the deductions under sub-rule (1) and the cost of the land from the total agreement value.

The cost of the land shall be determined in accordance with the guidelines appended to the Annual Statement of Rates prepared under the provisions of the Bombay

Stamp (Determination of True Market Value of Property) Rules, 1995, as applicable on the 1st January of the year in which the agreement to sell the property is registered:

Provided that, deduction towards cost of land under this sub-rule shall not exceed 70% of the agreement value."

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