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NOTIFICATION

No.H.12018/40/93-LJD/22, the 25th April, 2000. The following Act of Mizoram Legislative Assembly, which received the assent of the Governor of Mizoram is hereby published for general information.

The Mizoram Sales Tax (Amendment) Act, 2000. Act No. 3 of 2000

(Received the assent of the Governor of Mizoram on 13th April, 2000).

AN ACT

further to amend the Mizoram Sales Tax Act, 1989 (Act No. 8 of 1989) (herein-after referred to as the principal Act).

It is enacted by the Legislative Assembly of Mizoram in the Fifty-first Year of the Republic of India as follows :

1. SHORT TITLE, EXTENT AND COMMENCEMENT.—

- (1) This Act may be called the Mizoram Sales Tax (Amendment) Act, 2000.
- (2) It shall have the like extent as the principal Act.
- (3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

2. AMENDMENT OF THE LONG TITLE TO THE PRINCIPAL ACT.— In the principal Act, for the preamble, the following shall be substituted, namely :—

“Whereas it is necessary to make an addition to the revenues of the State of Mizoram and for that purpose, it is expedient to impose a tax on the sale of goods in Mizoram in so far as it does not infringe upon the provisions of the Bengal Eastern Frontier Regulation, 1873 and the Regulations enacted for the purpose of trade in Mizoram:

It is hereby enacted by the Legislative Assembly of Mizoram in the fortieth year of the Republic of India as follows :”

3. AMENDMENT OF SECTION 2.— In the principal Act, for the entire provisions of section 2, the following provisions shall be substituted, namely :—

“2. DEFINITIONS — In this Act, unless the context otherwise requires :

(1) “Appellate Authority” means the Authority authorised by the State Government under section 8 to hear and decide appeals under section 32 ;

(2) “Appointed day” means the date or dates appointed for the commencement of the provisions of this Act under sub-section (3) of section 1 ;

(3) “Assessing Officer” means any person appointed to assist the Commissioner under section 8 to whom all or any of the powers of the Commissioner for the levy and collection of tax has been delegated by the Commissioner under section 58 of the Act ;

(4) “Assessment” means an assessment or re-assessment of tax payable under this Act ;

(5) “Business” includes, —

(a) Any trade, commerce, manufacture or any venture or concern in the nature of trade, commerce or manufacture whether or not such trade, commerce, manufacture, venture or concern is carried on with the motive to make gain or profit and whether or not any gain or profit accrues therefrom ;

(b) the carrying out of any works-contract or transfer of the right to use any goods for any purpose ; and

(c) any transaction in connection with or incidental or ancillary to, such trade, commerce, manufacture, venture, concern, works-contract or transfer of right to use any goods ;

(6) “Commissioner” means a person appointed to be the Commissioner of Taxes under section 8 ;

(7) “Company” means a company as defined in section 3 of the Companies Act, 1956 (Act No. 1 of 1956) ;

(8) “Contractee” means any person at whose instance or for whose benefit a works-contract is executed ;

(9) "Contractor" means any person executing a works-contract and includes a sub-contractor ;

(10) "Dealer" means any person who carries on (whether regularly or otherwise) the business of selling, supplying or distributing goods, directly or indirectly, for cash or for deferred payment, or for commission, remuneration or other valuable consideration in Mizoram, and includes—

(a) Government, a local authority, a body corporate, a company, a Hindu undivided family, any co-operative Society or a club or other association of persons which sells goods to its members ;

(b) a factor, broker, commission-agent, or any other mercantile agent, by whatever name called, and whether of the same description as hereinbefore mentioned or not, who carries on the business of selling, supplying or distributing goods belonging to any principal whether disclosed or not ;

(c) an auctioneer who carries on the business of selling or auctioning goods belonging to any principal, whether disclosed or not and whether the offer of the intending purchaser is accepted by him or by the principal or a nominee of the principal ;

(d) a person engaged in the business of transfer (otherwise than in pursuance of a contract) of property in any goods for cash, deferred payment or other valuable consideration ;

(e) a person engaged in the business of transfer of property in goods (whether as goods or in some other form) involved in the execution of a works-contract ;

(f) a person engaged in the business of delivery of goods on hire purchase of any system or payment by instalments ; and

(g) a person engaged in the business of transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration ;

(11) "Declared goods" means goods declared under section 14 of the Central Sales Tax Act, 1955 (Act No. 74 of 1956) to be of special importance in the inter-State trade or commerce and the sale of which is taxable under this Act ;

(12) "Firm, partner and to them in the Indian Partnership Act, 1932 (Act No. 9 of 1932) ;

(13) "Goods" means all kinds of moveable property other than newspapers, actionable claims, stocks, shares, or securities and includes all materials, articles and commodities ;

(14) "Gross turnover" in respect of any period means the aggregate of the sale-prices or parts of sale-price receivable by a dealer, or if a dealer so elects, actually received by the dealer, during such period after deducting therefrom—

(a) the sale-prices or parts of sale-prices, if any, in respect of sale during such period of goods specified in Schedule II which are shown to the satisfaction of the Commissioner to have been purchased by the dealer in the State but excluding such sales as the State Government may, by notification, specify;

(b) the amount, if any, refunded by the dealer in respect of any goods returned by the purchaser within such period;

Provided that an election as aforesaid once made shall not be altered except with the permission of the Commissioner and on such terms and conditions as he may think fit to impose;

(15) "manufacture" with all its grammatical variations and cognate expressions, means producing, making, extracting, altering, ornamenting, blending, finishing or otherwise processing, treating or adopting any goods; but does not include a works-contract or such other manufactures or manufacturing processes as may be prescribed;

(16) "Person" means any individual or association or body of individuals and includes a juristic person or legal entity like department or a Government, Hindu undivided or Joint family, a firm and a company whether incorporated or not or a public sector undertaking;

(17) "prescribed" means prescribed by rules made under this Act;

(18) "registered dealer" means a dealer registered under the provision of this Act;

(19) "Sale" with all its grammatical variations and cognate expressions means any transfer of property in goods by any person for cash, deferred payment or other valuable consideration, and includes—

(a) any transfer otherwise than in pursuance of a contract of property in any goods for cash, deferred payment or other valuable considerations;

(b) any transfer of property in goods (whether as goods or in some other form) involved in the execution of a works-contract;

(c) any delivery of goods on hire purchase or any system of payment by instalments;

(d) any transfer of the right to use any goods for any purpose (whether or not for a specified periods);

- (e) any supply of goods by an unincorporated association or a body of persons to a member thereof for cash, deferred payment or other valuable consideration ;
- (f) any supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating), where such supply or service is for cash, deferred payment or other valuable consideration ;

EXPLANATION-I : A sale or purchase shall be deemed to have taken place in the State - if the goods are in the State ;

- (a) in the case of specific or ascertained goods, at the time the contract of sale or purchase is made ; and
- (b) in the case of unascertained or future goods, at the time of their appropriation to the contract of sale or purchase by the seller, whether the assent of the buyer to such appropriation is prior or subsequent to appropriation ;

Provided that, where there is a single contract of sale or a purchase in respect of goods situated in the State as well as in places outside the State, the provision of this Explanation shall apply as if there were a separate contract of sale or purchase in respect of goods situated in the State ;

EXPLANATION-II : For the purposes of this clause, two independent purchases shall, be deemed to have taken place -

- (a) when the good are transferred from a principal to his selling agent and from the selling agent to his purchaser, or
- (b) when the goods are transferred from the seller to a buying agent and from the buying agent to his principal if the agent is found in either of the cases aforesaid -
 - (i) to have sold the goods at one rate and passed on the sale proceeds to his principal at another rate ; or
 - (ii) to have purchased the goods at one rate and passed them on - his principal at another rate ; or
 - (iii) not to have accounted to his principal for the entire collection or deductions made by him, in the sales or purchases effected by him, on behalf of his principal ; or
 - (iv) to have acted for fictitious or non-existent principal ;

(20) "Sale price" means the amount payable to dealer as valuable consideration for—

- (a) the sale or supply of any goods less any sum allowed as cash discount according to ordinary trade practice, but including any sum charged for anything done by the dealer with or in respect of the goods at the time of, or before, delivery thereof other of freight or delivery or the cost of installation or interest where such cost or interest is separately charged ; or
- (b) the carrying out of any contract, less such fraction of such amount as represents the prescribed proportion of the non-material costs including the cost of labour used in carrying out such contract ;

(21) "State"

(22) "Works contract" means any agreement for carrying out—

- (a) the construction, fitting out, improvement or repair of any building, road, bridge, dam or other immovable property ; or
- (b) the installation, fabrication, assembling, commissioning or repair of any plant or machinery, whether or not affixed to any building or other immovable property ; or
- (c) the overhauling or repairing or dismantling of—
 - (i) any motor vehicle,
 - (ii) any sea-going vessel,
 - (iii) any other vessel propelled by mechanical means ;
 - (iv) any aircraft ; or
 - (v) any equipment or necessary part of any of the aforesaid items ; or
- (d) the fitting out or fabrication, assembling, altering, or reassembling, blending, furnishing, improving, adapting any goods ;

EXPLANATION— All contract including sub-contracts in relation to the same works, for the supply of goods or provision of services by any person shall whether they are between the same or different persons and whether any consideration is stipulated or not, be deemed to be a single contract constituting the works-contract and the provisions of this Act relating to taxation of the transfer of property in goods involved in a works-contract (whether as goods or in some other form) shall apply accordingly.

4. AMENDMENT OF SECTION 3— In the principal Act, for the entire provisions of section 3, the following provision shall be substituted, namely :—

“3. LIABILITY TO TAX :—

(1) The State Government may issue notification specifying goods (hereinafter referred to as notified goods) and with effect from the date on which such notification comes into effect, every dealer making the first stage of sales of any such notified goods in the State of Mizoram shall be liable to pay tax on such sales of goods ;

Provided that where any question arises as to whether any particular sale is the first stage of sale in Mizoram, the burden of proof that it is not the first stage of sale shall be on the dealer making the sale.

(2) Subject to the provisions of this Act and with effect from the date when this sub-section is given effect to (hereinafter called the appointed day), every dealer whose gross turnover from sales of goods specified in Schedule III which have taken place in Mizoram (hereinafter referred to as other sales) during the twelve months immediately preceding to the appointed day exceeded Rs. 1,00,000/— (hereinafter referred to as “Taxable Quantum”) shall be liable to pay tax under this Act on such other sales on and from the date so notified.

(3) Every dealer to whom sub-section (2) does not apply shall be liable to pay tax under this Act with effect from the 1st of April of the year during which his gross turnover from other sales first exceeds the taxable quantum :

Provided that such dealer shall not be liable to pay the tax under this Act during such year in respect of his gross turnover upto the taxable quantum specified in sub-section (2).

(4) Subject to the provisions of this Act and with effect from the appointed day, every dealer whose gross turnover from sales specified in Schedule-IV which have taken place in Mizoram by transfer of property in goods (whether as goods or in some other form) involved in the execution of works-contract (hereinafter referred to as a contractual transfer price) during the twelve months immediately preceding the date of such commencement exceeded Rs. 2,00,000/— shall be liable to pay tax under this Act on the contractual transfer price which have taken place on and from the appointed day :

Provided that the contractual transfer price of a dealer will mean the value of the goods (which has not suffered tax at any point of sale in the State) involved in the execution of works contract including the cost of delivery of the goods at the site of execution of the contract.

(5) Every dealer engaged in the execution of works contract to whom sub-section (4) does not apply shall be liable to pay tax under this Act with effect from the 1st of April of the year during which is contractual transfer price first exceeds Rs. 2,00,000/—

Provided that such dealer shall not be liable to pay the tax under this Act during

(6) Nothing in sub-sections (1), (2), (3), (4) and (5) above, shall be deemed to render any dealer liable to tax on the sale of goods where such sales take place

- (a) Outside the State of Mizoram;
- (b) in the course of the import of the goods into, or export out of the territory of India : or
- (c) in the course of inter-state trade or commerce.

EXPLANATION. For the purpose of this sub-section, whether sale takes place-

- (a) outside the State of Mizoram; or
- (b) in the course of the import of the goods into, or export of the goods out of, the territory of India, or
- (c) in the course of inter-state trade or commerce, shall be determined in accordance with the principles specified in sections 3, 4 and 5 of the Central Sales Tax Act, 1956 (Act No. 74 of 1956)

(7) Every dealer who has become liable to pay tax under this Act shall continue to be so liable until expiry of three consecutive years, during each of which his gross turnover from sales, which have taken place in Mizoram has failed to exceed the "taxable Rs. 2,00,000/- and on the expiry of this period, his liability to pay tax under this Act shall cease.

(8) Every dealer whose liability to pay tax under this Act has ceased under the provisions of sub-section (7) shall again be liable to pay tax with the first day of April of the year during which his gross turnover from sales which have taken place in Mizoram again exceeds the "taxable quantum" or his contractual transfer price exceeds Rs.2,00,000/-

(9) Where a dealer liable to pay tax under this Act starts new business, partnership firm or concern, whether by changing the constitution, style or name of the previous business, partnership firm or concern shall notwithstanding anything contained in the proviso to sub-section be liable to pay tax on sales which have taken place in Mizoram from the date of commencement of the said business, partnership firm or concern as the case may be".

5. AMENDMENT OF SECTION 4. In the principal Act, for the entire provisions of section 4, the following provisions shall be substituted, namely:—

4. RATE of TAX.

- (1) The tax payable by a dealer under this Act shall be on the taxable turnover during such year:—
- (a) in respect of notified goods referred to 3 as specified in Schedule II, at the first stage of sale within the State at the rate or rates specified in that Schedule;

- (b) in respect of goods referred to in sub-section (2) of section 3 as specified in Schedule-III, at the point of last rate or rates specified in that Schedule ;
 - (c) in respect of any transfer of property in goods (whether as goods or any other form) involved in the execution of works contract referred to in sub-section (4) of section 3 as specified in Schedule-IV, at the rate or rates specified in that Schedule ;
 - (d) in respect of transfer of the right to use any goods for any purpose referred to in sub-clause (d) of clause (19) of section 2 as specified in Schedule V, at the rate or rates specified in that Schedule.
- (2) The State Government may, by notification in the official Gazette, add to or omit from any Schedule any entry or entries or transpose any entry or entries from one Schedule to another or modify or vary any entry or entries or the rate or rates or the stage or stages of levy of tax or the deductions specified in any Schedule and, thereupon, such Schedule or Schedules shall be deemed to have been amended accordingly ;
- (3) For the purpose of this section, "Taxable Turnover" means the gross turnover during the year as reduced by—
- (a) (i) the turnover during such period from sales of goods exempted under section 7 of this Act,
 - (ii) in respect of goods specified in Schedule-III, the turnover during such period from sales of goods to a registered dealers if the goods are specified in the purchasing dealer's certificate of registration as being intended for resale in the State or of container or other materials for packing of such goods ;
 - (iii) in respect of goods involved in the execution of any works-contract specified in Schedule-IV, so much of the labour and other non-material costs incurred by the dealer for the transfer of property in the goods involved in the execution of works contract or at the option of the dealer as specified in that Schedule.
 - (iv) such other amount as may be prescribed and
- (b) the amount arrived at by applying the following formula —

The balance of his gross turnover after making deduction there
 Rate of tax X from under clause (a)

100 + Rate of Tax.

EXPLANATION : Where the taxable turnover of a dealer is taxable at different rates or the goods are specified in different Schedules, the aforesaid formula shall be applied separately in respect of such part of the turnover.

6. **DELETION OF SECTION 5**— In the principal Act, the entire provision of section 5 shall be deleted. ♦

7. **AMENDMENT OF SECTION 7**— In the principal Act, for the entire provisions of section 7, the following provisions shall be substituted, namely :—

“7. **EXEMPTION**— (1) Subject to the conditions and exceptions, if any, set out in Schedule I, the sales of goods specified therein shall be exempted from tax under this Act.

(2) The State Government may, by notification in the official Gazette, add to, amend or otherwise modify, the said Schedule and thereupon the said Schedule shall be deemed to have been amended accordingly.

(3) The State Government may, by notification in Official Gazette, make an exemption or deduction in the rate in respect of any tax or interest payable under this Act on the sale of any class of goods specified therein,

(a) at all or any specified point or points of sale in a series of sales by successive dealers ; or

(b) by any specified class of persons in regard to the whole or any part of their turnover :

Provided that any exemption or reduction may extend to the whole of the State or to any specified area or areas therein and be subjected to such restrictions, and conditions as may be specified in the notification ; ♦

Provided further that validity of any notification issued under this sub-section shall not exceed a period of three years from the date of its issue.

(4) The State Government may, from time to time by notification in the Official Gazette, frame one or more schemes for the grant of relief to any class of industries within the State or within any specified part of the State on or after such date as may be specified in such scheme by way of full or partial exemption of any tax payable under this Act on the raw materials or other input purchased by them within the State or on the manufactured goods sold by them within the State or in the course of inter-State trade or commerce for such period or periods as may be specified or by way of deferment of tax payable by them under such other restrictions and conditions as may be provided in such scheme or schemes”.

8. **DELETION OF SECTION 13**. — In the principal Act, the entire provisions of section 13 shall be deleted. *

9. **DELETION OF SECTION 14**. — In the principal Act, the entire provisions of section 14 shall be deleted.

10. AMENDMENT OF SECTION 15. — In the Principal Act, in section 15, the following amendments shall be made —

- (1) in sub-section (3), for the word "Commission" the word "omission" shall be substituted; and shall be deleted the words "by him" after the word "either"
- (2) after sub-section (3), the following sub-sections shall be added :
- “(4) the returns shall be furnished along with the receipted challans showing full payments of taxes according to such returns.
- (5) where a deduction of an amount is made under sub-section (1) of section 15A from the payment of any sum to a dealer for execution of a works contract, and such amount is deposited under sub-section (2) of that section, the deduction of such amount shall be deemed to be a payment of tax by such dealer made by him on the date of such deduction and he shall furnish alongwith his return required by sub-section (1) or sub-section (2) as the case may be, in respect of such amount, a certificate of deduction referred in sub-section (3) of section 15A as proof of such payment of tax :

Provided where a dealer does not receive a certificate of deduction under sub-section (3) of section 15A on or before the prescribed date of furnishing of return for the return period, he shall, while furnishing such return, state the fact in writing and furnish such certificate of deduction within fifteen days of receipt of such certificate by him”.

11. ADDITION OF NEW SECTIONS — In the principal Act, after section 15, the following sections shall be added :

“15A. Deduction at source from payment to a dealer against execution of works contract.

- (1) Notwithstanding anything contained in section 15 or any rules made thereunder or any terms of a contract to the contrary, any person responsible for paying any sum to any dealer for execution of a works contract referred to in clause (22) of section 2, wholly or partly in pursuance of a contract between such dealer and —

(a) Government ;

(b) a local authority ;

(c) a corporation or a body established by or under any law for the time being in force ;

(d) a company incorporated under the Companies Act, 1956, (Act No. 1 of 1956), including a Government undertaking ;

(e) a co-operative society ;

(f) and educational institution, or

(g) a promoter ;

shall, at the time of payment of such sum in cash or by issue of a cheque or draft or any other mode of payment, deduct an amount towards tax equal to two per centum of such sum being paid in respect of such works contract :

Provided that no deduction under this sub-section (1) shall be made where —

(a) the payment is made as advance prior to the commencement of the execution of such works contract ;

(b) no transfer of property in goods (whether as goods or in some other form) is involved in the execution of such works contract, or

(c) where the dealer produces a certificate from the Commissioner under section 15B that he has no liability to pay tax under clause (c) of sub-section (1) of section 4 or that he has paid tax payable by, or due from him under that section.

Provided further that no deduction under this sub-section shall be made in respect of that part of payment to a dealer which represents his contractual transfer Price of goods referred to in section 14 of the Central Sales Tax Act, 1956 where such dealer declared in writing to the effect that on a prior sale of such goods in Mizoram due tax under this Act has been paid.

EXPLANATION— For the purposes of this sub-section “promoter” means a person who constructs, reconstructs, converts, renovates or extends or causes to be constructed, reconstructed, converted, renovated or extended a building (including a flat or apartments or a resort) on a plot of land for the purpose of transfer of such building by sale or otherwise to any other person or to a company, firm, co-operative society or any association of persons, and includes—

(i) his assignee, if any,

(ii) the person who develops or reclaims the land, the person who constructs, reconstructs, converts, renovates or extends, and the person who transfers, such building, if such persons are different;

(iii) any firm, board or other association of persons, established by or under any law for the time being in force.

but excluding those referred to in clause (a) to (f) of this sub-section.

(2) Where deduction of an amount is made under sub-section (1),

(a) the person making such deduction shall deposit the amount so deducted into a Government Treasury within such time, in such manner and in such form or challan as may be prescribed, or

- (b) in the case of a person who adopts "public works system of accounting and makes such deduction, he shall transfer the amount so deducted to the appropriate head of account through account statement in the manner prescribed, which is required to be sent periodically to the Accountant General, Mizoram etc. and such transfer shall be deemed to be a deposit of the amount so deducted by the person making such deduction on the basis of such statement,
- (3) After the deposit of the amount under sub-section (2), the person who makes the deduction and deposit shall, within fifteen days from the date of such deposit, issue to the dealer a certificate in the prescribed form for each deduction separately and send a copy of the receipted challan or a copy of the account statement referred to in sub-section (2), as the case may be, to the Commissioner along with the relevant certificate of deduction and such document as may be prescribed.
- (4) On receipt of a certificate of deduction referred to in sub-section (3), the deposit of an amount on account of dealer referred to in sub-section (2) shall be adjusted by the Commissioner towards tax liability of the dealer under section 4, and shall constitute a good and sufficient discharge of the liability of the person deducting such amount to the dealer to the extent of the amount deducted and deposited.
- (5) Where any person, while paying any sum to a dealer, contravenes the provisions of sub-section (1), sub-section (2) or sub-section (3), he shall be personally liable for such contravention and the Commissioner may, after giving him an opportunity of being heard by order in writing and in such manner as may be prescribed, impose on such person a penalty, not exceeding twice the amount required to be deducted and deposited by him into the Government Treasury.
- (6) Where the dealer from whose account any amount has been deducted under sub-section (1) and deposited sub-section (2) proves to the satisfaction of the Commissioner that he is not liable to pay tax under clause (c) of sub-section (1) of section 4 and such amount was not wholly or partly payable by him under this Act, the Commissioner shall refund or adjust the amount refundable to the dealer in such manner as may be prescribed.

15B. CLEARANCE CERTIFICATE.—

- (1) Notwithstanding anything contained in any other law for the time being in force.
- (a) no Government department, local authority, educational institution, or corporation or body corporate established by or under a Central or State Act shall place order with, or make purchases of any goods from, any dealer or make any payment to such dealer for such purchases, or

- (b) no Government department, local authority, educational institution, corporation or body corporate established by or under a Central or State Act, or company incorporated under the Companies Act, 1956 (Act No. 1 of 1956) or co-operative Society shall enter into any works contract with any dealer for execution by him of such works contract and shall make payment to such dealer for execution of works contract.

Unless the Commissioner certifies in the prescribed manner that such dealer—

- (i) has no liability to pay tax or has not defaulted in furnishing any return or returns together with the receipted challan or challans showing payment of all taxes payable under this Act or the Central Sales Tax Act, 1956 (Act No. 74 of 1956);
- (ii) has not defaulted in making payment of tax otherwise payable by, or due from, him under this Act or the Central Sales Tax Act, 1956 (Act No. 74 of 1956), or
- (iii) has made satisfactory provision for securing the payment of tax by furnishing bank guarantee in favour of the Commissioner or otherwise, as the case may be :

Provided that the provisions of this sub-section shall not apply to any payment referred to in clause (b) where any amount is deductible from such payment under sub-section (1) of section 15A.

- (2) Where an application made by a dealer in the prescribed form to the Commissioner, after making such enquiry as he deems fit and proper, is satisfied and issues a certificate in the prescribed form to the effect that such dealer is not liable to pay tax under sub-section (4) or sub-section (5) of section 3 or that he has paid tax payable by, or due from him under that section ; payment may, notwithstanding anything contained in sub-section (1), be made to such dealer for execution by him of a works contract referred to in sub-section (4) or sub-section (5) of section 3 on production by him of such certificate of the Commissioner.

- (3) The application for the certificate required under sub-section (1) shall be made by the dealer referred to in that sub-section to the Commissioner and shall be in such form and shall contain such particulars as may be prescribed".

12. AMENDMENT OF SECTION 16— In the principal Act, in section 16, sub-section (1), for the words "half year" wherever these occur, the word "year" shall be substituted.

13. AMENDMENT OF SCHEDULE—I— In the principal Act, for the Schedule I, the following Schedule shall be substituted, namely :

"SCHEDULE—I"

(See Section 7)

List of goods exempted under section 7 of the Mizoram Sales Tax Act, 1989.

Sl.	No.	Description	Conditions and exceptions subject to which exemption has been allowed.
1	2	3	
	1.	All cereals & pulses including all forms of rice.	Except when sold in sealed containers.
	2.	Plough, Plough points, Spade Sickles, Axe and other agricultural implements.	
	3.	Books, Periodicals and Newspapers.	
	4.	Locally made Biscuits, Bread, Cake, toasted bread, pastries.	
	5.	Betelnuts and Betel leaves.	
	6.	Condom and contraceptive.	
	7.	Cotton.	
	8.	Electrical Energy.	
	9.	Fertilizers, insecticide and pesticide.	
	10.	Fish, Ghee, Dahi, Butter Cream, Casein, Meat, eggs and Vegetables.	Except when sold in sealed container.
	11.	Flour including atta, maida, suji and bran.	

1	2	3
12.	Fresh fruits.	
13.	Gur and molasses.	
14.	(i) Anti-Malaria drugs, viz : quinine in powder form, quinine pills (but not sugar coated) quinine alkaloids, salts of Cin- chona and its Alkaloids, Tataquina, Cinchona fa- brifuge and Chloroquine group of drugs, e.g. Ne- vaquine, Reschochin and Comaquine, whether in solution or in powder or in tablet form, Paludrine and Daraprim. (ii) Anti-Kala-azar drugs, viz. Urea Stabamine and Pentamidine Isethionate. (iii) Vaccine, viz.small pox vaccine, Cholera va- ccine and T.A.B. vaccine.	
15.	Mustard oil, rape oil and mixture of mustard and rape oil.	
16.	Flower, fruit and vegetable seeds.	
17.	Sago	Except when sold in sealed container.
18.	Salt.	
19.	Water but not distilled, aerated or mineral water when sold in bottles or sealed containers.	
20.	Milk	Except when sold in sealed container.
21.	Firewood and Charcoal.	

22. Mathematical instruments for students

23. Spun silk yarn (as distinguished from raw silk) and Noil yarn

24. Goods sold at Defence Services installations

When sold to personnel of Defence Services at prices fixed by the Government of India

25. Slates and slate pencil

26. Pencil, Paper, blotting paper, ink, ink-pot, penholder, nib, and eraser purchased for use by students

On production of a certificate to that effect from the Head of Institutions

27. Scale, colour box, painting box, school map, exercise book and drawing book

28. Grass used as cattle fodder

29. Handspun Cotton Yarn

30. Handloom cloth woven out of handspun cotton yarn

31. Mill-made Cotton Yarn

32. Publications issued by the Publications Division of the Government of India, Ministry of Information and Broadcasting

33. All varieties of textiles, namely cotton, woollen or silken including rayon, art silk or nylon whether manufactured by handloom, powerloom or otherwise

1	2	3
34.	Sugar	
35.	Tobacco and all its products.	
36.	Ayurvedic medicines other than patents or registered trade mark tonics.	
37.	Potteries.	When sold by producer's cooperative furnishing an annual certificate from competent Officer of the Co-operative Department to the effect that they continued to produce these goods by the labour of their own members without engaging any hired labour.
38.	Sugar Cane.	When sold to sugar factories.
39.	Khadi and products of Village Industries as defined in the Khadi and Village Industries Commission's Act, 1956.	When sold by a producer and or organisation certified for the purpose by the Khadi and Village Industries Commission's Act, 1956 or the Mizoram State Khadi and Village Industries Board Constituted under the Act, 1982.
40.	Handwoven silk (Pat) cloth.	When produced and sold by Weaver's Co-operative Societies.
41.	Cattle feeds including fodder, poultry feeds and pig feeds.	
42.	Baby - food.	
43.	Wheel Chair used by physically handicapped and invalid persons.	
44.	Book binding cotton fabrics.	
45.	Artificial limbs, shoes and such other items used by physically handicapped persons.	
46.	Articles donated by Manufacturer and dealers as gift for the use by the Armed Forces.	On production of a certificate from the Local station Commander of the Armed Forces or his authorised agent to the effect that the articles are donated as gift for the use by the Armed Forces.

1	2	3
47.	Goods purchased by the Indian Aid Mission, Nepal.	On production of a certificate from the Director, Indian Aid Mission, Nepal or his agent to the effect that the goods are for use in Indian aided projects in Nepal.
48.	Green tea leaf.	
49.	Furnace Oil	When sold to public utility undertaking for generation of electric energy in Mizoram.
50.	Paper used for printing Text Books approved by the Text Book Committee and the University.	On production of Certificate from Book Committee, University and other Educational Authorities, e.g. Mizoram Board of School Education.
51.	Vegetables (green or dried).	Except when sold in sealed container.
52.	Goods purchased by United Nations International Children's Emergency Fund.	On production of a certificate from the Officer authorised by United Nations International Children's Emergency Fund to issue such certificate and subject to such goods being for Official use only.
53.	Gobar Gas Plants.	
54.	Sericulture products, namely silk, cocoons, nonspun silk yarns, raw-silk and silk waste.	
55.	Saplings.	
56.	Newsprint sold to small and medium newspapers in Mizoram	When sold to small and medium newspapers in Mizoram for publication of newspapers on production of certificate to be issued by Commissioner of Taxes.
57.	Flowers excluding artificial flowers.	
58.	School Uniform.	Subject to production of certificate from the Head of Institution.
59.	School bags.	
60.	Ice.	
61.	Local made readymade garments.	
14.	AMENDMENT OF SCHEDULE — II In the principal Act, for the Schedule—II, the following schedule shall be substituted, namely :—	

"SCHEDULE — II

List of goods Taxable at first point of sale
(See Section 3(1))

Sl. No.	Description of goods	Rate of Tax.
1.	2	3
1.	Motor vehicles, chasis of motor vehicle, motor scooters motor cycle excluding Tractors, Power-tillers earthmover, excavators	— 2 paise in the rupee
2.	Spare parts and accessories of motor vehicles, motor scooters, motor cycles, tyres and tubes excluding parts and accessories of Tractor, Powertillers, earthmovers, excavators	— 5 paise in the rupee.
3.	Refrigerators, air conditioning plant, washing machine, geysers, air cooler including their parts and accessories.	— 5 paise in the rupee.
4.	Television set, video cassette recorder, video cassette player, video C.D. player, telephone including their parts and accessories	— 5 paise in the rupee.
5.	Computers of all varieties, fax machines, photo copiers and their parts and accessories.	— 5 paise in the rupee.
6.	All arms including rifles, revolvers pistol and ammunitions for the same.	— 5 paise in the rupee.
7.	Gold, Silver and other precious stones.	— 5 paise in the rupee.

15. Amendment of Schedule-III. - In the principal Act, for schedule-III, the following schedule shall be substituted, namely -

" S C H E D U L E - III

List of goods taxable at last point of sale.
(See Sections 3(2) & 4(1)(b))

Sl.No.	Description of goods	Rate of Tax.
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16. Addition of Schedule-IV. — In the principal Act, the following new schedule shall be added, namely :—

" S C H E D U L E - IV

(See Section 3(4) and Section 4 (1) (c))

Sl. No.	Description of works contract.	Percentage of deduction allowed under section 4(3) (iii)	Rate of Tax.
1	2	3	4
	Any works-contract the execution of which involves use of goods notified under Section 3 (1).	30% (when labour charges and non-material costs are not ascertainable from the accounts of the dealer.	5%

Notwithstanding anything contained in this Schedule where any dealer is liable to pay tax in respect of any works-contract aforesaid involving sale of declared goods, which has not suffered any tax under this Act, the tax shall be calculated at the rate of 4(four) per centum of the contractual transfer price relating to such declared goods.

17. Addition of schedule-V. - In the principal Act, the following new schedule shall be added after the Schedule IV, namely :-

" S C H E D U L E - V "

(See Section 4(1) (d))

List of Goods taxable on transfer of the right to use any goods for any purpose.

Sl. No.	Description of goods.	Rate of Tax.
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— N I L —

Secretary,
Law & Judicial Deptt,
Govt. of Mizoram.