



Government of Karnataka

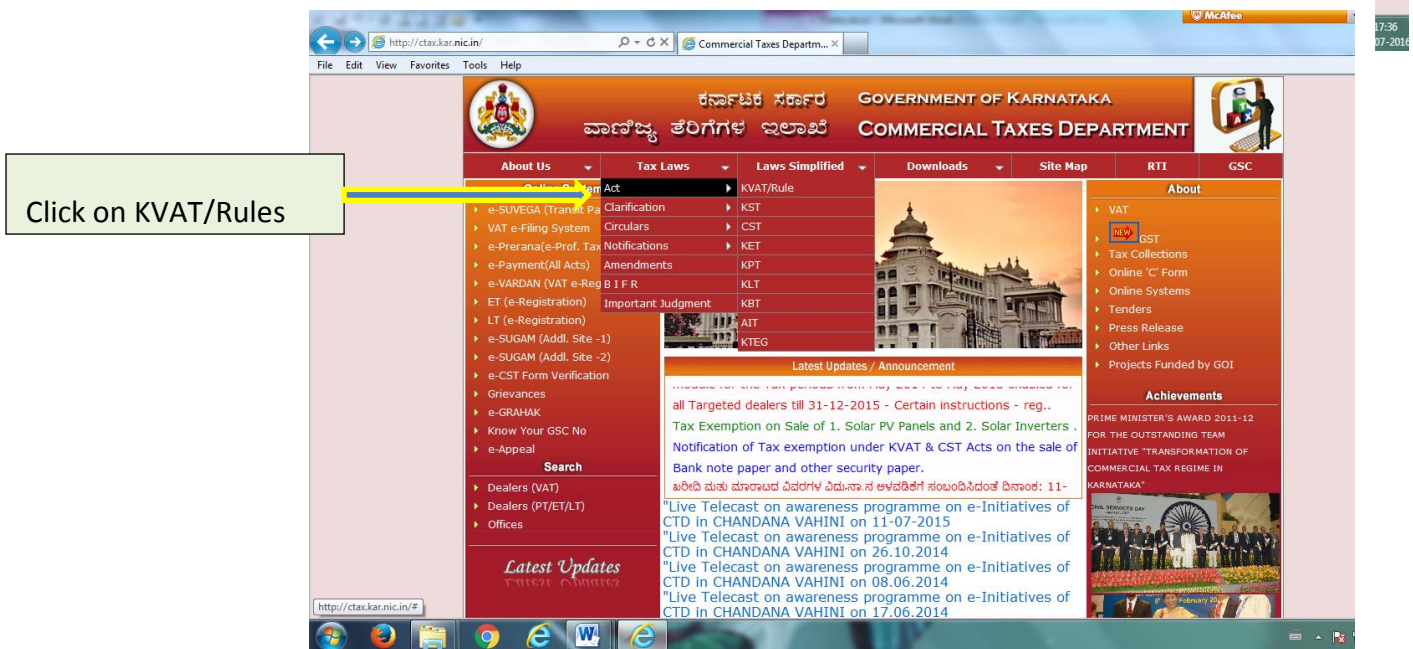
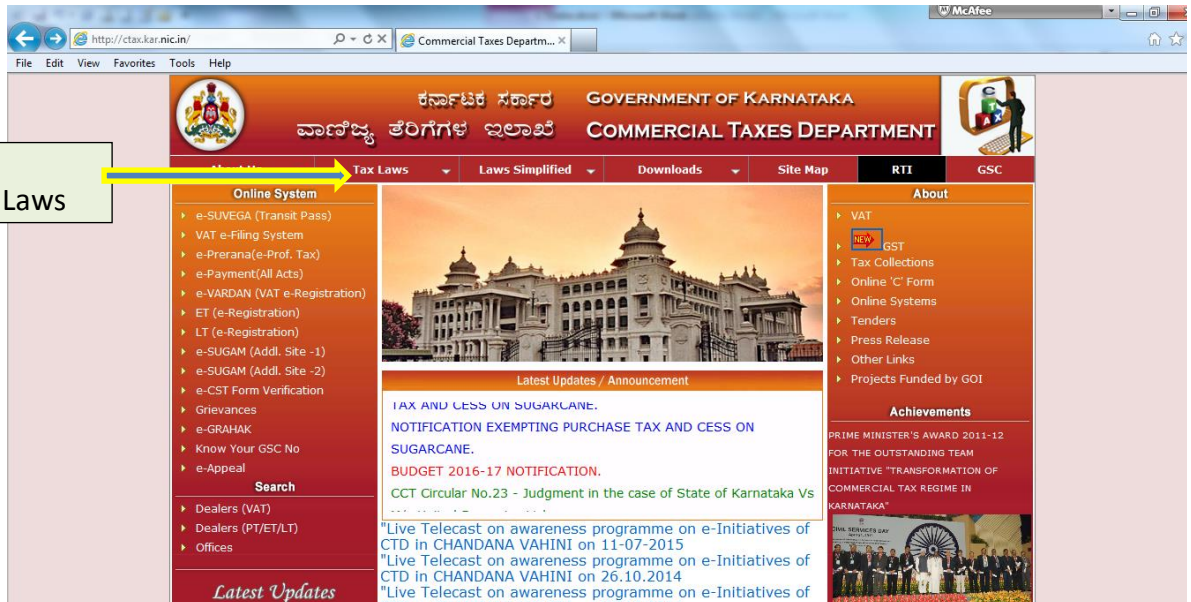
Supporting Documentation for implementation of Ease of Doing Business Reforms in the State of Karnataka

Concerned Department	Commercial Tax Department
Area	8(c): Tax enablers
DIPP Recommendation No.	209: Introduce a system for Advance Tax ruling for state level taxes on the lines of Income Tax Act
Response	Yes
Compliance Report	
URL*	http://ctax.kar.nic.in/
G.O./Notification/Act	Section 60 KVAT Act, 2003
Screenshots	Attached Annexures
Compliance Reform	Advance Tax ruling for Karnataka State taxes ie. for VAT and Entry Tax has been enabled through Section 60 of the KVAT Act, 2003 and Section 12-C of the KTEG Act, 1979

**If the link does not open directly (when clicked), please copy paste the URL into browser address bar.*

Step 1. Click on url <http://ctax.kar.nic.in/>

Step 2. Click on Tax Laws



Step 4. Click on Section 60 of KVAT Act. The section reads as under.

¹[60. Clarification and Advance Rulings.- (1) The Commissioner may constitute an 'Authority for Clarification and Advance Rulings', consisting of atleast three Additional Commissioners, to clarify the rate of tax in respect of any goods or the exigibility to tax of any transaction or eligibility of deduction of input tax or liability of deduction of tax at source under the Act, in respect of any case or class of cases as the Commissioner may specify.

(2) Any registered dealer seeking clarification or advance ruling under this section, shall make an application to the Authority in such form, accompanied by proof of payment of such fee, paid in such manner as may be prescribed.

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(2) Any registered dealer seeking clarification or advance ruling under this section, shall make an application to the Authority in such form, accompanied by proof of payment of such fee, paid in such manner as may be prescribed.

²[(2A) On receipt of an application, the Authority shall cause a copy thereof to be forwarded to the assessing or registering authority concerned and call for its finding on the clarification sought or question raised and also any information or records. (2B) The Authority may, after examining the application and any records called for, by order, either, admit or reject the application. Provided that the Authority shall not allow the application where the question raised in the application,- (i) is already pending before any officer or authority of the Department or Appellate Tribunal or any Court; (ii) relates to a transaction or issue which is designed apparently for the avoidance of tax.

Provided further that no application shall be rejected under this sub-section unless an opportunity has been given to the applicant of being heard and where the application is rejected, reasons for such rejections shall be recorded in the order. (2C) A copy of every order made under sub-section (2B) shall be sent to the applicant and the officer concerned. (2D) Where an application is admitted under sub-section (2B), the Authority shall after examining such further material as may be placed before it by the applicant or obtained by the Authority, pass such order as deemed fit on the questions specified in the application, after giving an opportunity to the applicant of being heard, if he so desires and also to the assessing authority or registering authority concerned. The authority shall pass an order within ninety days of the receipt of any application and a copy of such order shall be sent to the applicant and to the officer concerned.]² (3) No officer or any other authority of the Department or the Appellate Tribunal shall proceed to decide any issue in respect of which an application has been made by an applicant under this Section. (4) The order of the authority shall be binding, only on the applicant who seeks clarification and only in respect of the goods or transaction in relation to which a clarification is sought and also only in the proceedings

before the officers of the department (other than the Commissioner) and the Appellate Tribunal, relating to such applicant. (5) The order of Authority under this Section shall be binding as aforesaid unless there is a change in law or facts on the basis of which the order was passed. (6) Where the authority finds, on a representation made to it by any officer or otherwise, that an order passed by it was obtained by the applicant by fraud or misrepresentation of facts, it may, by order, declare such order to be void ab initio and thereupon all the provisions of this Act shall apply to the applicant as if such order had never been made. (7) Subject to the provisions of ²[sub-section (4) of section 59,]²sub-section (2) of section 64 and section 66, every order passed under this section shall be final.]¹
²[8) Notwithstanding any clarification or any ruling given by the 'Authority for Clarification and Advance Rulings' under sub-section (2D) pertaining to any particular goods, the rate of tax payable in respect of such 2004: KAR. ACT 32] *Value Added Tax 795*
goods by the applicant shall be at such rate as may be clarified by the Commissioner under sub-section (4) of section 59, from the date of its publication in the official Gazette.]

1. Omitted by Act 6 of 2007 w.e.f.1.4.2007 and inserted by Act 4 of 2010 w.e.f. 1.4.2010.

2. Inserted by Act 54 of 2013 w.e.f 01.08.2013