

8th floor, Vikrikar Bhavan,
Mazgaon, Mumbai-400010.

TRADE CIRCULAR

To

.....

.....

No.VAT-1007/1/Adm-3(Adm-6)

Mumbai, Dt.31.05.2008

Trade Cir. No. 20 T of 2008

Sub: Reduction in the Rate of Central Sales Tax Act, 1956 with
effect from 1st June 2008.

Ref: Finance Department, Government of India Notification No.
1/2008-CST-F.No. 28/11/2007-ST dated May 30, 2008

Gentlemen/Sir/Madam,

In his Budget Speech on the Budget Estimates for the year 2008-09, the Hon'ble Union Finance Minister had declared that the rate of Central Sales Tax will be reduced to 2%. The Notification in this respect is issued by the Union Government on May 30, 2008 wherein rate of tax as specified in sub-section (1) of section 8 of the Central Sales Tax Act, 1956 has been reduced from three per cent to two percent, with effect from 1st June 2008. It is hereby made clear that dealers should collect tax @ 2% on their inter-State sales from 1st June 2008.

2. This circular cannot be made use of for legal interpretation of provisions of law as it is clarificatory in nature. If any member of the trade has any doubt, he may refer the matter to this office for further clarification.

3. You are requested to bring the contents of this circular to the notice of the members of your association.

Yours faithfully,

(SANJAY BHATIA)

Commissioner of Sales Tax,
Maharashtra State, Mumbai.

No.VAT-1008/1/Adm-3(Adm-6)

Mumbai, Dt.

Trade Cir. No. T of 2008

1. Copy forwarded To :

- a. All the Addl. Commissioners of Sales Tax in the State.
- b. All the Joint Commissioners of Sales Tax in the State.
- c. All the Sr. Dy. Commissioners of Sales Tax in the State.
- d. All the Dy. Commissioners of Sales Tax in the State.
- e. All the Asstt. Commissioners of Sales Tax in the State.
- f. All the Sales Tax Officers in the State.

2. Copy forwarded with compliments for information to:

- a. The Deputy Secretary, Finance Department, Mantralaya,
Mumbai.
- b. The Under Secretary, Finance Department, Mantralaya,
Mumbai.
- c. The Accounts Officer, Sales Tax Revenue Audit, Mumbai and
Nagpur.

3. Copy to all the Desks and Desk Officers in the office of the Commissioner of Sales Tax, Maharashtra State, Mumbai.

(S.D.BHANDARE)

Joint Commissioner of Sales Tax,

(HQ)1, Maharashtra State, Mumbai