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GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
(DEPARTMENT OF LAW, JUSTICE AND LEGISLATIVE AFFAIRS)
8TH LEVEL, C-WING, DELHI SECRETARIAT, NEW DELHI**

No. F.14(6)/LA-2015/cons2law/117-126

Dated : 14.07.2015

NOTIFICATION

No.F.14(6)/LA-2015/cons2law/ – The following Act of the Legislative Assembly of the National Capital Territory of Delhi received the assent of the Lt. Governor of Delhi on 10th July, 2015 and is hereby published for general information:-

**“THE DELHI VALUE ADDED TAX (2nd AMENDMENT) ACT, 2015
(DELHI ACT 05 OF 2015)**

(As passed by the Legislative Assembly of the National Capital Territory of Delhi on the 30th June, 2015)

[10th July, 2015]

An Act to further amend the Delhi Value Added Tax Act, 2004 (3 of 2005).

BE it enacted by the Legislative Assembly of the National Capital Territory of Delhi in the Sixty-sixth year of the Republic of India as follows:-

1. Short title, extent and commencement

(i) This Act may be called the Delhi Value Added Tax (Second Amendment) Act, 2015.

(ii) It extends to the whole of the National Capital Territory of Delhi.

(iii) It shall come into force on such date as the Government may, by notification in the official Gazette, appoint:

Provided that different dates may be appointed for different provisions of this Act.

2. Amendment of section 4

In the principal Act, in section 4, in sub-section (1), for clause (c), the following clause shall be substituted, namely:-

“(c) in respect of goods specified in the Fourth Schedule, at the rates specified therein against the description of goods:

Provided that the rate of tax in respect of goods specified in the Fourth Schedule shall be higher than the rate of tax applicable under clause (e) of this sub-section but shall not be more than thirty paise in the rupee;”.

3. Amendment of section 8

In the principal Act, in section 8, -

(i) in sub-section (1), for clause (c), the following clause shall be substituted, namely:-

“(c) the previously agreed consideration for that sale has been altered by agreement with the recipient for any reason except where a discount or incentive is offered through a credit note after issuance of tax invoice in respect of a sale to a registered dealer;” and

(ii) in sub-section (2), after clause (b), the following explanation shall be inserted, namely:-

“*Explanation:* Credit notes issued on account of post sale discounts or incentives will be independent of tax component and no adjustments in the output tax would be required to be made.”

4. Amendment of Section 10

In the principal Act, in section 10, -

(i) for sub-section (1), the following sub-section shall be substituted, namely:-

“(1) Subject to sub-sections (1) and (2) of section 8, where any purchaser has been issued with a credit note or debit note in terms of section 51 of this Act or if he returns or rejects goods purchased, as a consequence of which the tax credit claimed by him in any tax period in respect of which the purchase of goods relates, becomes short or excess, he shall compensate such short or excess by adjusting the amount of the tax credit allowed to him in respect of the tax period in which the credit note or debit note has been issued or goods are returned.

Explanation : While issuance of a credit note of a post sale discount or incentive by a selling dealer, where no adjustment to output tax, as per the provisions of sub-sections (1) and (2) of section 8 has been made, no adjustment for reduction of input tax credit would be required by the respective buying registered dealer.”; and

(ii) in sub-section (5), for the starting word “Where”, the words and symbol “Subject to sub-sections (1) and (2) of section 8 and conditions as may be prescribed, where” shall be substituted.

5. Amendment of section 22

In the principal Act, in section 22, sub-section (7) shall be omitted.

6. Amendment of section 38

In the principal Act, in section 38, in sub-section (5), for the words “fifteen days”, the words “forty five days” shall be substituted.

7. Amendment of section 51

In the principal Act, in section 51, for the starting word “Where”, the words and symbol “Subject to sub-sections (1) and (2) of section 8, where” shall be substituted.

8. Amendment of section 86

In the principal Act, in section 86 –

(i) in sub-section (5), for the words “five hundred”, the words “two hundred” shall be substituted;

(ii) for sub-section (6), the following sub-section shall be substituted, namely:-

“(6) If a registered dealer fails to comply with the provisions of sub-section (2) of section 22 of this Act, he shall be liable to pay, by way of penalty, a sum equal to two hundred rupees for every day of default subject to a maximum of twenty five thousand rupees.”;

(iii) in sub-section (9), for the words “five hundred”, the words “two hundred” shall be substituted;

(iv) in sub-section (16), for clause (b), the following clauses shall be substituted, namely:-

“(b) having issued a tax invoice or retail invoice, has failed to account it correctly in his books of account; or

(c) failed to issue a tax invoice or retail invoice as required under the provisions of section 50 of this Act;” and

(v) in sub-section (20), the explanation shall be omitted.

9. Amendment of section 89

In the principal Act, in section 89, in sub-section (4), clause (c) shall be omitted.

10. Amendment of the Fourth Schedule

In the principal Act, for the Fourth Schedule appended thereto, the following shall be substituted, namely:-

“The Fourth Schedule

(See section 4)

S. No.	Commodity	Rate of Tax
1.	Petroleum Products other than liquid petroleum gas, piped natural gas, Compressed Natural Gas and Kerosene such as (i) Naptha; (ii) Aviation Turbine Fuel; (iii) Spirit; (iv) Gasoline; (v) Furnace oil; (vi) Wax (except petroleum wax used for manufacture of candles);	Twenty paise in the rupee

S. No.	Commodity	Rate of Tax
	(vii) Mixture and combination of above products.	
2.	Liquor (Foreign and Indian Made Foreign Liquor).	Twenty paise in the rupee
3.	Country Liquor.	Twenty paise in the rupee
4.	Narcotics (Bhaang).	Twenty paise in the rupee
5.	Molasses.	Twenty paise in the rupee
6.	Rectified Spirit.	Twenty paise in the rupee
7.	Lottery Tickets.	Twenty paise in the rupee
8.	Brake Fluid.	Twenty paise in the rupee
9.	Tobacco and Gutkha, unmanufactured tobacco, bidis and tobacco used in manufacture of bidis and hooka tobacco	Twenty paise in the rupee
10.	Aerated Drinks.	Twenty paise in the rupee
11.	Watches costing above rupees five thousand.	Twenty paise in the rupee

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(Vikrant Vaid)

Addl. Secretary (Law, Justice & L.A.)