

Shri Sunil Kumar, I.A.S
Commissioner,
Trade Tax U.P.
Trade Tax Bhawan, Vibhuti Khand,
Gomti Nagar, Lucknow

Subject : - Levy of Entry Tax on "Paper of All kind without any Set-off or Input Credit making it costlier than other States.

Sir,

The Entry Tax has once again (after the original Act was declared ultra-virus by Hon'ble High Court) been imposed with retrospective effect.

- i. The white Paper on VAT conceives that no other taxes will be levied over & above the VAT.
- ii. Few other states which also collected Entry Tax have either abolished Entry Tax or are in process to do away with it.
- iii. The "Entry Tax Act of 2000" provided for Set-off to the extent it was collected, which enabled that Paper Trade & Industry to compete with other States.
- iv. The New Entry Tax Act does not make any such concession which is likely to escalate the prices.
- v. The goods already subjected to Entry & lying in stock without giving "Input Tax Credit" or Set-Off will also suffer the "Cost factor".

It is well evident that paper of all kind is the prime need of "Domestics" in every day to day affair & in every "Manufacture or Trade", "Industry or Retail " at every step. Their cost factor is also likely to affect the cost of goods ultimately. As a result the industry in U.P. will be rendered un-competitive compared to states where entry tax on paper is not applicable.

Therefore it is requested that the Paper Industry/Trade may either be excluded from the liability of "Entry Tax" or "Input Tax credit in full may kindly be given by means of a Notification validating the goods in stock which so far have not received the credit exigible to automatic Set-Off or Input Tax Credit.

Thanking you,

Yours truly,

D.S. Verma
Executive Director

Copy for information to :- Chairman IIA Bareilly Chapter with reference to the discussions held on 3rd Dec. 07 on this issue in CEC Meeting. You like to inform the concerned member of your Chapter who raised this issue.

D.S. Verma