

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

Subject : - Taxability of “Thresher” under VAT.

Sir,

IIA has received representation from its Hon'ble Members regarding Taxability of Thresher under VAT on the following grounds:-

- That Thresher is exclusively an Agriculture Implement and is used by small farmers for threshing their form proceduce & is exclusively as prime requirement of Agricultural Sector.
- That thresher had been declared & classified as an Agricultural implement under Trade Tax Act vide Notification No. ST.11-8305/X-11(9)78-UP Act 1/48 order-86 dated 30.6.1986
- That even the Power Driven Agricultural Implements included Potato Thresher in the Exempt list of Trade Tax schedule.
- That in the Trade tax schedule where Tractor has been classified as Taxable, Thresher has not been included in it, to make it Taxable.
- That due to oversight in the VAT schedule –II Part ‘A’ at serial No. 125 (4% goods) “Tractors, Threshers, Harvester & attachments & Parts thereof have been included in Taxable list of 4%. Whereas in Trade Tax Taxable list only “Tractors & Harvesters combines” were made Taxable. Meaning thereby that Thresher was not there as Taxable.

Therefore under the above clarified position “Thresher” Entry in 0% (Exempt) goods as well as Taxable goods is contradictory & may open up controversies leading to Litigation. As such it is requested that the “Thresher” should remain under 0% (Exempt) goods & may kindly be deleted from the list of 4% Taxable goods in schedule –II Part-A S.No. 125.

It is hoped that your pragmatic approach will see the glaring mistake & nip it in bud.

Thanking you,

Yours truly,

D.S. Verma
Executive Director