

Ref. No. 2bII/7152

18 Jan. 2008

Shri K. Chandramauli I.A.S
Principal Secretary,
Deptt of Commercial Tax,
Govt. of U.P. Lucknow

Shri Sunil Kumar, I.A.S,
Commissioner,
Commercial Tax,
Govt. of UP.,
Gomati Nagar, Lucknow.

Subject: Taxability of Plastic Wastes & Goods value below Rs. 500 & Floor wipers under VAT.

Sir,

The above two items were taxed as household items under UPTT @ 4% now have gone up @ 12.5% under VAT which was not conceived under VAT.

- (i) Floor wipers Raw materials is Iron/Steel Tube & Plastic granules which have been classified @ 4% clearly create contradiction as the product has gone up three fold Rate of Tax. These are sold by Poor hawker through vending.
- (ii) Plastic goods & waste below Rs. 500/- are goods used & processed by Poor persons in Small units to avoid use of wood & prevent deforestation.

The above products are Taxed at lower & 0 (Zero)% rates of Tax respectively in other States. Therefore it is requested that :-

- (a) Floor wipers may be placed @ 4% items.
- (b) Plastic waste @ 4%.
- (c) Plastic products below Rs. 500/- @ 0%.

Thanking You

Yours truly,

D.S. Verma
Executive Director