

- **Continuation of “Moratorium & Holiday” under VAT for New Units as are already under scheme for a specified period (Under U.P.T.T.)**

Ref. No. 2bII/7133

10 January 2008

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

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

Subject: Continuation of “Moratorium & Holiday” under VAT for New Units as are already under scheme for a specified period (Under U.P.T.T.)

Sir,

IIA is concerned about the fact that no. any Notification has so far been issued allowing continuation of units under 4-A, which, were granted Holiday under time bound scheme(under UPTT). Our affected Members are regularly enquiring & complaining in this behalf.

It is worth mention that 4-A (under U.P.T.T. Act) units were to continue u/s sec 78 (VAT Act)”Transitory provisions”. The said section has been withdrawn & a new Section 42 “Deferment” has been provided under VAT wherein 4-A scheme has not specifically been mentioned; which has created ambiguity. Moreover no any Notification has so far been issued which makes the units suspicious as to how they are to issue bills or vouchers under VAT as the UPTT time limit of holiday is still left.

Therefore in the interest of Industry which has taken loans, planned the budget & fixed targets it is requested to expeditiously release the Notification & save them from being pushed back to losses & unnecessary embarrassment.

Thanking You

Yours truly,

D.S. Verma
Executive Director