

**6. PROCEEDINGS OF THE COMMISSIONER, COMMERCIAL TAXES
THIRUVANANTHAPURAM**

Present:- Sri.Paul Antony.IAS

Sub:- KGST Act 1963- clarification under section 59A- whether purchase tax exemption is available to purchases who subsequently sells the goods without collecting CST or KGST against form 18A reg:-

Read: Application for clarification dt. 13.09.02

ORDER No.C3.43338/02/CT Dt. 01.02.06

Sri.Thomas Punnose, Sales Tax Practitioner, ST 26/861, Kottayam has preferred an application under section 59A and requested to clarify as to whether the applicant unit is eligible for purchase tax exemption as provided in the SRO 403/94 on the soft wood used for the manufacture of packing cases which are sold to exporters against Form 18A declaration.

SRO 403/94 was superseded by SRO 1090/99. As per serial number 41 schedule 1 of the SRO turnover of purchase of soft wood for use in the manufacture of packing cases etc has been exempted from tax, provided that the manufactured goods shall be liable to tax either under the KGST or CST Acts.

In the present case since the manufactured goods, packing cases, are sold to exporters against Form no. 18A declaration /SRO certificate no tax liability is there either under the KGST or CST Act. Therefore, the applicant unit will not get purchase tax exemption as provided in the SRO.

The point sought for is clarified accordingly.

Sd/
Commissioner