

BUDGET ANNOUNCEMENTS OF 2012-13

Related to Commercial Taxes Department

- It is proposed to levy tax at the rate of 1% under a compounding scheme on builders of residential and commercial complexes on the total sale value of residential and commercial complexes.
- Compounding scheme for other works contractor is also proposed to be implemented.
- The annual tax of Rs. 60000/-, Rs 80000/- and Rs 100000/- payable by different categories of brick kiln dealers under composition scheme is being proposed to be raised by 15%.
- The current rate of tax on tobacco and tobacco products is being proposed to be raised from 13.5% to 20%.
- With a view to curbing trade diversion it is being proposed to lower the rate of entry tax on raw tobacco from 8% to 4%.
- It is proposed to exempt jhaadu, kaajal, mehndi, makhana, sevai, singhada (dry), flour of singhada and ramdana from the levy of tax.
- The remaining four check posts viz. Sohanipatti (Buxar), Jalalpur (Gopalganj), Karamnasha (Kaimur) and Dalkola (Purnea) will be made functional during 2012-13 and round the clock checking will be made at all the check posts.
- Necessary arrangements will be made for the Commercial Taxes Tribunal by providing sufficient space at some appropriate place and necessary reforms in the work procedure of the Tribunal shall be carried out in line with the recommendations of the Global Tax Team, World Bank Group.
- Technical problems being faced in the effective implementation of the computerization programme of the Commercial Taxes Department will be resolved during the next financial year, and the target in respect of e-payments, e-returns and electronic issuance of forms will be met by deploying additional servers and upgrading the existing servers.
- During 2012-13 scrutiny of returns will be done on the system itself and all notices to dealers shall be dispatched on e-mail.

- The rules for the implementation of professional tax shall be simplified and persons paying professional tax shall not be required to file returns and such persons shall not be subjected to assessment.
- The fee of Rs.100 payable by way of court fee stamps upon every application for registration shall be done away with.
- The procedure for re-imbursement to industrial units shall be simplified in accordance with the recommendations of the Committee set up in this regard.
- The Bhama Shah awards scheme will be made more attractive by providing for cash awards along with the certificate and the scheme will also be expanded.
- Holders of cash-memos, selected through a draw of lots will be given cash prizes in order to incentivize issuance of cash-memos in Bihar.
- Newsprint used for printing of newspapers will be exempted from the levy of entry tax.
- The rate of Central Sales Tax payable on inter-state sales by tiny and micro sector units shall be reduced from 2% to 1%.
- The rate of entry tax on goods subject to entry tax at a rate higher than the corresponding VAT rate shall be reduced and the entry tax rate shall be made equivalent to the corresponding VAT rate.
- Dharamshalas, marriage halls and community halls run by charitable non-profit making bodies shall be exempted for the levy of Luxury tax.