
(1998) 04 AP CK 0003

In the Andhra Pradesh High Court

Case No : Tax Revision Case No. 62 of 1998

State of Andhra Pradesh

APPELLANT

Vs

S.P. Steels

RESPONDENT

Date of Decision : 27-04-1998

Acts Referred:

Citation : (1998) 3 ALT 515 : (1998) 111 STC 233

Hon'ble Judges : T.N.C. Ranga Rajan, J;S.V. Maruthi, J

Bench : Division Bench

Advocate : The Special Government Pleader for Taxes, for the Appellant;

Final Decision : Dismissed

Judgement

1. This tax revision case has been filed against the order of the Sales Tax Appellate Tribunal, Hyderabad, setting aside the order made by the Deputy Commissioner (CT), Charminar Division, Hyderabad, in the assessment for the assessment year 1992-93. The Commercial Tax Officer had allowed the set-off of actual tax paid Rs. 28,07,142 in respect of sale and purchase of iron and steel in the State in terms of G.O. Ms. No. 763, Revenue (CT.II), dated August 21, 1990. According to that G.O. where the sale inside the State has already met tax the tax payable on the subsequent sale is to be reduced by the tax paid. The Deputy Commissioner was, however, of the view that the tax collected by the dealer should be excluded and only value of the goods shall be taken for the purpose of working out tax payable on the produce for the purpose of set-off. He found that the value of the ingots was Rs. 6,74,28,301, tax collected is

2. Rs. 26,97,132. Adding the tax collected to the turnover, the tax actually paid was Rs. 28,07,142. The Deputy Commissioner was of the opinion that only the tax collected should be excluded from the turnover for the purpose of ascertaining the tax on the purchase for the purpose of set-off. He, therefore, restricted the set-off to the amount of the tax collected, i.e., Rs. 26,97,132 instead of allowing the deduction of actual tax paid of Rs. 28,07,142. The

Appellate Tribunal was of the view that this bifurcation was not permissible as according to the terms of G.O. Ms. No. 763, Revenue, (CT. II) dated August 21, 1990 what is to be set off is tax paid against tax payable. We agree with the view of the Appellate Tribunal, and we do not find any question of law arising from the order of the Tribunal.

3. The tax revision case is accordingly dismissed. No costs.