

HARYANA GOVERNMENT
EXCISE & TAXATION DEPARTMENT

Public Notice

For kind attention of general public, builders and developers of flats and buildings and other works contractors.

Who all are liable to pay VAT?



The developers/promoters/builders/ joint developers are liable to pay VAT and need to be registered under the Haryana Value Added Tax Act, 2003 with the concerned District Sales Tax office. Their liability to pay tax is on the taxable turnover relating to transfer of property in goods involved in construction of buildings. In case the plot/property owners collaborate with builders or developers by not charging for a part of that plot or constructed property, then this construction amount is also liable to VAT. They are required to file returns in Form VAT R1 or VAT R6 to avoid interest and penalties.

What are the options available?



Besides paying tax as a normal registered dealer, a composition scheme is also available for works contractors under the Haryana VAT Act. A person opting for this scheme is liable to pay vat at prescribed rate (which is 4% at present) on total turnover of the contract value. The developers/promoters/builders/ joint developers can also opt for this scheme and in their case the total turnover liable to vat would not include the amount received from the customers/buyers towards their undivided share in land.

What is the Tax Deduction at Source?



Under section 24 of the Haryana VAT Act all persons, including above discussed categories, who get their works executed through various works contractors are liable to deduct TDS @ 4% while making payment to them.

Where to deposit tax to avoid penalties?



All contractees are advised to deposit this TDS in Govt. Treasury before the 15th of the next month.

What documents are to be submitted to the department?

All persons deducting TDS shall furnish quarterly return in Form VAT-R4A to the concerned Assessing Authority.

Are you a committed taxpayer?



Say proudly that we pay VAT in time for the welfare of our society.

Any doubts?



Please contact the concerned DETC (Sales Tax) or visit our website www.haryanatax.com.

Excise and Taxation Commissioner,
Haryana, Panchkula.