

**GOVERNMENT OF NCT OF DELHI
DEPARTMENT OF TRADE AND TAXES (POLICY BRANCH)
VYAPAR BHAWAN, I.P. ESTATE, NEW DELHI-110002**

No.F.6(86)/Policy/VAT/2011/170-77

Dated: 14.06.2011

CIRCULAR NO. 4 OF 2011-12

It has been observed that certain dealers are bifurcating their excess Input Tax Credit (ITC) in the returns by claiming the portion of ITC as "Refund" in the column no. R9.2 and the remaining portion as "Carry Forward" in the column no. R9.3 in the prescribed return Form DVAT-16.

The above said practice adopted by the dealers has been examined under relevant Sections of the DVAT Act, 2004 viz-a viz Section 9(1) read with Section 11(2)(b) and Section 38(3) of the DVAT Act, 2004, which reveals that the dealers can either elect to claim the excess ITC as "Refund" in column no. R9.2 OR "Carry Forward" the amount in the column no. R9.3 in the prescribed return Form DVAT-16.

All Assessing Authorities are, therefore directed/advised to take note of the above referred provisions and other statutory provisions as laid down in DVAT Act, 2004 and related DVAT Rules, 2005 while processing the refund claims and return of the dealers.

This issues with prior approval of the Commissioner, Value Added Tax, Government of National Capital Territory of Delhi.

(G.C. Lohani)
VATO (Policy)

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1. PS to the Commissioner, VAT, Department of Trade and Taxes.
2. All Spl./Addl./Joint Commissioners, Deptt. of Trade and Taxes.
3. All Assessing Authorities of all Wards of Operations through Zonal In-charge Department of Trade and Taxes.
4. Dy. Director (Policy) Department of Trade and Taxes.
5. All VATOs/AVATOs Front Office/CRC Cell/PR Branch / TPS / Legal Service Cell/ CFC Department of Trade and Taxes.
6. Manager (EDP), Department of Trade and Taxes, with the request to upload the circular on the website of the Department.
7. President, Sales Tax Bar Association (Regd.), Vyapar Bhawan, I.P. Estate, New Delhi
8. Guard File.

(G.C. Lohani)
VATO (Policy)