

GOVERNMENT OF MANIPUR
FINANCE DEPARTMENT
(Expenditure Section)

NOTIFICATION
Imphal, the 3rd September, 2009.

No. 5/45/2006-FD (TAX): In supersession of all previous Notifications issued in this regard and in exercise of the powers conferred by sub-section (6) of section 28 read with clause (c) of section 9 of the Manipur Value added tax Act, 2004, the Governor of Manipur hereby directs that any person (DDO) responsible for paying any sum as tax on the execution of the works contract as defined in clause (XXXV) of section 2 of the Act (ibid) on behalf of—

- (a) any Department of the Central Government or the State Government ; or
- (b) any Local Authority or Body ; or
- (c) any Corporation or any Government Company established by or under the Central or the state Act ; or
- (d) any Board constituted by or under the Central or the State Act ;

shall, at the time of payment in cash or by cheque or draft or by any other mode of payment to the person executing works contract, deduct the amount of tax at the rate of 8% after allowing deduction of labour, services and other like charges as prescribed in the Schedule under rule 9 of the Manipur Value added tax Rules, 2005 as given below.

Sl. No.	Description of Works Contract	Percentage of deduction of labour charge	Tax rate (percentage)
1	2	3	4
1.	Fabrication and installation of plants and machinery	20%	8%
2.	Fabrication and erection of structural works including fabrication, supply and erection of iron trusses, purlines etc.	25%	8%
3.	Fabrication and installation of cranes and hoists.	20%	8%
4.	Fabrication and installation of elevators (lifts) and escalators.	20%	8%
5.	Fabrication and installation of rolling shutters and collapsible gates.	20%	8%
6.	Civil works like construction of building, bridge, road, rail roads etc.	30%	8%
7.	Installation of doors, doorframes, windows, window frames and grills.	30%	8%

8.	Supplying and fixing of tiles, slabs, stones and sheets.			
	i.	Supply and fixing of mosaic tiles	35%	8%
	ii.	Supplying and fixing of marble slab, polished granite stone and tiles (other than mosaic tiles)	25%	8%
	iii.	Supply and fixing of slabs, stones and sheets other than those specified at item (i) and (ii) above.	25%	8%
9.	Supplying and installation of air-conditioning equipments including deep-freezers, cold storage plants, humidification plants and dehumidifiers.		25%	8%
10.	Supplying and installation of air-conditioner and air-coolers.		25%	8%
11.	Supplying and fitting of electrical goods, supply and installation of electrical equipment including transformers.		15%	8%
12.	Supplying and fixing of furniture and fixtures, partitions including contracts for interior decoration.		20%	8%
13.	Construction of railway coaches on undercarriage supplied by railway.		25%	8%
14.	Ship and boat building including construction of barges, ferries, tugs, trawlers and dredgers.		25%	8%
15.	Sanitary fitting for plumbing for drainage etc.		20%	8%
16.	Painting & Polishing.		20%	8%
17.	Construction of bodies of motor vehicles and construction of trailers		30%	8%
18.	Insulation and lining of equipment, plant and machinery instruments, appliances or buildings.		20%	8%
19.	Providing and laying of pipes for purposes other than those specified in Sl. No. 15 of this Schedule.		20%	8%
20.	i.	Providing and laying pipes (other than steel pipes) for purposes other than those specified Sl. No. 15 of this Schedule.	20%	8%
	ii.	Providing and laying of steel pipes for purpose other than those specified in Sl. No. 15 of this Schedule.	20%	8%
	iii.	Providing and boring, drilling and fitting of all types of pipes.	35%	8%
21.	Programming and providing of computer software.		20%	8%
22.	Fabrication, testing and reconditioning of metallic gas cylinders.		25%	8%
23.	Tyre retreading.		20%	8%
24.	Processing and supplying of photograph, photo prints, photo negatives including photographing with camera, X-Ray and other scanning machines.		20%	8%
25.	Supplying and installation of electronic instruments, equipments, apparatus, appliances & devices.		15%	8%

26.	Supplying and installation of fire fighting equipments and devices.	15%	8%
27.	Electroplating and anodizing.	30%	8%
28.	Bottling, canning and packing of goods.	30%	8%
29.	Lamination, rubberisation, coating and similar processes.	30%	8%
30.	Printing and block making.	25%	8%
31.	Supply and erection of weighing machines and weight bridge.	20%	8%
32.	Supply and installation of submersible and centrifugal pump sets.	25%	8%
33.	Dying and printing textiles.	25%	8%
34.	Construction of tankers on motor vehicle, chassis.	25%	8%
35.	Supply and fixing of door and window curtains including venetian blinds and nets.	20%	8%
36.	Works contract not covered by serial number 1 to 35.	25%	8%

1. The amount of tax so deducted shall be deposited by the person (DDO) on behalf of the person executing works contract into the designated bank authorized by the State Government in this behalf by challan through the Government Treasury concerned within seven (7) days from the expiry of the month under Head of Account 0040- Sales Tax, 102 State Sales Tax .And in case of the person (DDO) who adopts " public work system of accounting" and makes such tax deduction, he shall transfer the amount of tax so deducted to the Head of Account 0040 Sales Tax, Sub-Head 102-State Sales Tax through Account Statement which is required to be sent monthly/periodically to the Accountant General, Manipur and such transfer shall be deemed to be a deposit of the amount of tax so deducted by the person (DDO) making such deduction on the basis of such statement.
2. The person (DDO) shall forward two copies of the challan bearing Bank and Treasury receipt seal to the dealer who shall submit one copy to the appropriate Tax Authority along with the return filed by the dealer under section 28 of the said Act and in case of the person (DDO) who adopts "public work system of accounting" and makes such tax deduction, he (DDO) should endorse a copy of the monthly/periodical Account Statement(sent to the A.G., Manipur) to the appropriate Tax Authority.
3. The person (DDO) who deducts the tax shall issue a certificate in duplicate in the form (Form-B) appended herewith to the person executing works contract who shall attach one copy of the same to his monthly/quarterly return. The blank prescribed Form-B (Certificate of Tax Deduction) shall be obtained by the person (DDO) from the appropriate Tax Authority where his office locates.
4. If the person (DDO) referred to above, without reasonable cause, fails to deduct the tax or to pay the tax after deduction within the stipulated period of seven (7) days, he shall be liable to pay by way of penalty not exceeding double the amount of tax deductible but not

so deducted and, if deducted, not so deposited into the Government account and all the provisions of the said Act and Rules framed thereunder shall be applicable in regard to the recovery of such sum. However, before giving penalty he may be given a reasonable opportunity of being heard.

5. Unlike the person (DDO) who adopts "public work system of accounting" other person (DDO) liable to deduct the tax shall send a statement in the form appended herewith to the appropriate Tax Authority within thirty (30) days from the expiry of the month.
6. The final tax liability of the person executing works contract shall be determined by the Tax Authority at the time of assessment and if there is excess deduction of tax, it shall be adjusted/refunded as per provision of Rule 33 of the Manipur Value Added Tax Rules, 2005 and if there is less deduction of tax, it shall be recovered from the person concerned under Rule 32 of the Rules (ibid).
7. Before making final payment to the person executing works contract, the deducting authority (DDO) shall ask him to produce assessment order relating to the works contract well in time from the Tax Authority concerned.
8. Every person executing works contract should get himself/herself registered with the Department of Taxes, Manipur and no Tender Form shall be issued to such person without Registration Certificate to be produced at the time of obtaining tender form and every tender for works contract must be accompanied with Sales Tax Clearance Certificate at the time of submission of the same and suitable clause shall be incorporated in the Notice Inviting Tender.

This notification will take immediate effect.

99/16
(A.N.Mha)
Principal Secretary (Finance)
Government of Manipur.

Copy to :-

1. P.S. to Chief Secretary, Government of Manipur.
2. The Accountant General, Manipur.
3. All Principal Secretaries, Government of Manipur.
4. All Commissioner/Secretaries, Govt. of Manipur.
5. The Commissioner of Taxes, Manipur.
6. All Heads of Departments/DDOs, Manipur.
7. The Director of Treasuries & Accounts, Manipur.
8. The Director of Vigilance, Manipur.
9. The Registrar, Gauhati High Court, Imphal Bench, Imphal.
10. The Deputy Commissioner of Taxes, Manipur.
11. All Treasury Officers/Sub-Treasury Officers, Manipur.
12. All Managing Directors, Govt. Undertakings/Companies/Agencies. Local Bodies.
13. The Director(Ptg & Sty), Manipur for publication in the Manipur Extraordinary Gazette and 100 spare copies of the same may be sent to Finance Department.
14. Order Book/Guard.

FORM-B
CERTIFICATE OF TAX DEDUCTION AT SOURCE FOR WORKS CONTRACT

(To be issued by the DDO under Clause 3 of the Notification
 No..... dated

BK. No.....

Sl.No.....

Seal of the
 issuing authority
 and date of issue

To

.....

 (Name & address of the person executing works contract)

TIN.....
 CST.....

Certified that an amount of Rs.....(in words)..... only being tax included in the voucher/Bill specified below has been deducted at source and deposited by challan by me into the designated bank notified by the Government or transferred the amount of tax so deducted through Account Statement send monthly/ periodically to A G, Manipur under the Head of Account 0040 Sales Tax, 102-State Sales Tax.

Sl. No.	Voucher/ Bill No. & Date	Work order No & date	Nature of work contract	Value of works contract (State revised or not revised)	Amount of tax deducted indicating the percentage of deduction of labour & Service charge	Tax deposited by challan or by transfer of the amount through Account Statement to A.G., Manipur. (give details)

Signature with designation of the
 person deducting tax at source.

Date.....

STATEMENT SHOWING TAX DEDUCTION AT SOURCE FOR WORKS CONTRACT

(To be sent by the DDO under clause 5 of the Notification)
(To be sent by the DDO to the Tax Authority under clause 5 of the Notification No. dated

To

.....
Seal of the
issuing authority
(Write here the appropriate Tax Authority)

Subject :- Statement for the period

Table with 7 columns: Sl. No., Name & address of the person executing work contract with TIN, Work order No & date or agreement No. & date, Nature of work contract, Value of works contract (State revised or not revised), Tax deducted during period under report indicating the percentage of deduction of labour & service charge, Book No. & Sl. No. of Certificate of Tax Deduction at source for work contract. Includes a signature line at the bottom right.

Signature with designation of the person deducting tax at source.

Date