

GIB/RJ/Commercial Tax/18.03.2015/HC-134

High Court Category : Others

State : Rajasthan

Order No.: GIB/RJ/Commercial Tax/18.03.2015/HC-134

Name of Entry :
Commercial Tax Officer

Date : 18-03-2015

Breif Issue :

Facts & Issue Of The Case :

It was held that an assessee could claim input tax credit based on invoice value even though the goods were subsequently sold to the consumers at a price lower than the invoice price. The HC observed that there was no restriction under the VAT law to sell goods below the invoice value. Assessee sold goods to the ultimate consumers on discounted amount and it was none of the business of the Revenue to interfere in the affairs of the assessee. Even if the assessee sells goods at a loss at least revenue should not have grudge or concern. It is also not debarred under the sales tax law and/or VAT law to sell the goods below the invoice value.

Once a whole seller has issued an invoice, then Input Tax Credit is allowable as per VAT invoice alone and the same requires to be allowed to the assessee - Sales tax law does not debar if the assessee chooses to sell the goods keeping in view the prospective discount or rebate which may be received by the assessee and in passing the same to the consumer on account of the business expediency or otherwise - Revenue petition dismissed