

Government of Jammu and Kashmir
Transport Department
J&K Civil Secretariat,
Jammu/Srinagar

CIRCULAR

Subject: Advisory (Verification No. UR-25/2020).

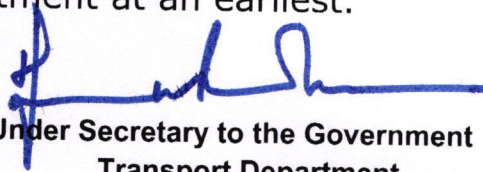
Ref: i. No. ACB/Veri-UR-25/2020-20903-06 dated 24.09.2021.
ii. OM No. GAD-VIGOCOMP/150/2021-09-GAD Dated:21.12.2021.

Verification was conducted by ACB on the basis of Complaint lodged by one Sunil Kumar alleging therein that the registration of new vehicles was made by charging tax @ of 9% on the basic cost of vehicle. After the verification, it has been found that:

1. The Automobile Dealers were authorized to collect fee/token tax from the owners/customers vide circular dated 15.02.2018 and by virtue of SRO 492 issued on 01.08.2019, the Government directed that 9% of the cost of vehicle was to be deducted from all motor vehicles using public road and for motor cycles costing about 1.5 lakh, one time tax @ 10% of the cost of the vehicle.
2. There was no clarity as to whether GST component was to be taken into account while calculating tax, @ 9% of the cost of vehicle or not.
3. Pursuant to clarifications sought from the Finance Department, it was clarified that cost of the vehicles shall include the GST component also, notices were issued by RTO Jammu to dealers which became subject of litigation upto Hon'ble Supreme Court of India.
4. After getting order dated 15.02.2021 from the Apex Court, the process of recovery to the extent of amount recoverable @ 9% on GST component has been initiated.

In view of the above, it is enjoined upon all the Registering Authorities (RTOs/ARTOs) across the Union Territory of Jammu & Kashmir to take the steps to effectuate the speedy recovery of balance amount of Road Tax in respect of GST Component immediately, from the owners of vehicles,

which were sold w.e.f 04.08.2019 to 26.11.2019. Transport Commissioner, J&K shall submit a compliance/Action Taken Report to the Administrative Department at an earliest.


Under Secretary to the Government
Transport Department

Dated. 28.01.2022

No. TRPT-MVD0N/9/2021-02

Copy to:-

- i. Principal/Secretary to the Government, General Administration Department.
- ii. Director, Anti Corruption Bureau , J&K for information.
- iii. Transport Commissioner, J&K for information and further necessary action.
- iv. Regional Transport Officer, Jammu/Kashmir/Kathua for compliance.
- v. All ARTOs for compliance.
- vi. Pvt. Secretary to Commissioner/Secretary to Government, Transport Department.
- vii. I/c Website.