

Sharing insights

News Alert
17 April, 2012



The West Bengal Tax on Entry of Goods into Local Areas Rules, 2012 notified

The Government of West Bengal on 31 March 2012 has issued Notification No. 453 F. T. to introduce “**The West Bengal Tax on Entry of Goods into Local Areas Rules, 2012**” which comes into effect from 01 April 2012.

The newly introduced rules specify the procedure for registration, available exemption from tax and deductions from turnover, declarations to be filed while importing specified goods into the state, return format, etc.

Effective from 01 April 2012, the Government of West Bengal re-introduced “**the West Bengal Tax on Entry of Goods into Local Areas Act, 2012**” with an intention to create “Compensatory Entry Tax Fund” for the purpose of development of trade, commerce and industry in the state of West Bengal.

Earlier, entry tax was levied on entry of goods into the state of West Bengal under the West Bengal State Tax on Consumption or Use of Goods Act, 2001, which was held to be unconstitutional by the West Bengal Tax Tribunal in the matter of National Hydroelectric Power Corporation Ltd. v. ACCT Siliguri charge & others [2008-(015)-VST-0158-WBTT], before being made inoperative with the issuance of Notification No. 555 F. T. on 01 April 2008.

The constitutional validity of Entry Tax by States in India is still a matter of litigation in many States as it is considered as a violation of the freedom of trade and commerce. The various High courts of India have delivered conflicting judgments on the matter forcing the Supreme Court to refer the matter to the larger bench. Clarity would emerge only after the Supreme Court rules on this issue.

Our Offices

For private circulation only

<p>Ahmedabad President Plaza, 1st Floor Plot No 36 Opp Muktidham Derasar Thaltej Cross Road, SG Highway Ahmedabad, Gujarat 380054 Phone +91-79 3091 7000</p>	<p>Bangalore 6th Floor, Millenia Tower 'D' 1 & 2, Murphy Road, Ulsoor, Bangalore 560 008 Phone +91-80 4079 7000</p>	<p>Bhubaneswar IDCOL House, Sardar Patel Bhawan Block III, Ground Floor, Unit 2 Bhubaneswar 751009 Phone +91-674 253 2279 / 2296</p>	<p>Chennai PwC Center, 2nd Floor 32, Khader Nawaz Khan Road Nungambakkam Chennai 600 006 Phone +91-44 4228 5000</p>	<p>Hyderabad #8-2-293/82/A/113A Road no. 36, Jubilee Hills, Hyderabad 500 034, Andhra Pradesh Phone +91-40 6624 6600</p>
<p>Kolkata South City Pinnacle, 4th Floor, Plot – XI/1, Block EP, Sector V Salt Lake Electronic Complex Bidhan Nagar Kolkata 700 091 Phone +91-33 4404 6000 / 44048225</p>	<p>Mumbai PwC House, Plot No. 18A, Guru Nanak Road - (Station Road), Bandra (West), Mumbai - 400 050 Phone +91-22 6689 1000</p>	<p>Gurgaon Building No. 10, Tower - C 17th & 18th Floor, DLF Cyber City, Gurgaon Haryana -122002 Phone : +91-124 330 6000</p>	<p>Pune GF-02, Tower C, Panchshil Tech Park, Don Bosco School Road, Yerwada, Pune - 411 006 Phone +91-20 4100 4444</p>	<p>For more information contact us at, pwctr.knowledgemanagement@in.pwc.com</p>

The above information is a summary of recent developments and is not intended to be advice on any particular matter. PricewaterhouseCoopers expressly disclaims liability to any person in respect of anything done in reliance of the contents of these publications. Professional advice should be sought before taking action on any of the information contained in it. Without prior permission of PricewaterhouseCoopers, this Alert may not be quoted in whole or in part or otherwise referred to in any documents

©2012 PricewaterhouseCoopers. All rights reserved. "PwC", a registered trademark, refers to PricewaterhouseCoopers Private Limited (a limited company in India) or, as the context requires, other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.