GOVERNMENT OF MEGHALAYA

LAW (A) DEPARTMENT

THE MEGHALAYA CEMENT CESS RULES 2011

The 12th March, 2011

No. ERTS (T)102/2010/90.- In exercise of the powers conferred by Section 14 of the Meghalaya Cement Cess Act, 2010 [Act No.5 of 2011] the Government of Meghalaya is pleased to make the following rules namely:-

THE MEGHALAYA CEMENT RULES, 2011

1. **Short title and commencement:-** (1) These Rules shall be called the Meghalaya Cement Cess Rules, 2011.

   (2) They shall come into force with immediate effect.

2. **Definition:-** (1) In these Rules, unless the context otherwise requires.

   (a)"Act" means the Meghalaya Cement Cess Act, 2010.

   (b)"Appropriate Authority" means the Commissioner of Taxes, or any officer as delegated by him;

   (c)"Rules" means the Meghalaya Cement Cess Rules, 2011.

   (d)"Section" means the Section under this Act.

   (e)"Form" means the Section under this Act.

   (2) Words and expression used in these rules but not defined and defined in the Act shall have the meaning respectively as assigned to them.

3. **The Authorities and appellate tribunal:-** The Authorities competent to recover and enforce payment Cess, hear appeals and exercise powers and functions under the Act shall be the authorities competent to exercise the corresponding powers and functions as provided (under the Meghalaya Value added Tax Act 2003 and Rules, 2005).

4. **Payment and collection of Cess:-**

   (1)The rate of Cess to be paid by the cement factories/ producers for the finished produce is rupees twenty per metric tonne.

   (2)The cess has to be paid or collected by the proprietor or the agent or the officials of the factories at the time of lifting of the products for sales or transfer at the rate as prescribed under the Act and these Rules.

   (3)The person who pays or collects the cess has to issue the cash memos in duplicate to the person lifting the goods as a proof of levying of cess and will have to produce the same to the taxation officials on checking and will retain the counter foils of the Receipt books or cash memos for verification of accounts by the appropriate Authorities.

   (4)The counter foils and the books of accounts have to be retained by the officials of the factories/producers for a period of not less than 8 (eight) years.

Form I within twenty one days from the closure of quarter of the year before the

appropriate authority of the area of the producer or before the assessing authority where the producer is registered under the Meghalaya Value Added Tax Act and Central Sales Tax Act 1956 and shall be accompanied by the Treasury Challan in

form 4 of the Meghalaya Value Added Tax Act, 2003 as a proof of payment.

(6)The producer/official of the factories liable to pay cess shall pay within twenty one days from the end of every month of the year.

5. **The Books of accounts to be maintained by the produced/official of factories –** (1) The Sales or Transfer Statement shall be maintained by the producer/official of factories in duplicate, that is, original copy of the quarterly statement should be submitted to the appropriate authority along with a copy of the treasury challan as a proof of payment and the duplicate copy of Statement along with a copy of Challan has to be kept by the producer/official of the factories for future record.

(2)All the Books of accounts as provided under these rules shall be preserved by the producer/official of factories for a period of not less than 8 (eight) years or till such periods as such case records may be required for final disposal of any appeal, review, revision or reference under the Act or for final disposal of any case pending before any court or tribunal.

(3)All the statements and treasury receipts submitted by the producer shall be kept by the appropriate authority for a period of not less than eight years or till such periods as such case records may be required for final disposal of any appeal, review, revision or reference under the Act or for final disposal of any case pending before any court or tribunal.

(4)The Bill or cash memorandum or the Sales Voucher as required to be issued at the time of removal or lifting or transportation of any manufactured cement from the factory stack yard, ware house and godown for sale or transfer should be in

Form 5 to be prepared in triplicate i.e. the original and duplicate copies of the bill/cash memo/sale voucher has to accompany the goods sold/transferred and the original copy has to be surrendered by the transporter at the checkpost, whereas the counterfoil or the triplicate copy has to be kept by the producer/official of factories for verification of account by the appropriate authority.

6. **Penalty for non-payment of Cess:-**

(1)If any Cess payable is not paid within a prescribed period, the authority prescribed in this behalf may impose on a Producer/official of factories producing or removing Cement penalty not exceeding the amount of Cess in arrears in addition to the Cess payable.

(2)If the producer/official of factories fails to pay any Cess payable within a prescribed period, the appropriate authority may either before or after initiating action under section 9 of the Act impose penalty as provided under sub-rule (1) of this rule and in

imposing such penalty, the appropriate authority shall give the producer/official of factories a reasonable opportunity of being heard.

(3)For the purpose of Section 7 read with sub-rule (2) of this rule the appropriate authority shall serve a notice in

Form 2 requiring the producer to make payment of the required Cess and penalty.

(4)The appropriate authority to call for payment of ces and also for realizing penalty as provided under Section 7 of the Act should not be below the rank of the Superintendent of Taxes.

7. Recovery of Sums due and offences – (1) If any cases and penalty due under this Act is not paid by the producer/official of the factories within the time prescriber or if the cement is transported for sale or transfer without payment of cess due, the cement transported for sale or transfer may be seized and detained by the official of the appropriate authority at the Check gates or the godown or while or transit.

Form 3 to the transporter, the official incharge of the godown, the driver of the vehicle transporting such cement and shall also serve a notice in Form 4 requiring the producer or official of factories or the owner of the cement to appear for payment of the amount of cess and in addition to cess recoverable, a sum of money double the amount of cess recoverable and on payment of such sum of money as may be determined, the appropriate authority shall refuse the cement seized or detained.

(3)If the producer or the transporter or the owner of such cement seized fails to comply with the notice issued or fails to pay the required amount of cess and penalty, the appropriate authority before or after initiating action under Section 9 and 10 of the Act may sell or auction such cement seized or detained and deposit the taxable amount to the government treasury, whereas the balance of the sales proceeds shall be refunded/surrendered to the producer/official of factory/owner of cement who will issue a receipt accordingly.

(4)The appropriate authority who sells or auctions or detains the cement seized shall give one copy of the treasury receipt or challan to the producer or the transporter or the owner of such cement.

(5)The appropriate authority to seize or detain the cement transported or stacked in the godown should not be below the rank of Inspector of Taxes.

(6)The appropriate authority to recover the cess payable and also to impose penalty at the checkpoint should not be below the rank of the Superintendent of Taxes, whereas in cases of realizing cess and penalty due from the cement while on transit in the checkpost where the officer incharge of the checkpost is the Inspector of Taxes then the power to realize the

cess and penalty from the cement while on transit not be below the rank of the Inspector of Taxes.

(7)The appropriate authority to sell or auction the cement seized should not be below the rank of the Superintendent of Taxes.

J. Lyngdoh
Commissioner & Secretary to the Govt. of Meghalaya
Excise, Registration, Taxation and Stamps Department.

THE MEGHALAYA CEMENT CESS ACT &

RULES THE MEGHALAYA CEMENT CESS RULES

2011.

FORM – 1
[See Rule 4 (5)]

TIN

QUARTER ENDING _____ CST

QUARTERLY STATEMENT OF SALE/TRANSFER OF CEMENT.

Month	Quantity of cement Sold/Transferred in MT.	Cess Paid in Rupees	Remarks
Total			

DECLARATION

I _____ do solemnly declare that to the best of my knowledge and belief the information furnished in the above statement is true and complete and that it relates to the period from _____ to _____

Full name of the Proprietor/

Partner/Manager.

(Signature)_____ For_____

THE MEGHALAYA CEMENT CESS ACT & RULES THE MEGHALAYA CEMENT CESS RULES 2011.

FORM – 2

[See Rule 6 (3)]

NOTICE OF SUBMISSION OF QUARTERLY SALE/TRANSFER STATEMENT AND PAYMENT OF PENALTY

No…….. To

Dated…….

_____

_____

Subject:- Submission of Quarterly Sale/Transfer Statement and payment of penalty thereof under the Meghalaya Cement Cess Act 2010.

Whereas you were found that you have failed to submit the quarterly Sale/Transfer Statement under the Meghalaya Cement Cess Act 2010 and the Meghalaya Cement Cess Rule 2011 for the quarter ending…….... (here specify the period), I would therefore, request you to submit the same alongwith the amount of Cess and penalty as prescribed under the Rule framed there under on or before the…….

Incase of your failure to comply with this reminder you will be liable for prosecution under Meghalaya Cement Cess Act 2010.

Appropriate Authority.

THE MEGHALAYA CEMENT CESS ACT & RULES

THE MEGHALAYA CEMENT CESS RULES 2011.

FORM – 3

[See Rule 7 (2)]

SEIZURE LIST

In exercise of the power conferred upon me under Section…… of the Meghalaya Cement Cess Act, 2010 read with Rule…… of the Meghalaya Cement Cess Rule 2011.I Shri/Smti …… Superintendent of Taxes/Inspector of Taxes…….. (Specify the name of the Circle/Checkpoint) seized/detained the……. …… (Specify the vehicle No., and the quantity of Cement transported or the quantity of Cement stacked at the godown) from the possession of ……(name of the official of the factory, etc. and address)today the ……(date, month and year) at about……(time of seizure/detain) as the producer/transporter seems to have evade payment of cess/failed to pay the cess and penalty due under the Act. The list of documents seizes are as follows:-

List of documents seized:-

1.
2.
3.
4.
5.

Witness (Full name & Signature of the witness):-

Dated…….. The……..

Signature of the
appropriate authority & Seal

THE MEGHALAYA CEMENT CESS ACT & RULES THE MEGHALAYA CEMENT CESS RULES 2011.

FORM – 4

[See Rule 10 (2)]

NOTICE UNDER SECTION 8 RULE 10 (2)

No…….. To

Date……

_____

_____

Where as you found that you have transported cement through vehicle No…… illegally without payment of cess as required under Section 6(2) of the Meghalaya Cement Cess Act 2010 or you have failed to pay the cess and penalty as prescribed under Section 7 & 8 of the Meghalaya Cement Cess Act 2010 you are therefore require to show cause within ……days from the date of issue of this notice as to why the quantity of……..MT/Bags of cement transported/stacked in your godown should not be sold/auctioned to enable the Government to recover the cess and penalty payable by you/your factory.

Failing which the above mentioned quantity of cement shall be sold/auctioned without further notice.

Dated……. The…….

Signature of the

Appropriate authority.

THE MEGHALAYA CEMENT CESS ACT & RULES

THE MEGHALAYA CEMENT CESS RULES 2011.

FORM – 5

[See Rule 5 (4)]

THE CASH MEMORANDUM

Name of the Producer/Seller M/S…….. (to be printed)

Book No…….. Sl No…… Tin

Date……..

Received in full the amount cess realized from the cement sold/transferred as follows:-

Sl. No.	Particular of goods	Quantity	Value of goods		Cess realized		Remark
			Rs.	P.	Rs.	P.	
	TOTAL						

[(Rupees……. (cess)]

Signature of the

Producer/Manager/Agent.

Explanations:-

(1)Particulars of goods i.e. whether it is the white cement, grey cement etc.

(2)Cash memo book should be printed in triplicate i.e. original, duplicate and triplicate in different colours i.e. the word original should be printed in the 1st copy, the word duplicate in the 2nd copy and the word triplicate in the 3rd copy.

(3)The Book No. & Sl. No. should be printed in each and every cash memo sheet.

Eg. (1) Book No. 1 Sl. No. 1

Book No. 1 Sl. No. 2

Book No. 1 Sl. No. 3 i.e. upto 25 or 50 (cash memos as desired by the producer)

(2) Book No. 2 Sl No. 1

Book No. 2 Sl. No. 2

(4)If required the vehicle number should be written in the remarks column.

GTK