

OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES, ODISHA  
CUTTACK

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No. V-45/2014-15890/CT, Dated 13-10-14

**NOTIFICATION**

**Sub: e-Declaration of e-Commerce consignments – regarding.**

e-Commerce, as a new business model, is gaining popularity very fast and the current estimated turnover is about Rs. 100 Crores per annum with potential for further growth at a fast pace. In this model, individual customers make online purchase of goods in single pieces or small lots. Supplies are made through specified agencies mostly from outside the State directly to the customers. These are essentially B2C (Business to Customer) transactions where the ex-State suppliers raise sale bills in favour of the customers charging CST at the full rate. On the other hand, in respect of schedule goods the liability of the purchasers to pay Entry Tax remains.

As per the provisions of Odisha Value Added Tax Act and the Rules framed there under and the provisions of Odisha Entry Tax Act and the Rules framed there under, the purchasers making online purchase are required to furnish a declaration in Form VAT 402A. Since the purchases are in pieces or in small lots and the purchasers are too many in number, they do not find it easy to obtain and furnish the required declaration in Form VAT 402A.

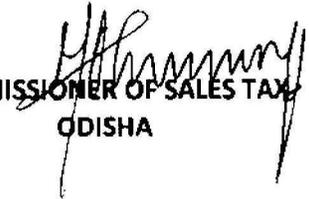
The companies offering online purchase have engaged specific agencies / transporters to execute the total supply and delivery process. Some such transporters / facilitating agencies have come forward to discharge the Entry Tax liability on behalf of the purchasers. At the same time, those agencies requested for providing an easy solution for declaring the consignments and paying the tax citing some precedent cases wherein the neighboring states have provided easy online solutions, which are facilitative in nature and in public interest.

Keeping in view the above and the provisions of Section 27 of the Odisha Entry Tax Act read with Sub-Section 4 of Section 3 of Odisha Value Added Tax Act, the transporting / facilitating agencies for delivery of goods purchased online are hereby required to furnish an online declaration in the proforma enclosed. They are also required to self-assess the Entry Tax liability of the purchasers and make electronic payment of the tax so assessed in advance.

As it will take some time to put in place the electronic facility for online declaration, interested agencies may now declare their consignments in the enclosed proforma with evidence of payment of Entry Tax at the check posts. On compliance as above, it would be deemed that compliance to the provisions prescribed in Section 23 of the Odisha Entry Tax Act, Section 74 and

## Compendium of Circulars

Section 75 of Odisha Value Added Tax Act and the Rules framed there under, have been complied with. Further declaration in Form VAT 402A is not to be insisted upon.

  
COMMISSIONER OF SALES TAX  
ODISHA