

GOVERNMENT OF KARNATAKA

No.FD 96 CSL 2003 (2)

Karnataka Government Secretariat,
Vidhana Soudha, Bangalore,
Dated: 5.6.2003

NOTIFICATION:

In exercise of the powers conferred by Section 8-A of the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957), the Government of Karnataka hereby exempts with immediate effect, the tax payable under the said Act by a dealer who is a developer of a Special Economic Zone in the State or an industrial unit or any other establishment located in the Special Economic Zone established in the State, on his purchase of goods excluding petroleum products, subject to the following conditions and restrictions; namely:-

- (i) Such goods are put to use by the buying unit for developing or establishing the Special Economic Zone or for any other use within the Special Economic Zone.
- (ii) Where for any reason the restriction or condition stipulated under (i) above is contravened or not complied with, either wholly or partly, the provisions of clauses (a) and (b) of sub-section (5) of Section 8-A of the said Act shall apply and the buyer shall be liable to pay an amount equal to the tax payable at the rates specified under the said Act, on such purchases in respect of which such contravention or non-compliance has taken place.

Explanation - For the purpose of this Notification:

- (1) "Special Economic Zone" means a Special Economic Zone as established in terms of the Government Order No.CI/282/SPI/2001 dated 25th February, 2002;
- (2) "Developer" means a dealer authorized by the Director of Industries and Commerce, Government of Karnataka to take up activities relating to establishment and development of a Special Economic Zone in the State;
- (3) "Industrial Unit" or "establishment" means a dealer located in a Special Economic Zone engaged in the business of supply of goods or services to other dealers located in the Special Economic Zone or production of goods and services for export.

BY ORDER AND IN THE NAME OF
THE GOVERNOR OF KARNATAKA
Sd/-
(S Divakar)
Under Secretary to Government,
Finance Department (C.T.I)