

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
DEPARTMENT OF TRADE AND TAXES
(POLICY-III BRANCH)
BIKRI KAR BHAWAN, I.P. ESTATE, NEW DELHI - 110002

No.F.6(27)/Policy-III/VAT/2005/1341-1440

Dated : 17/01/2006

CIRCULAR NO. 44 OF 2005-06

It has come to the notice of this department that some unwarranted confusion is being presumed to be prevalent by a section of the trade in respect of the taxability of the “tea” which is sold to the consumers in the form of a ready-to-sip preparation, hot or cold.

It is therefore clarified in this regard that such “tea” which is in the form of a ready-to-sip preparation, served in food joints, restaurants and other such places, is a beverage and taxable @ 12.5% VAT. This category of beverage is not to be matched / confused with the entries at sl. No. 19 and 79 of the Third Schedule appended to the Delhi Value Added Tax Act, 2004.

This issues with the prior approval of Commissioner, Value Added Tax.

(S.R. Maheshwari)
Value Added Tax Officer

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Copy for information to :-

1. J.C. (P.R.) with request for wide circulation of the circular.
2. All VATOs / AVATOs of Operations and KCS Units.
3. The System Analyst, EDP with the request to place this circular on the department's web site.
4. P.S. to Commissioner, VAT.
5. PS to all Additional Commissioners, VAT.
6. P.As to all Joint / Deputy Commissioners.
7. The President, Sales Tax Bar Association (Regd.)
8. Guard file.

(S.R. Maheshwari)
Value Added Tax Officer