

THE UTTARAKHAND VALUE ADDED TAX ACT, 2005

Sec. 40: Disbursement of Amount Wrongly Realized by Dealer as Tax:

(1) Where any amount is realized from any person by any dealer, purporting to do so by way of realization of tax on the sale or purchase of any goods, in contravention of the provisions of section 22, such dealer shall deposit the entire amount so realized in such manner and within such period as prescribed therein.

(2) Any amount deposited by any dealer under sub-section (1) shall to the extent it is not due as tax, be held by the State Government in trust for the person from whom it was realized by the dealer, or for his legal representatives, and the deposit shall discharge such dealer of the liability in respect thereof to the extent of the deposit.

(3) Where any amount is deposited by any dealer under sub-section (1) such amount or any part thereof shall, on a claim being made in that behalf be refunded in the manner prescribed, to the person from whom such dealer had actually realized such amount or part thereof, or to his legal representative and to no other person:

Provided that no such claim shall be entertained after the expiry of three years from the date of order of assessment or one year from the date

of the final order in appeal or revision, if any in respect thereof , whichever is later.

(4) Where any amount has been deposited by any dealer in accordance with the provisions under sub-section (1), the dealer shall not be entitled to allow refund of such amount to the purchaser of goods.

Explanation: The expression "final order on appeal or revision" includes an order passed by the Supreme Court under Article 32, Article 132, Article 133, Article 136 or Article 137 or by the High Court under Article 226 or Article 227 of the Constitution.