

THE UTTARAKHAND VALUE ADDED TAX ACT, 2005

Sec. 41: Interest:

(1) Any dealer or a person entitled to refund in pursuance of any order under this Act (including assessment under section 24, section 25, or section 26) or in pursuance of any order by any court, shall subject to rules, be entitled to receive, in addition to the refund, a simple interest at the rate of nine percent per annum if the refund voucher/ *electronic intimation of refund* is not sent to him as per the provisions of section 36

(Added vide notification no.-331/XXXVI(3)/2010/52(1)/2010 Dt. 06.10.2010)

(2) The interest shall be calculated on the amount of refund due after deducting there from any tax, interest, penalty or any other dues under this Act or under the Central Sales Tax Act, 1956.

(3) If as a result of any order passed under this Act the amount of such refund is enhanced or reduced such interest shall be enhanced or reduced accordingly.

(4) When a dealer is in default or is deemed to be in default in making the payment of any amount of tax assessed under section 24, section 25 or section 26 in excess of tax admitted by the dealer, and the amount remains unpaid for three months after expiration of the period specified in the order of assessment and notice of demand, he shall be liable to pay simple interest

on such amount at the rate of nine percent per annum from the date of such default for so long as he continues to make default in the payment of the said tax beyond the time prescribed.

(5) Where as a result of any final order the amount of tax (including any penalty) due is wholly reduced, the amount of interest if any, paid shall be refunded, or if such amount is modified, the interest due shall be calculated and refunded accordingly.

(6) Where any amount of tax payable is enhanced by any such order, interest shall be payable on the amount by which the tax is enhanced after the expiry of a period of thirty days from the date of the receipt of the notice of demand issued by the assessing authority if the amount remains unpaid for three months after the expiration of the period specified in the notice of demand.

(7) Where the realization of any amount remains stayed by the order of any Court or authority and such order is subsequently vacated, interest shall be payable also for any period during which such order remained in operation.

(8) The interest leviable under this Act due to the non-payment or late payment of tax shall not exceed the amount of tax on which such interest is charged.

(9) The interest payable under this Act shall be deemed to be tax due under this Act.