

**ARUNACHAL PRADESH**

The Assam Sales Tax Act 1947 (Act XVII of 1947) was in force in Arunachal Pradesh. The Act was extended to the then extended areas in Assam (which included the territory now comprising Arunachal Pradesh) by a notification issued under section 92(i) of Government of India Act, 1935.

The operation of the law was kept in abeyance for a certain reason by an executive order. At a subsequent stage, for giving effect to the provision of Central Sales Tax Act, 1956 the order was revoked by another executive order. Simultaneously, the Commissioner of Taxes was appointed in NEFA. However, it was made clear that the Commissioner should assess and collect only taxes under the CST Act, 1956 and the dues under the Assam Sales Tax Act should not be recovered.

The Central Sales Tax Act, 1956 (74 of 1956) applies to Arunachal Pradesh by virtue of sub-section (2) of section 1 of the said Act. The CST Act 1956, has been in force in the erstwhile NEFA and the registration of the Dealer under the said Act has been carried out since 1959. The Central Sales Tax Act 1956 are being governed by Central Sales Tax (Union Territory) rules 1957, in Arunachal Pradesh.

According to the State Government's view the imposition of sales tax for the time being will not be a feasible proposition on account of financial backwardness

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of the people of the State. At present, the State Government has no regular Sales Tax department. The Secretary (Finance) has been functioning as Ex-officio Commissioner of Taxes and services of Senior EACs in the District Headquarter are being utilised as Ex-officio Superintendents of Taxes.

The Arunachal Pradesh Sales Tax Bill is being passed by the State Government and it is still in the drafting stage.

At present vide Central Sales Tax Act, Sales Tax is mainly levied on the oil produce of the Indian Oil Corporation.