

CHAPTER IV
REGISTRATION OF DEALERS, AMENDMENT AND CANCELLATION OF REGISTRATION
CERTIFICATES

25. Compulsory Registration of Dealers:- (1) No dealer shall, while being liable to pay tax, carry on business as a dealer unless he has been registered and possesses a certificate of registration:

Provided that a dealer liable to pay tax shall be allowed one-month time from the date from which he is first liable to pay such tax to get himself registered.

(2) Every dealer required by sub-Section (1) to be registered shall make application in this behalf in the prescribed manner to the prescribed authority and such application shall be accompanied by a declaration in the prescribed form duly filled in and signed by the dealer specifying therein the class or classes of goods dealt in or manufactured by him.

(3) If the said authority is satisfied that an application for registration is in order, he shall, in accordance with such manner as may be prescribed, grant registration to the applicant and issue a certificate of registration in the prescribed form which shall specify the class or classes of goods dealt in or manufactured by him.

(4) The prescribed authority may, from time to time, amend any certificate of registration in accordance with information furnished or otherwise received, and such amendment may be made with retrospective effect in such circumstances and subject to such restrictions and conditions as may be prescribed.

(5) When-

- (a) any business in respect of which a certificate of registration has been granted to a dealer on an application made, has been discontinued, or
- (b) a dealer has ceased to be liable to pay tax; or
- (c) an incorporated body is closed down or if it otherwise ceases to exist; or
- (d) the owner of the proprietary business dies leaving no successor to carry on business; or
- (e) in case of a firm or association of persons if it is dissolved or
- (f) a person or dealer is registered by mistake, or
- (g) a dealer fails to furnish return and pay tax and interest according to such return or returns within the time extended, the prescribed authority shall cancel the registration of such dealers in the prescribed manner.

(6) The cancellation of registration will take effect from the end of the period in which it is cancelled unless it is to take effect from a different date as ordered by the prescribed authority

(7) When any dealer to whom a certificate of registration is granted has failed to pay any tax, penalty or interest payable under this Act or has failed to furnish return, knowingly furnished incomplete or incorrect Return or failed to account for the Tax/Retail invoice or no business at the declared place or discontinued the business without informing such discontinuation or conducted business with an intention to evade tax or attempt to evade tax, or has prevented or obstructed or abated the prevention or obstruction of any survey, inspection, entry, search or seizure by a Prescribed Authority, the certificate of registration of such dealer may be suspended by the appropriate Registering Authority in the manner as may be prescribed, without prejudice to any other action, which may be taken against him under this Act.

Provided that the certificate of registration of a dealer shall not be suspended if he has furnished return or returns within the date prescribed in the notice and has paid tax, penalty or interest payable under this Act by such date, as the prescribed authority may extend upon an application filed by the dealer within 15 days from the date by which he is required to file such return or returns or make payments of tax, interest or penalty, as the case may be.

(8) Suspension of Certificate of registration will be withdrawn and registration certificate shall be restored on an application made by the dealer on furnishing evidence of payment of all taxes, interest and penalty as case may be and on furnishing of overdue return or returns within 15 days from the date of such Application.

(9) In all cases, where the certificate of registration is suspended, restored or cancelled, the registering authority, shall display the fact in the office notice board, publish such fact in the Commercial Tax Gazette and Official website of the Commercial Taxes Department of Jharkhand.

26. Voluntary Registration of Dealers: - (1) Any dealer, whose gross turnover of sales during a financial year exceeds twenty five thousand rupees, may, notwithstanding that he is not liable to pay tax, apply in the prescribed manner to the prescribed authority for registration under this Act.

(2) Every dealer who has been registered on application made under this Section shall, for so long as his registration remains in force, be liable to pay tax under this Act.

(3) The registration of a dealer on application made under this Section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(4) Subject to the provisions of sub-Section (3), a dealer registered on application made under this Section may apply in the prescribed manner, not less than six months before the end of a year, to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made, and the said authority shall, unless the dealer is liable to pay tax under this Act cancel the registration accordingly.

When the gross turnover of sales of any dealer registered on application made under this Section has, for three successive years after the period of three years referred to in sub-Section (3), failed to exceed the taxable quantum, the prescribed authority may, after giving the dealer a reasonable opportunity of being heard, cancel registration of such dealer.

27. Security to be furnished in certain Cases:- (1) The prescribed authority may, at the time of grant of certificate to a dealer, for good and sufficient reasons to be recorded in writing, require the dealer to furnish in the prescribed manner such security or such additional security as may be specified by him for securing proper and timely payment of tax or any other sum payable by him under this Act.

(2) The prescribed authority may, by order in writing and for good or sufficient reason to be recorded therein, demand from any person other than a registered dealer who imports into Jharkhand State any consignment of goods, a reasonable security for ensuring that there is no evasion of tax.

(3) The prescribed authority may, by order in writing and for good or sufficient reasons to be recorded therein, forfeit the whole or any part of the security or additional security referred to in sub-Section (1) or sub-Section (2), furnished by a dealer, for-

(a) realising or recovery of tax or any other sum due, or

(b) recovery of any financial loss caused to the State Government due to negligence or default in not making proper use of or not keeping in safe custody, blank or unused forms of way bill.

(4) Where the security furnished by a dealer, is forfeited in whole or is rendered insufficient, such dealer shall, on demand by order of the prescribed authority, furnish fresh or further security of the requisite amount or shall make up the deficiency, as the case may be, in such manner and within such period as may be specified by the prescribed authority.

(5) The prescribed authority may, on application by a dealer, who has furnished security as required refund in the prescribed manner any amount of security or part thereof if such security is not required for the purposes for which it was furnished.

(6) Security shall be furnished by a dealer, in such manner and by such time as may be specified in the order requiring to furnish, or demanding, such security.

(7) No order shall be passed under this Section without giving the dealer an opportunity of being heard.

28. Imposition of Penalty for failure to get Registered:- (1) If a dealer, who is required to get himself registered within one month from the date from which he is first liable to pay tax, fails to get himself so registered, the prescribed authority may, after giving the dealer an opportunity of being heard, by order impose by way of penalty a sum, not less than one thousand rupees and not exceeding two thousand rupees, for each month of default:

Provided that no penalty shall be imposed under this sub-Section in respect of the same fact for which a prosecution has been instituted and no such prosecution shall lie in respect of a fact for which a penalty has been imposed under this Section.

(2) If any penalty is imposed under sub-Section (1), the prescribed authority shall issue a notice in the prescribed form directing the dealer to pay such penalty by such date as may be specified in the notice, and the date to be specified shall not be less than fifteen days from the date of service of such notice and the penalty so imposed shall be paid by the dealer into a Government Treasury by the date so prescribed:

Provided that the prescribed authority may, for reasons to be recorded in writing, extend the date of such payment as specified in the notice in this behalf or allow such dealer to pay the penalty imposed in such number of installments as he may determine in the prescribed manner.