

CHAPTER V
REGISTRATION OF DEALER AND DEMAND OF SECURITY ETC.

Compulsory registration of dealers.

- 31.** (1) Subject to the other provisions of this chapter, no dealer shall, while being liable to pay tax under section 3, 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 under section 3 shall be allowed thirty days' 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 up 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, 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) Where the application for registration is made under this section, the prescribed authority shall grant him the certificate of registration from the date of filing such application :
Provided that the prescribed authority shall grant to such dealer the certificate of registration from the date of commencement of his liability to pay tax where the application for registration is made within thirty days of such date.
- (5) For the purpose of identification of taxable person the prescribed authority shall issue a VAT registration identification number known as Tax Payer Identification Number (TIN).
- (6) The prescribed authority may from time to time amend any certificate of registration in accordance with information furnished under section 103 or otherwise received, and such amendment will be made with effect from the date of passing of such order and subject to such restrictions and conditions as may be prescribed.
- (7) When any dealer has been convicted or has paid composition money under section 91 or section 96 as the case may be, in respect of any contravention of the provisions of sub-section (1) of this section, the prescribed authority shall register such dealer and grant him a certificate of registration, and such registration

shall take effect from the date of order as if it had been made under sub-section (3) of this section of the dealer's application.

- (8) 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 under section 3; or
 - (c) an incorporated body is closed down or if it otherwise ceased to exist; or
 - (d) the owner of an ownership 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 by the Commissioner upon an application filed for such purpose under sub-section (4) of this section 35;

The prescribed authority shall cancel the registration of such dealer. 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.

- (9) 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.
- (10) 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, the certificate of registration of such dealer may be suspended by the appropriate Assessing Authority in the manner as may be prescribed:

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 Commissioner 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.

- (11) 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 and on furnishing of overdue return or returns within 45 days from the date of suspension.

(12) If certificate of registration of a dealer is suspended or if the suspension is withdrawn, the information will be made public through publication in Official Gazette and insertion of notice in Newspaper

Voluntary registration of dealers.

- 32.** (1) Any dealer, whose gross turnover of sales during a year 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.
- (5) 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.

Security to be furnished

- 33.** (1) The Commissioner may, at the time of granting of certificate of registration to a dealer under section 31 or at any time thereafter, 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 Commissioner 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 Meghalaya any consignment of goods, a reasonable security for ensuring that there is no evasion of tax.
- (3) The Commissioner may, by an order in writing and for good and sufficient reason, demand from any person or a dealer a reasonable security for proper use

and safe custody of the form referred to in sub-section (2) of section 75 and obtained from the prescribed authority.

- (4) The Commissioner 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), sub-section (2), or sub-section (3), as the case may be, furnished by a dealer, registered dealer, undertaking or person as required by sub-section (1) or demanded under sub-section (2), or sub-section (3), **for-**
 - (a) realizing 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.
- (5) Where, the Commissioner may by reason of any order under sub section (4), the security as required by a dealer, registered dealer, undertaking or person is forfeited in whole or is rendered insufficient, such dealer, registered dealer, undertaking or person shall, on demand by order of the Commissioner, 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 in such order.
- (6) The Commissioner may, on application by a dealer, registered dealer, undertaking or person, who has furnished security as required by sub-section (1) or demanded under sub-section (2), or sub-section (3), 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.
- (7) Security as required by sub-section (1) or demanded under sub section (2) sub-section (3) or sub-section (5) shall be furnished by a dealer, registered dealer, undertaking or person in such manner and by such time as may be specified in the order requiring to furnish, or demanding, such security.
- (8) No order shall be passed under this section without giving the dealer, registered dealer, undertaking or person an opportunity of being heard.

Imposition of penalty for failure to get registered.

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

Provided that no penalty shall be imposed under this subsection 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 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 or the State Bank of India 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.