

Rates of tax under DVAT Act

The DVAT Act prescribes the following rates of tax on different types of goods:

- (a) 1% Rate: Goods listed in the Second Schedule
- (b) 5% Rate: Goods listed in the Third Schedule and the printing works contracts.
- (c) 20% Rate: Goods listed in the Fourth Schedule.
- (d) 12.5% Rate: Goods involved in the execution of works contracts except printing works contract.
- (e) 12.5% Rate: Any goods not mentioned in the Second, Third and Fourth Schedules or in the First Schedule (exempted goods)
- (f) Rates of 0.1%, 1%, 2.5 & 3% applicable for bullion traders, drugs and medicines traders and works contractors under composition scheme notified for them in accordance with the conditions mentioned in these schemes. Rate of 1% applicable to the dealers having turnover up to Rs. 50 lakhs and Rs. One crore in case of drugs & medicine dealers opting for the composition scheme in accordance with the conditions of the scheme.