

GOVERNMENT OF WEST BENGAL  
DIRECTORATE OF COMMERCIAL TAXES  
14, BELIAGHATA ROAD, KOLKATA-700015

**Subject: Corrigendum to Trade Circular No. 40/2018 dated 17<sup>th</sup> September, 2018.**

***Corrigendum***

**Dated 22.11.2018**

In para 9 of the Trade Circular No. 40/2018 dated 17th September, 2018,  
*for*

“However, in cases where the supply of agricultural produce is not exempted and liable to tax, such commission agent shall be liable for compulsory registration under sub-section (vii) of section 24 of the WBGST Act.”

*read,*

“Further, according to clause (vii) of section 24 of the WBGST Act, a person is liable for mandatory registration if he makes *taxable supply* of goods or services or both on behalf of other *taxable persons*. Accordingly, the requirement of compulsory registration for commission agent, under the said clause shall arise when both the following conditions are satisfied, namely: -

(a) the principal should be a taxable person; and

(b) the supplies made by the commission agent should be taxable.

Generally, a commission agent under APMC Act makes supplies on behalf of an agriculturist. Further, as per provisions of clause (b) of sub-section (1) of section 23 of the WBGST Act an agriculturist who supplies produce out of cultivation of land is not liable for registration and therefore does not fall within the ambit of the term ‘taxable person’. Thus a commission agent who is making supplies on behalf of such an agriculturist, who is not a taxable person, is not liable for compulsory registration under clause (vii) of section 24 of the WBGST Act. However, where a commission agent is liable to pay tax under reverse charge, such an agent will be required to get registered compulsorily under section 24 (iii) of the WBGST Act.”

3. Difficulty, if any, in implementation of this Trade Circular may please be brought to the notice of the Commissioner.

Sd/-

(Smaraki Mahapatra)  
Commissioner, State Tax,  
West Bengal

Memo. – 481 CT/PRO  
3C/PRO/2018

Date: 22.11.2018

Copy forwarded to the Additional CST/ISD for information and for uploading it on the official website of the Directorate for information of all concerned.

Sd/-

(Adesh Kumar)  
Special CST & PRO