

## Value Added Tax Rules, 2053 (1997)

<b>Amendment</b>	<b><u>Date of Royal Seal and Publication</u></b>
	2053/12/11 (24 March 1997)
1. Value Added Tax (First Amendment) Rules,2055	2055/08/07 (23 November 1998)
2. Value Added Tax (Second Amendment) Rules,2059	2059/03/24 (08 July 2002)
3. Value Added Tax (Third Amendment) Rules,2059	2059/09/22 (06 January 2003)
4. Value Added Tax (Fourth Amendment) Rules,2060	2060/04/01 (17 July 2003)
5. Value Added Tax (Fifth Amendment) Rules,2061	2061/04/01 (16 July 2004)
6. Value Added Tax (Sixth Amendment) Rules,2061	2061/12/03 (16 March 2005)
7. Value Added Tax (Seventh Amendment) Rules,2062	2062/04/01 (16 July 2005)
8. Value Added Tax (Eighth Amendment) Rules,2062	2062/06/14 (30 September 2005)
9. Value Added Tax (Ninth Amendment) Rules,2062	2062/10/01 (14 January 2006)
10. Value Added Tax (Tenth Amendment) Rules,2064	2064/03/28 (12 July 2007)
11. Value Added Tax (Eleventh Amendment) Rules,2066	2066/03/29 (13 July 2009)
12. Value Added Tax (Twelfth Amendment) Rules,2067	2067/08/04 (20 November 2010)
13. Value Added Tax (Thirteenth Amendment) Rules,2068	2068/03/31 (15 July 2011)
14. Value Added Tax (Fourteenth Amendment) Rules,2070	2070/01/30 (13 May 2013)
15. Value Added Tax (Fifteen Amendment) Rules,2070	2070/03/30 (14 July 2013)

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<sup>o</sup> Repealed by Finance Act, 1999 (2056).

16. Value Added Tax (Sixteen Amendment) Rules,2071	2071/03/29 (13 July 2014) °
17. Value Added Tax (Seventeen Amendment) Rules,2072	2072/03/29 (14 July 2015)
18. Value Added Tax (Eighteen Amendment) Rules,2073	2073/03/20 (4 July 2016) °
19. Value Added Tax (Nineteen Amendment) Rules,2074	2074/04/10 (25 July 2017) †
20. Value Added Tax (Twentieth Amendment) Rules,2075	2075/02/22 (05 June 2018)
21. Value Added Tax (Twenty-First Amendment) Rules,2076	2076/02/15 (29 May 2019)
22. Value Added Tax (Twenty-Second Amendment) Rules, 2077	2077/02/15 (28 May 2020)

In exercise of the power conferred by Section 41 of the Value Added Tax Act, 2052 (1996), Government of Nepal has framed the following Rules.

## Chapter 1

### Preliminary

1. **Short Title and Commencement:** (1) These Rules may be called as the "Value Added Tax Rules, 2053 (1997)".

\* (2) It shall come into force on such date as Government of Nepal by publishing a notification in the Nepal Gazette may appoint.

2. **Definitions:** Unless the subject or context otherwise requires, in these Rules:

(a) "Act" means the Value Added Tax Act, 2052 (1996).

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° Maintained from July 13, 2014(2071/03/29) as per the notice published in Nepal Gazette in September 1, 2014(2071/05/16).

° This rule has been commenced from July 16, 2016 (2073/04/01).

† This rule has been commenced from July 16, 2017 (2074/04/01).

\* Commenced from November 16, 1997 (2054/08/01) upon publication in gazette on August 18, 1997 (2054/05/02).

- (b) "Tax Period" means the period for which a taxpayer is required to file tax return pursuant to Section 18 of the Act.
- (c) "Tax Return" means a return filed by a taxpayer in regard to the tax payable for taxable transactions carried out during the Tax Period.

## Chapter 2

### Provisions relating to registration

3. **Application for registration:** (1) Any person engaged in any transaction at the time of the commencement of the Act shall file an application for registration to the concerned Tax Officer, in the format as set forth in Schedule -1 within 90 days of the commencement of the Act.  
  
(2) A person who desires to be engaged in any transaction after the commencement of the Act shall file an application for registration to the concerned Tax Officer, in the format as set forth in Schedule -1 prior to the commencement of such transaction.  
  
(3) In case a person filing application for registration pursuant to Sub-rule (1) or (2) is a partner, the application must be filed along with the complete details of the partnership in the format as set forth in <sup>1</sup>Schedule -1.
4. **Examination of application:** (1) The concerned Tax Officer may ask an applicant to produce other additional details and the documents which are deemed necessary upon examination of the details and documents attached with the application filed pursuant to Rule 3. It shall be the duty of the applicant to file such additional details and documents to the concerned Tax Officer within seven days of such demand.  
  
(2) In cases where the application for registration of transaction which is not required to be registered pursuant to Sub-section (3) of Section 10 of the Act is received, the concerned Tax Officer shall provide a notice to the applicant mentioning that the person is not required to be registered, within seven days of the receipt of the application.
5. **To grant certificate of registration:** If upon examination, as per Rule 4, of the application filed for registration pursuant to Rule 3, the concerned Tax Officer if deems it proper to register, shall register the transaction carried out or intended to be carried out by the applicant and grant the

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<sup>1</sup> Amended by twenty second amendment

certificate of registration bearing Registration Number as well in the format as set forth in Schedule -3 to the applicant, within thirty days from the date on which the application was submitted.

6. **Businesses with small transactions need not be registered:** <sup>♣</sup> (1) Notwithstanding anything contained in Rule 3, any person carrying out transactions not exceeding <sup>♠</sup> Fifty Lakh Rupees in case of goods and <sup>∇</sup> Twenty Lakh Rupees in case of mixed transaction of goods and services, and services within the last twelve months as provided in Section 9 of the Act shall not be required to have their transactions registered. Such person who are not required to be registered shall affix a notice in place of transaction in the conspicuous manner stating that registration is not required because of the transaction not exceeding <sup>♠</sup> Fifty Lakh Rupees in case of goods and <sup>∇</sup> Twenty Lakh Rupees in case of mixed transaction of goods and services, and services.

<sup>∩</sup> Provided that except when the person, engaged in tax exempted transaction in Nepal imports goods himself/herself for personal use, any other person who imports taxable goods worth more than Ten Thousand Rupees in one consignment shall have to register their transaction.

<sup>♣</sup>(1a) If the purchase sell stock cannot be distinguished from godown of any supply, for the purpose of tax, Tax Officer shall deem the purchase, sale and stock within the single transaction limit, and assess and recover the tax accordingly.

<sup>♠</sup> (2) Notwithstanding anything contained in Sub-rule (1), any person carrying out business with small transactions may file an application pursuant to Rule 3 if they desire to register their transactions voluntarily. If such an application has been filed to register the transactions voluntarily, the Tax Officer shall register the transactions under Section 9 of the Act by completing the procedures of examination referred to in Rule 4.

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<sup>♣</sup> Amended by eleventh amendment.

<sup>♠</sup> Amended by seventeenth amendment.

<sup>∇</sup> amended by eighteenth amendment.

<sup>∩</sup> Amended by fifteenth amendment.

<sup>♣</sup> Added by second amendment.

<sup>≈</sup> Amended by nineteenth amendment.

<sup>♠</sup> Amended by twenty first amendment.

≈ 6A. **Provision regarding contract:** (1) Any government entity, public institution or registered person shall pay tax to concerned contractor upon notification of the contract agreement concluded and the tax paid to the contractor to the Inland Revenue Department.

◇ (2) Government entity, public institution or registered person shall award contract or receive consultancy worth more than Five Lakh Rupees annually from a registered person only.

- 6B. **Special provision regarding construction service:** Any person constructing building, apartment, shopping complex or other similar structure prescribed by the Department worth more than Fifty Lakh Rupees for commercial purpose shall cause to construct such structure from a registered person.

+6C. **Special provision regarding tax payment for supply of goods and services under contract:** (1) Government entity or the public institution wholly or partially owned by Government of Nepal, while making the payment to the contractor or supplier for goods, services or both received as per an agreement or the contract, shall deposit fifty percent of the tax amount payable to such contractor or supplier in the concerned revenue heading on behalf of such contractor or supplier and only pay the remaining tax amount.

(2) Entity making payment as per Sub-rule (1) shall notify the concerned contractor or supplier that the tax amount under the concerned revenue heading has been deposited.

(3) Amount as per Sub-rule (1) shall be adjusted with the tax amount contractor or supplier has to pay.

7. **Special conditions to register a transaction:** ∇(1) In case any person has reason to presume that their annual transactions shall exceed fifty lakh rupees in case of goods and twenty lakh rupees in case of mixed transaction of goods and services, and services, they shall file an application setting out such conditions, to the concerned Tax Officer in the format as set forth in Schedule -1 for the registration of the transactions.

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- Added by eleventh amendment.

+ Added by twenty first amendment.

∇ Amended by eighteenth amendment.

∇ (2) If the presumption cannot be made as per Sub-rule(1), and the annual turnover of the transactions carried out by the person exceeds Fifty Lakh Rupees in case of goods and Twenty Lakh Rupees in case of mixed transaction of goods and services, and services, the person carrying out such transactions shall file an application to the concerned Tax Officer in the format set forth in Schedule -1 for registration of the transactions within thirty days from the date on which such excess occurs.

(3) △.....

√ (4) A person involved in transaction of goods and services required to be registered as per Sub-section (2) of Section 10 of the Act shall register the transaction within thirty days of the commencement of this Sub-rule.

(5) <sup>2</sup>Removed by 22<sup>nd</sup> Amendment

⊗ (6) If a person required to be registered is found to be carrying out transaction without registration, Tax Officer shall order concerned person to register within thirty days by stating the basis and reason; and concerned person shall register their transaction upon receiving the order within such time.

△7A. **Special provision relating to temporary registration:** (1) Any person not registered (unregistered person) with Value Added Tax and engaged in taxable transactions in exhibition, fair and similar other programs to be organized temporarily, shall apply for registration pursuant to Section 10A of the Act with concerned Inland Revenue Office or Taxpayers' Service Officer along with recommendation of concerned organizer.

(2) Two percent of the estimated income from the program shall be kept as guarantee while filing an application pursuant to Sub-rule (1).

(3) Upon receipt of application pursuant to Sub-rule (1), Tax Officer of Inland Revenue Office or Taxpayers' Service Office shall register the transaction and grant the certificate of registration bearing Registration Number.

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△ Removed by tenth amendment.

√ Added by eighth amendment.

<sup>2</sup> Removed by 22<sup>nd</sup> Amendment

(4) Persons registering transactions as per Sub-rule(3) shall file value added tax return and deposit the tax in the concerned Inland Revenue Office or Taxpayers' Service Office within seven days from date of the completion of the exhibition, fair or other programs of similar nature and shall file an application to cancel the temporary registration along with original copy of permanent account number certificate, tax clearance certificate for the temporary registration period and recommendation of the organizer.

(5) Upon receiving the application to cancel the temporary registration pursuant to Sub-rule (4), the concerned Tax Officer shall examine the value added tax return together with other documents and cancel the temporary registration within fifteen days and notify the applicant.

(6) Guarantee furnished by the applicant as per Sub-rule (2) may be adjusted with value added tax to be paid under Sub-rule (4).

(7) If upon examination pursuant to Sub-rule (5) additional tax liability is assessed, the applicant shall be issued a three days' notice to deposit such additional tax. If the applicant does not deposit the additional tax within such period, tax shall be recovered from the amount furnished as guarantee by the applicant, and if the amount is inadequate, the remaining amount shall be recovered from the organizer.

+7B. **Period to update the record:** Registered person shall update their record in the biometric system as per Section 10C of the Act within the <sup>3</sup>end of Asar 2078.

8. **Determination of amount of transaction:** The amount of any transaction shall, for the purpose of the registration of the transaction, be determined on the basis of the value of purchase or sale of the transaction in the last twelve months, whichever is higher. Registered person shall maintain the records proving the amount of the transaction in the place of transaction and produce them as and when required by the Tax Officer.

9. **To give notification of the change of place:** (1) If any registered person has to change the place of their transaction, they shall provide the information thereof to the concerned Tax Officer prior to fifteen days of such change.

(2) Upon receipt of the information referred to in Sub-rule (1), if the concerned Tax Officer deems that the place of transaction to be changed falls within the jurisdiction of another Tax

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+ Added by twenty first Amendment.

<sup>3</sup> Amended by 22nd Amendment

Office, Tax Officer shall notify the concerned tax office thereof within seven days of the receipt of such information.

10. **To notify for the change of nature or objective of the transaction:** (1) If any registered person has to change the nature or objective of their transaction, they shall provide information thereof to the concerned Tax Officer prior to fifteen days of such change.

(2) Upon receipt of the information referred to in Sub-rule (1), the concerned Tax Officer shall change the nature or object of the transaction of the registered person and inform such registered person thereof.

11. **Transfer of transaction:** (1) In case any registered person transfers the transaction being carried out by them to any other person fully or partially, they shall provide the information thereof by setting out all the details in the format as set forth in Schedule 4 to the concerned Tax Officer within seven days of the date on which the transaction was so transferred.

(2) In case the transaction has been transferred pursuant to Sub-rule (1), the rights, powers and obligations of the transferor shall also be transferred subject to the terms of the transfer.

(3) The concerned Tax Officer may, issue necessary instructions to both the parties related to the transaction in regard to the obligations to be fulfilled by each of them under the Act and these Rules by requiring the presence of both the parties in front of the Tax Officer. It shall be their duty to follow the instructions so given.

12. **Process of cancellation of registration:** (1) If the registration of any person has to be cancelled owing to the circumstances mentioned in Sub-section (1) of Section 11 of the Act, and such registered person or the legal heir, in case of his or her absence files an application for cancellation of registration, setting out the circumstance for cancellation of registration, accompanied by the tax return referred to in Schedule-11 and the amount of tax payable, to the concerned Tax Officer within thirty days from the date of occurrence of the circumstance for cancellation of registration; or if the Tax Officer is satisfied that the registration of a registered person has to be cancelled due to existence of circumstance for cancellation of registration as mentioned in Sub-section (1) of Section 11 of the Act, the concerned Tax Officer shall require such registered person to deposit the outstanding tax and shall cancel the registration of such person and give information thereof to such registered person or the legal heir and the Department.

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¶ Amended by tenth amendment.



(2) After filing an application for cancellation of registration pursuant to Sub-rule (1), applicant shall submit tax return until receiving the notice of cancellation or for up to three months.

(3) It shall be the duty of the concerned Tax Officer to notify the applicant whether the registration is cancelled or not within three months of filing of the application for cancellation of registration.

⊠ (4) The provision for cancellation of registration of a taxpayer registered in Value Added Tax, however carrying out the transaction below the threshold prescribed after the commencement of this Sub-rule, the procedure for deregistration and remaining credit management of such taxpayers would be fixed by Director General.

13. **Use of registration number:** A registered person shall use their registration number in the following documents related to the transactions which the registered person carries out, in addition to the transactions referred to in Sub-section (6) of Section 10 of the Act:

- (a) Documents relating to income tax,
- (b) Documents relating to application to be made to banks and financial institutions for loans exceeding One Lakh Rupees for commercial and industrial purposes,
- (c) Documents relating to import and export.

14. **To issue duplicate copies:** (1) In case the certificate of registration of transaction obtained by a registered person under Rule 5 is torn, lost or otherwise destroyed, such a registered person must file an application for obtaining the duplicate copy of such certificate to the concerned Tax Officer accompanied with such an amount as required as the duplication fees Rs. 100 to obtain a duplicate copy of such certificate.

(2) Upon receipt of an application pursuant to Sub-rule (1), the concerned Tax Officer shall give a duplicate copy of the certificate of registration of transaction within fifteen days of receipt of the application.

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⊠ Added by seventeenth amendment.

- ‡14A. **Provision regarding tax board:** Taxpayer shall keep a tax board in the format prescribed by Department in the place of transaction in a manner conspicuous to all within thirty days of commencement of this Rule.
- ◄14B. **Price inclusive of tax to be mentioned:** A registered person shall mention the selling price (tag price, menu price and shelf price) inclusive of tax for the taxable goods and services kept in industrial exhibition center, selling center, hotel, restaurant, bar, transaction place or place of supply.

### Chapter 3

#### **Place and time of supply**

15. **Determination of the place of supply of goods:** The following places shall be deemed to be the place of supply of goods:
- (a) In the case of movable goods transferred by sale, the place where such goods were sold or transferred,
  - (b) In the case of any immovable goods whose location can't be transferred even if their ownership is changed, the place where such goods are located,
  - (c) In the case of imported goods, the customs point in Nepal<sup>‡</sup>... .. through which such goods are imported into Nepal<sup>‡</sup>.....,
  - (d) In case any producer or seller supplies the goods to himself/herself, the place where the producer or seller of such goods is situated.
16. **Determination of the place of supply of services:** The place of supply of a service shall be the place where the benefit of that service is received.

### Chapter 4

#### **Provisions relating to invoices and market value**

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‡ Added by fourteenth amendment.

◄ Added by eighteenth amendment.

‡ Removed by fourteenth amendment.

17. **Tax invoice:** (1) Unless otherwise approved by the Tax Officer, the registered person, in supplying any goods or services, shall issue a tax invoice in the format as set forth in <sup>θ</sup>Schedule -5 and 5A.

<sup>√</sup>Invoice issued accordingly shall disclose type, size, model and brand of any goods, if any.

<sup>∞</sup>(1a) Notwithstanding anything contained in Sub-rule (1), when goods or services are sold under <sup>4</sup>Sub-section (6) of Section 14 of the Act, tax invoices shall be issued as per the details referred to in Schedule -5B.

(2) Tax invoice shall be written clearly and conspicuously on the front page of the invoice to be issued to the recipient under Sub-rule (1). Such tax invoices shall be prepared in three copies, and the original copy shall be given to the recipient, the second copy to be separately recorded so that it can be produced as and when asked for by the Office and the third copy be recorded by the registered person for the purpose of their transaction.

(3) <sup>⊗</sup>.....

(4) <sup>⊗</sup>.....

(5) <sup>⊗</sup>.....

18. **Abbreviated tax invoices:** (1) Notwithstanding anything contained in Rule 17, in case any registered person is to conduct a retail sale of <sup>ϕ</sup>any goods or services and files an application to the concerned Tax Officer setting out such matter, the Tax Officer may grant permission so that such registered person, while conducting retail sale of <sup>ϕ</sup>any goods or services, is required to issue an abbreviated tax invoice in the format referred to in Schedule -6 to the recipient, instead of the tax invoice as set forth in Rule 17.

(2) Where several number of goods of small value have been sold, abbreviated tax invoice to be issued pursuant to Sub-rule (1) <sup>ϕ</sup>shall mention the name of each good separately.

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<sup>θ</sup> Amended by eighth amendment.

<sup>√</sup> Added by eighth amendment.

<sup>∞</sup> Added by ninth amendment.

<sup>4</sup> Amended by twenty second amendment

<sup>⊗</sup> Removed by eighth amendment.

<sup>ϕ</sup> Amended by sixteenth amendment.

(3) A recipient who receives an abbreviated tax invoice upon purchasing goods under Sub-rule (1) shall not be allowed to deduct tax under Section 17 of the Act.

(4) A registered person who issues an abbreviated tax invoice to the recipient pursuant to Sub-rule (1), shall maintain records thereof as follows:

- (a) To prepare and maintain a duplicate copy of the original invoice,
- (b) Where a transaction has been carried out by maintaining a duplicate of the till roll, the total thereof must be calculated and maintained every day,
- (c) To maintain records of the value inclusive of tax of each transaction.

(5) In case a registered person is found not to have maintained the records required to be maintained pursuant to Sub-rule (4), the Tax Officer may cancel the permission granted to issue an abbreviated tax invoice pursuant to Sub-rule (1).

(6) Notwithstanding anything contained elsewhere in this Rule, where a transaction of value exceeding <sup>◇</sup>Ten Thousand Rupees has been carried out, it shall not be allowed to issue an abbreviated tax invoice under this Rule; and despite having carried out a transaction of value less than that amount, it shall be the duty of a registered person to provide a recipient who asks for the tax invoice referred to in Rule 17 with such a tax invoice.

‡ .....

(7) The total figure of tax from an abbreviated invoice shall be calculated by multiplying the invoice price by the tax fraction.

*Explanation:* For the purpose of this Sub-rule, the term tax fraction means the total of

Rate of tax

Rate of tax + 100

<sup>∞</sup>18A. **Invoice to be raised from cash machine or <sup>5</sup>electronic medium** : Department may notify requiring any taxpayer to use cash machine and such taxpayer so notified shall use cash machine to issue invoice for transaction.

<sup>◇</sup> Amended by twenty first amendment.

<sup>‡</sup> Removed by ninth amendment.

<sup>∞</sup> Added by ninth amendment.

<sup>5</sup> Amended by twenty second amendment

However, taxpayer who has obtained approval for raising invoice through electronic medium shall raise invoice accordingly.

19. ....

20. **Credit or debit note:** (1) If a registered person issues a credit or debit note owing to a change in the value of the goods or services supplied by them, they must clearly write credit or debit note in such note and also disclose the following details:

- (a) Serial Number,
- (b) Date of issue,
- (c) Name, address and registration number of the supplier,
- (d) Recipient's name, address, and registration number if the recipient is a registered person,
- (e) Number and date of the tax invoice connected with the transaction,
- (f) Particulars of the goods or services and reason of credit or debit,
- (g) Amount credited or debited,
- (h) Tax amount credited or debited.

(2) A registered taxpayer shall maintain a monthly record of credit or debit notes referred to in Sub-rule (1).

21. **In the event of payment in a foreign currency:** While issuing the tax invoice by a supplier upon receiving payment from the recipient in a convertible foreign currency as consideration of the supply of any goods or services, the supplier shall issue the tax invoice by mentioning therein the amount in Nepalese rupees equivalent to the foreign currency according to the rate of exchange prescribed by the Nepal Rastra Bank on the day of transaction.

22. **Process of determination of market value:** (1) While determining the market value pursuant to Section 13 of the Act, the Tax Officer shall determine the market value by studying the transactions and value of other similar sellers registered in regard to the transaction of the same nature.

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<sup>19</sup> Repealed by nineteenth amendment.

(2) In cases where the market value of any goods or services cannot be determined as set forth in Sub-section (3) of Section 13 of the Act, the Director General shall determine the value also on the basis of the information received in that regard by him/her from the registered persons of the same nature.

## Chapter 5

### Records of transactions

23. **Maintain records:** (1) A registered person shall for the purpose of the Act and these Rules maintain records of the following information, documents and details:

- (a) Information as referred to in Schedule -7,
- (b) Records relating to business, accounts, cash receipts and payments,
- (c) Tax invoices and abbreviated tax invoices issued by the registered person,
- (d) Tax invoices and abbreviated tax invoices received by the registered person,
- (e) All documents relating to imports and exports by the registered person,
- (f) All debit and credit notes substantiating the increase and decrease in the values of goods purchased and sold by the registered person and other documents pertaining thereto,
- (g) Books of purchases and sales as set forth in Schedule-8 and Schedule-9.

(2) Notwithstanding anything contained in Sub-rule (1), the Department may so prescribe as to require a registered person to maintain only some of the records among those referred to in Sub-rule (1), in respect to special types of trade or business.

(3) A registered person may, with the approval of the Department, maintain the records required to be maintained under these Rules by using computers or another similar mechanical system or the method as prescribed by the Department.

(4) The Tax Officer may examine the records maintained by a registered person under this Rule at any time during working hours.

*Explanation:* For the purpose of this Rule, "working hours" means the period between the time of opening and closing of the transactions, except on public holidays.

(5) A registered person shall make available the details and documents relating to the records demanded by the Tax Officer in the course of examining the records pursuant to Sub-rule (4), by having them printed at his/her own expense.

(6) It shall be the duty of a registered person to provide necessary staff in order to assist the Tax Officer in examining the records pursuant to Sub-rule (4).

(7) A registered person shall safely retain the records maintained under this Rule for up to six years.

24. **Particulars of the goods distributed as samples or received free of cost:** In addition to the records mentioned in Rule 23, a registered person shall also maintain the following particulars relating to their transactions:

- (a) Particulars of the goods <sup>§</sup>received or distributed in the form of samples for the promotion of business.
- (b) Particulars of the goods received <sup>§</sup>or distributed free of cost.

25. **Provision on certification of purchase books and sales books:** While certifying the purchase and sales books pursuant to Sub-section (3) of Section 16 of the Act, Tax Officer shall certify as follows:

- (a) If the taxpayer files an application to the Office for certification of the purchase and sales books,
- (b) During the period of tax inspection or audit,
- (c) At the time of inspection.

<sup>6</sup>∞ However, taxpayer who has obtained approval to issue invoice from <sup>7</sup>electronic medium shall not be required to certify their sales book if the sales book is prepared automatically by the electronic medium of the taxpayer.

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§ Added by tenth amendment.

∞ Added by seventeenth amendment.

<sup>6</sup> Amended by twenty second amendment.

## Chapter 6

### Tax return and collection

26. **To file tax return for tax period:** (1) A registered person shall file the tax return of one-month tax period according to the Bikram Sambat, to the concerned Tax Officer in the format set forth in Schedule -10, within twenty-five days of the expiry of that period.

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(2) Notwithstanding anything contained in Sub-rule (1), if a registered person, due to their accounts being maintained through a computer system, files an application to the Tax Officer requesting permission for using a different tax period other than the tax period mentioned in Sub-rule (1), the Tax Officer if deems appropriate after examination, may fix, as per necessity, a separate tax period in respect of such registered person.

♂(3) .....

▲(3a) Removed by 22<sup>nd</sup> Amendment

▽ (3b) If so intended by the brick industries, printing, printing and electronic publications or broadcasting houses, hotel, tourism, cinema hall, and transporter the Department may fix a tax period of four months for filing the return for such taxpayers.

(4) A registered person whose tax period has been so fixed to be more or less than one month shall file their tax return of that period to the Tax Officer, within twenty-five days of the date of expiry of that period, in the format set-forth in Schedule - 10.

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↔ Amended in sixth amendment and removed by eighteenth amendment.

♂ Amended in fifth amendment and removed by seventeenth amendment.

▲ Added by second amendment.

▽ Amended by twenty second amendment.



(5) In filing the tax return for the first time, the registered person shall, file the tax return for the remainder of the period as if the remaining period was the full tax period.

27. **Filing tax return through the heir or legal representative:** In case any registered person dies or becomes mentally or physically incapacitated to file the tax return, the Tax Officer may, by assuming him/her to have supplied the goods or services till the day preceding his/her death or mental or physical incapacity, require his/her heir or legal representative to file a tax return for that period.
28. **To file a tax return individually or jointly:** The following persons shall file the tax return individually or jointly in the following circumstances:
- (a) If the taxpayer becomes incapable to file a tax return or he/she dies, the heir or guardian of such taxpayer,
  - (b) If the taxpayer is a legal person, any director, executive chief or any employee designated by the management, on behalf of such a taxpayer,
  - (c) If the taxpayer is a legal person and such legal person is dissolved or liquidated, the liquidator,
  - (d) In circumstances other than those mentioned above, the person concerned with the taxpayer as prescribed by the Tax Officer.

## Chapter 7

### **Assessment and recovery of tax**

29. **Tax Officer may assess tax:** (1) In the event of occurrence of circumstances referred to in Sub-section (1) of Section 20 of the Act, the Tax Officer may assess tax on other basis, including the market price or any other information and notices related to the transactions of which tax is to be assessed, in addition to the grounds set forth in Sub-section (2) of the said Section and issue tax assessment order in the format set forth in Schedule - 12.

(2) The concerned taxpayer shall be given a time limit of <sup>⇒</sup>fifteen days to submit evidence in their defense, against the tax assessment order issued by the Tax Officer pursuant to Sub-rule (1).

(3) If the Tax Officer finds any evidence submitted in defense by the concerned taxpayer within the time limit set forth in Sub-rule (2) to be appropriate, the Tax Officer shall assess the tax pursuant to Sub-rule (1) on those basis and issue a tax assessment order. While issuing such tax assessment order, the order shall also include the additional fee incurred pursuant to Sub-section (2) <sup>♂</sup>of Section 19 of the Act until the date of issue of the order and the interest amount chargeable pursuant to Section 26.

*Explanation:* While calculating the interest, it shall be calculated at the rate of one by twelve per month.

φ30. **Tax, additional fees and interest amount to be paid:** The concerned taxpayer shall deposit the tax, additional fees and the interest amount referred to in the tax assessment order pursuant to Rule 29, to the concerned Tax Office, within the date set forth in the order.

31. **Procedure of sending notices of tax assessment order:** (1) Notwithstanding anything contained in the prevailing laws, while issuing a tax assessment order by the Tax Officer to a taxpayer pursuant to Rule 29, if the order is sent by telefax, telex or other similar electronic equipment installed at the address of such taxpayer or if such order is served to himself/herself or at his/her office or sent through registered post to his/her address, it shall be deemed to have been duly served.

(2) In case the tax assessment order could not be served as per Sub-rule (1), the Tax Officer may inform the concerned taxpayer thereof by broadcasting or publishing a notice of such order through radio, television or in any national level newspaper. In such instance, the concerned taxpayer shall be deemed to have received such information.

32. **Assessment and recovery of tax collected by an unregistered person:** (1) In case an unregistered person collects tax, the assessment of tax collected by him/her under Sub-

⇒ Amended by fifth amendment.

♂ Removed by seventeenth amendment.

φ Amended by sixteenth amendment.

section (2) of Section 15 of the Act shall be done in accordance with the procedures set forth in Rule 29.

(2) The tax assessed as per Sub-rule (1) shall be paid by such unregistered person collecting the tax, within ► seven days of the issue of the tax assessment order.

33. **Method of tax assessment of used goods:** (1) Tax Assessment of the used goods shall be done only on the balance between the selling price and the purchase price of such goods. The seller of such goods shall maintain the permanent record as follows at the very time of the purchase or sale of such goods:

(a) Relating to Purchase:

- (1) Date of Purchase,
- (2) Particulars giving full information of the goods,
- (3) Cost price excluding tax,
- (4) Rate of tax,
- (5) Tax amount,
- (6) Total amount paid.

(b) Relating to Sale:

- (1) Date of sale,
- (2) Selling price excluding tax,
- (3) Difference between the cost price and the selling price,
- (4) Rate of tax,
- (5) Tax amount,
- (6) Total amount received.

(2) The cost price referred to in Sub-rule (1) means the price including tax.

≈(3) While selling each of the used goods an invoice shall be issued and a separate record of purchase and sales shall be maintained.

(4) If a registered person is found to not have maintained the records referred to in Sub-rules (1), (2) and (3) satisfactorily, the Tax Officer may issue a written order imposing tax on the total selling price of the goods sold by such taxpayer and require them to pay such tax along with the next tax return.

34. **To submit a tax return prior to filing appeal:** Prior to filing of an appeal against a tax assessment order issued pursuant to Rule 29, the taxpayer shall file its tax return of that period to the concerned Tax Officer.

35. **Extra-ordinary circumstances beyond control:** (1) For the purpose of Sub-section (4) of Section 19 of the Act, the following circumstances shall be deemed to be extraordinary circumstance beyond control (force majeure):

- (a) In case the person required to pay tax falls ill and is disabled, within seven days from the date of recovery.
- (b) In case the person required to pay tax is to observe obsequies, within seven days from the date of the end of the obsequies,
- (c) In case a woman required to pay tax delivers a child, within thirty-five days from the date of delivery,
- (d) In case the person required to pay tax dies or becomes insane or disappears and his/her heir or guardian submits an application within thirty-five days of the date of such incident, within seven days of receipt of such application,
- (e) In circumstances when the person required to pay tax is unable to come to the Inland Revenue Office because of the closure of roads due to floods, landslides, snow or similar other reasons; within seven days after opening of such roads,

- (f) In cases where it is not possible to come to the Inland Revenue Office due to complete shutdown of transportation, within the next day of the end of such shutdown.
- (g) In case of arson, earthquake or similar calamities leading to unforeseeable circumstances, within thirty days of the occurrence of such calamities.

(2) In case an additional time limit is required to be requested due to extraordinary circumstances beyond control referred to in Clauses (b), (c), ■ (d) (e) and (g) of Sub-rule (1), the recommendation of the concerned ☞Rural Municipality or Municipality shall also be submitted.

(3) While requesting for an additional time-limit due to the circumstance referred to in Clause (f) of Sub-rule (1), the recommendation of the concerned ☞Rural Municipality or Municipality where the transport has been shut down, shall be submitted.

36. **Time-limit for applying for waiver of additional fee:** (1) For the waiver of the additional fees pursuant to Sub-section (4) of Section 19 of the Act, an application, in the format set forth in Schedule -13, shall be filed to the Director General within thirty days from the expiry of time-limit prescribed for payment of tax.

(2) In case of failure to file the application within the time-limit referred to in Sub-rule (1), the waiver of additional fees shall not be granted.

37. **Tax assessment period:** While calculating the period referred to in Sub-section (4) of Section 20 of the Act, in case a petition has been filed with any court in regard to tax, and a stay order has been issued, the period shall be calculated by deducting the period pending the decision on the petition.

38. △ .....

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● Added by twelfth amendment.  
■ Amended by twelfth amendment.  
☞ Amended by twentieth amendment.  
△ Removed by tenth amendment.

## Chapter 8

### Provisions concerning tax deductions and tax refund

39. **Tax may be deducted:** (1) A registered person may deduct the tax paid by him/her while importing or receiving any taxable goods or services during the concerned month or before that month from the tax collected by him/her while supplying any goods or services, in the following circumstances:-
- (a) In case the goods or services in respect of which a claim for tax deduction has been made are directly related with taxable business.
  - (b) In case purchase has been made internally, if tax invoice pursuant to Rule 17 has been received.
  - (c) In case of imports, if import documents evidencing the payment of tax at the time of import are available.

*Explanation: For the purpose of this Clause "import documents" means customs declaration forms, cash receipts, invoices of goods and <sup>∅</sup>if the imported services are not imported through custom points, invoices for such import of services and such other related documents as prescribed by the Department from time to time.*

(2) Tax deduction may be made only once pursuant to this Rule. While deducting tax, the invoices or the import documents up to one year before the date of the claim for such tax deduction must be available.

(3) When filing the tax return of each tax period by a registered person, they must deposit with the Tax Office the amount remaining after deducting the tax paid while purchasing or importing the goods from the tax collected while selling the goods.

(4) If the amount of tax paid by a registered person while purchasing or importing is higher than the amount collected by them when selling, they may deduct such excess amount in the next tax period. If such amount to be deducted in the next tax period remains in balance for a consecutive period of <sup>8</sup>four months, an application

<sup>∅</sup> Added by seventh amendment.

<sup>8</sup> Amended by twenty second amendment

in the format set forth in <sup>►</sup>Schedule 10 shall be filed with the Tax Officer for the refund of the lump sum amount. The Tax Officer shall upon receipt of such application refund the remaining tax pursuant to Rule 45.

(5) In case any registered person exports more than <sup>◊</sup>forty percent of their total monthly sale in any month, such a registered person shall file an application to the Tax Officer, enclosing therewith necessary export related documents in the format as set forth in <sup>►</sup>Schedule-10 for refund of the excess amount of tax to be deducted for the month. The Tax Officer shall upon receipt of such application refund the remaining tax pursuant to Rule 45. While making a decision to refund the remaining tax, the Tax Officer shall take the following matters into consideration:

- (a) Whether tax has been paid on purchases or imports or not.
- (b) Whether the tax return required to be filed earlier has been filed or not, and if filed, whether or not the claim for tax refund is substantiated by such tax return.

<sup>β</sup>Explanation: For the purpose of this Sub-rule, "export related documents" refers to export certificates, certificates of receipt of goods, letter of credit and import certificate in case of exchange of goods and refers to export certificate, certificates of receipt of goods, certificate of payment and letter of credit in case of exports.

<sup>◆</sup>**39A Tax deduction in case of loss or damage of goods:** (1) In case the goods are required to be written off the stock or sold at lesser value because of loss or damage of goods due to fire, theft, accident, breakage, or disastrous activities, an application shall be filed to the Inland Revenue Department along with evidence within thirty days of such event for deduction of tax paid on such goods.

(2) While examining the application received pursuant to Sub-rule (1), if the Tax Officer finds occurrence of such loss or damage, they may allow deduction of tax paid for such goods.

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<sup>►</sup> Amended by thirteenth amendment.

<sup>◊</sup> Amended by twenty first amendment.

<sup>►</sup> Amended by thirteenth amendment.

<sup>β</sup> Amended by seventh amendment.

<sup>◆</sup> Amended by eleventh amendment.

However, in case of insured goods, the taxpayer may itself deduct tax to the extent of the amount received as compensation.

40. **Other provisions regarding tax deduction:** (1) In case the goods of which tax has been deducted are in stock, such goods are to be shown or allowed to be counted if the Tax Officer desires to see or count such goods. While seeing or counting such goods, if the Tax Officer finds that such goods are not being used in taxable transactions or where such goods are required to be kept in stock, they are not kept in stock, such goods shall be deemed to have been sold at the prevailing market value.

(2) The concerned Tax Officer may order the concerned taxpayer to pay the tax payable on the goods sold pursuant to Sub-rule (1). Such tax amount shall be paid together with the tax return of the month prescribed by the Tax Officer.

Provided that, if the Tax Officer is of the opinion that such tax may not be collected if it is not collected immediately then the Tax Officer may require such taxpayer to pay the tax immediately.

(3) If a taxpayer has carried out transactions of both taxable goods or services and tax-exempt goods or services, such taxpayer shall be allowed to deduct only the tax paid on purchases or imports directly related to the taxable goods or services.

(4) In case a taxpayer carrying out the transactions of both taxable and tax-exempt goods or services fails to establish the direct relationship of the purchased or imported goods with the sale of taxable goods or services pursuant to Sub-rule (3), such taxpayer may deduct the amount of tax paid on their purchases or imports by calculating the proportion of value of taxable transaction out of the total sale value.

(5) If the Tax Officer feels that while calculating tax pursuant to Sub-rule (4), it cannot be calculated proportionally, the Tax Officer may seek direction from the Department to calculate it through another alternative method.

41. **Goods or services in respect of which tax may not be deducted:** (1) For the purpose of Section 17 of the Act, tax deduction shall not be allowed for the following goods or services:

(a) Beverages,



- (b) Alcohol or alcoholic beverages such as liquor, beer,
- ◊(c) Petroleum products (Petrol, diesel and LP Gas),
- (d) Entertainment expenses.

(2) Tax deduction shall be allowed on the following goods in the following proportion:

- (a) ₹.....
- (b) On automobiles, 40 percent of cost price.
- (c) ₹.....

*Explanation: For the purpose of Clause (b), the term 'automobiles' means any motor vehicle with three or more wheels used on a road for carriage of passengers.*

(3) If a registered person carries on a business of supplying goods or services referred to in Sub-rules (1) or (2) as their principle business, it shall not prevent such taxpayers to deduct tax according to the procedures set forth in these Rules.

42. **Provisions regarding deduction of sales tax:** Only the sales tax paid on the following goods left in stock before the commencement of this Act shall be allowed to be deducted:

- (a) On goods bought by a taxpayer for resale,
- (b) On goods and services partially produced or ancillary goods for the business,
- (c) On raw materials, auxiliary raw materials, and packing materials.

∇43. **Application to be filed:** (1) A Taxpayer shall file an application for tax deduction to the Tax Officer in the format set forth in Schedule -16 within fifteen days of being registered.

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◊ Amended by twenty first amendment.

■ Removed by fifth amendment.

∇ Amended by eighteenth amendment.

(2) The application filed pursuant to Sub-rule (1) shall be accompanied by following documents:

- (a) Details of goods in stock during the time of registration, if any
- (b) Details of tax invoices and declaration forms up to one year before the registration, if any
- (c) Other necessary evidences.

(3) If the claim made pursuant to Sub-rule (1) is approved by the Tax Officer, the concerned taxpayer may deduct tax pursuant to Sub-rule (4) of Rule 39.

(4) If the tax claimed to be deducted under Sub-rule (1) is found to have been already deducted previously, the Tax Officer may take action against such taxpayer as per the Act and these Rules.

44. **Provision relating to tax deductions in respect of used goods:** For the purpose of Sub-section (5) of Section 17 of the Act, tax paid on the purchase of used goods from an unregistered person and even if from a registered person, tax paid on the goods referred to in Section 17 of the Act, and including those brought for personal use, shall not be allowed to be deducted.

45. **Provision regarding tax refund:** (1) <sup>9</sup>While refunding the amount of tax for the purpose of Sub-sections (3) and (4) of Section 24, Section 25, Section 25C1 or Section 25C2 of the Act, the Tax Officer shall immediately examine the evidences produced by the taxpayer for the refund of tax and refund the tax within +sixty days in case of refund pursuant to Sub-section (3) of Section 24 or Section 25C1, and 30 days, in case of refund pursuant to Sub-section (4) of Section 24, Section 25 or Section 25C2, from the date of submission of refund claimed.

(2) If it is deemed necessary to reexamine the evidences so received <sup>9</sup>pursuant to Sub-section (3) of Section 24 or Section 25 or Section 25C1 or Section 25C2, it shall be done without delay and the refund shall be provided within 15 days. If the amount to be refunded exceeds Twenty Thousand Rupees, the refund shall be made by depositing in their bank account.

<sup>9</sup> Added by twenty second amendment

+ Amended by twenty first amendment.

<sup>9</sup> Amended by twenty second amendment

<sup>+</sup>(2A) For the purpose of tax refunds to the diplomatic entity and diplomats under Clause (a) and (a1) of Sub-section (1) of Section 25, tax paid for goods or services purchased from firms or companies (refund shops) listed by the Department shall be refunded within three days according to the procedure prescribed by the Department.

<sup>10</sup>(3) While making a claim for tax refund by an unregistered person for the purpose of Sub-section (1) of Section 25, they may file an application to the Department in the format set forth in Schedules -17 for refund pursuant to Clause (a) and (a1), in the format set forth in Schedule 17A for refund pursuant to Clause (a2), in the format set forth in Schedule-18 for refund pursuant to Clauses (b) and (c) and in the format set forth in Schedule 18A for refund pursuant to Section 25C2.

46. **Not to be refunded:** <sup>⊗</sup> The copies of the orders of decisions, judgement, memos or other documents to be obtained as per the Act and these Rules shall not be provided in cases where an application is filed for three years after the expiry of the accounting period.
- <sup>⊕</sup>47. **Rate of interest:** For the purpose of Sub-section (5) of Section 24 of the Act, the rate of interest to be paid by the Government of Nepal shall be fifteen percent per annum. Such interest amount shall be calculated only after sixty days from the date of the application for refund pursuant to Sub-sections (3) and (4) of Section 24 of the Act.

## Chapter 9

### **Provisions on imports and exports**

48. **Tax on imports** : (1) <sup>β</sup>Goods or services to be imported in \*..... Nepal shall be subject to tax at the rate levied on <sup>β</sup>goods or services supplied within Nepal.

(2) While determining the value of imported goods or services for the purpose of assessing the tax on such goods or services, it shall be determined as per the procedure set forth in Sub-section (5) and (6) of Section 12 of the Act.

<sup>10</sup> Amended by twenty second amendment

<sup>⊗</sup> Removed by eighth amendment.

<sup>⊕</sup> Amended by second amendment.

<sup>β</sup> Amended by seventh amendment.

\* Removed by fourteenth amendment.

(3) In case the value of any imported goods cannot be determined at the time of import, such goods shall be allowed to be imported inside \*.... Nepal only upon obtaining a deposit sufficient to meet all types of taxes or charges payable on such goods. Until the value of goods or services imported is determined, registered person shall not be allowed to deduct tax paid for such goods or services.

(4) In case any goods have been imported by furnishing a deposit, a claim for a tax deduction may be made only within a year from the date of determination of the value.

49. **Provision regarding temporary imports:** (1) In case of goods imported without charging customs duty on the condition that it shall be returned later, permission shall be granted to import such goods upon obtaining a deposit of the tax payable on them on the basis of the estimated value determined by the customs with provision to refund it at the time when the goods are returned.

(2) In case of goods or articles, imported on a temporary basis, and subject to temporary import duty, tax shall be imposed on the import duty itself.

50 **Director General may supervise and manage:** The supervision and management of the tax recovered pursuant to Section 28 of the Act shall be carried out by the Director General<sup>Ⓢ</sup>. The Director General may, if deemed necessary, order the Tax Officer to carry out the following acts and actions, for the purpose of monitoring the imported goods or services:

- (a) To take a sample of the goods or articles imported and ensure that tax has been imposed appropriately and adequately; and return the goods of which sample was taken to the concerned taxpayer within a reasonable time,
- (b) To enter into, inspect, search the site, buildings, godowns, shops etc. connected with the transactions at a reasonable time and make enquiries with the concerned person,
- (c) To take custody of the documents connected with the purchase, sale or imports, obtain copies of them, inspect them, remove them and return

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<sup>Ⓢ</sup> Amended by second amendment.

the removed documents within a reasonable time if the request of the concerned taxpayer is deemed reasonable.

51. **Special provision on amounts received from imports:** (1) For the purpose of Sections 24 and 25 of the Act, the entire tax amount collected at the customs point shall be deposited in the account of the Value Added Tax Fund every day, and the Customs Office shall send statements thereof to the nearest <sup>∇</sup>**Inland Revenue Office** within three days.

(2) The amount remaining in the fund referred to in Sub-rule (1), after refunding the amount ordered by the Department, shall be deposited in the prescribed revenue account every day.

(3) The procedures, for the operation of the fund, opening of bank account, expenditures out of fund and depositing in the Revenue Account, shall be as prescribed by the Office of the Financial Comptroller General.

## Chapter 10

### **Provision relating to freezing of property, auction sale, and searches**

52. **Provision relating to freezing of property:** <sup>∇</sup>(1) In case the taxpayer fails to pay the tax, fees and interest to be paid under the Act and these Rules within the time-limit set forth in Rule 30, the Tax Officer may freeze the property for recovery of the tax, fees, fines and interest pursuant to Section 21 of the Act.

(2) While <sup>∇</sup>freezing the property of the taxpayer for the purpose of Sub-rule (1), it shall be done as follows:

(a) Write to the concerned office to freeze the movable or immovable property of the taxpayer, to prevent sale, distribution or transfer of right of the property from after issuing the notice until the tax has been deposited.

(b) In case the Tax Officer finds that any property belonging to the taxpayer is being kept with or under the custody of any particular person, the Tax

<sup>∇</sup> Amended by eighteenth amendment.

Officer shall, subject to this Rule, issue an order to the concerned person to freeze such property.

53. **Provision on auction sale:** (1) In case the tax is not recovered even after taking action pursuant to Rule 52, the Tax Officer may recover the tax by auctioning, wholly or partially the property of the taxpayer, in accordance to the following procedures:

- (a) Identify the property to be auctioned and publicly publish notice setting out the property, reason for auction sale, along with the venue and date of such auction sale at least fifteen days before the date of auction sale.
- (b) Conduct the auction sale, with one representative of the <sup>⌘</sup>Rural Municipality or Metropolis/sub-metropolis/Municipality or a representative of the nearest government office of the place where the goods in the auction sale are located as witness and if possible, the taxpayer or their representative also as representative.

(2) All the expenses incurred on the auction sale shall be first deducted from the proceeds of such auction sale pursuant to Sub-rule (1); tax, charges, fines and interest payable by the taxpayer shall then be recovered from the remaining balance; and the surplus, if any, shall be refunded to the taxpayer.

(3) Notwithstanding anything contained in Sub-rules (1) and (2), where the taxpayer, prior to the auction sale of their property, deposits the entire amount including the expenses relating to the auction sale, tax, fees, fines and interest to be paid by him/her, the same shall be recovered and the auction sale shall be stopped.

(4) Notwithstanding anything contained in Rule 52, if the Tax Officer receives information, prior to recovering the tax payable by the taxpayer, that the taxpayer has amounts deposited in their name at a bank or financial institution, and where such amount is recovered, the remaining actions of the auction sale shall be stopped.

(5) In case of partial recovery, the amount for expenses relating to auction sale, interest, charges, penalties and tax shall be recovered respectively.

54. **To conduct an auction immediately:** In case the property frozen pursuant to Rule 52 is likely to decay, rot or wear out because of prolonged period of freezing due to petition

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<sup>⌘</sup> Amended by twentieth amendment.

or appeal filed at any court in respect of the freezing of the property, the Tax Officer shall conduct the auction sale of such goods or articles immediately and credit the proceeds thereof; and if the frozen amount is to be refunded to the taxpayer according to a court decision, only the amount obtained from the auction sale shall be refunded to them. The taxpayer shall not be entitled to claim for the return of the goods or articles.

55. **Search procedures:** (1) In case it becomes necessary to conduct searches pursuant to Clause (b) of Sub-section (2) of Section 23 of the Act, the following procedures shall be followed:

- (a) Where there are reasonable grounds to believe that any documents or goods, related to the matter for which the searches are to be conducted, are likely to be found in any house or in any other place, and there is a possibility that such goods or articles may not be found if such house or place is not searched immediately, or it is necessary to be searched immediately, then the Tax Officer may carry out or cause to carry out the search of such a house or a place himself/herself or by deputing an employee.
- (b) The person conducting the search shall notify those who are living in house or place to be searched under Clause (a) or owner or custodian of such house or place that the house or the place is being searched along with the reason for the searches; and such person shall upon receipt of such notice allow the person conducting the search to enter in such house or place.
- (c) In case the person living in or owner or custodian of the house or the place to be searched under Clause (b) does not allow the person conducting the search to enter in such house or place, the person conducting the search shall give notice and reasonable time for the females in the house or place to leave, and may enter and search therein by opening or breaking any window, doors or fastener as required.
- (d) While conducting the search under Clause (c), the search shall be conducted in witness of at least one member of the concerned <sup>⌘</sup>Rural

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<sup>⌘</sup> Amended by twentieth amendment.

Municipality, Metropolis/Sub-metropolis or Municipality or two local people, or house owner or their one representative or any one person.

- (e) If no person is found or refuses to be a witness pursuant to Clause (d) the procedure under Clause (c) shall be deemed to have been fulfilled upon taking signature of the person conducting the search, along with a remark indicating the same.
- (f) If the body of any person is to be searched while conducting a search under this Rule, such search may also be conducted and if the person to be searched is a woman, such search shall be conducted by a woman.
- (g) The details of the goods or items or documents obtained while conducting the search under this Rule shall be prepared and submitted to the Department within three days.

## Chapter 11

### Miscellaneous

- ~56. **Purchase to be done from a registered person:** If the Government of Nepal or constitutional bodies or state or central government or any public entity or corporate entity within a state or local body purchases taxable goods or services, inside Nepal, exceeding twenty thousand rupees at a single time, such goods or services shall only be purchased from a registered person.
57. **Regarding diplomatic privileges:** For the purpose of Clause (a) of Sub-section (1) of Section 25 of the Act, a person enjoying diplomatic privileges shall file an application, along with the recommendation given by the Ministry of Foreign Affairs, to the Department for the refund of tax amount.
58. **Free assistance and information:** The Government of Nepal shall provide the following assistance and information free of cost:
- (a) Information regarding the process to be followed for the purpose of tax,

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~ Amended by nineteenth amendment.



- (b) Publications related to taxpayer's education.

<sup>11</sup>⌘58A. ....

59. **Pleadings on matters concerning value added tax:** Pleading of any case concerning tax shall be done by the government attorney.
60. **Format of identity card:** The format of the tax officer identity card shall be as set forth in Schedule 21.
61. **Issue manual:** The Government of Nepal, Ministry of Finance may formulate and issue necessary manuals in order to implement the Act and Rules.
62. **Alterations and changes in the Schedules:** The <sup>12</sup>Ministry of Finance may by publishing notification in the Nepal Gazette effect necessary alterations or changes in the Schedules.
63. **Repeal and saving:** (1) The following Rules are hereby repealed:
- (a) The Entertainment Tax Rules, 2018 (1961).
  - (b) The Sales Tax Rules, 2024 (1967).
  - (c) The Contract Tax Rules, 2024 (1967).
- (2) Acts done or actions taken under the Rules mentioned in Sub-rule (1) shall be deemed to have been done or taken under these Rules.

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⌘ Repealed by twenty first amendment.

<sup>11</sup> Amended by twenty second amendment

Note: 1) Words modified by Some Nepal Laws Amendment Act, 2063: -

“Government of Nepal” in case of “His Majesty Government”.

- 2) Words modified by Value Added Tax (Nineteenth Amendment) Rule, 2074: -  
“Inland Revenue Department” in case of “Value Added Tax Office”.

Schedule- 1  
Related to Sub-rule (1) and (2) of Rule 3  
Government of Nepal  
Inland Revenue Department  
Application for Business Permanent Account Number (B-PAN)

Part A: For Natural Person

Inland Revenue Office/Taxpayers' Service Office,  
.....

Income	<input type="text"/>	1.	2.	Value Added Tax	<input type="text"/>	3.
Tax						

Please fill the \* marked part, only if applicable to you.

1. Details regarding Individual Form

(a) Serial Number of the Firm

(b) Name of the Firm

Nepali	<input type="text"/>	6.
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7.

English (Capital Letters)	8.
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(c) Details regarding registration

Registration Number

Registration Date

Year

Month

Day

Entity and Place

<input type="text"/>	<input type="text"/>	<input type="text"/>
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(d) Transaction Commencement Date

Year

Month

Date

<input type="text"/>	<input type="text"/>	<input type="text"/>
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(e) Is this a new transaction or has been transferred from someone?

New

Has been transferred

Please state the details from who the firm has been transferred

Permanent Account number of the taxpayer who has transferred

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Transfer Date

Year

Month

Date

<input type="text"/>	<input type="text"/>	<input type="text"/>
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(f) Address of the Firm

Correspondence Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax number		

Please add pages if further information is to be included.

(g) Address of the Godown

Correspondence Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		

Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax number		

If the godown has been rented\*

	First	Middle	Surname
1. Name and Surname of House Owner	<input type="text"/>	<input type="text"/>	<input type="text"/>

2. Permanent Account Number	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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4. Mobile Number

3. Telephone Number	<input type="text"/>
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5. Email	<input type="text"/>
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Please add pages if further information is to be included.

House Number/Block Number		
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Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax number		

If stays in rent\*

	First	Middle	Surname
1. Name and Surname of House Owner	<input type="text"/>	<input type="text"/>	<input type="text"/>

2. Permanent Account Number

4. Mobile Number

3. Telephone Number

5. Email

Please add pages if further information is to be included.

	For the purpose of Office (SITC)			

**3. Estimate and Details of Transaction**

	Transaction of Last Fiscal Year	Estimate of Current Fiscal Year
Total transaction amount		
VAT applicable transaction amount		
VAT exempted transaction amount		

**4. Introduction of Proprietor**

(a) Name and surname of the person

First

Middle

Surname

Nepali			
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English( <b>Capital Letters</b> )			
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(b) Date of Birth

Year	Month	Day

(c) Sex

Male	Female	Other

(d) Nationality

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(e) Identification document

1. Type of document	2. Identification card number	3. Issuing office and place	4. Issuing date

(f) Address

Permanent Address

Current Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		



House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax Number		

(g) Details of the family member of proprietor

S. N	Relation	Name, Surname	Permanent Account No.	Occupation	Identification Card No.	Issuing Office and Place
	Husband/Wife					
	Father					
	Mother					
	Grandfather					

5. Contact Person(Only if different from proprietor)

(a) Name, Surname of person

First

Middle

Surname

Nepali			
English(Capital Letters)			

(b) Position

(c) Occupation

(d) Permanent Account No.

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(e) Identification Document

1. Type of document	2. Identification card number	3. Issuing office and place	4. Issuing date

(f) Address

Permanent Address

Current Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		



(g) Identification Documents

1. Type of document	2. Identification card number	3. Issuing office and place	4. Issuing date

(h) Address

Permanent Address

Current Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax Number		

If any of the above details are changed, changes shall be informed and updated at concerned I.R.O. or Taxpayers' Service Office within 15 days of such changes.



1.	Provided P.A.N.																			
2.	Date of permanent account number being effective	Year	Month	Date																
3.	Date of VAT registration being effective	Year	Month	Date																
4.	Period to file VAT return	Monthly	Bimonthly	Compulsory Registration	Voluntary Registration															
5.	(USER ID) of tax officer who grants approval																			
6.	Name, Surname of tax officer who grants approval	First	Middle	Surname																
7.	Signature																			
8.	Date	Year	Month	Day																
9.	Name of the Office																			

**Part B: For Entity**

Inland Revenue Office/Taxpayers' Service Office,

.....

Income Tax  38.

Value Added Tax

Please fill the \* marked part, if applicable to you.

**1. Details regarding Applicant( Entity)**

(a) Name of the Applicant(Entity)

Nepali	40.
English ( <b>Capital Letters</b> )	41.

(b) Details regarding registration

Registration Number	Registration Date	Year	Month	Day	Entity and Place
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

(c) Transaction Commencement Date

Year	Month	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>

2. Address of the Transaction Place

Correspondence Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax number		

If stays in rent\*

First

Middle

Surname

1. Name and Surname of House Owner

--	--	--

2. Permanent Account Number

--	--	--	--	--	--	--	--	--	--

4. Mobile Number



3. Telephone Number

5. Email

Address of the Godown

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax number		

If the godown has been rented\*

1. Name and Surname of House Owner

First

Middle

Surname

--	--	--

2. Permanent Account Number

--	--	--	--	--	--	--	--	--	--

4. Mobile Number

3. Telephone Number

--

5. Email

--

Address of the Godown

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax number		

If stays in rent\*

	First	Middle	Surname
1. Name and Surname of House Owner	<input type="text"/>	<input type="text"/>	<input type="text"/>
2. Permanent Account Number	<input type="text"/>	4. Mobile Number	<input type="text"/>
3. Telephone Number	<input type="text"/>	5. Email	<input type="text"/>

3. Address of the Main/Contact Office (If different than Transaction Place )

Correspondence Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		

Post Box Number		
Email/Website		
Fax number		

If stays in rent\*

	First	Middle	Surname
1. Name and Surname of House Owner			

2. Permanent Account Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

4. Mobile Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

3. Telephone Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

5. Email

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

4. Business Detail				
	For the purpose of Office (SITC)			

5. Type of Business Institution

Pvt. Ltd.	<input type="checkbox"/>	Partnership Firm	<input type="checkbox"/>	Public C.	<input type="checkbox"/>	Cooperative	<input type="checkbox"/>
Charitable Institution	<input type="checkbox"/>	Educational Institution	<input type="checkbox"/>	Hospital	<input type="checkbox"/>	Other	<input type="checkbox"/>

6. Details of Members of Board of Director, Management Committee, Working Committee and Partners

S. No	Name, Surname of Board of Director	P.A.N.

Details of Partners

S. No	Name, Surname of Partner	P.A.N.
-------	--------------------------	--------

7. Estimate and Details of Transaction

	Transaction of Last Fiscal Year	Estimate of Current Fiscal Year
Total transaction amount (export included)		
VAT applicable transaction amount (export included)		
VAT exempted transaction amount (export included)		

8. Managing Director and Chief Executive Officer

(a) Name, Surname

First

Middle

Surname

Nepali			
English ( <b>Capital Letters</b> )			

(b) Position

(c) Appointment Date

Year

Month

Date

--	--	--

(d) Mobile

(e) Nationality

(f) Email

(g) Identification Documents

1. Type of document	2. Identification card number	3. Issuing office and place	4. Issuing date

(h) Address

Permanent Address

Current Address

	Permanent Address	Current Address
District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax Number		

9. Value Added Tax Registration

(a) VAT Contact person (Please include if different than the person included in No. 8 above)

(b) Name of the Person                      First                      Middle                      Surname

Nepali			
English ( <b>Capital Letter</b> )			

Year      Month      Date

(c) Appointment Date

--	--	--

(d) Position

--

(e) Phone No/Mobile No.

--

(f) Email

--

(g) Nationality

--

(h) Identification documents

1. Type of document	2. Identification card number	3. Issuing office and place	4. Issuing date

(i) Address



Permanent Address

Current Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/ Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax Number		

If any of the above-mentioned details are changed, changes shall be informed and updated at concerned I.R.O. and Taxpayers' Service Office within 15 days of such changes.

Details included in the application form and document presented are correct and truth, and shall bear the consequences as per the prevailing law if there is any difference.

First Middle Surname

Year Month Date

Name Surname of the Applicant

--	--	--

Application Date

--	--	--

Position

--

Stamp of Company

Signature of the Applicant

--

--

For Office Purpose (Should not be filled by applicant)

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11.

Detail Investigation and Approval:

1.	Provided P.A.N														Joint Venture Application No.	
2.	Date of permanent account number being effective	Year			Month			Date								
3.	Date of VAT registration being effective	Year			Month			Date			<b>Compulsory Registration</b>			<b>Voluntary Registration</b>		
4.	Period to file VAT return	Monthly			Bimonthly			In every 4 months								
5.	(USER ID) of tax officer who grants approval															
6.	Name, Surname of tax officer who grants approval	First			Middle			Surname								
7.	Signature															
8.	Date	Year			Month			Day								
9.	Name of the Office															

Inland Revenue Office/Taxpayers' Service Office,

Income Tax

32.

33.

Value Added Tax

34.

Please fill the \* marked part, if applicable to you.

1. Details regarding Applicant( Entity)

(a) Name of the Applicant(Entity)

Nepali	35. <input type="text"/>
English ( <b>Capital Letters</b> )	36. <input type="text"/>

(b) Details regarding registration

Registration Number	Registration Date	Year	Month	Day	Entity and Place
<input type="text"/>		<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

(c) Transaction Commencement Date

Year	Month	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>

(d) Transaction End or Completion Date

Year

Month

Date

--	--	--

2. Address of the Transaction Place

Correspondence Address

District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax number		

If stays in rent\*

First

Middle

Surname

---

4. Name and Surname of House Owner

5. Permanent Account Number

4. Mobile Number

6. Telephone Number

5. Email

**3. Type of Business Institution**

JV  Temporary

**If Joint Venture**

Details of the affiliated firm in the joint venture (main partner shall be included in S.N. 1)

S. No	Details of Partner	P.A.N	JV Ratio	Phone No.

Business Director/ Contact Person's

(a) Name, Surname

First

Middle

Surname

Nepali			
English( <b>Capital Letters</b> )			

(b) Position

(c) Appointment Date

Year

Month

Date

--

--	--	--

(d) Phone No and Mobile No

--

(e) Nationality

--

(f) Email

--

(g) Identification Documents

1. Type of document	2. Identification card number	3. Issuing office and place	4. Issuing date

(h) Address

Permanent Address

Current Address

	Permanent Address	Current Address
District		
Metropolitan city/ Sub-metropolitan city/ Municipality/ Rural Municipality		
Ward Number		
Tole/Street		
House Number/Block Number		
Telephone Number		
Mobile Number		
Post Box Number		
Email/Website		
Fax Number		

If any of the above-mentioned details are changed, changes shall be informed and updated at concerned I.R.O. and Taxpayers' Service Office within 15 days of such changes.

Details included in the application form and document presented are correct and truth, and shall bear the consequences as per the prevailing law if there is any difference.

First Middle Surname

Year Month Date



Name Surname of the Applicant

--	--	--

Application Date

--	--	--

Position

--

Stamp of Company

Signature of the Applicant

--

--

For Office Purpose (Should not be filled by applicant)

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Examination of Details and Approval:

1.	Provided P.A.N.										Joint Venture Application No.
2.	Date of permanent account number being effective	Year			Month			Date			
3.	Date of VAT registration being effective	Year			Month			Date			
4.	Period to file VAT return	Monthly			Bimonthly			In every 4 months			
5.	(USER ID) of tax officer who grants approval										
6.	Name, Surname of tax officer who grants approval	First			Middle			Surname			
7.	Signature										
8.	Date	Year			Month			Day			
9.	Name of the Office										

Schedule-2<sup>¶</sup>

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विभाग

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<sup>¶</sup> Removed by fifth amendment.

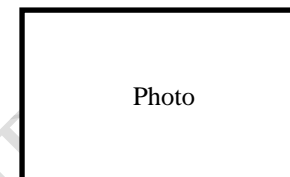
⇒ Schedule-3

(Related to Rule 5)

Government of Nepal

Ministry of Finance

Inland Revenue Department



Certificate of Permanent Account Number (PAN)

PAN

Inland Revenue Office									

Inland Revenue Office

Date


V.A.T Registration Date

Date      Month      Year

Name of the Taxpayer

Name of the Transaction

Type of Taxpayer

Address

Transactions of business

\_\_\_\_\_  
Signature of Taxpayer

\_\_\_\_\_  
Signature of Tax Officer

Additional Transactions

	Name of Transaction	Address	Commencement Date	Signature of Tax Officer
1				
2				
3				

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Schedule- 4

(Related to Sub-rule (1) of Rule 11)

Government of Nepal

Ministry of Finance

Inland Revenue Department

Both side of the Application Form has to be filled

Part 1 To be filled by new taxpayer

I/We have taken in our control the following ongoing business on the following date.

Date:

From whom:

(Name of the existing owner)

I/We have enclosed the value added tax assessment form -1 along with this. Has already been submitted.

I/We would do the following if the application is accepted:

- I/We file our first Value Added Tax Return to the Office along with the entire value added tax to be paid for the entire tax

Part 2 To be filled by existing taxpayer

I/We have handed over the control of the following ongoing business on the following date.

Date:

To whom:

(Name of the new owner)

I/We do not have the liability to remain registered after the given date.

I/We shall not be competent to be registered. I/We shall revoke our request for registration on our own will.

I/We declare the following if the application is accepted:

- The new owner shall have the right to claim any amount paid by us or that could have been claimed by us before the transfer of the registration number.
- If we have any right on the amount paid by the value added tax

period as indicated in the value added tax return.

- I/We shall file any return required to be submitted but not submitted by the existing owner.
- I/We consent to pay any amount of value added tax, not paid by the existing owner prior to the transfer of business, for the imports, stock and property.
- I/We confirm that any returns submitted in the name of the old owner after the transfer for any period shall be deemed as being submitted by us.
- Prior to issuance of registration number by the value added tax office, if my/our any right arises on any amount because of the amount paid to the old owner, I/we agree that we have fulfilled such rights.

Signature \_\_\_\_\_

(Owner/Partner/Director/Company Secretary, Administrator)

Date: \_\_\_\_\_

office to the new owner, that right is completed.

- Along with the valued added tax I/We have with us the stock and property of the following value.

Rs. \_\_\_\_\_

We may be contacted in the following address after the date of transfer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature \_\_\_\_\_

(Owner/Partner/Director/Company Secretary, Administrator)

Date: \_\_\_\_\_

Schedule- 5  
(Related to Rule 17)  
Format of Tax Invoice

Invoice Number:

Taxpayer Registration Number of the Seller:

Date of Transaction:

Date of Issuance of Invoice:

Name of Seller:

Address:

Name of Buyer:

Address:

Taxpayer's Registration Number of Buyer:

Mode of Payment: Cash/Cheque/Credit/Other:

S.No.	Detail	Quantity	Price per unit (Rs)	Total Price (Rs)
			..... Discount Rate	
			Taxable Amount	
			Tax Rate .....	
			Total	



<sup>0</sup> Schedule- 5A  
(Related to Rule 17)  
Format of Tax Invoice

Name and Address of Insurer (Company):

Invoice Number:

PAN number of Insurer:

--	--	--	--	--	--	--	--	--	--

Tax Invoice

Name of Insured:

Address:

PAN number of Insured:

--	--	--	--	--	--	--	--	--	--

Date of Issuance of Invoice:

Processed by:

Detail		Amount (Rs)
Insurance Policy Number:	Cover note number:	
<i>Sampusti</i> Number:	Insurance Fees	
Insured Amount Rs:	Terrorist act, strife and destruction:	
Period      From      To	Transfer Fee	
	Ticket Fee	
	Total Taxable amount	
	VAT Rate %	
	Total:	

For: Name of Company  
Authorized Signatory

<sup>0</sup> Amended by eighth amendment.

⌘ Schedule- 5B

(Related Sub-rule (1A) of Rule 17)

Format of Tax Invoice

Invoice No.:

Name of Seller:

Address:

Phone No:

Fax No.:

Taxpayer's Registration Number (PAN) of the Seller:

--	--	--	--	--	--	--	--	--	--

Name of Buyer:

Address:

Taxpayer's Registration Number of Buyer (PAN) (if registered in tax):

Mode of Payment: Cash/Cheque/Credit.

Date of Transaction:

Date of Issuance of Invoice:

Email:

Website:

S.N.	Details	Quantity	Final Consumer Price per Unit	Total Amount
		Total Amount		
		VAT Rate ....		
		Discount		
		Net Amount		

.....  
Seller's Signature

Schedule – 6  
(Related to Rule 18)  
Format of Abbreviated Tax Invoice

Invoice Number:

Date:

Seller's Name:

Address:

Taxpayer's Registration Number:

--	--	--	--	--	--	--	--

Tax Rate (%):

S.N.	Details	Quantity	Price per Unit	Total Price
			Discount	
			Total Price	

Note: This invoice shall not be issued for sell of goods or services exceeding <sup>13</sup>Rupees Ten Thousand.

.....  
Seller's signature  
Name and address

<sup>13</sup> Amended by twenty second amendment

Schedule – 7  
Related to Clause (b) of Sub-rule (1) of Rule 23

Value Added Tax Account

Purchase/Import					Sales/Export				
Date	Details	Purchase or Import Price	Tax Rate	Tax Amount	Date	Details	Selling or Export Price	Tax Rate	Tax Amount
30.									

*This account has to be maintained every month and be kept with oneself.*

► Schedule – 8  
Related to Clause (6) of Sub-rule (1) of Rule 23

Purchase Book

Taxpayer's Registration Number: 

--	--	--	--	--	--	--	--	--

Purchase Period: Month ..... Year .....

Invoice				Total Purchase Price	Tax exempted purchase price	Taxable Purchase		Taxable Import		Capitalized Taxable Purchase/Import and tax	
Date	Invoice No.	Supplier's number	Supplier's Number			Price	Tax (Rs.)	Price	Tax (Rs)	Price	Tax (Rs)

► Amended by thirteenth amendment.

Schedule – 9  
(Related to Clause (6) of Sub-rule (1) of Rule 23)

Sales Book

Taxpayer's Registration Number:

--	--	--	--	--	--	--	--	--

Sales Period: Month ..... Year .....

Invoice				Total Sales	Tax exempted Sales	Zero Rated Sales (Export)	Taxable Purchase	
Date	Invoice No.	Buyer	Buyer's Registration Number				Price	Tax (Rs.)
Total								

√Schedule – 10

(Related to Sub-rule (1) of Rule 26)

Government of Nepal

Ministry of Finance

Inland Revenue Department

Value Added Tax Return Form

Tax Period:

Insert tick (√) in related period.

Year:

Monthly	Shrawan	Bhadra	Ashwin	Kartik	Mangsir	Poush	Magh	Falgun	Chaitra	Baisakh	Jestha	Ashad
Bi-Monthly	Shrawan, Bhadra		Ashwin, Kartik		Mangsir, Poush		Magh, Falgun		Chaitra, Baisakh		Jestha, Ashad	
Quarterly	Shrawan to Kartik				Mangsir to Falgun				Chaitra to Ashad			

Taxpayer Registration Number:

--	--	--	--	--	--	--	--	--	--

Name:

Address:

Telephone Number:

Mobile Number:

If no transaction has been carried out during this period, fill zero in the following table. If the amount is less than Rs. 1, adjust such paisa as Rs. 1 and fill the return.

√ Changed by the notice published in Nepal Gazette on 09 November 2016 (2073/07/24).

		Transaction Value	Tax Credit paid on Purchase
1. Sales			
1.1.	Taxable Sales		
1.2.	Export		
1.3.	Exempted Sales		
2. Purchase/Import			
2.1.	Taxable Purchase		
2.2.	Taxable Import		
2.3	Exempted Purchase		
2.4	Exempted Import		
3. Other			
3.1.	Other Changes		
4. Total			

5. Debit Credit (+ or -)

6. Credit to be adjusted from last month (+ or -)

7. Total Tax payable (Rs.) (5-6) (+ or -)

8. Amount requested for Tax Refund

9. Reason for Tax Refund (Tick (✓) in any of the following)

Not adjusted regardless of adjustment for six months  Regular Importer Other

10. Total Payment (Rs)  Voucher No.

11. Details of Documents used during tax period:



Number of Total Purchase Invoice

Number of Credit Note

Number of Debit Note

Number of Credit Advice

Number of Debit Advice

Sales Invoice

Total Number


I confirm that the information in this tax return is true and complete.

User ID


Full Name

Signature

Position

Date

Telephone No.

Mobile No.

Year

Month

Day


31.

32.

USER ID of Employee entering details:

Name, Surname

Signature

Position


USER ID of Verifying officer:

Name, Surname

Signature

Position


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## Schedule – 11

(Related to Rule 12)

Government of Nepal

Ministry of Finance

Inland Revenue Department

Value Added Tax Return Form

(To be filled at the time of closing the taxable transaction or transaction)

Year ... Month ...	1	2	3	4	5	6	7	8	9	10	11	12
Quarterly	First	Second	Third	Please put the mark $\surd$ in the concerned month.								

Taxpayer's Registration Number:

--	--	--	--	--	--	--	--	--	--	--	--	--

Name: \_\_\_\_\_

Address: \_\_\_\_\_

If no transaction took place in the period, insert zero in the following table and sign the return. If the amount is less than Rs. 1, adjust such paisa as Rs. 1 and fill the return.

	Transaction Value	Tax paid on purchase (Credit)	Tax collected on sales (Debit)
1. Sales			
1.1. Taxable Sales			
1.2. Export			
1.3. Exempted Sales			
2. Purchase/Import			
2.1. Taxable Purchase			
2.2. Taxable Import			

<sup>8</sup> Changed after publication of notice in Nepal Gazette on 16 July 2000 (2057/04/01).

2.3. Exempted Purchase			
2.4. Exempted Import			
3. Other			
3.1. Other Changes			
3.2. Stock for which Tax Deduction has already been claimed			
4. Total			

5. Debit/Credit (+ or -).....
6. Amount remaining to be adjusted from last month .....
7. Total tax payable Rs (5-6) (+ or -).....
8. Amount of Tax Refund claimed .....

I ..... (full name) certify that the details in this tax return is true and complete.

Signature: .....

Date:.....

Position: .....

For Office's Purpose Only

Computer Registration: \_\_\_\_\_

Date: \_\_\_\_\_

Officer

➤ Schedule-12

(Related to Sub-rule (1) of Rule 29)

Government of Nepal

Ministry of Finance

Inland Revenue Department

Initial Tax Assessment Order

Part (A)

To .....

Date:.....

1) Taxpayer's Name: \_\_\_\_\_

2) Taxpayer's Address: \_\_\_\_\_

3) Taxpayer's Registration Number:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

4) Tax Assessment Period: .....

5) Tax assessment is related to Section ... of the Act and Rule ... of the Rules.

If there is any substantial evidence that the following tax amount Rs. .... (In words ..... ) is not to be paid or to be amended, please submit the same to the tax officer within fifteen days of receiving this letter. Else deposit the amount in..... Bank located at ..... or in cash such that it is deposited in the Nepal Government's Consolidated Fund within fifteen days of receiving this order.

Grounds for tax assessment:

1. Failure to file tax return within the time limit.
  2. Filing incomplete or erroneous tax return.
  3. Filing false tax return.
  4. Other.....
- 6) The interest and fine until the date ..... has been calculated.

.....  
Tax Officer

Tax Period

S.N.	Monthly/ Quarterly	Tax Period	Year	Amount of Tax Assessment	Fine	Additional Fees	Interest	Total
1.								
2.								
3.								
4.								
5.								
Total:				1.		3.	4.	

Note: If there is a negative number, please mention the amount in the box.

For Office's Purpose only

Computer Registration:

Date:

\_\_\_\_\_  
Officer

PART (B)

Final Tax Assessment Order

To .....

Date:.....

1) Taxpayer's Name: \_\_\_\_\_

2) Taxpayer's Address: \_\_\_\_\_  
\_\_\_\_\_

3) Taxpayer's Registration Number: 

--	--	--	--	--	--	--	--	--	--

4) Tax Assessment Period: .....

5) Tax assessment is related to Section ... of the Act and Rule ... of the Rules.

Upon evaluating your response, evidence and documents submitted by you, only the following tax amount of Rs ..... (In words.....) is to be paid. Please deposit the amount in..... Bank located at ..... or in cash such that it is deposited in the Nepal Government's Consolidated Fund within fifteen days of receiving this order. Kindly be notified that you will be imposed with fine, additional fees and interest, in case of failure to pay the tax within fifteen days of issuance of this order. You may appeal as per the law in case of dissatisfaction on this order.

Grounds for tax assessment:

1. Failure to file tax return within the time limit.
  2. Filing incomplete or erroneous tax return.
  3. Filing false tax return
  4. Other.....
- 6) The interest and fine until the date ..... has been calculated.

.....

Tax Officer



Tax Period

S.N.	Monthly/ Quarterly	Tax Period	Year	Amount of Tax Assessment	Fine	Additional Fees	Interest	Total
1.								
2.								
3.								
4.								
5.								
Total:				6.		8.	9.	

Note: If there is a negative number, please mention the amount in the box.

For Office's Purpose only

Computer Registration:

Date:

\_\_\_\_\_  
Officer

Part (C)  
Special Order

To .....

Order Issuance Date:.....

- 1) Taxpayer's Name: \_\_\_\_\_
- 2) Taxpayer's Address: \_\_\_\_\_

- 3) Taxpayer's Registration Number:

--	--	--	--	--	--	--	--	--	--

- 4) Period for which fine has been determined: .....
- 5) Determination of fine is related to Section ... of the Act and Rule ... of the Rules.

Grounds for imposing fine

---



---



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- 6) Fine Amount: .....

Please deposit the fine amount of Rs ..... (In words.....only) at ..... Bank located at ..... or in cash such that it is deposited in the Nepal Government's Consolidated Fund within fifteen days of receiving this order. You may appeal as per the law in case of dissatisfaction on this order.

-----  
Tax  
Officer

**For Office's Purpose only**

Computer Registration: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Officer

Part (D)  
**Notice for Appeal**

Date:

Appeal registration no: .....

Office Code...Year...Serial

To .....

Value Added Tax Office,

.....

We would like to request for the suspension of the following amount since we have registered our appeal before the Director General at the Revenue Tribunal.

Taxpayer's Name: .....

Taxpayer's Address: .....

.....

VAT Registration Number: 

--	--	--	--	--	--	--	--

Revenue Tribunal / VAT Department Registration Number: .....

Order No. ....

Order Date: .....

Tax Period

S.N.	Monthly/ Quarterly	Period	Year	Appeal	Appealed Amount
1.					
2.					
3.					
4.					
5.					
Total:					

-----

Tax  
Officer

**For Office's Use only**

Computer Registration:

Date:

\_\_\_\_\_  
Signature of Officer

Part (E)

Notice for Termination of Appeal

Date:

Appeal registration no. ....

Office Code...Year...Serial

Name of Taxpayer

Address of Taxpayer

VAT Registration Number: 

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Revenue Tribunal / VAT Department Registration Number: .....

Order No. .... Order Date: .....

Tax Period

S.N.	Monthly/ Quarterly	Period	Year	Appealed Amount	Amount determined on the Order
1.					
2.					
3.					
4.					
5.					
Total:				11.	12.

-----  
Tax Officer

**For Office's Purpose only**



Computer Registration:

Date:

\_\_\_\_\_  
Signature of Officer

Schedule 13

(Related to Sub-rule (1) of Rule 36)

Application for Exemption of Fees in Extraordinary Circumstances beyond Control

VAT Registration Number: 

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To Tax Officer,  
Value Added Tax Office,  
.....

I have submitted this application within the time limit as per Sub-section (4) of Section 19 of the Value Added Tax Act and the Value Added Tax Rules 1996 (2053) since I have been facing an extraordinary circumstance beyond my control.

- 1) I am required to observe the funeral rites due to the death of my .....  
(relation) Mr./Ms. .... on .....
- 2) I, ..... delivered my child.
- 3) My ..... (relationship) Mr./Ms. ...., the taxpayer died/is  
mentally unsound / disappeared .....
- 4) Unable to come due to blockage of road because of flood / landslide / snow /  
..... other natural reasons
- 5) Complete shutdown of transportation services due to .....

Time limitation for filing of application:

- 1) Within seven days, in case of Section 1, 3 or 4.
- 2) Within thirty-five days, in case of Section 2.
- 3) The next day, in case of Section.

Signature of Applicant:

Date:

☛ Schedule – 14

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☛ Schedule – 15

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☛ Removed after publication of notice in Nepal Gazette on 16 July 2000 (2057/04/01)  
☛ Removed after publication of notice in Nepal Gazette on 16 July 2000 (2057/04/01)

Schedule-16  
(Related to Sub-rule (1) of Rule 43)  
Government of Nepal  
Ministry of Finance  
Inland Revenue Department

Tax Deduction Form

Date of Receipt of Application:

Taxpayer's Registration Number:

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(Application to claim the refund / deduction of value added tax of taxable goods in stock and sales tax of stock on the date of registration)

To Tax Officer,

Value Added Tax Office, .....

Name of Business: .....

Address:

House No. .

Ward No.

Toll

Metropolitan/ Sub metropolitan/

Municipality /Rural Municipality

District

Telephone

Fax

Telex

Email

P.O. Box

- 1) I have only included stock remaining from the purchases/ imports made one year before the date of registration in Value Added Tax.
- 2) I have included following documents.
  - a. Custom declaration form, copy of cash receipt and invoice.
  - b. Invoice purchased from the person registered as seller for the purpose of sales tax.
  - c. Tax invoice of purchase made with taxpayer registered for the purpose of value added tax.
- 3) Details of goods in stock (include other page if necessary):

S.N.	Detail of goods	Quantity	Rate	Price	Sales tax paid	Invoice Number	Declaration form number	Remarks
	Total							

4) Sales tax to be refunded or deducted as per the most recent monthly details. (Evidence are included)

I ....., (NAME) hereby submit this claim for tax deduction of Rs ..... (.....in words) ..... for Value added tax paid in taxable goods and sales tax paid on stock of taxable goods placed at ..... (PLACE) till the date of ..... (date of Registration). The details set forth herein are true and correct.

_____ Claimant's Authority	_____ Relationship with Transaction	_____ Date
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For office's purpose only

Date.....

Value Added Tax Office .....,

Value Added Tax/ Sales Tax approved for the deduction of tax on the basis of evidences: NRs.....     <div style="text-align: center;">           -----            Inspection Officer         </div>	To be accepted after inspection     <div style="text-align: center;">           -----            Tax officer            Date:         </div>
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<sup>14</sup>Schedule – 17

(Related to Sub-rule (3) of Rule 45)

Format of Application for claim of tax refund paid by Diplomatic Agency/ Diplomats

Inland Revenue Department/ Inland Revenue Office

.....

1. The following goods ..... are purchased by diplomatic agency/ diplomats. Please refund the amount mentioned in clause 3 as per Section 25(1)(a)/(a1) of Value Added Tax Act, 2052.
2. Time period for which tax return is claimed.....to.....
3. Purchase Details:

S. No.	Permanent Account Number of Seller	Name of Seller	Invoice Number	Invoice Date	Goods or Services Purchased	Taxable Purchase (Rs.)	Tax Exempted Purchase (Rs.)	Value Added Tax (Rs.)
	Total							

I verify that above mentioned goods and services are purchased by or supplied to the diplomatic agency/diplomats ..... and Rs..... (In Words) .....is requested to be refunded to the signatory/..... It is agreed upon that payment to be made to the signatory/ ..... will be according to the Section 25(1) (a)/(a1) of Value Added Tax Act 2052 (1996).

Signature:

Name of Applicant:

Position

Name and Stamp of Diplomatic Agency: :

Country of Applicant/Name of Agency:

Passport Number of Applicant:

<sup>14</sup> Changed after publication of notice in Nepal Gazette on 28 May 2020 (2077/02/15).

For Office's Purpose Only

Amount of tax refunded Rs.

Decision Maker

Bank Account No.

Payment Month ..... Year

Cheque Date:

Decision date:

Bank issuing the cheque:

Signature of Tax Officer:

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<sup>15</sup>Schedule 17A  
(Related to Sub-rule (3) of Rule 45)

**Format of Application for refund of Tax paid by United Nations/Organization/Specialized Agency**

Inland Revenue Department/Inland Revenue Office  
.....

1. The following goods are purchased by ..... entity/organization/agency. Please refund the amount mentioned in clause 3 as per Section 25(1) (a2) of Value Added Tax Act, 2052.
2. Time period for which tax return is claimed.....to.....
3. Purchase Details:

S. No.	Permanent Account Number of Seller	Name of Seller	Invoice Number	Invoice Date	Goods or Services Purchased	Taxable Purchase (Rs.)	Tax Exempted Purchase (Rs.)	Value Added Tax (Rs.)
	Total							

I verify that ..... Entity/organization/agency is United Nation Organization and specialized agency of thereof, and above mentioned goods and services are purchased by entity/organization/agency and Rs..... (In Words) .....is requested to be refunded to the signatory/..... It is agreed upon that payment to be made to the signatory ..... will be according to the Section 25(1) /(a2) of Value Added Tax Act 2052 (1996).

---

Name and Stamp of Organization: \_\_\_\_\_

Signature: \_\_\_\_\_  
Name of Applicant: \_\_\_\_\_  
Position: \_\_\_\_\_  
Date: \_\_\_\_\_

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<sup>15</sup> Added by twenty second amendment, publication of notice in Nepal Gazette on 28 May 2020 (2077/02/15)

For Office's Purpose Only

Amount of tax refunded Rs.

Decision Maker

Bank Account No.

Payment Month ..... Year

Cheque Date:

Decision date:

Bank issuing the cheque:

Signature of Tax Officer:

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<sup>१</sup>Schedule – 18  
Related to Rule 45(3)  
Government of Nepal  
Ministry of Finance  
Inland Revenue Department  
Tax Refund Form

(For projects operated under or by multilateral/ bilateral agreement/ foreign organization institutions)

1. Time period for which refund is claimed .....to .....
2. Organization Details
  - a) Name of Organization/Project
  - b) Address
  - c) Objective of organization/aid/loan only if necessary
  - d) Agreement Date only if necessary
  - e) Agreement Termination Date
  - f) Total price of purchased goods total amount to be received as per agreement
  - g) Date of having obtained the approval from Ministry of Finance only if necessary
  - h) Copy of agreement is attached
  - l) Aid/Loan No. only if necessary
3. Contractor
  - a) Contractor name/ manager name/ address:
  - b) Contract No.
  - c) Contract starts from:
  - d) Contract ends on:
  - e) Taxpayer Registration Number 

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(copy of terms and conditions with the contractor shall be attested)
4. Name of buyer of goods:
5. Supplier's Name:

<sup>१</sup> Changed after publication of notice in Nepal Gazette on 16 July 2000 (2057/04/01).

6. Details of Goods and Service

Purchased goods and service	Taxpayer Registration number	Invoice number	Invoice Amount	Amount of VAT Paid

Additional pages may be used as required.

7. The section in the contract from which the VAT is to be refunded.

9. If the Value Added Tax has been refunded in the purchased goods prior to filling of this form

S. No.	Name of entity	Name of goods	Quantity	Price

The said details are true and correct. The approval of the Value Added Tax Office is to be taken prior to transferring the goods to other person or giving it to them for use.

Name of the Contractor  
filing the details

Name of the verifying person on behalf of the  
Project

Signature:

33.

Signature

Name and address of the Office

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**For office's purpose only**

Amount of Tax Refund

Date of Cheque:

Decision maker:

Date of Decision:

Bank Account no.

Cheque issuing bank:

Payment month...Year

Signature of Tax officer

<sup>16</sup>Schedule 18A  
(Related to Sub-rule (3) of Rule 45)

**Format of Application for refund of Tax paid by Pharmaceutical Industry**

Inland Revenue Department/Inland Revenue Office

1. Time period for which tax return is claimed.....to.....
2. Purchase Details:

S. No.	Name of the Seller	Permanent Account Number of Seller	Invoice Date	Invoice Number	Goods or Services Purchased	Taxable Purchase (Rs.)	Tax Exempt Purchase (Rs.)	Value Added Tax (Rs.)	Raw materials/Auxiliary Raw Materials/Packaging Materials
		Total							

Above mentioned goods have been purchased by ..... Pharmaceutical Industry (Permanent Account Number ..... ) and it is hereby requested to refund the tax paid of amount Rs. .... (In amount ..... ) as per Section 25C2 of Value Added Tax Act, 2052 (1996).

---

Name and Stamp of Industry: \_\_\_\_\_

Signature: \_\_\_\_\_  
Name of Applicant: \_\_\_\_\_  
Position: \_\_\_\_\_  
Date: \_\_\_\_\_

-----  
For Office's Purpose Only

Amount of tax refunded Rs. \_\_\_\_\_

Decision Maker \_\_\_\_\_

Bank Account No. \_\_\_\_\_

Payment Month ..... Year \_\_\_\_\_

Cheque Date: \_\_\_\_\_  
Decision date: \_\_\_\_\_  
Bank issuing the cheque: \_\_\_\_\_  
Signature of Tax Officer: \_\_\_\_\_

<sup>16</sup> Added by twenty second amendment, publication of notice in Nepal Gazette on 28 May 2020 (2077/02/15)

☛ Schedule – 19

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☛ Schedule – 20

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☛ Removed after publication of notice in Nepal Gazette on 16 July 2000 (2057/04/01)  
☛ Removed by eighth amendment.



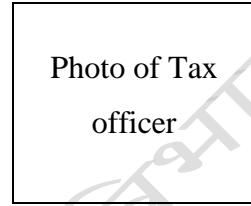
Schedule – 21  
(Related to Rule 60)

Government of Nepal  
Ministry of Finance  
Inland Revenue Department  
Identity Card of Tax Officer

Name:

Position:

Identity Card Number:



.....  
Signature of Director General