

Value Added Tax Act, 2052 (1996)

Note: Provisions highlighted in green reflect the amendments for FY 2083/84 (Finance Act, 2083). Omissions are also indicated in green.

An Act made to provide for the levy and collection of value added tax

Preamble: Whereas, it is expedient to systematize the process of levying and collecting value added tax on all transactions including the sale, distribution, transfer, import or export of goods or services, in order to make effective the process of collecting the revenue required for the economic development of the country and to increase revenue mobilization.

1. **Short title and commencement:** (1) This Act may be cited as the "Value Added Tax Act, 2052 (1996)".

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

2. **Definitions:** In this Act, unless the subject or the context otherwise requires,-

(a) "Tax" means the value added tax to be levied pursuant to this Act.

(b) "Transaction" means the act of supplying any goods or services.

(c) "Taxable Transaction" means the transaction referred to in Sub-section (1) of Section 5.

(d) "Taxable Value" means the value to be determined pursuant to Section 12 and Section 12A in relation to any goods or services.

(e) "Goods" means property of both movable and immovable kinds.

(f) "Services" means anything other than goods.

(f1)

(g) "Supply" means the act of selling, exchanging or transferring any goods or services, with or without consideration, or the act of granting permission therefor or of leasing under a contract.

(h) "Consideration" means anything received as the price of goods or services upon the supply of such goods or services.

(h1)

(i) "Import" means the act of importing any goods or services into Nepal in accordance with the prevailing law.

(j) "Export" means the act of exporting any goods or services outside Nepal, or to export houses or special economic zones, in accordance with the prevailing law.

(k) "Market Value" means the value determined pursuant to Section 13.

(k1) "Electronic Medium" means a medium such as a computer, internet, e-mail, fax, electronic cash register or fiscal printer, and this term also includes electronic payment mediums and other mediums of a similar nature as prescribed by the Department.

(k2) "Electronic Services" means the following services, which require information technology as an essential means of provision to the user and which are provided automatically through the internet with minimal human intervention:-

(a) Services of free personal promotion,

(b) Targeted online advertising services,

Explanation: For the purposes of this clause, "targeted online advertising" means any form of commercial digital communication that is targeted, through a digital interface (an electronic platform, website, application or other medium of a similar nature), for the promotion of any product, service or brand, by using information

generated or collected from the interactions of users with the digital interface (whether directly or indirectly), or expressions in any form of ideas or concepts.

- (c) Services of music, television, songs, over the top (O.T.T.) and other similar subscription-based services,
- (d) Services relating to data warehousing,
- (e) Cloud services,
- (f) Gaming services,
- (g) Services relating to mobile applications,
- (h) Services relating to internet marketplaces (online market places) and services made available through them,
- (i) Supply and updating of software,
- (j) Download services for data, images and the like,
- (k) Consultancy, skill development and training services,
- (l) Other services of a similar nature in addition to those in clauses (a) to (j).

(l) "Person" means a natural person, firm, company, association, institution, partnership institution, co-operative, joint venture, trust or fund, and this term also includes a government body, religious organization, charitable institution or other similar entity, and their branches or sub-branches, which is involved in a taxable transaction with or without the objective of making profit.

(m) "Registered Person" means a person registered to carry out transactions pursuant to Section 10, 10A, 10B and 10B1.

(m1) "Non-resident Person" means a person outside Nepal who does not have a permanent place of transaction in Nepal and does not have a business representative or a legally recognized representative in Nepal.

(n) "Registration Number" means the registration number provided pursuant to Section 10, 10A, 10B and 10B1.

(o) "Supplier" means a person who supplies any goods or services.

(p) "Recipient" means a person who receives any goods or services.

(q) "Taxpayer" means a person involved in a taxable transaction pursuant to this Act or a person who has the liability to pay tax.

(q1) "Tax Period" means the period in respect of which a taxpayer is required to submit a tax return pursuant to Section 18.

(r) "Department" means the Inland Revenue Department.

(s) "Director General" means the Director General of the Department.

(t) "Tax Officer" means a Tax Officer, Chief Tax Officer or Chief Tax Administrator appointed by the Government of Nepal, and this term also includes a Section Officer, Director or Deputy Director General of the Department, or any other officer designated by the Government of Nepal so as to exercise the powers of a Tax Officer under this Act.

(u) "Prescribed" or "as prescribed" means prescribed or as prescribed in the Rules framed under this Act.

3. **Tax Officer may be appointed or designated:** For the purposes of this Act, the Government of Nepal may appoint Tax Officers in such numbers as required, and the Government of Nepal may also, if it deems necessary, designate any other officer of the Government of Nepal to act as a Tax Officer.

4. **Jurisdiction of Tax Officer:** (1) The jurisdiction of a Tax Officer shall be as determined by the Ministry of Finance.

(2) The Director General may designate a Tax Officer to supervise and inspect the transactions of taxpayers, and to determine the tax liability of taxpayers, of areas other than his or her own jurisdiction.

5. **Value Added Tax to be levied:** (1) Except as otherwise provided in this Act, value added tax shall be levied on the following transactions:-

- (a) On goods or services supplied within Nepal,
- (b) On goods or services imported into Nepal,
- (c) On goods or services exported outside Nepal,

(2) The tax shall be levied on the Taxable Value of each transaction.

(3) Notwithstanding anything contained in Sub-section (1), no tax shall be levied on the transaction of goods or services listed in Schedule-1. In addition, the tax previously paid on the purchase of such goods or services shall not be allowed to be deducted pursuant to Section 17 or refunded pursuant to Section 24.

- 5A. **Tax not to be levied on transfer of ownership of transaction:** (1) Notwithstanding anything contained elsewhere in this Act, where a registered person sells a transaction carried on by him or her to any other registered person, or where a transaction is transferred in the name of an heir upon the death of the registered person, no tax shall be levied on such transfer of ownership. In the case of such sale or transfer of a transaction, the registered person or the person to whom the transaction is transferred shall give notice thereof to the Department as prescribed.

(2) Notwithstanding anything contained in Sub-section (1), where an industry or business which is required to be registered, or is registered, under law is transferred, the person acquiring the ownership shall bear the liability for tax in accordance with law.

(3) Subject to Sub-section (2), the person acquiring the ownership shall bear the responsibility of safely keeping the accounts, ledgers and books of account of the transaction of such industry or business for the period prescribed under this Act (prior to the transfer).

- 5B. **Power to order registration:** Where the Tax Officer considers it appropriate to believe that a person required to be registered is carrying out a transaction without being registered, he or she may order such person to get registered.

Provided that, a person who claims that he or she is not required to be registered because the transactions carried out are only up to the amount prescribed pursuant to Section 9 shall furnish evidence thereof within thirty days of the date of receiving the order to get registered.

6. **Place and time of supply:** (1) For the purposes of assessing and recovering tax pursuant to this Act, the determination of whether the supply of any goods or services has been made within or outside Nepal shall be as prescribed.

(2) For the purposes of assessing and recovering tax pursuant to this Act, the supply of any goods or services shall be deemed to have been made at whichever of the following times occurs first:-

- (a) At the time at which the supplier issues the invoice,
- (b) In the case of supply of goods, at the time at which the recipient picks up or receives the goods from the place of transaction of the supplier,
- (c) In the case of supply of services, at the time at which the service is rendered,
- (d) At the time at which the supplier receives the consideration for the goods or services.

(3) Notwithstanding anything contained in Sub-section (2), in the following circumstances the following times shall be deemed to be the time of supply:-

- (a) In the case of telecommunication services or other similar public services supplied continuously, the time at which the invoice is issued,
- (b) Where, under a contract, the price of any goods or services is to be paid in part on more than one day in instalments, the earlier of the time at which payment is made or the day specified in the contract as the day on which payment is to be made,
- (c) In the case of goods or services used in such a manner that the tax deduction facility is not available under this Act, the time at which such goods or services are used.

(4) Where more than one of the circumstances referred to in Sub-section (2) may apply simultaneously in relation to the time of supply of any transaction, the time of supply of such transaction shall be determined as decided by the Director General on an objective basis.

7. **Rate of tax:** (1) The rate of tax to be levied pursuant to this Act shall be a single rate of thirteen percent.

(1A) Notwithstanding anything contained in Sub-section (1), the Government of Nepal may, by publishing a notice in the Nepal Gazette, fix a tax rate different from that in Sub-section (1) and specify the goods and services subject to such rate, and the rate so specified shall apply to the supply of those goods and services.

(1B) Notwithstanding anything contained in Sub-sections (1) and (1A), a person who, while operating a ride-sharing service, provides transport or delivery services to persons through a platform operated by a ride-sharing service operator (ride-sharing operator), and a person who provides electrical service to the final consumer, shall assess and recover tax at the rate of five percent of the Taxable Value in accordance with this Act and the Rules framed under this Act.

(2) Notwithstanding anything contained in Sub-section (1) or (1A), tax shall be levied at the zero rate on the transaction of goods or services listed in Schedule-2.

8. **Assessment and recovery of tax:** (1) A registered person shall assess and recover tax on the Taxable Value in accordance with this Act and the Rules framed under this Act.

(2) A registered or unregistered person who receives services from a person outside Nepal shall assess and recover tax on the Taxable Value, in accordance with this Act and the Rules framed under this Act, at the time of payment or at the time of receipt of the services, whichever occurs earlier.

(2A) A registered or unregistered person who hires a means of transport from, or obtains transport services from, an unregistered person shall assess and recover tax on the Taxable Value, in accordance with this Act and the Rules framed under this Act, at the time of payment or at the time of receipt of the services, whichever occurs earlier.

(2B) A ride-sharing service operator (ride-sharing operator) who operates a platform providing transport or delivery services to persons shall assess and recover tax on the Taxable Value in accordance with this Act and the Rules framed under this Act.

(3) Even though a building, apartment, shopping complex or other similar structure specified by the Department, of more than fifty lakh rupees, to be constructed for business purposes has been constructed through an unregistered person, the tax shall be deposited as if such construction had been carried out through a registered person. If the tax is not so deposited, the tax shall be assessed and recovered from the person owning such structure.

Explanation: For the purposes of this Sub-section, "business purpose" means the act of constructing and selling a building, apartment, shopping complex or other similar structure specified by the Department, or of accounting for such structure as a current or fixed asset and using it for earning income.

- 8A. **Provision relating to bank guarantee:** (1) An industry that exports more than forty percent of its total sales of the last twelve months of its operation may import raw materials required to produce goods in the quantity to be exported, and goods to be imported for a duty free shop through a bonded warehouse, by furnishing a bank guarantee for the amount of tax leviable thereon to the concerned customs office.

Provided that, in order for an exporter, other than a duty free shop importing through a bonded warehouse, to obtain such facility, there must be a value addition of ten percent when finished goods are made from raw materials and exported.

(2) Liquor and cigarettes imported through a bonded warehouse after obtaining the facility pursuant to Sub-section (1) shall be sold only to persons or bodies enjoying diplomatic and customs facilities as recommended by the Government of Nepal, Ministry of Foreign Affairs.

(3) The bank guarantee furnished pursuant to Sub-section (1) shall be released by the concerned customs office in accordance with the procedure specified by the Department.

9. **Exemption to small business persons:** Notwithstanding anything contained elsewhere in this Act, an exemption may be granted, as prescribed, to small business persons carrying out taxable transactions of an annual amount up to the prescribed amount, such that they are not required to register, to submit returns or to complete other procedures.

Provided that, a small business person, other than a taxpayer who submits a pre-estimated income return pursuant to Sub-section (4) of Section 4 of the Income Tax Act, 2058 and who carries out transactions of goods or services on which value added tax is leviable, who voluntarily wishes to register his or her transaction may be registered by completing the procedures under Sections 10, 10A and 10B.

10. Registration: (1) A person who wishes to engage in any transaction shall, before commencing the transaction, submit an application to the Tax Officer in the format prescribed for registration of the transaction.

(2) Where tax is leviable on goods or services in which a person has carried out transactions, such person shall, within thirty days of the date on which the tax became leviable or the date on which the transaction commenced, submit an application to the Tax Officer in the format prescribed for registration of such transaction.

(3) Notwithstanding anything contained in Sub-sections (1) and (2), a person who carries out transactions only of goods or services exempt from tax listed in Schedule-1 shall not be required to register.

(4) The Tax Officer shall register every person who submits an application in due form pursuant to Sub-section (1) or (2), and provide a certificate of registration bearing the registration number, in the prescribed format, within the prescribed time limit.

(5) A registered person shall display the certificate of registration at the principal place of carrying out his or her transaction in such a manner that it is visible to all, and where there is more than one place of transaction, shall also display, at places other than the principal place, a certificate of registration certified by the Tax Officer in such a manner that it is visible to all.

(6) A registered person shall also use his or her registration number in respect of all transactions relating to value added tax, excise duty and customs, and other transactions as prescribed.

(7) Where there is any change in the details mentioned in the application submitted for registration pursuant to Sub-section (1) or (2), the registered person shall give information thereof to the Tax Officer within fifteen days of such change.

10A. Special provision relating to temporary registration: (1) In the case of exhibitions, fairs and other similar transactions organized temporarily, the organizer, and any entrepreneur who is not registered under value added tax and who carries out transactions of taxable goods or services in such event, shall, before the commencement of the transaction, be temporarily registered under value added tax as prescribed.

(2) An entrepreneur registered under value added tax pursuant to Sub-section (1) may take away, through stock transfer, the goods to be kept in that event.

(3) A taxpayer registered only for the event referred to in Sub-section (1) shall, within seven days after the completion of the exhibition or fair organized, submit the details of transactions, pay all the tax leviable, and deregister the temporary registration.

10B. Special provision relating to registration of joint venture: (1) Where two or more persons establish a joint venture to carry out taxable transactions for a certain period,

an application for temporary registration of such joint venture shall be submitted to the Tax Officer of any one of the offices in which such persons are registered.

(2) Upon receipt of an application pursuant to Sub-section (1), the Tax Officer shall provide a certificate of registration in the prescribed format.

(3) A joint venture registered pursuant to Sub-section (1) shall deregister its registration upon expiry of the period prescribed in the agreement entered into when establishing such joint venture.

(4) The persons involved in a joint venture shall be jointly or severally liable for the purpose of paying the tax liability of the joint venture in which they are involved.

10B1. Provision relating to registration of non-resident persons: (1) Notwithstanding anything contained elsewhere in this Act, a non-resident person who, in the past twelve months, carries out in Nepal transactions of electronic services or offline air transport services on which tax of more than thirty lakh rupees is leviable shall be registered under value added tax.

(2) The procedure for registration of a non-resident person pursuant to Sub-section (1) shall be as determined by the Department.

(3) Where the transactions of a non-resident person registered pursuant to Sub-section (1) are closed or such person ceases to carry out transactions, the registration shall be deregistered in accordance with the procedure determined by the Department.

10C. Special provision relating to updating of registration records: A person registered under this Act shall update the registration related information and records as specified by the Department in the biometric registration system of the Department

11. Cancellation of registration: (1) The Tax Officer shall cancel the registration of a registered person in any of the following circumstances:-

- (a) In the case of a body corporate, if such body corporate is closed down, sold or transferred, or if the existence of such body corporate does not otherwise continue,
- (b) In the case of individual ownership, if the person so owning dies,
- (c) In the case of a partnership institution, if such partnership institution is dissolved or a partner dies,
- (d) If the registered person ceases to carry out taxable transactions,
- (e) If the taxpayer has been filing a zero return, or has not filed a return at all, for twelve consecutive months,
- (f) If the taxpayer's taxable transactions in the past twelve months have not reached fifty lakh rupees in the case of goods, and thirty lakh rupees in the case of mixed transactions of goods and services and in the case of services,
- (g) If registered by mistake.

(2) Notwithstanding anything contained in Clause (f) of Sub-section (1), where a taxpayer voluntarily registered pursuant to Section 9 who wishes to maintain his or her registration submits an application in the prescribed format together with the final return of the past twelve months, the registration of such taxpayer shall remain in force.

(3) Within fifteen days of submission of the tax return for cancellation of registration, the taxpayer shall submit documents for tax audit, and the Tax Officer shall conduct a tax audit of such taxpayer and, within three months, cancel the registration or, if the registration is not to be cancelled, give information thereof to the taxpayer. If the Tax Officer does not cancel the registration within such period or does not decide that the registration is to be cancelled, the taxpayer shall not be required to submit tax returns for the period after such period.

(4) Out of the goods in respect of which the tax credit facility has previously been taken, the stock remaining at the time of cancellation of registration, including capital goods, shall be deemed to have been supplied at the market value, and the tax shall be assessed and recovered accordingly.

Explanation: For the purposes of this Sub-section, "capital goods" means any property or any part of property, and property that is used in taxable transactions.

(5) Where any act or liability required to be performed or borne under this Act remains outstanding by reason of anything done or not done at the time of carrying out a transaction of taxable goods or services, the taxpayer shall not be exempted from such liability on the cancellation of the registration of such taxpayer.

(6) Other procedures relating to cancellation of registration shall be as prescribed.

12. Taxable Value: (1) Except as otherwise provided in this Act, where money alone is the consideration, the price taken by the supplier from the recipient shall be the Taxable Value.

(2) The following amounts shall also be included in the Taxable Value:-

- (a) The amount of expenses relating to transportation and distribution borne by the supplier in connection with the transaction, and the amount of profit,
- (b) Excise duty, royalty and other tax amounts, other than the tax under this Act.

Explanation: For the purposes of this clause, "other tax amounts" means customs duty, fees or other charges leviable as prescribed by the annual Financial Act.

(3) The amount of discount, commission or other similar trade rebate given on the price upon the supply of goods or services shall not be included in the Taxable Value.

(4) The Taxable Value of goods or services exchanged under an exchange of goods shall be equal to the market value of the goods or services so exchanged.

(5) Except as otherwise provided in this Act, in determining the Taxable Value of imported goods, the Taxable Value shall be determined by adding to the customs value, including transportation, insurance, and commission of agents and other persons, the import duty, the countervailing duty and any other tax leviable on import, excluding value added tax.

(6) Where the price of any goods or services is found to be much lower than the prevailing market value, the Taxable Value of such goods or services shall be equal to the market value.

(7) The Taxable Value of goods or services supplied for partial consideration shall be equal to the market value.

(8) A deposit amount kept in respect of any goods or services shall not be deemed to be the Taxable Value until the supplier sets off such amount as consideration for such goods or services as prescribed.

- 12A. Taxable Value on transaction of timber:** (1) In respect of timber of national forest, tax shall be levied and recovered on the royalty amount or the auction amount of such timber, whichever is higher, at the time of auction, release letter (chhodpurji) or receipt of a sawing order (chiran aadesh), whichever occurs earlier.

(2) Where timber of private cultivated land, private forest or community forest is sold for business purposes, tax shall be levied in the same manner as for timber of national forest, as provided in Sub-section (1), even though royalty is not chargeable.

- 13. Market value:** (1) The market value of goods or services supplied on any day shall be determined taking into account the consideration receivable for goods or services of a similar kind independently supplied between unrelated persons.

(2) For the purposes of this Section, the procedure for determining the market value shall be as prescribed.

(3) Where the market value of any goods or services cannot be determined pursuant to Sub-sections (1) and (2), the market value of such goods or services shall be determined in accordance with the procedure specified by the Director General.

- 14. Invoices to be issued:** (1) Every registered person shall issue an invoice to the recipient upon supplying any goods or services, except in the circumstances prescribed.

.....

(2) The format of an invoice shall be as prescribed.

(3) It shall be the duty of the recipient to obtain an invoice.

(4) A person transporting taxable goods worth more than ten thousand rupees outside the area specified by the Department shall carry a tax invoice with him or her.

(5) The Department may, by publishing a notice or by giving a written order, specify that any person so specified shall make public the retail sale price of any specified goods for the period specified in such notice or order. After receipt of such notice or order, no goods shall be sold or transferred without making public the retail sale price.

(6) A provision shall be made requiring a person specified pursuant to Sub-section (5), when selling such goods to an unregistered person, to issue an invoice in the prescribed format at the price made public and also to recover the tax at the consumer level.

Provided that, any person not specified pursuant to Sub-section (5) may also voluntarily issue an invoice pursuant to this Sub-section.

- 14A. Electronic invoice:** (1) The Department may set standards and procedures and make necessary arrangements regarding who may issue invoices through electronic medium.

(2) Notwithstanding anything contained in Sub-section (1), the Department may, by publishing a notice, order the taxpayers specified in such notice to compulsorily issue invoices through an electronic medium and to affiliate such electronic medium with the

Central Billing Monitoring System (CBMS) of the Department, or to use the billing system made available by the Department to issue electronic invoices through an electronic medium.

(3) The Department shall prepare and implement a procedure regarding the security and reliability of the software or device used to issue invoices through an electronic medium.

- 15. Unregistered person not to collect tax:** (1) A person who is not registered shall not issue any invoice or other document showing that tax has been recovered, and shall not collect tax.

(2) Where an unregistered person collects tax, the tax so collected shall be assessed and recovered from such person.

(3) Notwithstanding anything contained in Sub-section (1) or (2), the Government of Nepal, a provincial government, a local level, an international organization, institution or body situated in Nepal, or a public corporation carrying out transactions of goods on which value added tax is not leviable, shall recover tax when selling goods or services on which value added tax is leviable.

- 16. Accounts of transactions to be maintained:** (1) A taxpayer shall maintain up-to-date accounts of his or her transactions for the tax period under Section 18, and shall make such accounts available to the Tax Officer, wherever they may be kept, if the Tax Officer demands them for inspection.

(1A) The Department may have continuous access to the computer database (database) of taxpayers.

(2) The accounts maintained by a taxpayer shall also include the following matters:-

- (a) The date of the transaction,
- (b) The value of each transaction,
- (c) If the other party to the transaction is registered, his or her registration number, and
- (d) Other prescribed matters related to the transaction.

(3) A registered or unregistered person carrying out transactions of taxable goods or services shall, for each fiscal year, use a purchase and sales book certified by himself or herself for the purpose of maintaining accounts. The Tax Officer may inspect such book at any time.

(3A)

(4) A taxpayer shall keep the accounts of transactions safe for the prescribed period.

(5) Accounts maintained by a taxpayer after completing the procedures prescribed by this Act or the Rules framed under this Act shall be recognized unless otherwise proved.

- 16A. Records processed by computer to be admissible as evidence:** (1) Notwithstanding anything contained in the prevailing law, unless otherwise proved, records relating to

taxpayers processed by computers in the Department or in offices under it for tax purposes shall be admissible as evidence.

(2) The Department may, by publishing a notice, make necessary provisions regarding the issuance of invoices, maintenance of accounts, submission of tax returns and making of payments through electronic medium.

- 16B. Deduction of tax paid on goods damaged or destroyed:** Value added tax paid on goods that have suffered loss or damage due to fire, theft, accident, breakage, **natural disaster**, or destructive activities, or whose period of use has expired, may be deducted as prescribed.

- 17. Tax deduction:** (1) A registered person may deduct the amount of tax paid or payable by him or her on the import or receipt of goods or services relating to his or her taxable transactions from the amount of tax collected by him or her.

(2) Notwithstanding anything contained in Sub-section (1), provision may be made that tax deduction shall not be allowed, or shall be allowed only partially, in respect of prescribed goods that may be used for business or personal purposes.

(3) Where the whole of the goods or services transacted in any month is not used in taxable transactions, the tax deduction in respect of tax previously paid on such goods or services shall be allowed, as prescribed, only to the extent that such goods or services are used in taxable transactions.

(4) Where goods or services in respect of which tax deduction facility is provided under this Section cease to be used in taxable transactions before expiry of the prescribed period of utility, such goods or services shall be deemed to have been immediately sold at the market value as prescribed, and the tax shall be assessed and recovered.

(5) Notwithstanding anything contained in Sub-section (1), the tax deduction facility available to a registered person carrying out transactions of used goods shall be as prescribed.

(5A) Subject to Sub-section (2), the concerned taxpayer shall be allowed to deduct the tax paid on capital goods imported or purchased by entering into a loan agreement under a financial lease.

(5B) The tax paid pursuant to Sub-section (2) and (2A) of Section 8, Section 12A and Sub-section (3) of Section 15 shall be allowed to be deducted by the concerned taxpayer.

(6) The tax deduction facility under this Act shall be provided only after the claim is substantiated by the prescribed documents.

(7) The provision for deduction of tax paid or payable on goods remaining in stock at the time of registration and to be used in taxable transactions shall be as prescribed.

(8)

- 18. Tax returns to be filed:** (1) Every taxpayer shall, upon assessing the amount of tax payable by him or her in every month, submit a tax return, as prescribed, to the Tax Officer in person, by registered post or through electronic medium, within twenty-five

days of the end of that month. Such return shall be submitted regardless of whether or not any taxable transaction was carried out in that month.

(1A) Notwithstanding anything contained in Sub-section (1), a taxpayer of a district in which there is no Inland Revenue Office may submit the tax return and the amount of tax payable by him or her to the relevant local level or the Treasury and Accounts Controller Office of the concerned district within the fifteenth day of the month in which he or she is required to submit the tax return. The tax return and the details of the tax payment so received shall be sent to the concerned Inland Revenue Office within seven days.

(1B) The procedure for submitting and forwarding returns pursuant to Section 10B1, Sub-section (1) and Sub-section (1A) shall be as determined by the Department.

(2) Notwithstanding anything contained in Sub-section (1), taxpayers as prescribed may submit a tax return for a period of less than or more than one month.

(3) Where a taxpayer who is required to submit a tax return pursuant to this Section does not submit it until four months have elapsed from the date on which the return was due to be submitted, the Tax Officer may suspend the import or export of such taxpayer.

(4) Where a taxpayer who has submitted a tax return within the time limit wishes to amend such return for any other reason, the taxpayer may amend the return within seven days of the date of submission of such return in accordance with the procedure specified by the Department.

19. Payment of tax: (1) A taxpayer shall pay the tax of each tax period within twenty-five days of the date of end of that period.

(2) Where a taxpayer does not pay the tax payable within the time limit referred to in Sub-section (1), an additional fee shall be levied on the outstanding tax amount at the rate of ten percent per annum.

(3)

(4) Where a taxpayer, showing that he or she could not pay the tax within the time limit due to circumstances beyond his or her control, applies for waiver of the additional fee leviable pursuant to Sub-section (2), and the Director General finds the reason reasonable, the Director General may waive such fee.

(5) In computing the additional fee pursuant to Sub-section (2) and the interest pursuant to Section 26, the liability for the tax amount to be paid shall be counted from the date on which the time limit for paying the tax of the tax period in respect of whose transaction it arose expired.

(6) Where, in assessing the tax of a taxpayer pursuant to Section 20, it is found that the amount of tax refundable to him or her in the relevant tax period exceeds the tax recoverable from him or her, additional fee and interest shall not be recovered in assessing his or her tax for that tax period.

(7) Payment of tax within the time limit referred to in Sub-section (1) may also be made through electronic medium or a bank-guaranteed cheque (good for payment cheque). Where payment is made through electronic medium, the payment shall be deemed to have been made on the date of the payment order, and where payment is

made through a bank-guaranteed cheque (good for payment cheque), on the date of receipt by the office.

(7A) Notwithstanding anything contained in Sub-section (7), payment of tax exceeding ten lakh rupees shall be made by cheque, draft or electronic medium.

(7B) Notwithstanding anything contained in this Section, the procedure for payment of tax by a person registered pursuant to Section 10B1 shall be as determined by the Department.

(8) Interest shall not be recovered on interest, additional fee and fine.

20. Tax Officer may assess tax: (1) The Tax Officer may assess tax in any of the following circumstances:-

- (a) Where the tax return is not submitted within the time limit,
- (b) Where an incomplete or defective tax return is submitted,
- (c) Where a false tax return is submitted,
- (d) Where the Tax Officer has reason to believe that the amount of tax shown is less or is not correct,
- (e) Where the Tax Officer has reason to believe that the supply value has been under-invoiced,
- (f) Where supply is made to a group company by under-invoicing,
- (g) Where a person having the liability to be registered carries out transactions without being registered,
- (h) Where sale is made without issuing an invoice,
- (i) Where an unregistered person collects tax,
- (j) Where tax is not deposited pursuant to Sub-section (2), (2A) or (3) of Section 8,
- (k) Where the circumstance of Sub-section (4) of Section 17 exists.

(2) In assessing tax pursuant to Sub-section (1), tax may be assessed on any or all of the following bases:-

- (a) Evidence of the transaction,
- (b) The tax audit report submitted by the concerned Tax Officer in relation to the transaction,
- (c) The tax paid by other persons engaged in transactions of a similar nature.

(2A)

(3) Notwithstanding anything contained in Sub-section (2), in assessing tax as aforesaid, the burden of proof shall lie on the concerned Tax Officer.

(4) In assessing tax pursuant to Sub-section (1), the tax assessment shall be completed within four years from the date of submission of the tax return. Where the tax assessment cannot be made within such period, the return submitted shall be deemed to have been accepted automatically.

(4A) Notwithstanding anything contained in Sub-section (4), where it is found that a person has evaded tax by preparing false accounts, invoices or other documents, or by forgery, the Department may, at any time, order a re-assessment of tax.

(4B) Notwithstanding anything contained in Sub-section (4), where the tax assessment has been amended, or the assessed tax has been reduced, by the Revenue Tribunal or any other court having jurisdiction, the Tax Officer shall not amend such tax assessment to that extent.

Provided that, where such body orders a re-examination, it shall not be deemed to be an obstruction to assessing tax.

(5) In assessing tax pursuant to this Section, the Tax Officer shall give the concerned person a time limit of fifteen days to submit his or her defence.

21. Recovery of tax: (1) Where a taxpayer does not pay the tax payable within the time limit under this Act, ... the concerned Tax Officer may recover the tax by adopting any or all of the following methods:-

- (a) By deducting from any amount refundable to the taxpayer,
- (b) By seizing the movable and immovable property of the taxpayer,
- (c) By selling at auction, through sealed tender or public bidding, the whole or part of the property of the taxpayer, at one time or in several instalments,
- (d) By causing deduction to be made from the amount of the taxpayer held in banks and other financial institutions,
- (e) By causing deduction to be made from the amount receivable by the taxpayer from the Government of Nepal or any corporate body owned by the Government of Nepal, the provincial government or local levels,
- (f) By claiming from any third person the amount payable by such person to the taxpayer,
- (g) By suspending the import, export and other transactions of the taxpayer,
- (h) By imposing a restriction on leaving Nepal,
- (i) By making public the name of a taxpayer who does not pay the tax payable within the time limit, by publication or broadcast or on the website of the Department.

(2) The Tax Officer shall give information of the action taken pursuant to Sub-section (1) to the Director General within twenty-four hours.

(3) In recovering or refunding tax, an amount of less than one rupee shall not be counted in the accounts.

22. Assessment of tax in a jeopardy situation: Notwithstanding anything contained elsewhere in this Act, where there are grounds to believe that a taxpayer is likely to leave Nepal, or to transfer, remove or conceal his or her property to or from any other person, so that a situation has arisen in which tax cannot be recovered, the Tax Officer may, upon obtaining the approval of the Director General, immediately assess the tax leviable or levied on such taxpayer and recover the tax, or demand a deposit.

22A. Provision against tax evasion plan: Notwithstanding anything contained elsewhere in this Act, where any of the following acts is done with the bad intention of gaining a tax advantage, it shall be deemed to be a tax evasion plan, and the Director General may order the Tax Officer to assess and recover the tax of such taxpayer:-

- (a) Where, by misusing a provision made in this Act, a plan has been made or an act done with the bad intention of evading tax and thereby the tax liability is reduced,
- (b) Where any person or body has done any act with the bad intention of reducing tax liability, or has entered into an agreement for the purpose of doing so.

23. Powers of inspection and audit: (1) Where the Tax Officer has reasonable ground to believe that a taxpayer required to be registered pursuant to this Act has carried out a taxable transaction without being registered, the Tax Officer may conduct an inquiry.

(2) For the purposes of making an inquiry pursuant to Sub-section (1), examining the tax return submitted by a registered person pursuant to Section 18, and assessing tax pursuant to Section 20, the Tax Officer shall have the following powers:-

- (a) To examine goods, places, documents, accounts and records related to the tax liability,
- (b) To search the place of transaction of the taxpayer or other places where there is a likelihood of evidence relating to an act deemed an offence under this Act,
- (c) To require information from any person who prepares any record, book, account or document, or makes entries therein, in the course of performing his or her duty,
- (d) To remove, seize or take elsewhere any document, book or record kept at the place of transaction of the taxpayer or other place related thereto,
- (e) To conduct an audit of the tax at the place where the taxpayer carries out the transaction, at the tax office or at any other suitable place.

(3) Where the Tax Officer requires any person, including banks and financial institutions, to provide information on any matter relating to the transactions of any taxpayer, it shall be the duty of such person to provide such information to the Tax Officer.

23A. Local administration and police to render assistance: In the course of implementing this Act, where the Tax Officer requests assistance from the local administration and police, it shall be the duty of the local administration and police to render such assistance.

23B. This Act to prevail in tax provisions: Notwithstanding anything contained in the prevailing law, except where the annual Financial Act in force from time to time has made provisions, by amending this Act, relating to levying, assessing, increasing, decreasing, exempting or remitting tax, no other Act shall be able to make any amendment or change in, or other tax-related provisions to, the tax provisions under this Act.

23C. Purchasing of under-invoiced goods: (1) Where any person sells any goods by under-invoicing, showing a sale price lower than the prevailing market price, the Tax Officer may, notwithstanding anything contained in the prevailing law, hold the remaining goods of a similar nature in the stock of such person, and purchase or cause to be purchased such goods at the price at which they were sold by under-invoicing.

(2) Where, in purchasing or causing to be purchased goods pursuant to Sub-section (1), such person does not agree to sell the goods, the Tax Officer shall take such goods into his or her possession and shall make payment, calculated on the basis of the price at which the goods were sold by under-invoicing, when such person comes to receive the payment.

(3) Goods purchased or caused to be purchased pursuant to Sub-section (1) or (2) may be sold or caused to be sold at the price and in accordance with the procedure specified by the Director General.

23D. May keep in custody, take in possession or demand security deposit: (1) Where a person, firm, company or institution has carried out transactions by evading tax and, if no action is taken immediately, there appears to be a possibility of the accused absconding or the evidence of the offence disappearing, the Tax Officer may, upon obtaining the approval of the Director General, take or cause to be taken the following actions:-

- (a) To seal the place of transaction,
- (b) To take into possession electronic equipment and the records thereof,
- (c) To prepare a memo of the amount of tax evaded, and demand a cash deposit or a guarantee of property equivalent to the evaded tax from a person believed to have committed the offence,
- (d) To freeze the bank accounts in the name of the taxpayer for up to three months,

Provided that, where the tax assessment process has not been completed, bank accounts may be frozen for an additional period of three months with the approval of the Director General.

- (e) Where a cash deposit is not kept or a guarantee of property is not provided pursuant to Clause (c), to keep in custody for up to a maximum of forty-five days, not exceeding fifteen days at a time.

(2) For the purposes of investigation and inquiry into offences under this Act, the Tax Officer shall have powers equivalent to those of the police in accordance with law.

24. Treatment of deduction exceeding tax liability: (1) Where the amount of tax that a registered person is allowed to deduct pursuant to Section 17 in any month exceeds the amount of tax collected in such month, such excess amount may be adjusted against any amount payable up to that month under this Act.

(2) A registered person may adjust the amount remaining after adjustment pursuant to Sub-section (1) against the amount of tax payable in the next month.

(3) A registered person may submit an application to the Tax Officer, as prescribed, for a lump sum refund of the amount remaining after adjustment for a continuous period of four months pursuant to this Section.

(4) Notwithstanding anything contained in Sub-section (2) or (3), where a registered person who sells goods by exporting more than forty percent of his or her total monthly sales applies for a refund of the amount of tax that he or she is entitled to deduct pursuant to Section 17, by following the procedure previously prescribed under this Section, such person may apply for a lump sum refund of the amount remaining after adjusting against any outstanding amount payable.

(5) Where any application is made pursuant to Sub-section (3) or (4), the Tax Officer shall refund the amount determined to be refundable, and where the amount is not refunded within sixty days of the date of the application in the case of Sub-section (3), or within thirty days in the case of Sub-section (4), interest at the rate prescribed by the Government of Nepal shall also be paid on such amount.

(6) After a registered person has claimed a refund of the amount remaining after adjustment pursuant to Sub-sections (3) and (4), such person shall not be entitled to adjust such amount against the tax collected in the next month.

24A.

25. Tax may be refunded: (1) The following amounts of tax shall be refunded if an application for refund is submitted within three years from the date of the transaction relating thereto:-

- (a) The amount of tax paid within Nepal by a diplomat of a foreign country, or of a regional or international body or institution situated in Nepal, to the extent consumed by such diplomat, if such foreign country has, on the basis of reciprocity, granted the facility of tax exemption to a Nepali diplomat to whom diplomatic recognition has been granted by the Government of Nepal, Ministry of Foreign Affairs, or to a person enjoying diplomatic facilities working in a regional or international body or institution,
- (a1) The amount of tax paid by a body enjoying diplomatic facilities on the recommendation of the Government of Nepal, Ministry of Foreign Affairs, upon purchasing goods or services on which tax is leviable within Nepal,
- (a2) The amount of tax paid by the United Nations, its member organizations and specialized agencies upon purchasing goods or services on which tax is leviable within Nepal in the course of carrying out activities in accordance with their objectives,
- (b) The amount of tax paid by, or paid to, an international institution to which the Government of Nepal, Ministry of Finance, has provided the facility of tax exemption,
- (c) The amount of tax paid in the course of operating a project within Nepal in accordance with a bilateral or multilateral agreement for which tax exemption consent has been obtained from the Government of Nepal, Ministry of Finance,
- (d) The amount of tax recovered by mistake.

(1A) Notwithstanding anything contained in Sub-section (1), tax paid by a diplomatic body or diplomat upon purchasing goods or services on which tax is leviable shall not be refunded on a purchase of less than ten thousand rupees at one time.

(1B) Where a consumer, upon purchasing goods and services determined by the Department by publishing a notice, makes payment of the price of such purchase through electronic medium in accordance with the prevailing law, **ten percent of such payment shall be exempted immediately** as a cash incentive, in accordance with the procedure specified by the Department.

(1C) Where the amount deposited pursuant to Sub-section (6) of Section 31A is found to be in excess after the tax assessment has been amended in the course of implementation of a judgment of a court, the excess amount shall be refunded if the taxpayer so demands.

(2) In refunding the amount of tax pursuant to Clause (d) of Sub-section (1), the refund shall be made only to the person who has borne the actual burden of the tax.

- 25A. Refund of tax paid on purchases by foreign tourists:** Where a foreign tourist returning after visiting Nepal by air route purchases and takes with him or her goods on which tax of more than twenty-five thousand rupees is leviable, the tax paid on such goods shall be refunded in accordance with the procedure specified by the Department. Three percent of the amount so refundable shall be deducted as a service charge.
- 25B. Refund of tax at customs point for re-export:** Where any goods are re-exported, the amount, on the basis of proof of re-export of such goods, out of the deposit amount in respect of value added tax deposited by the concerned person with the customs, shall be refunded to such person by the concerned customs office.
- 25C. Refund of tax for re-export:** Where any goods are re-exported and payment is received in advance in convertible currency, the amount in respect of the value added tax paid by the concerned person on the purchase shall be refunded to such person.
- 25C1. Refund of tax overpaid under contract or agreement:** **Omitted by the Finance Bill, 2083.**
- 25C2. Refund of tax paid by pharmaceutical industries on purchases:** (1) Where a pharmaceutical industry purchases raw materials, auxiliary raw materials and packaging materials required for the production of medicines from a domestic industry, it may submit an application to the Tax Officer for a refund, on a four-monthly basis, of the tax paid on such purchases.
- (2) Where an application is made by any person pursuant to Sub-section (1), the Tax Officer shall refund the amount determined to be refundable within sixty days of the date of the application.
- 25D. No refund of tax:** Notwithstanding anything contained elsewhere in this Act, an amount required to be refunded under this Act shall not be refunded if an application for refund is not submitted within three years from the date of end of the tax period.
- 26. Interest:** (1) Where any amount payable under this Act is not deposited within the time limit, interest shall be levied on the outstanding amount from the date of expiry of such time limit. Such interest shall also be computed in the case where an application is

submitted for administrative review pursuant to Section 31A and for appeal pursuant to Section 32.

(2) For the purposes of Sub-section (1), the rate of interest shall be fifteen percent per annum.

27. To be treated as tax: Any fee, interest and fine leviable under this Act shall be treated as tax leviable under this Act.

28. Provision relating to imports: (1) Except as otherwise specified by the Government of Nepal, Ministry of Finance, the Customs Officer shall recover tax pursuant to this Act on goods to be imported.

(1A) Where goods produced or prepared within Nepal are re-imported, after completion of the export procedures from the customs office or after reaching abroad, because the concerned party refused to take them or for other reasons, and are to be exported within three months of such import, the value added tax leviable at the time of such return may be kept as a deposit and released, and such deposit shall be refunded after such goods are re-exported. The concerned customs office shall provide to the Department the details of the amounts so kept as deposit and refunded.

(2) In respect of goods to be imported, the Customs Officer may exercise the powers under this Act and the prevailing Customs Act for the purpose of recovering tax.

29. Penalties: (1) Where any person commits any of the following offences, the Tax Officer may impose a fine as follows:-

- (a) For violating an order given by the Tax Officer to register pursuant to Section 5B, or Sub-section (1) or (2) of Section 10, or for not being registered pursuant to Sub-section (1) of Section 10A, Sub-section (1) of Section 10B and Sub-section (1) of Section 10B1, twenty thousand rupees on each occasion,
- (b) For violating Sub-section (5) or (6) of Section 10, one thousand rupees on each occasion,
- (b1) For not displaying a tax signboard as provided by this Act or the Rules framed under this Act, or for not displaying a tax signboard at the prescribed place, two thousand rupees on each occasion,
- (b2) For violating Sub-section (7) of Section 10, ten thousand rupees on each occasion,
- (c) For failing to issue an invoice in violation of Sub-section (1) of Section 14, ten thousand rupees on each occasion, and for failing to obtain an invoice, one thousand rupees on each occasion,
- (c1) For violating Sub-section (4) of Section 14, ten thousand rupees on each occasion,
- (d) For violating Section 15, one hundred percent of the tax collected,
- (e) For failing to keep up-to-date accounts of transactions pursuant to Sub-section (1) of Section 16, ten thousand rupees, and for failing to allow inspection of the accounts of transactions, twenty thousand rupees on each occasion,

- (f) For violating Sub-section (2) of Section 16, up to five thousand rupees,
- (g) For violating Sub-section (3) or (4) of Section 16, ten thousand rupees,
- (g1)
- (g2) Where a taxpayer issuing electronic invoices pursuant to Sub-section (1) or (2) of Section 14A is found to have used software capable of deleting or altering data, five lakh rupees, and for failure to comply with the other arrangements mentioned in the same Sub-section, one lakh rupees,
- (g3) Where a person who manufactures, installs or operates software or devices for issuing electronic invoices fails to comply with the procedure issued by the Department pursuant to Section 14A, five lakh rupees,
- (h) For violating the provision of Section 18, 0.05 percent of the tax per day, or one thousand rupees per tax period, whichever is higher,
- (i) For obstructing or opposing action under Section 23, five thousand rupees on each occasion,,
- (j) Where an invoice is found to have been issued by under-invoicing, two thousand rupees for each invoice, or the fine leviable pursuant to Sub-section (2), whichever is higher,

Provided that, the office may, if it considers it necessary, purchase or cause to be purchased, as prescribed, the goods which have been under-invoiced.

- (j1) Where transactions are found to have been carried out without certifying a branch or warehouse, ten thousand rupees on each occasion,
- (k) For violating this Act or the Rules framed under this Act, ten thousand rupees on each occasion.
- (l)
- (m) Fifty thousand rupees on each occasion, for violating the guidelines issued by the Department relating to the internal movement of goods for business purposes,

(1A) Where a person reduces the tax liability by failing to comply with this Act or the Rules framed under this Act, the Tax Officer may, on the basis specified by the Department, impose a fine of up to twenty-five percent of the tax amount.

(1B) Where, upon examining the stock of any taxpayer, goods are found in stock in excess of the quantity stated in the purchase book, the Tax Officer may cause the income from such goods to be recorded, determine the market value of the goods so found in excess, and impose a fine of an amount equal to fifty percent of such value.

(1C) A seller who merely issues an invoice without transferring goods and services may be punished with a fine of fifty percent of the value of the invoice issued, or imprisonment for up to six months, or both.

(1D) Where a person having the liability to be registered carries out transactions without being registered, the Tax Officer may impose on such person a fine of an amount equal to fifty percent of the tax amount.

(1E) Where it is found that a tax refund which was not entitled to be received has been taken by automatic electronic means pursuant to Clauses (a), (a1) and (a2) of Sub-section (1) of Section 25 of the Act, the Tax Officer may impose a fine of twenty-five percent of the tax amount.

(2) Where any person commits any of the following offences, the Tax Officer may punish such person with a fine of one hundred percent of the tax amount, or imprisonment for up to six months, or both:-

- (a) Preparing false accounts, invoices or other documents,
- (b) Evading tax by forgery,
- (c) An unregistered person behaving as if a registered person,
- (d) Selling by under-invoicing,
- (e) Carrying out transactions in violation of Section 30.

(3) An accomplice who knowingly or negligently helps or assists, abets or advises a person who commits any offence mentioned in this Act shall be liable to a fine of fifty percent of the amount of tax underpaid by such person.

29A. Power of Department to order to deposit the amount of fine: (1) Notwithstanding anything contained elsewhere in this Act, where any person admits in writing, before the commencement of the proceedings, having committed one or more of the offences mentioned in Sub-section (2) of Section 29, the Department may order such person to deposit an amount of fine not exceeding the amount of fine leviable for having committed such offence.

(2) In giving an order pursuant to Sub-section (1), the Department shall specify in such order the details of such offence, the amount of fine to be paid and the date by which the amount of fine is to be paid.

(3) The order given by the Department pursuant to this Section shall be final.

29B. Concerned Officer to be made responsible: (1) Where any body fails to comply with any matter required to be complied with under this Act, every employee who was acting as an officer of such body at that time shall be responsible for such act.

(2) Where any body does not pay tax by the date by which the tax was to be paid, every officer of such body who is in office at that time or who was in office up to six months earlier shall be deemed to be jointly or severally responsible for paying such tax.

(3) Notwithstanding anything contained in Sub-sections (1) and (2), such Sub-sections shall not apply in the following circumstances:-

- (a) Where such body committed such offence without the knowledge or consent of such person, and
- (b) Where such person has adopted or exercised the care, diligence and skill that a person exercising ordinary human prudence would adopt, in order to prevent such offence from being committed.

(4) Where any person pays tax pursuant to Sub-section (2), such person may do the following:-

- (a) To recover the amount so paid by him or her from such body,
- (b) For the purpose of Clause (a), to hold under his or her control the property of such body which is or comes into his or her possession, up to an amount not exceeding the amount so paid.

(5) Where any person holds any property under his or her control pursuant to Clause (b) of Sub-section (4), such body or any other person shall not be entitled to make any claim against such person.

Explanation: For the purposes of this Section, "concerned officer" means the manager of such body or any person acting in that capacity.

30. Suspension of transactions: (1) Where a registered person commits any offence under Section 29 two or more times, the Director General may order the Tax Officer to suspend the registration, on each occasion, such that such person may not carry out transactions at his or her place of transaction for up to a maximum of seven days.

(2) Notwithstanding anything contained elsewhere in this Section, the name of a taxpayer who does not submit a tax return for six consecutive months may be made public, any amount due to be deducted as tax by such taxpayer may be withheld, and the registration of such taxpayer may also be suspended.

30A. Power to order for reassessment of tax: (1) Where, from information received by the Director General, it appears that any action relating to a tax assessment is about to become, or has become, irregular before the tax assessment has been completed, the Director General may, stating clear reasons and preparing a memo, order the concerned Tax Officer or any other Tax Officer to re-assess the tax.

(2) Where it is found that the tax liability has been reduced because the Tax Officer assessed the tax negligently or with bad intention, the Director General may, within four years from the date of the original tax assessment, issue an order to amend such tax assessment order.

31. Power equivalent to that of a Court: For the purposes of this Act, the Tax Officer shall have powers equivalent to those of a court in relation to summoning the concerned person, recording statements, receiving evidence and requiring the production of documents.

31A. Application may be made for administrative review: (1) A person who is not satisfied with a decision of tax assessment made by the Tax Officer may, within thirty days of the date of receipt of notice of such decision, submit an application against such decision to the Director General.

(2) Where the time limit for submitting an application pursuant to Sub-section (1) has expired, the person may, within seven days of the date of expiry of such time limit, submit an application to the Director General for an extension of time, stating the reason for the expiry of the time limit, and if the reason mentioned in such application is found reasonable, the Director General may extend the time limit by thirty days from the date of expiry.

(3) Where, in examining an application submitted by a taxpayer pursuant to Sub-section (1), the claim of the applicant is found to be true, the Director General may,

stating clear reasons and preparing a memo, annul such tax assessment order and order the concerned Tax Officer or any other Tax Officer to re-assess the tax.

(4) The Director General shall give a decision on an application made pursuant to Sub-section (1) within sixty days of the date of the application.

(5) Where the Director General does not give a decision within the time limit pursuant to Sub-section (4), the concerned person may submit an appeal to the Revenue Tribunal pursuant to Section 32.

(6) A taxpayer submitting an application pursuant to Sub-section (1) shall pay the undisputed tax amount out of the assessed tax amount and deposit one fourth of the disputed tax amount.

(7) Where the amount required to be deposited pursuant to Sub-section (6) has already been deposited in excess before submitting the application, only the remaining amount, after deducting the amount covered by such excess deposit, shall be deposited.

(8) The amount deposited pursuant to this Section shall not be refunded until the final disposal of the case.

32. Appeal to the Revenue Tribunal: (1) A person who is not satisfied with an order of suspension made by the Director General pursuant to Section 30, or with a decision made by the Department pursuant to Sub-section (4) of Section 31A, may submit an appeal to the Revenue Tribunal.

(2) A person submitting an appeal pursuant to Sub-section (1) shall, within fifteen days of the date of registering the appeal, give written notice to the Department enclosing a copy of the memorandum of appeal.

32A. Advance ruling: (1) Where any person submits an application in writing to the Department for resolving any ambiguity regarding the applicability of this Act, the Department may issue its opinion as an advance ruling, as prescribed, by informing such person in writing.

(2) Notwithstanding anything contained in Sub-section (1), where any matter relating to an ambiguity that has arisen in the implementation of this Act is pending in a court or has been decided by a court, the Department shall not issue an advance ruling pursuant to Sub-section (1) on such matter.

32B. Public circular: (1) In order to bring uniformity to the implementation of this Act, to simplify tax administration, and to provide guidance to persons affected by this Act, including officers of the Department or offices under it, the Department may issue written public circulars with an interpretation of the provisions of this Act.

(2) Circulars issued pursuant to Sub-section (1) may be published, for the information of the general public, on the website of the Department or in a national level newspaper or through other electronic medium.

(3) Until a circular issued pursuant to Sub-section (1) is cancelled, the Department shall be bound to act in accordance with such circular.

(4) The interpretation made pursuant to Sub-section (1) shall be final unless otherwise interpreted by a court.

- 33. Security to be deposited:** (1) When making an appeal to the Revenue Tribunal pursuant to this Act, the appellant shall pay the undisputed tax amount out of the assessed tax amount, and shall keep as a deposit fifty percent of the disputed tax amount and fine, or furnish a bank guarantee for such amount.

(2) In calculating the amount of the deposit or bank guarantee pursuant to Sub-section (1), the one fourth tax amount deposited for administrative review in the Department shall also be counted.

(3) A bank voucher showing deposit into the deposit account kept at the Treasury and Accounts Controller Office in the name of the concerned office, or a bank guarantee equal to such amount, pursuant to Sub-section (1), shall be submitted together with the memorandum of appeal.

- 34. Delegation of power:** (1) A Tax Officer may delegate to employees subordinate to him or her any or all of the powers conferred on him or her under this Act, other than the power to assess tax and to impose punishment.

(2) Powers expressly stated in this Act to be exercisable by the Director General may not be delegated.

- 34A. Services of experts may be taken:** The Government of Nepal or the Department may take the services of concerned experts for work relating to tax audit, investigation or management, and the provisions relating to government confidentiality mentioned in Section 37 shall apply in respect of such experts.

- 35. Identity card of Tax Officers:** Every Tax Officer shall keep with him or her an identity card in the prescribed form and shall show the identity card to the concerned person in the course of performing duty.

- 36. Serving of notice:** Any notice, order or document issued by the Director General or any Tax Officer shall be deemed to have been served after the prescribed procedure has been completed.

- 37. Confidentiality:** Documents or other information relating to tax received from any person shall not be disclosed or published except in the following circumstances:-

- (a) To provide information to the officer collecting revenue in the course of protecting the revenue of the Government of Nepal,
- (b) To produce as evidence in a court in accordance with the law relating to revenue in the course of establishing the liability of a taxpayer,
- (c) To keep as part of the public record in the course of proceedings of the Revenue Tribunal or any court.

- 38. Tax Officer to be punished:** Where the Director General determines that a tax assessment, increasing or decreasing the tax liability, was made with bad intention or negligently, the Director General shall initiate departmental action against the Tax Officer who made such tax assessment in accordance with the law relating to his or her service conditions.

Provided that, in initiating such action, the Tax Officer shall be given a reasonable opportunity to submit his or her defence.

39. **No liability for acts done in good faith:** Notwithstanding anything contained elsewhere in this Act, a Tax Officer shall not be personally liable for any act done in good faith in the course of performing his or her duty.
40. **Reward and informant incentive:** (1) A person who provides information, along with evidence, that a taxpayer has evaded or attempted to evade the whole or part of his or her tax liability may be given, by decision of the Director General, as a reward, an amount equal to twenty percent of the tax amount determined on the basis of the evidence submitted by such person, out of the tax amount recovered on the basis of such information.
- (2) Where there is more than one person entitled to the reward, the reward amount shall be given proportionately.
- (3) Notwithstanding anything contained in Sub-section (1), a person who gives information about revenue leakage may be given, on the basis of the truth of the information, immediate informant expenses of up to ten thousand rupees in accordance with the procedure determined by the Department.
- (4) The name, surname and address of a person giving information pursuant to Sub-sections (1) and (3) shall be kept confidential.
- 40A.
- 40B.
- 40C.
41. **Power to frame rules:** The Government of Nepal may frame the necessary rules to implement the objectives of this Act.
42. **Additions or alterations in the Schedules:** The Government of Nepal may, by publishing a notice in the Nepal Gazette, make necessary additions or alterations in the Schedules.
43. **Prevailing laws to prevail in other matters:** Matters stated in this Act and the Rules framed under this Act shall be governed accordingly, and other matters shall be governed by the prevailing law.
44. **Repeal and saving:** (1) The following Acts are hereby repealed:-
- (a) Sales Tax Act, 2023,
 - (b) Hotel Tax Act, 2018,
 - (c) Contract Tax Act, 2023,
 - (d) Entertainment Tax Act, 2017.
- (2) All actions and proceedings done or carried out under the Acts repealed pursuant to Sub-section (1) shall be deemed to have been done or carried out under this Act.

Schedule-1

(Relating to Sub-section (3) of Section 5)

Goods and Services Exempt from Tax

Heading / Code	Description
Group 1: Basic Agricultural Products	
06.01	Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant, in growth or in flower; chicory plants and roots other than roots of heading 12.12.
0601.10.00	-Dormant bulbs, tubers, tuberous roots, corms, crowns and rhizomes
0601.20.00	-In growth or in flower bulbs, tubers, tuberous roots, corms, crowns and rhizomes; chicory plants and roots
06.02	Other live plants (including their roots), cuttings and slips; mushroom spawn.
0602.10.00	-Unrooted cuttings
0602.20.00	-Trees, shrubs and bushes, grafted or not, of kinds which bear edible fruit or nuts
0602.30.00	-Rhododendrons and azaleas, grafted or not
0602.40.00	-Roses, grafted or not
0602.90.00	-Others
07.01	Potatoes, fresh or chilled.
0701.10.00	-Seed
0701.90.00	-Others
07.02	Tomatoes, fresh or chilled.
0702.00.00	
07.03	Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled.
0703.10.00	-Onions and shallots
0703.90.00	-Leeks and other alliaceous vegetables
07.04	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled.
0704.10.00	-Cauliflowers and broccoli
0704.20.00	-Brussels sprouts
0704.90.00	-Others
07.05	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium</i> spp.), fresh or chilled.
	-Lettuce:
0705.11.00	--Cabbage lettuce (head lettuce)
0705.19.00	--Others
	-Chicory:
0705.21.00	--Witloof chicory (chicory of the foliosum type (<i>Cichorium intybus</i>))
0705.29.00	--Others

Heading / Code	Description
07.06	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled.
0706.10.00	-Carrots and turnips
0706.90.00	-Others
07.07 0707.00.00	Cucumbers and gherkins, fresh or chilled.
07.08	Leguminous vegetables, shelled or unshelled, fresh or chilled.
0708.20.00	-Beans (including string beans) (Vigna spp., Phaseolus spp.)
0708.90.00	-Other leguminous vegetables
07.09	Other vegetables, fresh or chilled.
0709.20.00	-Asparagus
0709.30.00	-Aubergines (brinjals)
0709.40.00	-Celery, other than celeriac
	-Mushrooms and truffles:
0709.51.00	--Mushrooms of the genus Agaricus
0709.52.00	--Mushrooms of the genus Boletus
0709.53.00	--Mushrooms of the genus Cantharellus
0709.54.00	--Shiitake (Lentinus edodes)
0709.55.00	--Matsutake (Tricholoma matsutake, Tricholoma magnivelare, Tricholoma anatolicum, Tricholoma dulciolens, Tricholoma caligatum)
0709.56.00	--Truffles (Tuber spp.)
0709.59.00	--Others
0709.60.00	-Fruits of the genus Capsicum or of the genus Pimenta
0709.70.00	-Spinach, New Zealand spinach and orache spinach (garden spinach)
	-Others:
0709.91.00	--Globe artichokes
0709.92.00	--Olives
0709.93.00	--Pumpkins, squash and gourds (Cucurbita spp.)
0709.99.00	--Others
07.11	Vegetables provisionally preserved, but unsuitable in that state for immediate consumption
0711.20.00	-Olives
0711.40.00	-Cucumbers and gherkins
	-Mushrooms and truffles:
0711.51.00	--Mushrooms of the genus Agaricus
0711.59.00	--Others
0711.90.00	-Other vegetables; mixtures of vegetables
07.13	Dried leguminous vegetables, shelled, whether or not skinned or split.
	-Peas (Pisum sativum):
0713.10.10	---With unbroken husk

Heading / Code	Description
0713.10.90	---Others
0713.20.00	-Chickpeas (garbanzos)
	-Beans (Vigna spp., Phaseolus spp.):
0713.31.00	--Black gram (mas) (Vigna mungo (L.) Hepper) or mung (Vigna radiata (L.)) beans
0713.32.00	--Small red (Adzuki) beans
0713.33.00	--Kidney beans, including white pea beans (Phaseolus vulgaris)
0713.34.00	--Bambara beans (a kind of string bean) (Vigna subterranea or Voandzeia subterranea)
0713.35.00	--Cowpeas (Vigna unguiculata)
0713.39.00	--Others
	-Lentils:
0713.40.10	--Unbroken, with husk
0713.40.90	--Others
0713.50.00	-Broad beans (major type broad beans (Vicia faba)) and horse beans (equina, minor type horse beans (Vicia faba))
0713.60.00	-Pigeon peas (Cajanus cajan)
0713.90.10	---Split:
0713.90.90	---Others
07.14	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith.
0714.10.00	-Manioc (cassava)
0714.20.00	-Sweet potatoes
0714.30.00	-Yams (Dioscorea spp.)
0714.40.00	-Taro (Colocasia spp.)
0714.50.00	-Yautia (Xanthosoma spp.)
0714.90.00	-Others (left out of the customs tariff)
08.01	Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled
	-Coconuts:
0801.19.00	--Others
08.03	Bananas, including plantains (used as vegetables), fresh or dried
0803.10.00	-Plantains (used as vegetables)
0803.90.00	-Others
08.04	Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens, fresh or dried.
0804.30.00	-Pineapples
	-Guavas, mangoes and mangosteens:
0804.50.10	---Guavas

Heading / Code	Description
0804.50.20	---Mangoes
08.05	Citrus fruit, fresh or dried.
0805.10.00	-Oranges
	-Mandarins (including tangerines and satsumas); clementines, wilkings and similar citrus hybrids:
0805.21.00	--Mandarins (including tangerines and satsumas)
0805.22.00	--Clementines
0805.29.00	--Others
0805.40.00	-Grapefruit and pomelos
0805.50.00	-Lemons (Citrus limon, Citrus limonum) and limes (Citrus aurantifolia, Citrus latifolia)
0805.90.00	-Others
08.06	Grapes, fresh or dried.
0806.10.00	-Fresh
08.07	Watermelons (including muskmelons) and papaws, fresh.
	-Watermelons (including muskmelons):
0807.11.00	--Muskmelons
0807.19.00	--Others
0807.20.00	-Papaws
08.08	Apples, pears and quinces, fresh.
0808.10.00	-Apples
0808.30.00	-Pears
08.09	Apricots, cherries (paiyu), peaches (including nectarines), plums and sloes, fresh
	-Cherries:
0809.30.00	-Peaches, including nectarines
0809.40.00	-Plums and sloes
08.10	Other fruit, fresh
0810.90.10	---Pomegranates
0810.90.20	---Lychees
0810.90.90	---Others
09.02	Tea, whether or not flavoured.
0902.20.00	-Other green tea (unfermented)
09.08	Nutmeg, mace, cardamoms and sukumel.
	-Cardamoms and sukumel:
	--Neither crushed nor ground
0908.31.10	---Cardamoms
09.10	Ginger, saffron, turmeric (curcuma), bay leaves, mint, curry and other spices.
	-Ginger:

Heading / Code	Description
	--Neither crushed nor ground:
0910.11.10	---Fresh
0910.11.90	---Others
	-Turmeric (curcuma):
0910.30.10	---Fresh
0910.30.20	---Powdered or ground
0910.30.90	---Others
10.01	Wheat and meslin.
	-Durum wheat:
1001.11.00	--Seed
1001.19.00	--Others
	-Others:
1001.91.00	--Seed
1001.99.00	--Others
10.02	Rye.
1002.10.00	-Seed
1002.90.00	-Others
10.03	Barley.
1003.10.00	-Seed
1003.90.00	-Others
10.05	Maize (corn).
1005.10.00	-Seed
1005.90.00	-Others
10.06	Paddy
	-Paddy:
1006.10.10	---Seed
1006.10.90	---Others
1006.20.00	-Husked (brown) rice
	-Rice, partly or wholly milled, whether or not polished or glazed
1006.30.10	---Basmati rice
1006.30.90	---Others
1006.40.00	-Broken rice
10.08	Buckwheat, millet and canary seed; other cereals
1008.10.00	-Buckwheat
	-Millet (kodo):
1008.21.00	--Seed
1008.29.00	--Others

Heading / Code	Description
11.04	Cereal grains otherwise prepared (for example, husked, rolled, flattened by pressing, flaked, sliced or coarsely ground), other than rice of heading 10.06; germ of cereals, whole, rolled, flattened or ground.
	-Rolled or flattened grains:
1104.12.00	--Of oats
1104.19.00	--Of other cereals
	-Other prepared grains (for example, husked, flaked, sliced or coarsely ground):
1104.22.00	--Of oats
1104.23.00	--Of maize
1104.29.00	--Of other cereals
1104.30.00	-Germ of cereals, whole, rolled, flattened or ground
12.01	Soya beans, whether or not broken
1201.10.00	-Seed
1201.90.00	-Others
12.02	Groundnuts (peanuts), not roasted or otherwise cooked, whether or not shelled or broken.
1202.30.00	-Seed
	-Others:
1202.41.00	--In shell
1202.42.00	--Shelled, whether or not broken
12.09	Seeds, fruit and spores, of a kind used for sowing.
1209.10.00	-Sugar beet seed
	-Seeds of forage plants:
1209.21.00	--Lucerne (alfalfa) seeds
1209.22.00	--Clover (Trifolium spp.) seeds
1209.23.00	--Fescue seeds
1209.24.00	--Kentucky blue grass (Poa pratensis L.) seeds
1209.25.00	--Rye grass (Lolium multiflorum Lam., Lolium perenne L.) seeds
1209.29.00	--Others
1209.30.00	-Seeds of herbaceous plants cultivated mainly for their flowers
	-Others:
	--Vegetable seeds:
1209.91.10	---Of cauliflower
1209.91.20	---Of cabbage
1209.91.30	---Of onion
1209.91.40	---Of radish
1209.91.50	---Of tomato
1209.91.90	---Others
1209.99.00	--Others

Heading / Code	Description
12.11	Plants and parts of plants (including seeds and fruit), of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered.
1211.90.10	---Yarsagumba
12.12	Locust beans, seaweeds and other algae, sugar beet and sugar cane, fresh, chilled, frozen or dried, whether or not ground; fruit stones and kernels and other vegetable products (including unroasted chicory roots of the variety <i>Cichorium intybus sativum</i>) of a kind used primarily for human consumption, not elsewhere specified or included.
	-Others:
1212.93.00	--Sugar cane
19.04	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize) in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, not elsewhere specified or included.
1904.90.10	---Puffed rice (bhuja)
1904.90.20	---Beaten rice (chiura)
23.01	Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption; greaves (cracklings).
2301.10.00	-Flours, meals and pellets, of meat or meat offal; greaves (cracklings)
2301.20.00	-Flours, meals and pellets, of fish or of crustaceans, molluscs or other aquatic invertebrates
23.02	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals or of leguminous plants.
2302.10.00	-Of maize
2302.30.00	-Of wheat
	-Of other cereals:
2302.40.10	---Husks and pellets of cashew
2302.40.90	---Others
2302.50.00	-Of leguminous plants
23.04 2304.00.00	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil.
23.05 2305.00.00	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of groundnut (peanut) oil.
23.06	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable or microbial fats or oils, other than those of heading 23.04 or 23.05.

Heading / Code	Description
	-Of rape or colza seeds:
2306.41.00	--Of low erucic acid rape or colza seeds
2306.90.00	-Others
23.09	Preparations of a kind used in animal feeding.
2309.90.00	-Others
53.01	Flax, raw or processed but not spun; flax tow and waste (including yarn waste and garnetted stock).
5301.10.00	-Flax, raw or retted
	-Flax, broken, scutched, hackled or otherwise processed, but not spun:
5301.21.00	--Broken or scutched
5301.29.00	--Others
5301.30.00	-Flax tow and waste
53.03	Jute and other textile bast fibres (excluding flax, true hemp and ramie), raw or processed but not spun; tow and waste of these fibres (including yarn waste and garnetted stock).
5303.10.00	-Jute and other textile bast fibres, raw or retted
5303.90.00	-Others
Note:- 1. Unprocessed cotton sold by farmers.	
2. Goods under the above customs headings 06.01 to 08.10 shall not be exempt from value added tax when supplied by hotels, restaurants, bars, guest houses, cafeterias or other similar institutions.	
Group 2: Basic Necessities	
25.01	Salt (including table salt and denatured salt) and pure sodium chloride, whether or not in aqueous solution or containing added anti-caking or free-flowing agents; sea water.
2501.00.90	---Salt
27.16 2716.00.00	Electricity consumption up to 50 units per customer for household purposes.
Note:- 1. Drinking water supplied openly through taps and tankers.	
Group 3: Animals and Animal Products	
01.02	Live bovine animals.
	-Cattle:
0102.21.00	--Pure-bred animals for breed improvement
0102.29.00	--Others
	-Buffalo:
0102.31.00	--Pure-bred animals for breed improvement
0102.39.00	--Others
0102.90.00	--Others
01.03	Live swine.
0103.10.00	-Pure-bred animals for breed improvement
	-Others:

Heading / Code	Description
0103.91.00	--Weighing less than 50 kg
0103.92.00	--Weighing 50 kg or more
01.04	Live sheep and goats.
0104.10.00	-Sheep
0104.20.00	-Goats
01.05	Live poultry, that is to say, fowls of the species Gallus domesticus, ducks, geese, turkeys and guinea fowls.
	-Weighing not more than 185 g:
0105.11.00	--Fowls of the species Gallus domesticus
0105.12.00	--Turkeys
0105.13.00	--Ducks
0105.14.00	--Geese
0105.15.00	--Guinea fowls
	-Others:
0105.94.00	--Fowls of the species Gallus domesticus
0105.99.00	--Others
01.06	Other live animals.
	-Mammals:
0106.14.00	--Rabbits
0106.19.00	--Others
	-Birds:
0106.33.00	--Ostriches; emus (Dromaius novaehollandiae)
	-Insects:
0106.41.00	--Bees
0106.90.00	-Others
02.01	Meat of bovine animals, fresh or chilled.
0201.10.00	-Carcasses and half-carcasses
0201.20.00	-Other cuts with bone in
0201.30.00	-Boneless
02.03	Meat of swine, fresh, chilled or frozen.
	-Fresh or chilled:
0203.11.00	--Carcasses and half-carcasses
0203.12.00	--Hams, shoulders and cuts thereof, with bone in
0203.19.00	--Others
02.04	Meat of sheep or goats, fresh, chilled or frozen.
0204.10.00	-Carcasses and half-carcasses of lamb, fresh or chilled
	-Other meat of sheep, fresh or chilled:
0204.21.00	--Carcasses and half-carcasses of lamb, fresh or chilled
0204.22.00	--Other cuts with bone in
0204.23.00	--Boneless

Heading / Code	Description
0204.50.00	-Meat of goats
02.06	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen.
0206.10.00	-Of bovine animals, fresh or chilled
0206.30.00	-Of swine, fresh or chilled
0206.80.00	-Others, fresh or chilled
02.07	Meat and edible offal, of the poultry of heading 01.05, fresh, chilled or frozen.
	-Of fowls of the species <i>Gallus domesticus</i> :
0207.11.00	--Not cut in pieces, fresh or chilled
0207.12.00	--Not cut in pieces, frozen
0207.13.00	--Cuts and offal, fresh or chilled
0207.14.00	--Cuts and offal, frozen
	-Of turkeys:
0207.24.00	--Not cut in pieces, fresh or chilled
0207.25.00	--Not cut in pieces, frozen
0207.26.00	--Cuts and offal, fresh or chilled
0207.27.00	--Cuts and offal, frozen
	-Of ducks:
0207.41.00	--Not cut in pieces, fresh or chilled
0207.42.00	--Not cut in pieces, frozen
0207.43.00	--Fatty livers, fresh or chilled
0207.44.00	--Others, fresh or chilled
0207.45.00	--Others, frozen
	-Of geese:
0207.51.00	--Not cut in pieces, fresh or chilled
0207.52.00	--Not cut in pieces, frozen
0207.53.00	--Fatty livers, fresh or chilled
0207.54.00	--Others, fresh or chilled
0207.55.00	--Others, frozen
0207.60.00	-Of guinea fowls
03.01	Live fish.
	-Ornamental fish:
0301.11.00	--Freshwater
0301.19.00	--Others
	-Other live fish:
0301.91.00	--Trout (<i>Salmo trutta</i> , <i>Oncorhynchus mykiss</i> , <i>Oncorhynchus clarki</i> , <i>Oncorhynchus aguabonita</i> , <i>Oncorhynchus gilae</i> , <i>Oncorhynchus apache</i> and <i>Oncorhynchus chrysogaster</i>)
0301.92.00	--Eels (<i>Anguilla</i> spp.)

Heading / Code	Description
0301.93.00	--Carp (<i>Cyprinus</i> spp., <i>Carassius</i> spp., <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys</i> spp., <i>Cirrhinus</i> spp., <i>Mylopharyngodon piceus</i> , <i>Catla catla</i> , <i>Labeo</i> spp., <i>Osteochilus hasselti</i> , <i>Leptobarbus hoeveni</i> , <i>Megalobrama</i> spp.)
0301.94.00	--Atlantic and Pacific bluefin tunas (<i>Thunnus thynnus</i> , <i>Thunnus orientalis</i>)
0301.95.00	--Southern bluefin tunas (<i>Thunnus maccoyii</i>)
0301.99.00	--Others
03.02	Fish, fresh or chilled, excluding fish fillets and other fish meat of heading 03.04.
	-Salmonidae, excluding edible fish offal of subheadings 0302.91.00 to 0302.99.00:
0302.11.00	--Trout (<i>Salmo trutta</i> , <i>Oncorhynchus mykiss</i> , <i>Oncorhynchus clarki</i> , <i>Oncorhynchus aguabonita</i> , <i>Oncorhynchus gilae</i> , <i>Oncorhynchus apache</i> and <i>Oncorhynchus chrysogaster</i>)
0302.13.00	--Pacific salmon (<i>Oncorhynchus nerka</i> , <i>Oncorhynchus gorbuscha</i> , <i>Oncorhynchus keta</i> , <i>Oncorhynchus tshawytscha</i> , <i>Oncorhynchus kisutch</i> , <i>Oncorhynchus masou</i> and <i>Oncorhynchus rhodurus</i>)
0302.14.00	--Atlantic salmon (<i>Salmo salar</i>) and Danube salmon (<i>Hucho hucho</i>)
0302.19.00	--Others
	-Flat fish (<i>Pleuronectidae</i> , <i>Bothidae</i> , <i>Cynoglossidae</i> , <i>Soleidae</i> , <i>Scophthalmidae</i> and <i>Citharidae</i>), excluding edible fish offal of subheadings 0302.91.00 to 0302.99.00:
0302.21.00	--Halibut (<i>Reinhardtius hippoglossoides</i> , <i>Hippoglossus hippoglossus</i> , <i>Hippoglossus stenolepis</i>)
0302.22.00	--Plaice (<i>Pleuronectes platessa</i>)
0302.23.00	--Sole (<i>Solea</i> spp.)
0302.24.00	--Turbot (<i>Psetta maxima</i>)
0302.29.00	--Others
	-Tunas (of the genus <i>Thunnus</i>), skipjack or stripe-bellied bonito (<i>Katsuwonus pelamis</i>), excluding edible fish offal of subheadings 0302.91.00 to 0302.99.00:
0302.31.00	--Albacore or longfinned tunas
0302.32.00	--Yellowfin tunas (<i>Thunnus albacares</i>)
0302.39.00	--Others

Heading / Code	Description
	-Herrings (hilsa) (<i>Clupea harengus</i> , <i>Clupea pallasii</i>), anchovies (<i>Engraulis</i> spp.), sardines (<i>Sardina pilchardus</i> , <i>Sardinops</i> spp.), sardinella (<i>Sardinella</i> spp.), brisling or sprats (<i>Sprattus sprattus</i>), mackerel (<i>Scomber scombrus</i> , <i>Scomber australasicus</i> , <i>Scomber japonicus</i>), Indian mackerels (<i>Rastrelliger</i> spp.), seerfishes (<i>Scomberomorus</i> spp.), jack and horse mackerel (<i>Trachurus</i> spp.), jacks, crevalles (<i>Caranx</i> spp.), cobia (<i>Rachycentron canadum</i>), silver pomfrets (<i>Pampus</i> spp.), Pacific saury (<i>Cololabis saira</i>), scads (<i>Decapterus</i> spp.), capelin (<i>Mallotus villosus</i>), swordfish (<i>Xiphias gladius</i>), kawakawa (<i>Euthynnus affinis</i>), bonitos (<i>Sarda</i> spp.), marlins, sailfishes, spearfish (<i>Istiophoridae</i>), excluding edible fish offal of subheadings 0302.91.00 to 0302.99.00:
0302.41.00	--Herrings (hilsa) (<i>Clupea harengus</i> , <i>Clupea pallasii</i>)
0302.42.00	--Anchovies (<i>Engraulis</i> spp.)
0302.43.00	--Sardines (<i>Sardina pilchardus</i> , <i>Sardinops</i> spp.), sardinella (<i>Sardinella</i> spp.), brisling or sprats (<i>Sprattus sprattus</i>)
0302.44.00	--Mackerel (<i>Scomber scombrus</i> , <i>Scomber australasicus</i> , <i>Scomber japonicus</i>)
0302.45.00	--Jack and horse mackerel (<i>Trachurus</i> spp.)
0302.46.00	--Cobia (<i>Rachycentron canadum</i>)
0302.47.00	--Swordfish (<i>Xiphias gladius</i>)
0302.49.00	--Others
	-Fish of the families Bregmacerotidae, Euclichthyidae, Gadidae, Macrouridae, Melanonidae, Merlucciidae, Moridae and Muraenolepididae, excluding edible fish offal of subheadings 0302.91.00 to 0302.99.00:
0302.51.00	--Cod (<i>Gadus morhua</i> , <i>Gadus ogac</i> , <i>Gadus macrocephalus</i>)
0302.52.00	--Haddock (<i>Melanogrammus aeglefinus</i>)
0302.53.00	--Coalfish (<i>Pollachius virens</i>)
0302.54.00	--Hake (<i>Merluccius</i> spp., <i>Urophycis</i> spp.)
0302.55.00	--Alaska Pollack (<i>Theragra chalcogramma</i>)
0302.56.00	--Blue whittings (<i>Micromesistius poutassou</i> , <i>Micromesistius australis</i>)
0302.59.00	--Others
	-Tilapias (<i>Oreochromis</i> spp.), catfish (<i>Pangasius</i> spp., <i>Silurus</i> spp., <i>Clarias</i> spp., <i>Ictalurus</i> spp.), carp (<i>Cyprinus</i> spp., <i>Carassius</i> spp., <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys</i> spp., <i>Cirrhinus</i> spp., <i>Mylopharyngodon piceus</i> , <i>Catla catla</i> , <i>Labeo</i> spp., <i>Osteochilus hasselti</i> , <i>Leptobarbus hoeveni</i> , <i>Megalobrama</i> spp.), eels (<i>Anguilla</i> spp.), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa</i> spp.), excluding edible fish offal of subheadings 0302.91.00 to 0302.99.00:
0302.71.00	--Tilapias (<i>Oreochromis</i> spp.)
0302.72.00	--Catfish (<i>Pangasius</i> spp., <i>Silurus</i> spp., <i>Clarias</i> spp., <i>Ictalurus</i> spp.)

Heading / Code	Description
0302.73.00	--Carp (Cyprinus spp., Carassius spp., Ctenopharyngodon idellus, Hypophthalmichthys spp., Cirrhinus spp., Mylopharyngodon piceus, Catla catla, Labeo spp., Osteochilus hasselti, Leptobarbus hoeveni, Megalobrama spp.)
0302.74.00	--Eels (Anguilla spp.)
0302.79.00	--Others
	-Other fish, excluding edible fish offal of subheadings 0302.91.00 to 0302.99.00:
0302.81.00	--Dogfish and other sharks
0302.82.00	--Rays and skates (Rajidae)
0302.83.00	--Toothfish (Dissostichus spp.)
0302.84.00	--Sea bass (Dicentrarchus spp.)
0302.85.00	--Sea bream (Sparidae)
0302.89.00	--Others
04.01	Milk and cream, not concentrated nor containing added sugar or other sweetening matter.
0401.10.00	-Of a fat content, by weight, not exceeding 1 percent
0401.20.00	-Of a fat content, by weight, exceeding 1 percent but not exceeding 6 percent
0401.40.00	-Of a fat content, by weight, exceeding 6 percent but not exceeding 10 percent
0401.50.00	-Of a fat content, by weight, exceeding 10 percent
04.03	Curd (yoghurt); buttermilk, curdled milk and cream, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa.
0403.90.00	-Others
04.06	Cheese and curd.
0406.10.00	-Fresh (unripened or uncured) cheese, including whey cheese, and curd
0406.90.10	---Churpi
04.07	Birds' eggs, in shell, fresh, preserved or cooked.
	-Fertilised eggs for incubation:
0407.11.00	--Of fowls of the species Gallus domesticus
0407.19.00	--Others
	-Other fresh eggs:
0407.21.00	--Of fowls of the species Gallus domesticus
0407.29.00	--Others
0407.90.00	-Others
05.11	Animal products not elsewhere specified or included; dead animals of Chapter 1 or 3, unfit for human consumption.
	-Others:

Heading / Code	Description
0511.91.00	--Fish waste (scraps) or powder, and pieces of shells.
	--Others:
0511.99.90	---Bone powder
Note:- Goods under customs headings 01.02 to 04.07 shall not be exempt from value added tax when supplied by hotels, restaurants, bars, guest houses, cafeterias or other similar institutions.	
Note 2:- Value added tax shall also be exempt on paneer (fresh cheese) falling under subheading 0406.10.00 within heading 04.06.	
Group 4: Agricultural Inputs	
31.01 3101.00.00	Animal or vegetable fertilisers, whether or not mixed together or chemically treated; fertilisers produced by the mixing or chemical treatment of animal or vegetable products.
31.02	Mineral or chemical fertilisers, nitrogenous.
	-Urea, whether or not in aqueous solution:
3102.10.20	---Technical grade
3102.10.30	---Fertilizer grade
3102.10.90	---Others
	---Others:
3102.10.91	----Technical grade
3102.10.99	----Others
	-Ammonium sulphate; mixtures of ammonium sulphate and ammonium nitrate, and double salts
3102.21.00	--Ammonium sulphate
3102.29.00	--Others
3102.30.00	-Ammonium nitrate, whether or not in aqueous solution
3102.40.00	-Mixtures of ammonium nitrate with calcium carbonate or other inorganic non-fertilising substances
3102.50.00	-Sodium nitrate
3102.60.00	-Double salts and mixtures of calcium nitrate and ammonium nitrate
3102.80.00	-Mixtures of urea and ammonium nitrate in aqueous or ammoniacal solution
3102.90.00	-Others, including mixtures not specified in the above subheadings
31.03	Mineral or chemical fertilisers, phosphatic.
	-Superphosphates:
3103.11.00	--Containing by weight 35 percent or more of diphosphorus pentoxide (P ₂ O ₅)
3103.19.00	--Others
3103.90.00	-Others
31.04	Mineral or chemical fertilisers, potassic.
3104.20.00	-Potassium chloride
3104.30.00	-Potassium sulphate

Heading / Code	Description
3104.90.00	-Others
31.05	Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
3105.10.00	-Goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg
3105.20.00	-Mineral or chemical fertilisers containing the three fertilising elements nitrogen, phosphorus and potassium
3105.30.00	-Diammonium hydrogenorthophosphate (diammonium phosphate)
3105.40.00	-Ammonium dihydrogenorthophosphate (monoammonium phosphate) and mixtures thereof with diammonium hydrogenorthophosphate (diammonium phosphate)
	-Other mineral or chemical fertilisers containing the two fertilising elements nitrogen and phosphorus:
3105.51.00	--Containing nitrates and phosphates
3105.59.00	--Others
3105.60.00	-Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium
3105.90.00	-Others
39.23	Articles for the conveyance or packing of goods, of plastics; stoppers, lids, caps and other closures, of plastics.
	-Boxes, cases, crates and similar articles:
3923.10.20	---Egg trays
48.19	Cartons, boxes, cases, bags and other packing containers, of paper, paperboard, cellulose wadding or webs of cellulose fibres; box files, letter trays and similar articles, of paper or paperboard, of a kind used in offices, shops or the like.
	-Cartons, boxes and cases, of corrugated paper or paperboard:
4819.10.10	---Egg trays
56.08	Knotted netting of twine, cordage or rope; made up fishing nets and other made up nets, of textile materials.
	-Of man-made textile materials:
5608.11.00	--Made up fishing nets
82.01	Hand tools, the following: spades, shovels, mattocks, picks, hoes, forks and rakes; axes, bill hooks and similar hewing tools; secateurs and pruners of any kind; scythes, sickles, hay knives, hedge shears, timber wedges and other tools of a kind used in agriculture, horticulture or forestry.
	-Spades and shovels:
8201.10.10	---Spades
8201.30.00	-Mattocks, picks, hoes and rakes

Heading / Code	Description
8201.40.00	-Axes, bill hooks and similar hewing tools
8201.50.00	-Secateurs and similar one-handed pruners and shears (including poultry shears)
8201.60.00	-Hedge shears, two-handed pruning shears and similar two-handed shears
	-Other hand tools of a kind used in agriculture, horticulture or forestry:
8201.90.10	---Of a kind used in agriculture or horticulture
8201.90.90	---Others
87.01	Tractors (other than tractors of heading 87.09).
	-Single axle tractors
8701.10.10	---Power tillers, mini tillers
8701.10.90	---Others
Note:- (1) Ready-made cages for fish farming falling under subheading 7314.49.00, and automatic feeders for feeding fish feed falling under subheading 8479.89.99.	
(2) Metal barrels (7310.10.00 and 7310.29.00), queen excluder sheets, comb foundation rollers and wheel plates (7326.90.00), bee brushes (9603.90.00) and gear pumps (8413.81.00) required for bee keeping, imported by the bee keeping industry.	
(3) Green houses falling under subheadings 9406.10.10 and 9406.90.10, imported by agricultural, horticultural and flower farms.	
(4) Trays used for germinating and planting seeds, falling under subheading 3926.90.99.	
(5) Raw materials of feed supplements falling under Chapters 23, 28 and 29 of the customs tariff, and limestone powder of subheading 2521.00.00, imported by the feed and livestock industry.	
(6) Special types of utensils for feeding poultry with feed and water, falling under subheading 3924.90.10 and heading 73.23, other than general utensils.	
Group 5: Medical Treatment and Similar Health Services	
28.04	Hydrogen, rare gases and other non-metals.
2804.40.10	---Medical grade
2804.40.90	---Others
30.01	Glands and other organs for organo-therapeutic uses, dried, whether or not powdered; extracts of glands or other organs or of their secretions for organo-therapeutic uses; heparin and its salts; other human or animal substances prepared for therapeutic or prophylactic uses, not elsewhere specified or included.
3001.20.00	-Extracts of glands or other organs or of their secretions
3001.90.00	-Others
30.02	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera and other blood fractions and immunological products, whether or not modified or obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products; cell cultures, whether or not modified.

Heading / Code	Description
	-Antisera, other blood fractions and immunological products, whether or not modified or obtained by means of biotechnological processes:
3002.12.00	--Antisera and other blood fractions
3002.13.00	--Immunological products, unmixed, not put up in measured doses or in forms or packings for retail sale
3002.14.00	--Immunological products, mixed, not put up in measured doses or in forms or packings for retail sale
3002.15.00	--Immunological products, put up in measured doses or in forms or packings for retail sale
	-Vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products:
3002.41.00	--Vaccines for human medicine
3002.42.00	--Vaccines for veterinary medicine
3002.49.00	--Others
	-Cell cultures, whether or not modified:
3002.51.00	--Cell therapy products
3002.59.00	--Others
3002.90.90	---Others
30.03	Medicaments (excluding goods of heading 30.02, 30.05 or 30.06) consisting of two or more constituents which have been mixed together for therapeutic or prophylactic uses, not put up in measured doses or in forms or packings for retail sale.
3003.10.00	-Containing penicillins or derivatives thereof, with a penicillanic acid structure, or streptomycins or their derivatives
3003.20.00	-Containing other antibiotics
	-Containing hormones or other products of heading 29.37, other:
3003.31.00	--Containing insulin
3003.39.00	--Others
	-Containing alkaloids or derivatives thereof, other:
3003.41.00	--Containing ephedrine or its salts
3003.42.00	--Containing pseudoephedrine (INN) or its salts
3003.43.00	--Containing norephedrine or its salts
3003.49.00	--Others
3003.60.00	-Other, containing antimalarial active principals described in Subheading Note 2 to this Chapter
	-Others:
3003.90.10	---Homeopathic, pure Ayurvedic and Unani medicines
3003.90.41	---Battisa, Drakshasav, Triphala, Kabjagar, Keshari Jeevan
3003.90.90	---Others

Heading / Code	Description
30.04	Medicaments (excluding goods of heading 30.02, 30.05 or 30.06) consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses (including those in the form of transdermal administration systems) or in forms or packings for retail sale.
3004.10.00	-Containing penicillins or derivatives thereof, with a penicillanic acid structure, or streptomycins or their derivatives
3004.20.00	-Containing other antibiotics
	-Containing hormones or other products of heading 29.37, other:
3004.31.00	--Containing insulin
3004.32.00	--Containing corticosteroid hormones, their derivatives or structural analogues
3004.39.00	--Others
	-Containing alkaloids or derivatives thereof, other:
3004.41.00	--Containing ephedrine or its salts
3004.42.00	--Containing pseudoephedrine (INN) or its salts
3004.43.00	--Containing norephedrine or its salts
3004.49.00	--Others
3004.50.00	-Other, containing vitamins or other products of heading 29.36
3004.60.00	-Other, containing antimalarial active principals described in Subheading Note 2 to this Chapter
	-Others:
3004.90.10	---Homeopathic, Ayurvedic (pure), Unani medicines
3004.90.41	----Bijisa, Rajasava, Triphala, Kabjahir and Kesari
3004.90.90	---Others
30.05	Wadding, gauze, bandages and similar articles (for example, dressings, adhesive plasters, poultices), impregnated or coated with pharmaceutical substances or put up in forms or packings for retail sale for medical, surgical, dental or veterinary purposes.
	-Adhesive dressings and other articles having an adhesive layer:
3005.10.10	---Adhesive gauze
3005.10.20	---Adhesive plaster
3005.10.30	---Adhesive tape
3005.10.90	---Others
	-Others:
3005.90.10	---Medicated cotton wool
3005.90.20	---Bandages
3005.90.30	---Surgical tape
3005.90.90	---Others
30.06	Pharmaceutical goods specified in Note 4 to this Chapter.

Heading / Code	Description
3006.30.00	-Radiopaque preparations for X-ray examinations; diagnostic contrast/reagent substances intended to be administered to patients
3006.60.00	-Chemical contraceptive preparations based on hormones, on other products of heading 29.37 or on spermicides
3006.92.00	-Placebos maintained in limited quantities for use in duly authorized clinical trials, and blinded (or double-blinded) medical trial kits (trial kits)
38.22	Diagnostic or laboratory reagents on a backing, prepared diagnostic or laboratory reagents whether or not on a backing, whether or not put up as test kits, other than those of heading 30.06; certified reference materials.
3822.11.00	--For malaria
3822.12.00	--For Zika and other diseases transmitted by Aedes mosquitoes
3822.13.00	--For blood group determination
3822.19.00	--Others
3822.90.00	-Others
38.24	Prepared binders for foundry moulds or cores; chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included.
	--Others:
3824.99.20	---Solid or liquid dialysis bath concentrate used in the treatment of kidney patients
40.14	Hygienic or pharmaceutical articles (including teats), of vulcanised rubber other than hard rubber, with or without fittings of hard rubber.
4014.10.00	-Sheath contraceptives
66.02	Walking sticks, seat-sticks, whips, riding-crops and the like.
6602.00.10	-White canes used by the visually impaired
87.13	Carriages for disabled persons, whether or not motorised or otherwise mechanically propelled.
8713.10.00	-Not mechanically propelled
	-Others:
8713.90.10	---Electric wheelchairs
8713.90.90	---Others
87.14	Parts and accessories of vehicles of headings 87.11 to 87.13.
8714.20.00	-Of carriages for disabled persons
90.21	Orthopaedic appliances, including crutches, surgical belts and trusses; splints and other fracture appliances; artificial parts of the body; hearing aids and other appliances which are worn or carried, or implanted in the body, to compensate for a defect or disability.

Heading / Code	Description
9021.40.00	-Hearing aids, excluding parts and accessories
9021.50.00	-Pacemakers for stimulating heart muscles, excluding parts and accessories
9021.90.10	---Crutches
9021.90.20	---Parts of hearing aids
9021.90.30	---Valves and stents implanted in the heart
9021.90.90	---Others
94.01	Seats (other than those of heading 94.02), whether or not convertible into beds, and parts thereof.
	-Other seats:
9401.80.10	---Commode chairs used by persons with disabilities
94.03	Other furniture and parts thereof.
	-Furniture of other metals:
9403.20.10	---Walkers used by persons with disabilities
	-Furniture of plastics:
9403.70.10	---Plastic walkers used by persons with disabilities
Note:- (1) Health services.	
(2) Plastic blood storage bags (9018.90.20), transfusion sets (9018.90.90), and various instruments, equipment and chemicals required for the manufacture of blood testing reagents, required for the blood transfusion service and imported by the Nepal Red Cross Society.	
(3) Equipment required for the treatment of kidney diseases.	
(4) Slate and stylus (8471.90.00), Braille note takers (8471.30.90), Braille printers (8443.32.00, 8443.39.00 and 8443.31.00), colour, liquid and light indicator devices (8531.80.00), talking thermometers (9025.19.90), Braille typewriters (8472.90.90), Braille watches (9102.99.00), abacus (9017.20.00), magnifying glasses (9013.80.00), Braille compasses (9014.10.00), Braille embossers (8443.39.00) and Braille stencil machines (8472.10.00), used by the visually impaired.	
(5) On the recommendation of the Department of Drug Administration, raw materials, auxiliary raw materials and chemical substances falling under Chapters 28, 29 and 38; starch falling under all subheadings of heading 11.08; herbal extracts falling under subheading 1302.19.00; vegetable and other waxes of bees falling under heading 15.21; other cane sugar falling under subheading 1701.14.90; lactose falling under subheading 1702.11.00; glucose falling under subheadings 1702.30.10 and 1702.30.20; dextrose falling under subheading 1702.30.30; fructose or other sugar falling under subheading 1702.90.90; empty capsules for making medicines falling under subheading 1905.90.40; ethanol falling under subheadings 2207.10.10 and 2207.20.90; rectified spirit falling under subheadings 2207.10.20 and 2207.20.10; magnesium oxide falling under subheading 2519.90.00; white soft paraffin and petroleum jelly falling under heading 27.12; colours falling under all subheadings of headings 32.03 and 32.04; coating materials falling under heading 32.05; essential oils falling under subheading 3301.90.00; Tween 80 and sodium lauryl sulphate falling under subheading 3402.49.00; waxes falling under subheadings 3404.20.00 and 3404.90.00; sodium caseinate falling under subheading 3501.90.00; enzymes falling under subheading 3507.90.00; polyvinyl	

Heading / Code	Description
	pyrrolidone (vinyl acetate) falling under subheading 3905.99.00; carbomer falling under subheading 3906.90.00; silicones in primary forms falling under subheading 3910.00.00; microcrystalline cellulose falling under heading 39.12; taste making co-polymers falling under heading 39.14; rubber stoppers falling under subheading 4014.90.00; labels falling under subheading 4821.10.00; ampoules falling under subheading 7010.10.00; and flexible tubes of aluminium falling under subheading 7612.10.00; all subheadings of headings 39.20, 39.21 and 48.19, and packing materials falling under subheadings 3923.10.10, 3923.10.90, 3923.30.90, 3923.50.00, 7010.90.00, 7607.11.00, 7607.19.00, 7607.20.00 and 9602.00.00; and raw materials, auxiliary raw materials and chemical substances used in the production of measuring cups of up to 15 ml capacity and intra ocular lenses (I.O.L.) falling under subheading 3926.90.99; and metal caps of base metal falling under subheading 8309.90.00, imported by pharmaceutical industries.
	(6) Packing materials and labels required for pharmaceutical products imported by the pharmaceutical industry itself.
	(7) On the recommendation of the Department of Drug Administration, equipment falling under headings 90.18 and 90.27 used in research and development by pharmaceutical industries and hospitals, and machinery, equipment, raw materials and auxiliary materials required for producing intra ocular lenses needed for eye treatment.
	(8) On the recommendation of the Department of Drug Administration, plastic granules used for producing packing materials for saline water, imported by industries producing saline water to be used as medicine.
	(9) Medicinal and surgical machinery, equipment and instruments and health materials imported by government, government-grant-receiving and community hospitals.
	(10) The following imported by health institutions approved by the Government of Nepal: haemodialysis machines, dialysis reproprocessors, dialyzers and tubing thereof falling under subheading 9018.90.90, dialysis beds falling under subheading 9402.90.20 and chairs falling under subheading 9402.90.90, used in the treatment of kidney diseases; echocardiographs falling under subheading 9018.11.00, used in the diagnosis and treatment of heart diseases; videoscopes, cathlabs, heart-lung machines and defibrillators falling under subheading 9018.90.90; positron emission tomography (PET) scan machines, computed tomography (CT) scan machines and mammography falling under subheading 9022.12.00, brachytherapy and linear accelerators falling under subheading 9022.21.00, flow cytometers, next generation sequencers and protein microarray platforms falling under subheading 9018.19.90, multiplex real time PCR falling under subheading 9018.90.30, haematology analyzers, blood chemistry analyzers, clinical chemistry analyzers and immunochemistry analyzers falling under subheading 9027.89.10, and magnetic resonance imaging (MRI) machines falling under subheading 9018.13.00, used in the diagnosis and treatment of cancer.
	(11) On the recommendation of the Department of Drug Administration, raw materials required for the production of Ayurvedic medicines imported by industries producing Ayurvedic medicines.
	(12) Sale of eyeglasses, excluding sunglasses, or prescription glasses recommended by a physician.
	(13) The following goods imported on the recommendation of the Government of Nepal, Ministry of Health and Food Hygiene:

Heading / Code	Description
	(a) Construction materials, medical equipment and instruments necessary for construction and hospital operation, imported in the name of the following institutions: National Academy of Medical Sciences (Bir Hospital), Tribhuvan University Teaching Hospital, B.P. Koirala Memorial Cancer Hospital, B.P. Koirala Institute of Health Sciences, Shahid Gangalal National Heart Centre, Manmohan Cardiothoracic Vascular and Transplant Centre, and Dhulikhel Hospital.
	(b) Anti-cancer medicines imported by government or community hospitals, and by the Department of Health Services of the Government of Nepal, for the purpose of free distribution to cancer patients.
	(c) Anti-cancer medicines imported in the name of the Government of Nepal, Ministry of Health and Food Hygiene or the Department of Health Services; vaccines and vaccine-related materials imported as grants from donor agencies in the name of the Government of Nepal, Ministry of Health and Food Hygiene or the Department of Health Services; family planning devices and materials; medicines; and nutritional supplies.
	Note: In the case of medicines and health materials received as grants as mentioned in Clause (c), such grant assistance must have been formally accepted.
Group 6: Education	
	(a) Research related activities carried out in schools and universities.
	(b) Vocational or professional training or refresher trainings provided by institutions wholly owned by the Government of Nepal.
	(c) Teaching services provided by schools and universities.
	(d) Transactions of canteens, hostels and transport services operated by an educational institution itself for the purposes of that institution.
Group 7: Books, Newspapers and Printed Matter	
48.01 4801.00.00	Newsprint, in rolls or sheets.
49.01	Printed books, brochures, leaflets and similar printed matter, whether or not in single sheets.
4901.10.00	-In single sheets, whether or not folded
	-Others:
4901.91.00	--Dictionaries and encyclopaedias, and serial instalments thereof
4901.99.00	--Others
49.02	Newspapers, journals and periodicals, whether or not illustrated or containing advertising material.
4902.10.00	-Appearing at least four times a week
4902.90.00	-Others
49.04 4904.00.00	Music, printed or in manuscript, whether or not bound or illustrated.
49.10	Calendars of any kind, printed, including calendar blocks.
	-Calendars of any kind, printed (not on the customs side)
4910.00.10	---Traditional calendars
4910.00.90	---Others

Heading / Code	Description
Note:- (1) Printing and publication of newspapers and periodicals. (2) E-book and e-periodical charges.	
Group 8: Artistic and Craft Services	
(a) Handicrafts such as painting, sculpture, architecture and other similar crafts, and services related thereto.	
(b) Entrance fees to libraries, museums, art museums and zoos.	
Group 9: Passenger Transport and Carriage Services	
Services through mechanical bridges, public passenger transport (other than air transport, transport and delivery services provided through a ride-sharing platform, and cable cars), and cargo services for export purposes.	
Group 10: Commercial or Professional Services	
Professional services provided institutionally or individually by artists, sportspersons, writers, modellers, translators and interpreters; services of supplying manpower abroad.	
Group 11: Other Goods and Services	
(A) Goods:	
14.04	Vegetable products not elsewhere specified or included.
1404.90.50	---Rudraksha seeds
27.10	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70 percent or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations; waste oils.
	-Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70 percent or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, other than those containing biodiesel and other than waste oils:
	--Others:
2710.19.70	---Jute batching oil and textile oil
44.01	Fuel wood, in logs, billets, twigs, faggots or similar forms; wood in chips or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms.
4401.32.00	-Wood briquettes
44.15	Packing cases, boxes, crates, drums and similar packings, of wood; cable-drums of wood; pallets, box pallets and other load boards, of wood; pallet collars of wood.
4415.10.00	-Beehives and tea chests
49.07	Unused postage, revenue or similar stamps of current or new issue in the country in which they have, or will have, a recognised face value; stamp-impressed paper; banknotes; cheque forms; stock, share or bond certificates and similar documents of title.
4907.00.10	---Banknotes

Heading / Code	Description
4907.00.20	---Unused postage stamps of current or new issue in the country in which they have, or will have, a recognised face value
4907.00.30	---Air letters
4907.00.40	---Passports
4907.00.50	---Excise stamps
4907.00.60	---Cheque forms, cheque books
4907.00.70	---Stock, share or bond certificates
4907.00.90	---Others
53.06	Flax yarn.
5306.10.00	-Single
5306.20.00	-Multiple (folded) or cabled
53.07	Yarn of jute or of other textile bast fibres of heading 53.03.
5307.10.00	-Single
5307.20.00	-Multiple (folded) or cabled
53.10	Woven fabrics of jute or of other textile bast fibres of heading 53.03.
5310.10.00	-Unbleached
5310.90.00	-Others
71.02	Diamonds, whether or not worked, but not mounted or set.
	
71.06	Silver (including silver plated with gold or platinum), unwrought or in semi-manufactured forms, or in powder form.
7106.10.00	-Powder
	-Others:
7106.91.00	--Unwrought
7106.92.00	--Semi-manufactured
71.08	Gold (including gold plated with platinum), unwrought or in semi-manufactured forms, or in powder form.
	-Non-monetary:
7108.11.00	--Powder
7108.12.00	--Others, unwrought
7108.13.00	--Others, semi-manufactured
7108.20.00	-Monetary
71.09 7109.00.00	Base metals or silver, clad with gold, not further worked than semi-manufactured.
71.13	Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal.
	-Of precious metal, whether or not plated or clad with precious metal:
7113.11.00	--Of silver, whether or not plated or clad with other precious metal
	--Of other precious metal, whether or not plated or clad with precious metal:

Heading / Code	Description
7113.19.10	---Of gold
7113.19.90	---Of other precious metal
7113.20.00	-Of base metal clad with precious metal
71.18	Coin.
7118.90.00	-Others
84.01	Nuclear reactors; fuel elements (cartridges), non-irradiated, for nuclear reactors; machinery and apparatus for isotopic separation.
8401.10.00	-Nuclear reactors
8401.20.00	-Machinery and apparatus for isotopic separation, and parts thereof
8401.30.00	-Fuel elements (cartridges), non-irradiated
84.02	Steam or other vapour generating boilers (other than central heating hot water boilers capable also of producing low pressure steam); super-heated water boilers.
	-Steam or other vapour generating boilers:
8402.11.00	--Watertube boilers with a steam production exceeding 45 t per hour
8402.12.00	--Watertube boilers with a steam production not exceeding 45 t per hour
8402.19.00	--Other vapour generating boilers, including hybrid boilers
8402.20.00	-Super-heated water boilers
84.03	Central heating boilers other than those of heading 84.02.
8403.10.00	-Boilers
84.04	Auxiliary plant for use with boilers of heading 84.02 or 84.03 (for example, economisers, super-heaters, soot removers, gas recoverers); condensers for steam or other vapour power units.
8404.10.00	-Auxiliary plant for use with boilers of heading 84.02 or 84.03
8404.20.00	-Condensers for steam or other vapour power units
84.05	Producer gas or water gas generators, with or without their purifiers; acetylene gas generators and similar water process gas generators, with or without their purifiers.
8405.10.00	-Producer gas or water gas generators, with or without their purifiers; acetylene gas generators and similar water process gas generators, with or without their purifiers
84.06	Steam turbines and other vapour turbines.
8406.10.00	-Turbines for marine propulsion
	-Other turbines
8406.81.00	--Of an output exceeding 40 MW
8406.82.00	--Of an output not exceeding 40 MW
84.10	Hydraulic turbines, water wheels, and regulators therefor.
	-Hydraulic turbines and water wheels:
8410.11.00	--Of a power not exceeding 1,000 kW
8410.12.00	--Of a power exceeding 1,000 kW but not exceeding 10,000 kW

Heading / Code	Description
8410.13.00	--Of a power exceeding 10,000 kW
84.13	Pumps for liquids, whether or not fitted with a measuring device; liquid elevators.
	-Other centrifugal pumps
	---Operated by mineral fuel (gasoline):
8413.70.11	----Of 2 to 8 horse power capacity
8413.70.99	----Battery operated water pumping pumps (D.C. pumps)
84.16	Furnace burners for liquid fuel, for pulverised solid fuel or for gas; mechanical stokers, including their mechanical grates, mechanical ash dischargers and similar appliances.
8416.10.00	-Furnace burners for liquid fuel
8416.20.00	-Other furnace burners, including combination burners
8416.30.00	-Mechanical stokers, including their mechanical grates, mechanical ash dischargers and similar appliances
84.17	Industrial or laboratory furnaces and ovens, including incinerators, non-electric.
8417.10.00	-Furnaces and ovens for the roasting, melting or other heat-treatment of ores, pyrites or of metals
8417.20.00	-Bakery ovens, including biscuit ovens
8417.80.00	-Others
84.19	Machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of heading 85.14), for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling, other than machinery or plant of a kind used for domestic purposes; instantaneous or storage water heaters, non-electric.
	-Sterilisers for medical, surgical or laboratory use
8419.20.10	---Autoclaves
8419.20.90	---Other medical, surgical or laboratory sterilisers
	-Dryers:
8419.33.00	--Lyophilisation apparatus, freeze drying units and spray dryers
8419.34.00	--Others, for agricultural products
8419.35.00	--Others, for wood, paper pulp, paper or paperboard
8419.39.00	--Others
8419.40.00	-Distilling or rectifying plant
8419.50.00	-Heat exchange units
8419.60.00	-Machinery for liquefying air or other gases
	-Other machinery, plant and equipment:
8419.81.00	--For making hot beverages or for cooking or heating food
8419.89.10	---Cooling towers

Heading / Code	Description
8419.89.90	---Others
84.20	Calendering or other rolling machines, other than for metals or glass, and cylinders therefor.
8420.10.00	-Calendering or other rolling machines
84.21	Centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases.
	-Centrifuges, including centrifugal dryers:
8421.11.00	--Cream separators
8421.19.00	--Others
	-Filtering or purifying machinery and apparatus for liquids:
8421.22.00	--For filtering or purifying beverages other than water
	--Others
8421.39.10	---Pressure swing adsorption oxygen plants and cryogenic oxygen air separation plants for medical grade oxygen
8421.39.90	---Others
84.22	Dish washing machines; machinery for cleaning or drying bottles or other containers; machinery for filling, closing, sealing or labelling bottles, cans, boxes, bags or other containers; machinery for capsuling bottles, jars, tubes and similar containers; other packing or wrapping machinery (including heat-shrink wrapping machinery); machinery for aerating beverages.
	-Dish washing machines:
8422.20.00	-Machinery for cleaning or drying bottles or other containers
8422.30.00	-Machinery for filling, closing, sealing or labelling bottles, cans, boxes, bags or other containers; machinery for capsuling bottles, jars, tubes and similar containers; machinery for aerating beverages
8422.40.00	-Other packing or wrapping machinery (including heat-shrink wrapping machinery)
84.26	Ships' derricks; cranes, including cable cranes; mobile lifting frames, straddle carriers and works trucks fitted with a crane.
	-Overhead travelling cranes, transporter cranes, gantry cranes, bridge cranes, mobile lifting frames and straddle carriers
8426.11.00	--Overhead travelling cranes on fixed support
8426.12.00	--Mobile lifting frames on tyres and straddle carriers
8426.19.00	--Others
8426.20.00	-Tower cranes
8426.30.00	-Portal or pedestal jib cranes
	-Other machinery, self-propelled
8426.41.00	--On tyres
8426.49.00	--Others
	-Other machinery:
8426.91.00	--Designed for mounting on road vehicles

Heading / Code	Description
8426.99.00	--Others
84.28	Other lifting, handling, loading or unloading machinery (for example, lifts, escalators, conveyors, teleferics).
	-Other continuous-action elevators and conveyors, for goods or materials:
8428.31.00	--Specially designed for underground use
8428.32.00	--Others, bucket type
8428.33.00	--Others, belt type
8428.39.00	--Others
8428.40.00	-Escalators and moving walkways
8428.60.00	-Teleferics, chair-lifts, ski-draglines; traction mechanisms for funiculars
8428.90.00	-Other machinery
84.29	[Omitted by the Finance Bill, 2083.]
84.30	Other moving, grading, levelling, scraping, excavating, tamping, compacting, extracting or boring machinery, for earth, minerals or ores; pile-drivers and pile-extractors; snow-ploughs and snow-blowers.
8430.10.00	-Pile-drivers and pile-extractors
8430.20.00	-Snow-ploughs and snow-blowers
	-Coal or rock cutters and tunnelling machinery
8430.31.00	--Self-propelled
8430.39.00	--Others
	-Other boring or sinking machinery:
8430.41.00	--Self-propelled
8430.49.00	--Others
8430.50.00	-Other machinery, self-propelled
	-Other machinery, not self-propelled:
8430.61.00	--Tamping or compacting machinery
8430.69.00	--Others
84.32	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.10.00	-Ploughs
	-Harrows, scarifiers, cultivators, weeders and hoes:
8432.21.00	--Disc harrows
8432.29.00	--Others
	-Seeders, planters and transplanters:
8432.31.00	--No-till direct seeders, planters and transplanters
8432.39.00	--Others
	-Manure spreaders and fertiliser distributors:
8432.41.00	--Manure spreaders
8432.42.00	--Fertiliser distributors

Heading / Code	Description
8432.80.00	-Other machinery
84.33	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.
	-Mowers for lawns, parks or sports-grounds:
8433.11.00	--Powered, with the cutting device rotating in a horizontal plane
8433.19.00	--Others
8433.20.00	-Other mowers, including cutter bars for tractor mounting
8433.30.00	-Other haymaking machinery
8433.40.00	-Straw or fodder balers, including pick-up balers
	-Other harvesting machinery; threshing machinery
8433.51.00	--Combine harvester-threshers
8433.52.00	--Other threshing machinery
8433.53.00	--Root or tuber harvesting machines
8433.59.00	--Others
8433.60.00	-Machines for cleaning, sorting or grading eggs, fruit or other agricultural produce
84.34	Milking machines and dairy machinery.
8434.10.00	-Milking machines
8434.20.00	-Dairy machinery
84.35	Presses, crushers and similar machinery used in the manufacture of wine, cider, fruit juices or similar beverages.
8435.10.00	-Machinery
84.36	Other agricultural, horticultural, forestry, poultry-keeping or bee-keeping machinery, including germination plant fitted with mechanical or thermal equipment; poultry incubators and brooders.
8436.10.00	-Machinery for preparing animal feeding stuffs
	-Poultry-keeping machinery; poultry incubators and brooders:
8436.21.00	--Poultry incubators and brooders
8436.29.00	--Others
8436.80.00	-Other machinery
	-Parts:
8436.91.00	--Of poultry-keeping machinery or poultry incubators and brooders
84.37	Machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables; machinery used in the milling industry or for the working of cereals or dried leguminous vegetables, other than farm-type machinery.
8437.10.00	-Machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables
8437.80.00	-Other machinery

Heading / Code	Description
84.38	Machinery, not specified or included elsewhere in this Chapter, for the industrial preparation or manufacture of food or drink, other than machinery for the extraction or preparation of animal or fixed vegetable fats or oils or microbial fats or oils.
8438.10.00	-Bakery machinery and machinery for the manufacture of macaroni, spaghetti or similar products
8438.20.00	-Machinery for the manufacture of confectionery, cocoa or chocolate
8438.30.00	-Machinery for sugar manufacture
8438.40.00	-Machinery for brewery
8438.50.00	-Machinery for the preparation of meat or domestically reared poultry for meat
8438.60.00	-Machinery for the preparation of fruits, nuts or vegetables
	-Other machinery
8438.80.10	---Tea sorting machines, C.T.C. machines, tea fermenting machines, tea dryer machines, L.T.P. machines
8438.80.90	---Other machinery
84.39	Machinery for making pulp of fibrous cellulosic material or for making or finishing paper or paperboard.
8439.10.00	-Machinery for making pulp of fibrous cellulosic material
8439.20.00	-Machinery for making paper or paperboard
8439.30.00	-Machinery for finishing paper or paperboard
84.40	Book-binding machinery, including book-sewing machines.
8440.10.00	-Machinery
84.41	Other machinery for making up paper pulp, paper or paperboard, including cutting machines of all kinds.
8441.10.00	-Cutting machines
8441.20.00	-Machines for the manufacture of bags, sacks or envelopes
8441.30.00	-Machines for the manufacture of boxes, cartons, cases, tubes, drums or similar containers, other than by moulding
8441.40.00	-Machines for moulding articles in paper pulp, paper or paperboard
8441.80.00	-Other machinery
84.42	Machinery, apparatus and equipment (other than the machines of headings 84.56 to 84.65) for preparing or making plates, cylinders or other printing components; plates, cylinders and other printing components; plates, cylinders and lithographic stones, prepared for printing purposes (for example, planed, grained or polished).
8442.30.00	-Machinery, apparatus and equipment
84.43	Printing machinery used for printing by means of plates, cylinders and other printing components of heading 84.42; other printers, copying machines and facsimile machines, whether or not combined; parts and accessories thereof.

Heading / Code	Description
	-Printing machinery used for printing by means of plates, cylinders and other printing components of heading 84.42:
8443.11.00	--Offset printing machinery, reel-fed
8443.12.00	--Offset printing machinery, sheet-fed, office type (using sheets with one side not exceeding 22 cm and the other side not exceeding 36 cm in the unfolded state)
8443.13.00	--Other offset printing machinery
8443.14.00	--Letterpress printing machinery, reel-fed, excluding flexographic printing
8443.15.00	--Letterpress printing machinery, other than reel-fed, excluding flexographic printing
8443.16.00	--Flexographic printing machinery
8443.17.00	--Gravure printing machinery
8443.19.00	--Others
84.44 8444.00.00	Machines for extruding, drawing, texturing or cutting man-made textile materials.
84.45	Machines for preparing textile fibres; spinning, doubling or twisting machines and other machinery for producing textile yarns; textile reeling or winding (including weft-winding) machines and machines for preparing textile yarns for use on the machines of heading 84.46 or 84.47.
	-Machines for preparing textile fibres:
8445.11.00	--Carding machines
8445.12.00	--Combing machines
8445.13.00	--Drawing or roving machines
8445.19.00	--Others
8445.20.00	-Textile spinning machines
8445.30.00	-Textile doubling or twisting machines
8445.40.00	-Textile reeling or winding (including weft-winding) machines
8445.90.00	-Others
84.46	Weaving machines (looms).
8446.10.00	-For weaving fabrics of a width not exceeding 30 cm
	-For weaving fabrics of a width exceeding 30 cm, shuttle type:
8446.21.00	--Power looms
8446.29.00	--Others
8446.30.00	-For weaving fabrics of a width exceeding 30 cm, shuttleless type
84.47	Knitting machines, stitch-bonding machines and machines for making gimped yarn, tulle, lace, embroidery, trimmings, braid or net and machines for tufting.
	-Circular knitting machines:
8447.11.00	--With cylinder diameter not exceeding 165 mm
8447.12.00	--With cylinder diameter exceeding 165 mm

Heading / Code	Description
8447.20.00	-Flat knitting machines; stitch-bonding machines
8447.90.00	-Others
84.49	Machinery for the manufacture or finishing of felt or nonwovens in the piece or in shapes, including machinery for making felt hats; blocks for making hats.
8449.00.10	---Face mask making machines
8449.00.20	---Other machines
8449.00.90	---Parts
84.51	Machinery (other than machines of heading 84.50) for washing, cleaning, wringing, drying, ironing, pressing (including fusing presses), bleaching, dyeing, dressing, finishing, coating or impregnating textile yarns, fabrics or made up textile articles and machines for applying the paste to the base fabric or other support used in the manufacture of floor coverings such as linoleum; machines for reeling, unreeling, folding, cutting or pinking textile fabrics.
	-Drying machines:
8451.29.00	--Others
8451.30.00	-Ironing machines and presses (including fusing presses)
	-Ironing machines and presses (including fusing presses)
8451.40.00	-Washing, bleaching or dyeing machines
8451.50.00	-Machines for reeling, unreeling, folding, cutting or pinking textile fabrics
8451.80.00	-Other machinery
84.52	Sewing machines, other than book-sewing machines of heading 84.40; furniture, bases and covers specially designed for sewing machines; sewing machine needles.
	-Other sewing machines:
8452.21.00	--Automatic units
8452.29.00	--Others
84.53	Machinery for preparing, tanning or working hides, skins or leather or for making or repairing footwear or other articles of hides, skins or leather, other than sewing machines.
8453.10.00	-Machinery for preparing, tanning or working hides, skins or leather
8453.20.00	-Machinery for making or repairing footwear
8453.80.00	-Other machinery
84.54	Converters, ladles, ingot moulds and casting machines, of a kind used in metallurgy or in metal foundries.
8454.10.00	-Converters
8454.20.00	-Ingot moulds
8454.30.00	-Casting machines
84.55	Metal-rolling mills and rolls therefor.

Heading / Code	Description
8455.10.00	-Tube mills
	-Other rolling mills:
8455.21.00	--Hot or combination hot and cold
8455.22.00	--Cold
8455.30.00	-Rolls for rolling mills
84.56	Machine-tools for working any material by removal of material, by laser or other light or photon beam, ultrasonic, electro-discharge, electro-chemical, electron beam, ionic-beam or plasma arc processes; water-jet cutting machines.
	-Operated by laser or other light or photon beam processes:
8456.11.00	--Operated by laser
8456.12.00	--Operated by other light or photon beam processes
8456.20.00	-Operated by ultrasonic processes
8456.30.00	-Operated by electro-discharge processes
8456.40.00	-Operated by plasma arc processes
8456.50.00	-Water-jet cutting machines
8456.90.00	-Others
84.57	Machining centres, unit construction machines (single station) and multi-station transfer machines, for working metal.
8457.10.00	-Machining centres
8457.20.00	-Unit construction machines (single station)
8457.30.00	-Multi-station transfer machines
84.58	Lathes (including turning centres) for removing metal.
	-Horizontal lathes:
8458.11.00	--Numerically controlled
8458.19.00	--Others
	-Other lathes:
8458.91.00	--Numerically controlled
8458.99.00	--Others
84.59	Machine-tools (including way-type unit head machines) for drilling, boring, milling, threading or tapping by removing metal, other than lathes (including turning centres) of heading 84.58.
8459.10.00	-Way-type unit head machines
	-Other drilling machines:
8459.21.00	--Numerically controlled
8459.29.00	--Others
	-Other boring-milling machines:
8459.31.00	--Numerically controlled
8459.39.00	--Others
	-Other boring machines:
8459.41.00	--Numerically controlled

Heading / Code	Description
8459.49.00	--Others
	-Milling machines, knee-type:
8459.51.00	--Numerically controlled
8459.59.00	--Others
	-Other milling machines:
8459.61.00	--Numerically controlled
8459.69.00	--Others
8459.70.00	-Other thread-cutting or threading machines
84.65	Machine-tools for working wood, cork, bone, hard rubber, hard plastics or similar hard materials (including machines for nailing, stapling, glueing or otherwise assembling).
	-Others:
8465.92.00	[Omitted by the Finance Bill, 2083.]
84.70	Calculating machines and pocket-size data recording, reproducing and displaying machines with calculating functions; accounting machines, postage-franking machines, ticket-issuing machines and similar machines, incorporating a calculating device; cash registers.
8470.90.00	-Cash machines
84.74	Machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances, in solid (including powder or paste) form; machinery for agglomerating, shaping or moulding solid mineral fuels, ceramic paste, unhardened cements, plastering materials or other mineral products in powder or paste form; machines for forming foundry moulds of sand.
8474.10.00	-Machines for sorting, screening, separating or washing
8474.20.00	-Crushing or grinding machines
	-Mixing or kneading machines:
8474.31.00	--Concrete or mortar mixers
8474.32.00	--Machines for mixing mineral substances with bitumen
8474.39.00	--Others
8474.80.00	-Other machinery
84.75	Machines for assembling electric or electronic lamps, tubes or valves or flashbulbs, in glass envelopes; machines for manufacturing or hot working glass or glassware.
8475.10.00	-Machines for assembling electric or electronic lamps, tubes or valves or flashbulbs, in glass envelopes
	-Machines for manufacturing or hot working glass or glassware:
8475.21.00	--Machines for making optical fibres and preforms thereof
8475.29.00	--Others
8475.90.00	-Others

Heading / Code	Description
84.77	Machinery for working rubber or plastics or for the manufacture of products from these materials, not specified or included elsewhere in this Chapter.
8477.10.00	-Injection-moulding machines
8477.20.00	-Extruders
8477.30.00	-Blow moulding machines
8477.40.00	-Vacuum moulding machines and other thermoforming machines
	-Other moulding or otherwise forming machinery:
8477.51.00	--For moulding or retreading pneumatic tyres or for moulding or otherwise forming inner tubes
8477.59.00	--Others
8477.80.00	-Other machinery
84.78	Machinery for preparing or making up tobacco, not specified or included elsewhere in this Chapter.
8478.10.00	-Machinery
84.79	Machines and mechanical appliances having individual functions, not specified or included elsewhere in this Chapter.
8479.10.00	-Machinery for public works, building or the like
8479.20.00	-Machinery for the extraction or preparation of animal or fixed vegetable or microbial fats or oils
8479.30.00	-Presses for the manufacture of particle board or fibre building board of wood or other ligneous materials and other machinery for treating wood or cork
8479.40.00	-Rope or cable-making machines
	-Other machines and mechanical appliances:
8479.81.00	--Machines for treating metal, including electric wire coil-winders
8479.82.00	--Machines for mixing, kneading, crushing, grinding, screening, sifting, homogenising, emulsifying or stirring
8479.83.00	--Cold isostatic presses
	--Others:
8479.89.10	---Machinery for the soap industry
8479.89.20	---Cement ceiling filling machines
8479.89.30	---Machinery for processing waste and manufacturing again
8479.89.40	---Garbage compactor machines
8479.89.50	---Machinery for manufacturing medicines
8479.89.60	---Silos
8479.89.70	---Machinery for producing biofuel
8479.89.80	---Machinery for producing bags from jute or cloth
	---Machines for producing natural and organic fertiliser

Heading / Code	Description
84.80	Moulding boxes for metal foundry; mould bases; moulding patterns; moulds for metal (other than ingot moulds), metal carbides, glass, mineral materials, rubber or plastics.
8480.10.00	-Moulding boxes for metal foundry
8480.20.00	-Mould bases
8480.30.00	-Moulding patterns
	-Moulds for metals or metal carbides:
8480.41.00	--Injection or compression types
8480.49.00	--Others
8480.50.00	-Moulds for glass
8480.60.00	-Moulds for mineral materials
	-Moulds for rubber or plastics:
8480.71.00	--Injection or compression types
8480.79.00	--Others
85.02	Electric generating sets and rotary converters
	-Other generating sets:
8502.31.00	--Wind-powered
85.03	Parts suitable for use solely or principally with the machines of heading 85.01 or 85.02.
8503.00.10	---Of wind power operated machines
85.04	Electrical transformers, static converters (for example, rectifiers) and inductors.
8504.40.90	---Solar charge controllers, solar inverters of a capacity exceeding 80 percent
85.14	Industrial or laboratory electric furnaces and ovens (including those functioning by induction or dielectric loss); other industrial or laboratory equipment for the heat treatment of materials by induction or dielectric loss
8514.39.10	---Cremation machines
85.41	Semiconductor devices (for example, diodes, transistors, semiconductor-based transducers); photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light-emitting diodes (LED), whether or not assembled with other light-emitting diodes (LED); mounted piezo-electric crystals.
	--Others:
8541.49.10	---Solar panels and modules
87.02	Motor vehicles for the transport of ten or more persons, including the driver.
	-With only compression-ignition internal combustion piston engine (diesel or semi-diesel):
	---Other motor vehicles with only 10 seats:

Heading / Code	Description
8702.10.49	----Ambulances and hearses
	-With both compression-ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion:
	---Other motor vehicles with only 10 seats:
8702.20.49	----Ambulances and hearses
	-With both spark-ignition internal combustion reciprocating piston engine and electric motor as motors for propulsion:
	---Other motor vehicles with only 10 seats:
8702.30.49	----Ambulances and hearses
	-With only electric motor for propulsion:
	---Other motor vehicles with only 10 seats:
8702.40.49	----Ambulances and hearses
	-Others:
	---Other motor vehicles with only 10 seats:
8702.90.49	----Ambulances and hearses
87.03	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars.
	-Other vehicles, with only spark-ignition internal combustion reciprocating piston engine:
	--Of a cylinder capacity not exceeding 1,000 cc:
	---Others:
8703.21.99	----Ambulances and hearses
	--Of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc:
8703.22.90	----Ambulances and hearses
	--Of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc:
	---Of a cylinder capacity exceeding 1,500 cc but not exceeding 2,000 cc:
8703.23.19	----Ambulances and hearses
	--Of a cylinder capacity exceeding 2,000 cc but not exceeding 2,500 cc:
8703.23.29	----Ambulances and hearses
	---Of a cylinder capacity exceeding 2,500 cc but not exceeding 3,000 cc:
8703.23.39	----Ambulances and hearses
	--Of a cylinder capacity exceeding 3,000 cc:
8703.24.90	----Ambulances and hearses
	-Other vehicles, with only compression-ignition internal combustion piston engine (diesel or semi-diesel):

Heading / Code	Description
	--Of a cylinder capacity not exceeding 1,500 cc:
8703.31.90	---Ambulances and hearses
	--Of a cylinder capacity exceeding 1,500 cc but not exceeding 2,500 cc:
	---Of a cylinder capacity exceeding 1,500 cc but not exceeding 2,000 cc:
8703.32.19	----Ambulances and hearses
	---Of a cylinder capacity exceeding 2,000 cc but not exceeding 2,500 cc:
8703.32.29	----Ambulances and hearses
	--Of a cylinder capacity exceeding 2,500 cc:
8703.33.90	---Ambulances and hearses
87.05	Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire fighting vehicles, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological units).
8705.30.00	-Fire fighting vehicles
87.06	Chassis fitted with engines, for the motor vehicles of headings 87.01 to 87.05.
8706.00.50	---Chassis of electric motor-driven tempos
(B) Other Goods and Services:	
1. Services in respect of storage of agricultural produce in cold storages and silos.	
2. Postal services (only those operated by the Government of Nepal): (a) Services relating to the transportation or transfer of letters, money and parcels. (b) Other services required for the services relating to the transportation or transfer of letters, money and parcels.	
3. Services provided by the Government of Nepal, provincial government or local levels. Insurance such as accident insurance, health insurance, re-insurance services, agricultural crop insurance.	
4. Financial services, digital financial service fees, services provided by insurance agents, life insurance services, accident insurance, fruit insurance, bee insurance, livestock insurance, poultry insurance, fisheries insurance, micro insurance, clearing house services, money transfer, money exchange, SWIFT services, hire purchase transactions, deposit and credit guarantee services, capital market business, securities business, merchant banking business, commodity futures market, and securities and commodity brokerage business.	
5. Parts and accessories falling under heading 87.08, used in electric rickshaws, imported by industries registered in Nepal for the purpose of manufacturing electric rickshaws, for their own production purposes.	
6. Items imported on the recommendation of the Alternative Energy Promotion Centre for use in solar power electricity generation systems, solar thermal energy production, and equipment operated solely by solar energy, as follows: (a) Items falling under the following subheadings used exclusively for solar-powered operation and solar thermal energy production: 7410.21.00, 7607.19.00, 8403.10.00, 8403.90.00, 8412.80.00, 8419.34.00,	

Heading / Code	Description
8516.60.11, 8516.60.12 and 8516.60.19. (b) Lithium ion batteries falling under subheading 8507.60.00, and battery boxes, battery packs and separators falling under subheading 8507.90.00.	
7.	Spare parts imported by jute industries for the operation of their industries, on the recommendation of the Department of Industry.
8.	Woollen yarn (other than synthetic and acrylic) used in sweaters knitted by hand at home.
9.	Goods received as grants for any natural disaster or charity, approved by the Government of Nepal, Ministry of Finance.
10.	Goods for personal use, on which customs duty is not leviable, imported under the notice relating to personal-use goods which a passenger may bring in and take out.
21711.	When imported by the concerned project, its contractor or the promoter of the project, and supplied to the project, on the recommendation of the Investment Board in the case of projects operated with the approval of the Investment Board, of the Alternative Energy Promotion Centre in the case of those operated with the approval of that Centre, and of the Department of Electricity Development in the case of other projects (including projects operated by the Nepal Electricity Authority), value added tax shall be exempt on construction equipment, machinery tools, high storage capacity batteries and related parts and accessories required for hydro, solar and wind electricity generation, distribution and transmission line projects, and raw materials (steel sheets) required for manufacturing such equipment.
12.	For hydropower projects with a capacity of more than two hundred megawatts, including reservoir and semi-reservoir projects, which complete financial closure by the month of Chaitra 2082, value added tax shall be exempt on construction equipment, plant, machinery tools and related parts and accessories, explosive materials, penstock pipes and steel plates imported by the promoter of the concerned project, the project or its contractor, on the recommendation of the Investment Board in the case of projects approved by the Investment Board, and of the Department of Electricity Development in the case of others (including projects operated by the Nepal Electricity Authority). Provided that, in making a recommendation under this clause, the recommendation shall be made in accordance with the quantities mentioned in the detailed engineering design report of the hydropower project.
13.	Where motor vehicles not exceeding ten years from the year of first production, imported under diplomatic or customs facilities by diplomatic bodies and donor agencies, are transferred to a project in accordance with its approved annual programme and converted into government number plates, or where motor vehicles not exceeding ten years from the year of first production, imported under full or partial customs facilities in the name of any project (other than those imported on record or bank guarantee) are, after the completion of the project, converted into government number plates and transferred to a government body with the approval of the Government of Nepal, Ministry of Finance, value added tax shall not be leviable.
14.	Where old motor vehicles imported with customs facilities by diplomatic bodies, projects, persons and other government bodies and non-governmental organizations, which exceed 10 years from the year of first production, or which have been used by diplomatic bodies and diplomatic staff and cannot be operated due to accident or technical reasons, are to be scrapped, with the approval of the Ministry of Finance, so that they cannot be reused,

Heading / Code	Description
	and their registration cancelled, value added tax shall not be leviable on such motor vehicles.
	15. Where, upon the death of the owner of a motor vehicle imported by a Nepali citizen for personal use with value added tax exemption, the motor vehicle is transferred into the name of his or her husband or wife, the value added tax leviable on such motor vehicle shall be exempt on the basis of the approval of the Department.
	16. When a community educational institution imports one bus of a capacity of 30 seats or more for the purpose of transporting students, on the recommendation of the Government of Nepal, Ministry of Education, Science and Technology, the value added tax leviable shall be exempt. A motor vehicle imported with such facility may not be sold, distributed, transferred or have its ownership transferred for ten years. If the ownership is transferred, sold or otherwise transferred in any manner before ten years, the full value added tax shall be levied in accordance with the prevailing law.
	17. Where industries that have not availed of the facility of a bonded warehouse or cash deposit (passbook) import raw materials, auxiliary raw materials and packing materials not produced in Nepal required for the production of goods to be exported by them, and export the finished goods produced therefrom within the prescribed period in accordance with the prescribed procedure, the value added tax levied at the customs point on the import of such raw materials, auxiliary raw materials and packing materials shall be refunded at the customs point itself, on the goods as specified in a notice published in the Nepal Gazette, from the date as specified, at the rate as specified in such notice.
	18. Machines purchased for the purpose by industries engaged in the re-processing of batteries.
	19. Services of issuing certificates of origin for export purposes.
	20. Value added tax shall be exempt when the person constructing or establishing an industrial area or industrial village, or its contractor, imports equipment, machinery tools, parts and construction materials required for the construction or establishment of such industrial area or industrial village, on the recommendation of the Investment Board. Provided that, in making a recommendation under this clause, the recommendation shall be made in accordance with the quantities mentioned in the detailed engineering design report for the construction or establishment of the industrial area or industrial village.
	21. Value added tax shall be exempt when industries manufacturing or assembling electric vehicle charging machines import on the recommendation of the Department of Industry.
	22. Value added tax shall be exempt when mill machinery required for industries sizing timber and timber-based materials is imported on the recommendation of the Department of Industry.
	23. Value added tax shall be exempt when machines, instruments and equipment required for the construction of infrastructure of football, cricket and multipurpose stadiums are imported on the recommendation of the Ministry of Youth and Sports.
	24. Value added tax shall be exempt when machines, instruments and equipment required for the production of green hydrogen are imported on the recommendation of the Ministry of Energy, Water Resources and Irrigation.
	25. Labour charges for making gold and silver ornaments and goods.
Group 12: Buildings and Land	

Heading / Code	Description
	Purchase, sale and rental of houses and land (other than services provided by hotels, guest houses and apartments, or by bodies operated commercially on a par with hotels and guest houses).
Group 13: Betting, Casino and Lottery	
	Activities relating to facilities provided for betting or gambling; lotteries.
	Notes: (1) In respect of the goods of Groups 1 to 11 above, where the name or description of goods is mentioned in an eight-digit subheading under a four-digit heading, the exemption from tax shall apply only where both the subheading and the name or description of the goods match, and goods falling under the "Others" subheading without a specifically mentioned name or description shall not be prevented from exemption. The Department may make additions and refinements to the descriptions of goods and services exempt from tax and to the harmonized codes of goods, in consultation with the Department of Customs as required.
	(2) Where the Government of Nepal considers it appropriate to grant any exemption or tax refund on goods on which tax is leviable, it may grant the exemption by publishing a notice in the Nepal Gazette.

Schedule-2

(Relating to Sub-section (2) of Section 7)

Goods and Services Chargeable to Tax at Zero Rate

1. Goods to be exported: Where it is certified that the supply of goods has been made as follows,-

- (a) Exported, or
- (b) Placed as stores on an international flight having a destination outside Nepal, or
- (c) Placed for retail sale, supply or consumption on an international flight having a destination outside Nepal.

2. Services supplied to a person outside Nepal:

- (a) Services supplied by a person resident within Nepal to a person outside Nepal who has no business transaction, business representation or legally recognized representative in Nepal,
- (b) Supply of goods or services made by a registered person resident within Nepal to a person resident outside Nepal.

3. Goods and services imported by persons enjoying diplomatic facilities on the recommendation of the Government of Nepal, Ministry of Foreign Affairs, or by persons working in diplomatic bodies enjoying customs facilities.

4. Where sales tax exemption has been provided on import under any previous treaty or agreement, the facility of zero rate shall be provided, on the recommendation of the concerned project, on such supply when purchased locally from taxpayers registered for as long as such treaty or agreement remains in force.

5. Raw materials and manufactured goods sold to industries operating in special economic zones established in accordance with the prevailing law.

6. Where machinery tools and parts thereof, instruments and equipment, construction materials, penstock pipes, or iron sheets used for making them, required for the following persons are produced by local industries and are supplied by the same industry to the concerned person or its contractor, the facility of zero rate shall be provided to such industry on such transaction, in accordance with the procedure specified by the Department, on the recommendation of the following bodies:-

- (a) For electricity projects operated by hydro, solar and wind power, on the recommendation of the Investment Board Nepal in the case of those operated with the approval of the Investment Board, of the Alternative Energy Promotion Centre in the case of those operated with the approval of that Centre, and of the Department of Electricity Development in the case of other projects,
- (b) In the case of industries producing organic and natural fertiliser, on the recommendation of the Department of Industry,
- (c) In the case of those constructing or establishing an industrial area or industrial village, on the recommendation of the Investment Board Nepal.

7. Where handicraft goods such as sculpture, painting, architecture and other similar handicrafts produced domestically in Nepal by domestic and small entrepreneurs are exported abroad through approved export trading houses of Nepal, the value added tax paid on the raw materials used in producing such goods shall be refunded after completing the procedure specified by the Department.

8. Scooters made suitable for use by persons with disabilities.

9. Where machinery, equipment and construction materials as per the approved master list required for operating a project in Nepal in accordance with a bilateral or multilateral agreement concluded with the consent of the Government of Nepal, Ministry of Finance, for tax exemption, are produced by domestic industries and are supplied by the same industry directly to the concerned project or through the contractor of that project, the facility of zero rate shall be provided to such industry on such transaction in accordance with the procedure specified by the Department.

10. Deep cycle lead acid batteries falling under subheading 8507.20.00, used in electric vehicles and produced by domestic industries, on the recommendation of the Government of Nepal, Ministry of Forests and Environment, Department of Environment.