

Office of the
Commissioner of Profession Tax,
Maharashtra State, Mumbai.
8th floor, Vikrikar Bhavan,
Mazgaon, Mumbai – 400 010.

TRADE CIRCULAR

To

No.A.C.(P.T.)/2001 /P.T./Adm-7/10/B-
Circular No. 25 T of 2005.

Mumbai Dt : 7th October 2005.

Sub : Co-Operative Housing Societies and related provisions under Profession Tax Act.

Gentlemen/Sir/Madam,

The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, provides for certificate of registration for employer and certificate of enrolment for professionals liable to pay tax under the Act, Certain queries are received about applicability of Profession Tax for co-operative housing societies. The provisions are, therefore, explained as below in order to clarify the issue.

- (1) The co-operative housing societies which are not engaged in any profession, trade or calling and have not employed persons or have employed persons with a monthly salary or wages of less than Rs. 2000/- , then such co-operative housing societies are not required to pay Profession Tax.
- (2) The co-operative housing societies which are not engaged in any profession, trade or calling, but have employed persons and paying salary or wages to any or all of such employees at the rate of Rs. 2000/- or more per month are required to deduct and pay Profession Tax to Government on account of such employees by obtaining Certificate of Registration under the Act.
- (3) The co-operative housing societies which are engaged in any profession, trade or calling (viz., providing services to non-members) shall have to obtain Certificate of Enrolment and pay Profession Tax for themselves.
- (4) The co-operative housing societies which are engaged in any profession, trade or calling and also paying salary or wages @ Rs. 2000/- or more per month to persons employed by them,

shall have to obtain both Certificate of Registration and Certificate of Enrolment under the Act and pay the Profession Tax accordingly.

2. This circular cannot be made use of for legal interpretation of provisions of law as it is only clarificatory in nature. If any member of the trade has any doubt, he may refer the matter to this office for further clarification.
3. You are requested to bring the contents of this circular to the notice of all the members of your association.

Yours faithfully,

**(B. C.
KHATUA)**
Commissioner
of Profession
Tax,
Maharashtra
State, Mumbai.