

Committed to Dental Excellence

March 31st, 2006

Hon'ble Shri. Jayantrao Patil Saheb

**Minister of Finance,
Government of Maharashtra,
Mumbai**

Respected Sir,

**Sub: Request for inclusion of Dental Equipment materials under
schedule of Medical Devices & Implants.**

Greetings from the Indian Dental Association (IDA). We are proud to inform you that IDA is a premier and largest dental organization in our country spread out in 27 States, having 185 Branches. Our Association consists of professional dentist members, who conduct various activities towards the improvement of oral health in major cities, small towns and the remote villages in the country as well as a leading partner in implementation of National Oral Health planning at various levels.

In reference to the above captioned subject we would like to bring it to your kind notice that in the past Maharashtra State Sales Tax on Dental Equipment, instrument and materials was 4%, but all such notification were withdrawn expecting introduction of VAT. As VAT introduction was delayed by 2 to 3 years and whooping 18% tax is applicable on above said material in Maharashtra.

Empowered committee on VAT has already recommended that Medical Equipment, instruments including Dental, should be charged at 4%. Delhi, Karnataka, Punjab, Madhya Pradesh and



Indian Dental Association

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Prof. S. G. Damle
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Kerala State governments have already accepted the recommendation of empowered committee; however Maharashtra Government has not yet accepted this recommendation. This has created anomaly in uniform taxation. The dentist to impart quality Dental treatments uses these products. In Maharashtra there are 22 dental teaching institute and 15000 + practicing dentist who prefer to buy dental material from outside state to avoid higher taxes. Most of the National and International traders and manufacturers have their set up in Maharashtra, preferably in Mumbai. It should be noted that new entrant in Dental Material manufacturing and trading {MNC's} are selecting Delhi as there headquarter. This has resulted in diverting the business to the traders from neighboring states, mainly doing the grate loss in revenue of the Maharashtra State. This situation is nor benefiting public, faculty or government.

Dental Materials:

These are group of products which are used by the dentist to impart quality Dental treatment. Historically Maharashtra has been **only** state producing these material in India. Currently following serious major manfacutrers are active in Maharashtra. Indegenious : Dental Products of India, Kalabhai Karson, Deepti Dental, Prime Dental.

Collabration : Pharamdent [Indian] + Septodent [French]
Additionally there are few other smaller manufacturers also. It should be also noted that new entrant in Dental Material manufacturing and trading [MNCs] are selecting Delhi as there headquarter.

Hence we recommend following heading to be included in VAT Tariff of Maharashtra with 4 % applicable rates:

List attached

In addition to the earlier attempts made earlier in this regard, we hope that Government of Maharashtra state appreciate logic and reasoning given above and shall reduce VAT from full rate to 4%

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Committed to Dental Excellence

for the Dental Products. Being representative body, we request & appeal to for the same.

Thanking you.

Sincerely,

For Indian Dental Association

Ashok Dhoble
Dr. Ashok Dhoble

Hon Sec General

President Elect Dr. M. C. Mohan Email : preselect@ida.org.in	Vice Presidents Dr. Arunkumar Chhajer Dr. Alok Kumar Dr. S. P. Agarwal	Hon. Assistant Secretary Dr. Santosh R. Ravindran	Hon. Editor - Journal Dr. Manjit Singh Email : edit@ida.org.in	Hon. Chairman C.D.E. Dr. Shyam Mahajan Email : cde@ida.org.in	Hon. Chairman C.D.H. Dr. Chaitanya Jwala Email : cdh@ida.org.in
Imm. Past President Dr. Bhagwant Singh	Hon. Joint Secretary Dr. Sanjay S. Joshi	Hon. Treasurer Dr. Deepak Muchhala			

LIST OF EQUIPMENT:

- 1) Dental Chair & Unit
- 2) Control box for airtor, airmotor, micromotor, hanging engine.
- 3) Handpieces : for airtor, airmotor, micromotor, hanging engine.
- 4) Air compressor for dental use.
- 5) Light Cure Units
- 6) Scalars : ultrasonic, piezomatic & air-driven.
- 7) Ultrasonic Cleaners.
- 8) Glass bead Sterilisers
- 9) Autoclaves, Hot Air Sterilisers
- 10) X raymachines for teeth and jaws
- 11) Electro surgery units
- 12) Equipments for dental laboratory

LIST OF INSTRUMENTS:

- 1) Hand instruments for dental use
- 2) Root canal instruments (Endodontic instruments)
- 3) Instruments & appliances for dental laboratory
- 4) Extraction forceps, elevators and dental surgical instruments
- 5) Supragingival and subgingival scalars
- 6) Rotary instruments for dental use

LIST OF MATERIALS:

- 1) Impression Material: Alginates, Addition Silicones, Condensation Silicones, Impression Compounds, Impression Pastes, Shallac Base Plates
- 2) Filling Material: Silver Amalgum, Composite Resins
- 3) Cements: for Luting, Bonding, Temporary Filling, Permanent Filling, Lining & Base for filling materials
- 4) Materials required for fabrication of artificial teeth:
Denture: artificial teeth, denture base material & chrome cobalt alloy, dental plasters
Crown & Bridge: Chrome cobalt alloy, Nickle chrome alloy ceramic (powder, liquids & pastes), Composites, Inaly & built up waxes, hot/light/self polymerization powder for fabrication of artificial teeth.
- 5) Materials required for Endodontic treatment
- 6) Sodium Hypochloride, Hydrogen Peroxide, Paper Points, Gutta Percha Points, Silver Points, Gutta Percha Sticks, Prefabricated endo post systems. Materials required for Orthodontics.
- 7) Bracks, Pliers, Begg's Wire, Straight Wire, Locking Pins, Elastics.
- 8) Material for Diagnostics :
Dental X-ray Films: Intra oral and Extra oral, Developing Solutions, Fixing Solutions, Intensifying Screen.
- 9) Teeth whitening system.
- 10) Extraction Forceps, Elevators & Dental Surgical Instruments for Conservative.
- 11) Artificial Teeth, Dental Stone Plasters, Waxes & Investments.
- 12) Dental Implants & Instruments.

**PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND
ADVANCE RULINGS UNDER SECTION 60 OF THE KARNATAKA
VALUE ADDED TAX ACT, 2003 READ WITH SECTION 69 OF KVAT
ACT-2003**

PRESENT:

Additional Commissioners :-

1. D.R. BALAJI SINGH

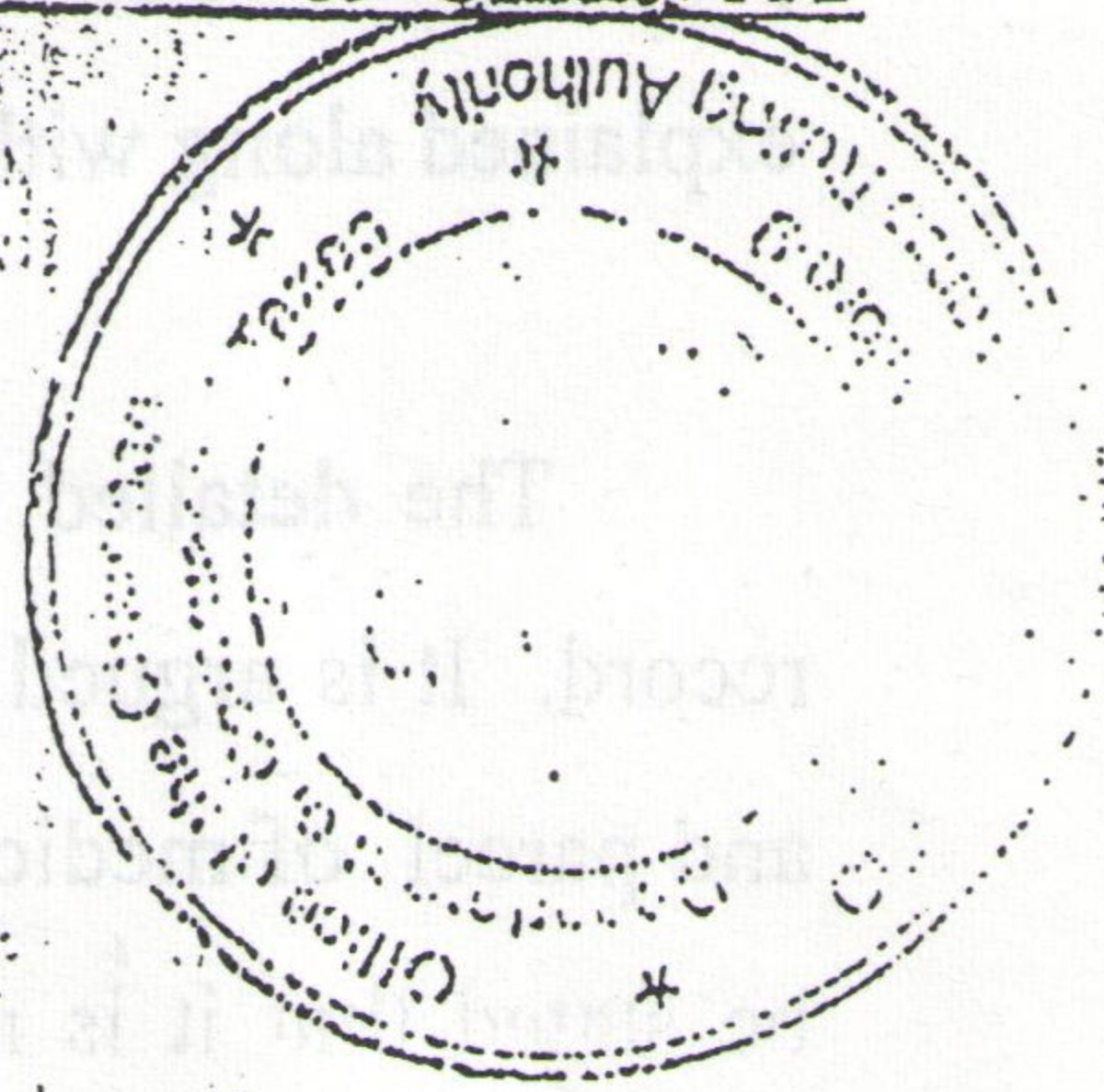
Chairman

2. Kavery Monnappa

Member

3. D.V. Shlvaram

Member



APPLICANT:

M/s. Meghana and Company,

2A, 1st floor, Modi Hospital Road,

West of Chord Road, Bangalore-86.

ADVANCE RULINGS / CLARIFICATION ORDER NO: AR.CLR. CR-

176/05-06 DTD 27-9-2005

M/s. Meghana and Company, 2A, 1st floor, Modi Hospital Road, West of Chord Road, Bangalore-86, is a registered dealer under KVAT Act 2003 bearing TIN 29690056232, borne on the files of ACCT, 37th Circle, LVO-040, Bangalore.

Sri M:N.Shankare Gowda, Advocate, duly authorized, appeared before the Authority and represented the facts of the case. The applicant Sri Hanumesh, has filed detailed list of medical equipments, implants and other materials dealt by him and has sought the ruling on the rate of tax on these equipment and products. The matter in issue was heard and the literature was

perused in detail. It is seen that the goods in question dealt by the dealer are explained along with the literature of the product.

The detailed list filed by the dealer on which ruling is sought is on record. It is argued by the learned advocate that dentistry is nothing but part and parcel of medical science, merely because it is a specialized field it cannot be stated that it is not a medical science. Teeth is a part of the body which influences general health. Dental care is done in hospitals and therefore a specialized medical field.

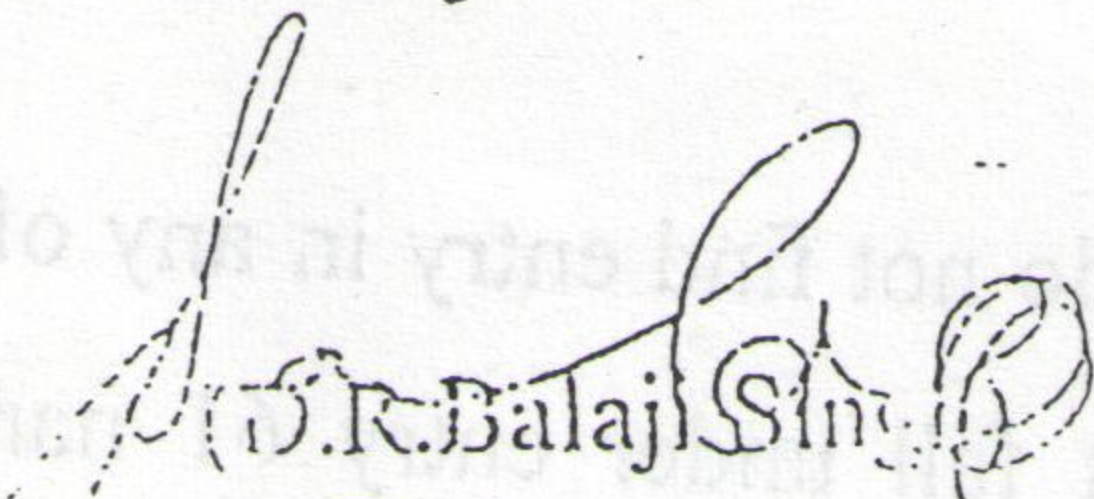
Considering the above and the comprehensive nature of the entry relating to these goods two entries arise for consideration. Therefore entry 60 of the Third Schedule of KVAT Amendment Act 2005 reads as under:-

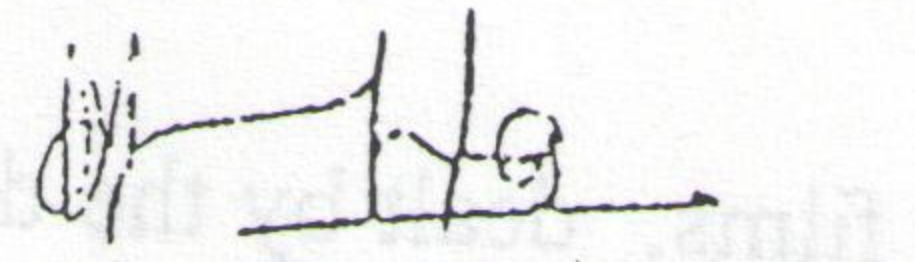
“Medical and pharmaceutical preparations; medicated ointments manufactured or imported under licenses granted under the Drugs and cosmetics Act 1940; Light liquid paraffin of IP grade; Wadding gauze, bandages and similar articles for medical, surgical, dental or veterinary purposes; Syringes; Diagnostic or laboratory reagents including prepared diagnostic or laboratory reagents.”


Entry 61 reads as “Medical equipments, devices and implants”.

Under Central Excise Tariff Act also these medical and dental equipments fall under chapter 9018, 9021, 9022 and 9402. In consideration of this opinion and concurring with the plea made by the applicant, this authority rules that all dental materials, of various kinds indicated in the application, which are used in dental surgery fall under entry 60 of the Third Schedule of KVAT Amendment Act 2005.

3. X-ray films are liable to tax @ 12.5% under Section 4(1)(b) of Karnataka Value Added Tax Act, 2003.


D.R. Balaji Singh
Chairman


(Kavery Monnappa)
Member


(D.V. Shivaram)
Member

Chairman
Bangalore-9
Copy to :-

Member
Bangalore-9

Member
Bangalore-9

1. Submitted to the Commissioner of Commercial Taxes in Karnataka, Bangalore.
2. M/s. Meghana and Company, 2A, 1st floor, Modi Hospital Road, West of Chord Road, Bangalore-86, Bangalore
3. The ACCI, 37th Circle, - LVO -040 Bangalore.
4. To the Secretary.
5. Spare copy.

LIST OF DENTAL EQUIPMENT MATERIALS
INDIAN DENTAL ASSOCIATION

REPRESENTATION DATED
31 MARCH 2006

ITEMS DESCRIPTION	CUSTOMS TARRIF #	USED FOR
1) Dental Chair & Unit	90.18.14	Clinics
2) Control box for airotor, airmotor, micromotor, hanging engine.	90.18.14	Clinics/labs
3) Handpieces : for airotor, airmotor, micromotor, hanging engine.	90.18.14	Clinics/labs
4) Air compressor for dental use.		Clinics
5) Light Cure Units	90.18.49	Clinics
6) Scalers : ultrasonic, piezomatic & air-driven.	90.18.49	Clinics
7) Ultrasonic Cleaners.	90.18.49	Clinics/labs
8) Glass bead Sterilisers	90.18.49	Clinics
9) Autoclaves, Hot Air Sterilisers	90.18.49	Clinics
10) X raymachines for teeth and jaws		Clinics
11) Electro surgery units	90.18.49	Clinics
12) Equipments for dental laboratory, Porcelain Furnace, Dental Casting Machine, Programmable Burnout Furnaces, Model Trimmers, Pindrill, Die Cutting Saw,	90.18.14	Labs
		Clinics
LIST OF INSTRUMENTS:		Clinics
1) Hand instruments for dental use	90.18.49	Clinics
2) Root canal instruments (Endodontic instruments) Prefabricated endo post systems	90.18.49	Clinics
3) Instruments & appliances for dental laboratory	90.18.49	Labs
4) Extraction forceps, elevators and dental surgical instruments	90.18.49	Clinics
5) Supragingival and subgingival scalers	90.18.49	Clinics
6) Rotary instruments for dental use	90.18.49	Clinics
		Clinics
LIST OF MATERIALS:		Clinics
1) Impression Material: Alginates, Addition Silicones, Condensation Silicones, Impression Compounds, Impression Pastes, Shallac Base Plates	34.07.00	Clinics/labs
2) Filling Material: Silver Amalgum, Composite Resins	30.06.40	Clinics
3) Cements: for Luting, Bonding, Temporary Filling, Permanent Filling, Lining & Base for filling materials	30.06.40	Clinics
4) Materials required for fabrication of artificial teeth:	34.07.00	Labs
Denture: artificial teeth, denture base material & chrome cobalt alloy, dental plasters	34.07.00	Labs
rown & Bridge: Chrome cobalt alloy, Nickle chrome alloy ceramic (powder, liquids & pastes), Composites, .	75.05.12	Labs
5) Materials required for Endodontic treatment	30.06.40	Clinics
6) Sodium Hypochloride, Hydrogen Peroxide, Paper Points, Gutta Percha Points, Silver Points, Gutta Percha Sticks, . Materials required for Orthodontics.	30.06.40	Clinics
7) Bracks, Pliers, Begg's Wire, Straight Wire, Locking Pins, Elastics.	90.18.49	Clinics
8) Material for Diagnostics :		Clinics
Dental X-ray Films: Intra oral and Extra oral, Developing Solutions, Fixing Solutions, Intensifying Screen.		Clinics
9) Teeth whitening system.	30.06.40	Clinics
10) Extraction Forceps, Elevators & Dental Surgical Instruments for Conservative.	90.18.49	Clinics
11) Artificial Teeth,	90.21.21	Clinics
Dental Stone Plasters, Waxes & Investments. Inaly & built up waxes, hot/light/self polymerization powder for fabrication of artificial teeth	34.07.00	Clinics/labs
12) Dental Implants & Instruments.	90.21.29.00	Clinics

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INDIAN DENTAL ASSOCIATION

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7) Ultrasonic Cleaners.	90.18.49	Clinics/labs
8) Glass bead Sterilisers	90.18.49	Clinics
9) Autoclaves, Hot Air Sterilisers	90.18.49	Clinics
10) X raymachines for teeth and jaws		Clinics
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Dental X-ray Films: Intra oral and Extra oral, Developing Solutions, Fixing Solutions, Intensifying Screen.		Clinics
9) Teeth whitening system.	30.06.40	Clinics
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12) Dental Implants & Instruments.	90.21.29.00	Clinics