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Title: Issues relating to implementation of VAT system in Kerala and other states.

SHRI VARKALA RADHAKRISHNAN : Sir, it was reported in yesterday's newspaper that the State Governments ruled by NDA parties are not going to implement VAT system. This system was discussed for long and it was unanimously decided to implement VAT system in the country. Of course, States may incur some loss, but non-implementation of this system will create confusion, especially in consumer States like Kerala if the neighbouring States do not implement VAT system and the State's revenue will be adversely affected. The neighbouring States like Tamil Nadu and other NDA ruled States are not going to implement VAT system. There is already a confusion among the public after the leakage of question paper in Kerala. Now, when VAT system is introduced from 1.4.2005, it will create utter confusion because the trading communities are on a warpath. They have declared a war against it. The Government has already declared that they would implement this system. So, I request the Central Government to immediately intervene in the matter [\[R23\]](#) .

The [\[r24\]](#) Government should also see that uniform procedure is adopted in the matter of implementing the VAT system. Either they should give them the power not to implement it or they should impress upon other States also to follow suit.

Sir, I again request the Central Government to take a serious view of the matter.