# Undertaking (Hotel Industry)

*I/we.....**( name of the hotel)** hereby confirm that:*

1. The information submitted vide **online application no……..….dated……** is true to the best of my/our knowledge. In case the information is found to be untrue, I/We shall be liable for fines and penalties as per the Sales Tax, Customs & Excise Act of the Kingdom of Bhutan, 2000 and amendments thereof.
2. The exemptions applied for the goods mentioned in the application forms are meant for the purpose(s) of my business and not for any other use. In case the same is found to be otherwise, I/we shall be liable for fines & penalties in addition to the amount of Sales Tax and/or Customs Duty as per the Sales Tax, Customs and Excise Act of the Kingdom of Bhutan, 2000 and amendments thereof. Further, it shall result in withdrawal of the exemptions facilities.
3. I/We shall maintain & submit proper books of accounts for tax purpose as per the Income Tax Act & Rules of the Kingdom of Bhutan, 2001 and amendments thereof upon start of commercial operation (applicable to new hotel under construction) or upon availing these exemptions (applicable to existing and upgrading hotel who has not maintained books of accounts). In case of non-maintenance of proper books of accounts, I/we shall liable for a fines & penalties as per the Sales Tax, Customs & Excise Act of the Kingdom of Bhutan, 2000 and amendments thereof. Further, it shall result in withdrawal of the exemptions facilities until the proper books of accounts for the following income year is submitted for tax purpose.
4. I/We shall maintain stock register/inventory of all exempted goods upon availing these exemptions (applicable to new, existing and upgrading hotel). In case of non-maintenance stock register/inventory of all the exempted goods, I/we shall be liable for fines & penalties as per the Sales Tax, Customs & Excise Act of the Kingdom of Bhutan, 2000 and amendments thereof. Further, it shall result in withdrawal of the exemptions facilities.
5. There are no outstanding taxes/dues against my hotel including its sister concern with DRC. In case there are outstanding Sales Tax, Income Tax or any other taxes/dues against my hotel including its sister concern, exemptions may be withheld until all the taxes/dues are cleared.
6. I/We shall install & use computerized billing system upon start of commercial operation (applicable to new hotel under construction) or within one year from the date of this undertaking (applicable to existing and upgrading hotel). In case of noncompliance, it shall result in withdrawal of the exemptions facilities until I/We install & use one.
7. I/We shall operate for a minimum of 5 years upon start of commercial operation (applicable to new hotel under construction) or from date of this undertaking (applicable to existing and upgrading hotel). In case of non-compliance, I/We shall be liable to fines & penalties in addition to the amount of Sales Tax and/or Customs Duty on all goods exempted earlier as per Sales Tax, Customs & Excise Act & Rules of the Kingdom of Bhutan, 2000 and amendments thereof.
8. The hotel shall be registered as Sales Tax Collecting Agent upon start of commercial operation (applicable to new hotel under construction) or is registered as Sales Tax Collecting Agent (applicable to existing and upgrading hotel) and therefore I/we shall collect & deposit the Sales Tax as per the requirements of the Sales Tax, Customs & Excise Act of the Kingdom of Bhutan, 2000 and amendments thereof. In case of non-compliance, the hotel liable for fines & penalties as per the Sales Tax, Customs and Excise Act of the Kingdom of Bhutan, 2000 and amendments thereof. Further, it shall result in withdrawal of the exemptions facilities.
9. All exempted goods shall be subject to post clearance audit/assessment/reassessment at any point of time and that I/we shall extend full cooperation to the audit/assessing team. In case of failure to cooperate, it may result in withdrawal of the exemptions facilities.
10. I/We shall furnish accurate information as may be required by the DRC. In case of non-compliance and submission of false information, I/We shall be liable for fines and penalties as per the Sales Tax, Customs & Excise Act, 2000 and amendments thereof.
11. I/We shall be subject to all existing rules, regulations and procedures prescribed in the Sales Tax, Customs and Excise Act & Rules 2000 and amendments thereof and the Income Tax Act & Rules, 2000 and amendments thereof for availing these exemptions.

Legal stamp

Owner/Authorized Signatory:
Name:
Designation:
CID no:
Date: