CHAPTER V

TAXATION OF INTERSTATE SALES (*Ctd.*): RECOMMENDATIONS

The problems which have emerged from the analysis of the Central Sales Tax Act relate to:

(i) complexity of rates; and

(ii) taxation of non-resident dealers.

(i) RATES OF TAX UNDER THE CENTRAL SALES TAX ACT

To recapitulate, the Central Sales Tax Act has classified commodities into declared and non-declared goods. Broadly speaking, the rate of tax on non-declared goods is 1% when the sale is made to a federally registered dealer; and a rate of 7% or the rate of the exporting state, whichever is higher, when the sale is made to a non-registered dealer or person. On declared goods the rate is 1% when the sale is made to a registered dealer for resale; and the rate of the exporting state, up to 2%, when the sale is made to a registered dealer not for resale, or to an unregistered dealer.

By authorising the exporting state to collect and retain the central sales tax, the Central Sales Tax Act prefers this state over the importing state from the revenue stand point. By not adopting the importing state's tax rates on sales to buyers who are not federally registered dealers, on sales to buyers who are federally registered but are purchasing for production or manufacture of goods and then resale, and on sales to government purchasing for manufacture of goods or consumption, the Act causes the economic effects of the central tax to turn on that state's sales tax laws. The theory underlying this policy and its economic consequences are open to question.

Taking into account the distribution of power over commerce and the due process clause in the United States Constitution, the Supreme Court of that country has been prone to give effect, although not entirely consistently, to the opposite view to that which prevails in India, in cases involv-

ing the validity of state taxes on interstate sales. Beginning with *McGoldrick v. Berwind White Coal Mining Co.*,[1] a general pattern of sustaining sales and use taxes by importing states and a greater tendency to strike down the sales taxes of exporting states has been displayed.[2] The principal reasons are that in the state of market out-of-state goods come into competition with locally produced goods. and it is there that the burden of its tax is borne by buyers.[3]

The chief disadvantage of allowing the tax rates of exporting states (and not importing states) to operate in

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1. 309 U.S. 33 (1940).
2. In *Adams Manufacturing Co.* v. *Storen*, 304 U.S. 307 (1938), the court held invalid an Indiana (exporting state) tax on gross receipts as applied to the entire gross receipts of a company which manufactured machinery within the state and sold 80 per cent of it to customers outside the state. Also, see *Gwin, White and Prince* v. *Henneford*, 305 U.S. 434 (1939). For cases in which tax by the state of market was upheld, see *McGoldrick* v. *Berwind White Coal Co.*, supra, *General Trading Co.* v. *State Tax Commission*, 322 U.S. 335 (1944); *International Harvestor Co.* v. *Department of Treasury*, 322 U.S. 340 (1944). But for contrary decision on technical grounds see, *Mecleod* v. *Dilworth*, 322 U.S. 327 (1944).
3. Speaking of the choice between the state of origin and state of market, Mr. Justice Rutledge of the U.S. Supreme Court in his concurring opinion in *General Trading Co.* v. *State Tax Commission*, 322 U.S. 335, 361 (1944) pointed out, "If in this case it were necessary to choose between the state of origin and that of market for the exercise of exclusive power to tax, or for requiring allowance of credit in order to avoid the cumulative burden, in my opinion the choice should lie in favour of the state of market rather than the state of origin. The former is the sate where the goods must come in competition with those sold locally. It is the one where the burden of the tax necessarily will fall equally on both classes of trade. To choose the tax of the state of origin presents at least some possibilities that the burden it imposes on its local trade, with which the interstate traffic does not compete, at any rate directly, will be heavier than that placed by the consuming state on its local business of the same character. If therefore choice has to be made . . . it should be in favour of the state of market or consumption as the one most certain to place the same tax load on both the interstate and competing local business."

respect to interstate sales is caused by differences in rates of the taxes in the various states. When the rate is higher in the exporting state than in the state of market, such sales will be to that extent at a disadvantage as compared to local sales in the latter, and an interstate barrier results. If the rate in the exporting state is lower, a barrier to intrastate trade in the importing state arises, since buyers will prefer to buy from outside owing to higher rates prevailing in the latter when there are no countervailing factors. Unnecessary movement of goods from one state to another is likely to result.

The fear has been expressed that giving effect to the rate in the state of market would encourage the states under certain circumstances to impose very high rates on commodities coming from other states, thus building a protective wall. Art. 304(a) of the Indian Constitution, however, specifically forbids a state to make any discrimination between imported and locally produced goods through the exercise of the taxing power. Hence the imposition of an equally high tax on imported and locally produced commodities would be necessary where the same commodities were sold both interstate and intrastate. It has been stated that when the same goods are not locally produced a state may not levy a tax on the sale of imported goods;[4] but the view seems unsound. This would, for example, prevent Delhi from imposing a tax on the sale of cars to Delhi consumers, since cars are not produced in Delhi. Delhi consumers would then enjoy a privileged position not enjoyed by consumers in car producing states. When the importing state can tax, it is unlikely for reasons other than legal ones that high taxes will be imposed. Consumers within the state are likely to possess sufficient political power to prevent such high taxes from being maintained for long, and the law of diminishing returns in the yield of the tax should operate to set a limit to exactions. There is a possibility that an importing state authorised to set the tax rates on its imports might seek to protect a domestic product, for example, tea, against

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4. *State of Bombay* v. *Chamarbaugwalia*, A.I.R. 1956 Bom. 1, 16. The case was reversed by the Supreme Court on a different ground—that gambling was not trade or commerce and therefore Art. 301 was not attracted, A.I.R. 1957 S.C. 699.

an imported product, such as coffee. However, the bulk of the transactions in coffee would be intrastate resales after import, and a state bent on such a policy could give effect to it without taxing the imports themselves.

There seems, all-in-all, to be no necessary reason why the rates of importing state might not be substituted for those of the present rates under the Central Sales Tax Act. However, that state might not be allowed to collect and retain the proceeds owing to the following considerations. The exporting states, have need for revenue. Their independent power to tax a commodity and the processes used in producing it is less than in the United States, for Part XII and the Seventh Schedule of the Constitution place the determination of taxes more largely in the power of the Union. In any event, sales tax has become a major source of state revenue. It is not within the scope of this study to suggest substitutes for it in the producing states.. The recommendations, accordingly, must be consistent with meeting the need of these states as fully as now. For this reason as well as on account of administrative considerations relating to the collection of sales taxes, a complete change-over in the choice of state rates under the Central Act cannot be recommended at present.

Keeping in view the above analysis, the specific recommendations are:

Non-declared Goods

(a) *Interstate sales to registered dealers buying for resale :* The present taxes on the transactions of registered dealers buying for resale give substantial scope to the principle "that the sales tax is primarily a tax on consumption and should accrue to the state in which the article is consumed."[5] Since the registered dealer is buying for resale, the commodity bought by him in interstate commerce comes within the purview of the importing state and is thereafter subject to taxation by that state. However, as seen in the previous chapter, the imposition of a tax of 1% on the interstate sale may have the effect of creating an interstate

5. See *Lok Sabha Debates* on Central Sales Tax (Second Amendment) Bill, Vol. XIX, No. 14, 28th August, 1958. p. 3483.

barrier since locally produced commodities would pay only the local tax, whereas the imported commodity would have to bear not only this tax on its resale but also the prior interstate tax of 1%. Therefore, it can be argued that the interest of interstate commerce demands the abolition of the 1% tax. However, its abolition would certainly be resented by the exporting states, particularly at a time when they are in great need of revenue to meet the costs of development under the Five-Year Plans. It may also be argued in favour of the retention of this tax that since its amount is small, its effect may not be substantial. However, at least in cases where the margin of profit is small, the tax may really hinder the free movement of goods.

Section 8 (5) of the Central Sales Tax Act gives power to the exporting state to abolish the tax or impose lower tax than 1 per cent, and this is the state which feels the impact of whatever restricted demand that results from the imposition of 1 per cent tax. Its interest in removing or reducing the tax might lead it to do so. A countervailing consideration is that consumers in the importing states feel the incidence of the tax. Especially in relation to essential commodities the tax of 1 per cent may be a real burden, which should give the importing state a voice in the matter. To coordinate the interests of the several states it is desirable to constitute an Inter-State Taxation Coordination Council. An importing state which desired the removal of the tax might then be permitted to apply to the Council, which might in suitable cases recommend its removal or reduction. The Council would presumably recommend the same rate on all sales of the same commodity to the importing state, regardless of the state of origin since competitive considerations would make any other course unpracticable.

A question which arises is whether in such a situation the reduction or abolition of the tax should operate with reference to the requesting state only or generally in favour of all the states importing the same commodity or commodities. The former alternative would give rise to differing rates on sales to different states. Owing to the necessity of maintaining complicated accounts to which this solution might give rise it might be very much disliked by dealers. There would also be a question whether this solution infring-

ed Art. 303 of the Constitution which prohibits either Parliament or a state to give preference to one state over another in the regulation of interstate commerce assuming that Art. 303 covers tax laws.[6] If diversity of taxes on sales from an exporting state to different importing states arose, it would be in pursuant to recommendations of the Council. At present the rates on sales from different states may vary; and this variety seems equally as violative of Art. 303 as different rates depending on the states of destinations. Going from form to substance, and this argument applies particularly to sales other than sales to registered dealers buying for resale, it may be found that under the proposed scheme no state will be at a disadvantage from the interstate commerce point of view since the different rates will be in accord with the needs of importing states; and therefore it can be argued that there is really no preference and Art. 303 is not violated.

The second alternative of having any change in rates apply uniformly to all importing states would affect the revenue of the exporting states to a larger extent than the first alternative, but it would be administratively convenient for the dealers in exporting states. A balance has to be drawn

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6. Article 303 speaks of "any entry relating to trade and commerce." Do these entries comprehend tax entries as well? According to one view, entries relevant to Art. 303 are entry 42 in List I, entry 26 in List II and entry 33 in List III, that is, all non-tax entries. See B. P. Sinha, C.J., in dissenting opinion in *Atiabari Tea Co., Ltd. v. State of Assam*, A.I.R. 1961 S.C. 232, 239; also see *Fernandez* v. *State of T.C.*, A.I.R. 1955 T.C. 236.

But according to another view the expression "any entry relating to trade and commerce" includes "all those entries in the lists of the seventh schedule which deal with the power to legislate, directly or indirectly in respect of activities, in the nature of trade and commerce", per Shah, J., in concurring opinion in *Atiabari* case, *ibid*, p. 262. Also see *Bherulal* v. *State of Rajasthan*, A.I.R. 1956 Raj, 161. In this view of the matter, tax entries—if the tax provided under a law made under any such entry operates on trade and commerce—will be covered by Art. 303. This view seems to be better because, once it is held that Art. 301 covers tax laws also, it is more logical to take the position that the Constitution intended to prohibit not only non-tax legislation giving preference to one state over another but also tax laws, whose effects on the economy of the country may be more far-reaching than the former.

between the needs of the exporting states for revenue, of consumers in the importing states, of the free flow of commerce and of administrative convenience for dealers. In recommending the abolition or reduction of rate of tax, the Council would have to give due weight to these various factors, and might be guided in part by the number of states desiring a particular change and the acuteness of the economic needs to be met.

(b) *Interstate sales to government :* Since most of the states have no concessional tax on intrastate sales to government, there is no justification for the central tax to be imposed at a concessional rate of 1 per cent on such interstate sales. Interestate sales to government should be treated the same way as sales to ordinary dealers. All the observations made in this chapter respectively apply to interstate sales to government depending upon whether the government is a registered dealer purchasing for resale, or a registered dealer purchasing for manufacture of goods, or an unregistered dealer or consumer.

(c) *Interstate sales to registered dealers buying for manufacture and then resale :* Sales to manufacturers do not result in taxes by the importing state. Since the commodity is purchased for manufacture, there is no sale of the same commodity within the importing state. However, sales of the finished goods are subject to tax, but so are sales of the finished products made from raw materials purchased locally. The local purchase of raw material by the manufacturner is subject to local tax, unless the state provides for exemption; whereas similar purchases from outside the state by a federally registered dealer are subject only to the tax of 1 per cent or less. It may be suggested that on these transactions the rate of tax should be that prevailing in the importing state. However, there could be two objections to this suggestion, one of revenue from the point of view of the exporting state and the other of administration.

The first objection, relating to revenue, could be met in part by continuing to authorize the exporting state to collect the tax, but at a rate prevailing in the importing state. Whether the state would be a loser or a gainer would depend on the comparative rates of tax in the two states. It appears

that the states generally would not be a loser since a majority of states impose the local tax at ordinary rates on such transactions.

The hurdle of administration would be a substantial one, arising from the fact that dealers selling in interstate commerce would be required to know the sales tax rates of the different states. It might be possible to solve the difficulty by having the local tax authority keep itself fully informed of the rates prevailing in the other states and then promptly answering the inquiries of the dealers concerned. In practice, however, the sales tax authority might not be sufficiently quick and efficient to meet the needs of trade.

In view of the administrative difficulty it is here suggested that each state should impose a tax of 1 per cent on intrastate sales to locally registered dealers buying for manufacture.[7] This solution would make the rate uniform throughout India and the difficulty of administration arising out of diversity of rates would be removed. At present, only Madras and Madhya Pradesh levy a 1 per cent on such transactions. Other states should follow their example.

(d) *Interstate sales to unregistered dealers or consumers* : Though the quantum of interstate commerce through interstate sales to unregistered dealers or consumers may be comparatively small, yet the taxation of these transactions presents the greatest amount of difficulty. Both in Canada and the United States practically interestate sales to consumers go untaxed. In that respect the situation is better in India than in those two countries mentioned here, since in India the power of taxation of these transactions (as well as sales to unregistered dealers) has been given to the Central Governmerit which has delegated the power to the exporting state. The exporting state has the advantage that it can find out these transactions with comparative ease from its dealers.

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7. It may be noted that a brochure on "Sales-Tax" issued by the Federation of Indian Chambers of Commerce and Industry in November, 1960, also states: ". . . the State Government should review the list of raw materials on which tax is levied at present and then limit the incidence of tax to the maximum of 1 per cent on such of the raw materials as mainly go to the production of another article", p. 11.

In India the problem is with regard to rates of tax the exporting state should impose on these transactions. On the basis of the earlier analysis the rate of tax should be fixed with appropriate reference to the rates prevailing in the importing states under recommendations of the proposed Interstate Coordination Council.

The ideal solution of the problem would be to have uniform rates of tax by all the states, and as seen previously, this has been partly achieved also. However, an absolute requirement of uniformity would greatly infringe state autonomy with regard to sales tax which is one of the most important sources of revenue for the states at the present time. Therefore, the matter should be left to the proposed Interstate Coordination Council which could recommend not only the rates of tax on interstate transactions but also in appropriate cases uniform rates of tax to the extent possible within different states—at least neighbouring states. Further the local turnover limit for registration should be made low so that more and more dealers become registered dealers, thus, subjecting their resales to the local tax.

A dichotomy in the terms of the Central Sales Tax Act produces the result that if the rate in exporting state on a commodity is 1 per cent or more than 1 per cent, a minimum tax of 7 per cent is imposed on interstate sales to other than registered dealers; but if the commodity is exempt from tax in the exporting state or a tax of lower than 1 per cent is imposed then the tax on interstate transactions is to conform to those rates. This dichotomy in relation to conformity to exporting state rates is irrational and unsound, and it should be deleted from the Act. In the cases in which the deletion of the provision may create difficulty, the matter may be dealt by the proposed Interstate Taxation Coordination Council.

Prior Taxation in the Exporting State before the Interstate Sale Transaction

In what situations a commodity, ultimately sold in interstate commerce, will bear the tax of the exporing state has been noted in the previous chapter. If all commodities are to start on their voyage in interstate commerce without any tax burden of the state of origin all

the states will have to adopt a sales tax law similar to that in force in the territory of Delhi[8] This, however, would adversely affect the autonomy of the states with regard to sales-tax and they would lose the advantage of flexibility to develop a system suitable to their various conditions and fiscal needs. Therefore, this suggestion is to be ruled out on that account.

One feasible suggestion, which the states might adopt, is to grant a rebate of the tax levied on commodities ultimately sold in interstate commerce. It may be noted that at the present it has been followed in case of declared goods under the Central Sales Tax Act. Kerala and U.P. also allow a rebate of half the tax levied on certain articles sold for delivery outside. Grant of rebate of tax levied will also put the commodities which otherwise would bear the local tax of the exporting state at par with those commodities which have not borne such a tax, like commodities covered by direct sales in interstate commerce by a manufacturer or producer, etc.

Alternatively instead of a system of rebates, the states may follow the example of Maharashtra or Gujarat by exempting from tax internal purchases by a dealer for sale in interstate commerce. Of course, in these two states, the commodity may bear the first stage local tax if more than one intrastate sale has taken place. This would, however, be the unusual situation since a commodity sold in interstate commerce is not likely to have more than one intrastate sale.

Creation of an Interstate Taxation Coordination Council

The desirability of the creation of an Interstate Taxation Coordination Council[9] has been noted previously.

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8. Delhi, it may be noted, has a single point tax on the last sale within the state. So long as the sale is made to a registered dealer it is not taxed and it is taxed only where it is made to a consumer or non-registered dealer within the state. Therefore, if a sale is made to a registered dealer and the dealer resells the goods in interstate commerce, no local tax is borne by the commodity.
9. The Taxation Enquiry Commission also recommended in 1953 the creation of such a Council. The Commission stated: "Finally, we would make the concrete suggestion that the Interstate Taxation Council should undertake the task of introducing as much uniformity as possible, between different States, in the matter

The functions, some of which have already been discussed in the preceding pages, to be assigned to the Council and its composition may be briefly stated here.

The Council may recommend rates of tax to be imposed on interstate sale transactions from time to time.

Along with rates of tax on interstate sale transactions, the Council may also have to recommend the adoption by the states of uniform rates of tax on commodities. On the recommendation of the National Development Council States have adopted uniform taxes on commodities contained in 15 entries.[10] But this Council is not an effective substitute for the Coordination Council suggested above since the Development Council now meets only once a year and has also to discharge other important duties.

Besides, it may also recommend the rates of tax to be imposed on particular intrastate transaction in an importing state if it finds that the state is using sales tax as a price-differential device with a view to encouraging the production of something within it and discouraging the importation of the substitute.

Further, substantial diversity in the rates of two states, particularly neighbouring states, may lead to smuggling of goods from the low rate state to the high rate state. The Council may also make recommendation regarding tax to be imposed by the different states in such cases.

The Council may also undertake the work of examining the discriminatory provisions in state sales tax laws against interstate commerce and making recommendations for abolition of such provisions. Discriminatory provisions which exist at the present in state sales tax laws are discussed below in Chapter VI of this study.

As regards the composition of the Council, it should be composed of a representative of each state and the Centre.

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of sales-tax law, regulation, procedure and forms in so far as these can be distinguished from, or are not concerned with, actual rates, turnover, limits, exemptions, etc." *Report of the Commission*, Vol. III, pp. 75-76.

10. These entries are contained in the schedules of the state sales tax laws.

It should have a small secretariat to which the functions to be assigned are of receiving complaints, collecting of data, etc. The Council may meet twice or thrice in a year, depending on the business, to make the necessary recommendations.

Declared Goods

Generally the same observations which have been made above with regard to non-declared goods apply to declared good also.

(a) *Sales to registered dealers:* Such sales are subject to the same considerations which have been made above with regard to non-declared goods.

(b) *Sales to the government:* Such sales are also subject to the same considerations which have been made with regard to non-declared goods.

(c) *Sales to registered dealers buying for manufacture:* The same considerations which have been made with regard to non-declared goods apply to the declared goods, that is, on interstate sales to registered dealers buying for manufacture and then sale, tax of 1 per cent should be imposed and the states should also impose a tax of 1 per cent on such intrastate sales.

It may be noted that at present, there is a tax of 2 per cent (or lower if the rate is lower than 2 per cent in the exporting state) on such transactions. Whereas on non-declared goods purchased for manufacture there could be a tax of 1 per cent, on declared goods it could be 2 per cent when purchased for the same purpose. There is thus discrimination against declared goods. The Taxation Enquiry Commission had recommended a higher rate of tax on interstate sale of declared goods than on non-declared goods. The justification offered by the Commission for recommending the higher rate is this: "There are two important grounds on which we recommend this higher rate. Firstly, for the goods specified as of special importance in interstate trade, as distinguished from all other goods which figure in interstate, trade, the point of levy of the tax will be only one, i.e., the point at which goods (raw materials, etc.) are taxed by the State in which they are produced . . . it will be a condition in respect of such goods that no other sales-tax shall be levied

on them either by the exporting State or the importing State. Secondly, the higher levy that we recommend will be at the raw material or analogous stage when the cost of the goods will obviously be much lower than at the subsequent stage of the conversion of the material into finished goods."[11] Thus one reason for imposing the higher rate on declared goods is that there will only be one tax and no other tax either by the importing state[12] or the exporting state. This is satisfied under the provisions of the Central Sales Tax Act. If a manufacturer buys in interstate commerce, the commodity will bear only the central tax of 2 per cent and it would not bear any local tax of the exporting state.[13]

But this could be true in case of non-declared goods also. In Chapter IV, it has been seen that in many states even non-declared goods will not bear the local tax when they are sold outside the state.[14] In such cases even a non-declared commodity does not bear any local tax of the exporting state and the manufacturer who buys in interstate commerce only pays a tax of 1 per cent. Further, if the commodity is directly bought from the manufacturer or the producer, no local tax would be borne by the commodity in any state.

The second reason for the higher rate is that as the tax will be imposed at the raw material stage, the cost will be much lower than when the raw material is converted into the finished product. But this may also be true in case of non-declared goods purchased by the dealers in interstate commerce for manufacture. Declared goods cover raw materials under only about 7 to 8 broad heads,[15] leaving others to

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11. *Report of the Commission*, op. cit, pp. 59-60.
12. When a commodity is bought by a manufacturer for manufacture, of course, the is no question of imposing sales tax on it by the importing state, since no intrastate sale take place.
13. See supra. pp. 51-52. The commodity would bear the central tax of 1 per cent, and the local tax of 2 per cent of the importing state, if it is bought by a registered dealer for resale.
14. See supra, p. 51.
15. It may be noted that almost all the declared goods are semi-finished or semi-processed. Some of them, e.g., sugar, tobacco, and textiles are even finished products; however, these products have been classified as declared goods with a view to impose additional duties of excise instead of sales tax, infra, Chap. VII.

fall under non-declared goods.

Since the declared goods are raw materials important from the point of view of interstate commerce, higher rate of tax should not be imposed on them than on non-declared goods.

(d) *Sales to unregistered dealers or consumers :* On such transactions the tax prevailing in the exporting state (maximum of 2 per cent) is imposed. Since the states generally impose a tax of 2 per cent on intrastate sale of such commodities the position on the whole appears to be satisfactory. However, difficulties might arise in those cases where the local rates are lower than 2 per cent. In such cases it may be desirable to vary the tax on the interstate transactions from that prescribed under the Central Sales Tax Act on the recommendation of the proposed Coordination Council.

(ii) TAXATION OF NON-RESIDENT DEALERS

It has been considered in the previous pages that the problem of taxation of non-resident dealers usually arises in cases of imported goods. Therefore, some administrative arrangements would have to be evolved to remove the difficulties in those cases. Two specific recommendations which might go to mitigate the difficulties to a large extent could be made here.

There is at present some difficulty in making sale by transfer of documents of title to goods when the goods are beyond the customs frontiers of India in a case where the goods are imported against an import licence, so that such a sale could be regarded as sale in the course of import under Section 5 (2) of the Central Sales Tax Act. There is no such difficulty in the case of Open General Licence. The distinction between goods imported under Open General Licence and the goods imported under an import licence, from the point of view of making sale in the course of imports is not sound. The underlying policy behind the conditions in the Import (Control) Order appears to be that only genuine importers for whom the licences are meant should engage in the import transactions. This is satisfied where as here, the importer sells only after the goods have been exported from the other country and are on the high seas. The responsibility for the import

remains with the person who has the licence and the local buyer has nothing to do with the foreign exporter.

It is necessary to clarify the position by adding a proviso to section 5 of the Central Sales Tax Act that sale of goods through transfer of document of title to the goods in cases where the goods have been imported against an import licence will be deemed to take place in the course of import and will not be deemed to involve any infringement of the conditions of the import licence. This would greatly obviate the present administrative difficulty of taxation of non-resident dealers arising in the case of sale of imported goods.

Secondly, an amendment of the present Sec. 9 of the Act to provide for the following suggestion will be of benefit. The matter can be explained by way of an example. In an interstate sale, 'D' of Delhi lands goods at Bombay and after the goods have been cleared makes a sale of the goods to a buyer in U.P. and as a result of such sale the goods move from Bombay to U.P. The appropriate state to assess and collect the tax should be the state where the office or the branch office (in case of more than one branch) which makes the first sale is situated and not the state from where the movement of goods commenced as is now provided by sec. 9 of the Central Sales Tax Act. This could be done by amending sec. 9 of the Act.