

Kerala Finance Acts 2005 to 2017

**Kerala Finance Acts
2005 to 2017**



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KERALA GST

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Kerala Finance Acts

2005-2017

INDEX

1.	Finance Act - 2005	7-113
2.	Finance act - 2006	114 -144
3.	Finance Act - 2007	145 -168
4.	Finance Act - 2008	169 -194
5.	Finance Act - 2009	195 -220
6.	Finance Act - 2010	221 -254
7.	Finance Act - 2011	255 -272
8.	Finance Act - 2012	273 -288
9.	Finance Act - 2013	289 -308
10.	Finance Act - 2014	309 -346
11	Taxation Law Amendment Act-2014	347 -353
12.	Finance Act - 2015	354 -377
13.	Erratum of Finance Act - 2015	377 -379
14.	Finance. Bill - 2016	380 -421
15.	Finance. Bill .2017	422- 450

Introduction

Finance Acts of past years is a resource document. It will give information to the reader regarding various policy initiatives taken by the respective Governments.

This compendium will be handy for the officers while dealing with the Court Cases, CAG cases Assessments and other referred cases.

Preparation of budget is a massive exercise and Taxes Department deals with one of its components i.e. dealing with the taxation proposals and related activities. After receiving Finance Acts the tax officials are expected to go through it to understand various policy initiatives as well as changes and take appropriate actions in the field.

As the country is moving from VAT regime to GST regime, from the next financial year onward there will not be any tax proposals in the budget, as the same will be decided by the GST COUNCIL. Therefore a compendia of all the Finance Acts of VAT regime will be a good archives for future reference.

ACT 10 OF 2005

THE KERALA FINANCE ACT, 2005

An Act to give effect to certain financial proposals of the Government of Kerala for the year 2005-2006.

Preamble.—WHEREAS it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial year 2005-2006;

BE it enacted in the Fifty-sixth Year of Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2005.

(2) Sub-section (3A) of section 3 shall be deemed to have come into force on the 17th day of February, 2005, Sub-section (12) of section 3 shall be deemed to have come into force on the 25th day of November, 1988, sub-section (14) of section 3 shall be deemed to have come into force on 28th day of May, 2002, sub-sections (2), (3), (4), (5) clause (a) of sub-section (9), (17) and (19) of section 3 and section 7 shall come into force on the date of commencement of the Kerala Value Added Tax Act, 2003 (30 of 2004) and the remaining provisions shall come into force on the 1st day of April, 2005.

2. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) section 30 A shall be omitted;

(2) in the Schedule,—

(a) in column (3) against serial number 21 for the entry “Two rupees for every Rs.100 or part thereof of the fair value of the property or the amount or value of the consideration for such conveyance, whichever is higher” the entry “Six rupees for every Rs.100 or part thereof of the amount or value of the consideration for such conveyance” shall be substituted ;

33/1070/2005/DTP.

(b) for serial number 22 and the entries relating thereto in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

<p>“22. Conveyance as defined by section 2(d), not being a transfer charged or exempted under No. 55 of immovable property situated within the Municipal Corporations or Municipalities.</p>	<p>Eight rupees fifty paise for every Rs. 100 or part thereof of the amount or value of the consideration for such conveyance.”.</p>
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3. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) in section 2,—

(i) for clause (xvB), the following clause shall be substituted, namely:—

“(xvB) “Notified goods” means goods notified by the Government for the purposes of section 30E.” ;

(ii) the proviso to clause (xxv) shall be omitted;

(iii) the Explanation under clause (xxvi) shall be omitted;

(iv) for clause (xxvii), the following clause shall be substituted, namely: —

“(xxvii) “turnover” means the aggregate amount for which goods are either bought or sold, supplied or distributed by a dealer, either directly or through another, on his own account or on account of others, whether for cash or for deferred payment or other valuable consideration.” ;

(2) for section 5, the following section shall be substituted, namely:—

“5. *Levy of tax on sale of goods.*—(1) Every dealer (other than a casual trader or agent of a non-resident dealer or the Central Government, or Government of Kerala or the Government of any other State or of any Union Territory, or any local authority) whose total turnover for a year is not less than two lakh rupees and every casual trader or agent of a non-resident dealer, the Central Government, the Government of Kerala, the Government of any other State or of any Union Territory or any local authority, whatever be its total

turnover for the year, shall pay tax on his taxable turnover for that year in respect of goods included in the Schedule at the rate mentioned against such goods,—

- (a) in respect of Aviation turbine fuel, Diesel and Petrol, at the point of sale in the State by an oil company liable to tax under this section, except where the sale is by an oil company to another oil company and at the point of first sale in the State by a dealer liable to tax under this section when the sale is not by an oil company.
- (b) in respect of Foreign liquor, at the point of sale by the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited and at the point of first sale in the State by a dealer liable to tax under this section except where the sale is to the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited.
- (c) in respect of other goods included in the Schedule, at the point of first sale in the State by a dealer liable to tax under this section.

Explanation : For the purposes of this section,—

(a) “Oil Company” means Kochi Refineries Ltd., Indian Oil Corporation Ltd., Hindustan Petroleum Corporation Ltd., Indo-Burma Petroleum Company Ltd., Bharat Petroleum and includes such other company as the Government of Kerala may, by notification in the Gazette, specify in this behalf.

(b) “Foreign liquor” means and includes wine, brandy, champagne, sherry, rum, gin, whisky, beer, cidar, cocoa brandy and all other distilled or spirituous preparations but shall not include medicines and drugs covered by the Kerala Value Added Tax Act, 2003 (30 of 2004).

(2) (i) Notwithstanding anything contained in sub-section (1), every dealer in Foreign Liquor, as specified hereunder, shall pay turnover tax on the turnover of foreign liquor at all points of sale in the State, after making such deductions as may be prescribed, namely:—

- (a) by a bar attached hotel, at the rate of ten per cent; and
- (b) by others at the rate of five per cent, on the turnover at all points of sale.

Explanation I: Any distillery, brewery, winery or other manufactory established under section 14 of the Abkari Act 1 of 1077, shall be liable to pay turnover tax on the turnover including any duty of excise leviable on such liquor at the hands of such person, whether such duty is paid by such person or any subsequent dealer as per the provisions of section 18 of the said Act.

Explanation II: For the removal of doubt, it is hereby clarified that any distillery in the State which sell liquor manufactured by it within the State to the Kerala State Beverages (Manufacturing and Marketing) Corporation shall be liable to pay turnover tax on the turnover of sale of liquor by it to the said Corporation and the turnover for the purpose of this sub-section shall include any duty of excise leviable on such liquor at the hands of such manufacturer whether such duty is paid by the manufacturer or by the said Corporation.

Explanation III: For the purposes of this sub-section bar attached hotel shall mean a hotel, restaurant, club or any other place which is licensed under the Foreign Liquor Rules, to serve foreign liquor specified under clause (b) of Explanation to sub-section (1).

(ii) Notwithstanding anything contained in sub-section (1) of section 22, no dealer shall collect from his purchaser the turnover tax payable by him under this sub-section.

(3) Notwithstanding anything contained in sub-section (1), every dealer registered under sub-section (3) of section 7 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956), shall, whatever be the quantum of his total turnover, pay tax on his taxable turnover for that year in respect of the sale of the goods, with reference to the purchase of which he has furnished a declaration under sub-section (4) of section 8 of the said Central Act.

(4) Notwithstanding anything contained in sub-section (1) but subject to sub-section (5), where goods sold are contained in containers or are packed in any packing materials, the rate of tax and the point of levy applicable to such containers or packing materials, as the case may be, shall, whether the price of the containers or the packing materials is charged separately or not be the same as those applicable to goods contained or packed, and in determining the turnover of the goods, the turnover in respect of the containers or packing materials shall be included therein.

(5) Where the sale or purchase of goods contained in any containers or packed in any packing materials is exempt from tax, then the sale or purchase of such containers or packing materials shall also be exempt from tax.

Explanation: For the purposes of sub-section (4) and sub-section (5), the word “containers” include gunny bags, tins, bottles or any other containers.” ;

(3) sections 5B and 5C shall be omitted;

(3A) section 5BA shall be omitted ;

(4) for section 5D, the following section shall be substituted, namely: —

“5D. *Levy of Additional Sales Tax.*— The tax payable under section 5 and section 5A shall be increased by an additional sales tax at the rate of fifteen per cent of the tax payable under the said sections:

Provided that no additional sales tax under this section shall be levied on the tax payable on High Speed Diesel Oil, Petrol falling under sub-entries (ii) and (iv) of Sl. No.1 and Foreign Liquor falling under Sl. No.2 of the Schedule.”;

(4A) after section 5D, the following section shall be inserted, namely :—

“5E. *Special provision for completion of assessment of tax on lotteries.*— Notwithstanding anything contained in this Act or any judgement, decree or order of any court, Tribunal or other authority, any dealer in lottery tickets liable to pay tax under sub-section (1) of section 5 or section 5BA as it stood before amendment by the Kerala Finance Act, 2005 shall be liable to pay tax on the sale or purchase of lottery tickets at the rates applicable under this Act before such amendment and nothing shall affect the right to initiate and complete any proceedings pending regarding the assessment. Levy, collection and recovery of tax, penalty or other amount chargeable including that of escaped turnover or affect the liability of any person to pay any sum due from him or existing right of refund under this Act or the right to initiate or continue any application, appeal, revision including *suomotu* revision or other proceedings made or preferred to any officer or authority under this Act.”;

(5) sections 7 and 9 shall be omitted;

(6) in section 17,—

(a) in sub-section (6) for the words ‘five years’ the words ‘four years’ shall be substituted;

(b) after the fourth proviso to sub-section (6), the following proviso shall be added, namely:—

“Provided also that the assessment relating to the year 2000-01 shall be completed on or before 31st March 2006.”;

(c) in sub-section (8) in the last proviso, for the figures ‘2005’ the figures ‘2006’ shall be substituted.”;

6

(7) after section 17A, the following section shall be inserted, namely:—

“17B. *Special provision for completion of assessment.*— Notwithstanding anything contained in this Act, a dealer who had purchased any goods falling under serial numbers 12 to 32 of item (iv) of sub-clause 18 of clause 3 of the Kerala Finance Bill, 2004 during the period from the first day of April, 2004 to the 27th day of July, 2004, from any registered dealer after paying tax at the rates shown in column (4) against the said serial numbers, such dealer shall pay tax on the re-sale of such goods at the rates mentioned in column (6) against such goods and the assessing authority shall complete the assessment under section 17 of the Act.”;

(8) section 18 shall be omitted;

(9) in section 22,—

(a) the proviso to sub-section (3) shall be omitted;

(b) after sub-section (4), the following sub-sections shall be inserted, namely:—

“(5) The Central Government, Government of Kerala, the Government of any other State or any Union Territory (including departments of Central and State Governments) and local authorities shall collect tax at the rate or rates specified in the Schedule to the Act in respect of any sale of goods effected by them and the tax so collected shall be remitted to Government in the Commercial Taxes Department on or before the 10th day of the succeeding month.

(6) If any officer responsible for collection of tax fails to do so or fails to remit the tax so collected under sub-section (5) such officer shall be personally liable to Government for such amount together with interest and such amounts shall be liable to be recovered from him as if it were arrears of revenue due on land recoverable from him.”;

(10) in section 23, for sub-section (3) the following sub-section shall be substituted, namely :—

“(3) If the tax or any other amount assessed or due under this Act is not paid by any dealer or any other person within the time prescribed therefore in this Act or in any rule made thereunder and in other cases within the time specified therefor in the notice of demand, the dealer or the other person, shall pay simple interest at the rate of twelve per cent per annum on the tax or other amount defaulted.”;

(11) section 23A and section 23B shall be omitted;

(12) in section 30B, for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) Where any person consigns any goods or transports any goods liable to tax under this Act from another State into the State without any records as provided for under sub-section (2) of section 29 or where the particulars furnished in the documents accompanying the goods are false or the consignor or purchaser stated therein is found to be bogus or non-existent or is not traceable or where the transporter fails to prove the bonafides of the transport, it shall be presumed that such goods have been sold in the State by the consignor or the owner of the goods or the transporter or the owner or person in charge of the vehicle or the person in charge of the goods or all of them jointly and they shall be jointly and severally liable to pay tax on such sales which shall be assessed and recovered in the manner provided for in sub-section (3).” ;

(13) section 30 C and section 30 D shall be omitted;

(14) in Section 30 E,—

(i) in sub-section (1), for the words “coffee, rubber, cardamom, ginger, pepper, arecanut, cashewnut, iron and steel and any other goods notified by Government” , the words “any notified goods” shall be substituted;

(ii) In the second proviso to sub-section (4), for the word “penalty” the words “redemption fee” shall be substituted;

(iii) for sub-sections (5) and (6), the following sub-sections shall be substituted, namely:—

“(5) Notwithstanding anything contained in the foregoing provisions, if the owner or person in charge of the notified goods or the owner or person in charge of the vehicle fails to prove the genuineness of the transport of the notified goods or to remit the redemption fee as specified in the second proviso to sub-section (3), within thirty days from the date of seizure and detention of goods and the authorized officer has reason to believe that the owner or the person in charge of the vehicle or the driver has transported the notified goods to evade payment of tax with the knowledge or connivance of the owner of the goods, the officer may confiscate the vehicle or vessel along with the goods:

Provided that the authorized officer shall serve notice to the owner of the vehicle or the person in charge of the vehicle or the owner of the notified goods, if ascertainable, intimating the reason for the confiscation of the

vehicle or vessel affording him and an opportunity of being heard. The officer shall also afford an opportunity to any of such persons to pay a penalty equal to thrice the amount of tax attempted to be evaded in lieu of confiscation of the notified goods and an amount equal to thrice the amount of such tax or rupees one lakh whichever is higher in lieu of confiscation of the vehicle or vessel.

(6) No order confiscating any vehicle or vessel shall be made under sub-section (4), if the owner or the person in charge of the vehicle or vessel proves to the satisfaction of the authorized officer that it was used for carrying the notified goods without the knowledge or connivance of the owner himself, his agent, if any, or the person in charge of such vehicle or vessel and that each of them has taken all reasonable and necessary precautions against such use.”;

(14A) after section 30F, the following section shall be inserted, namely:—

“30G *Police Assistance for inspection, search and seizure.*—An officer authorized under the provisions of this Act to conduct inspection, search or seizure of any vehicle or vessel, goods, business place, residential accommodation or any other place, if such officer feels necessary to have police assistance for the effective conduct of such inspection, search or seizure may seek police assistance from the officer in charge of the police station or from his superior officer having jurisdiction over the area where inspection, search or seizure is to be conducted or is being conducted and thereupon such police officer shall render such assistance to the officer as may be required for the conduct of such inspection, search or seizure.”;

(15) in section 32, after the words ‘or steamer agency’ and before the words ‘in the State’ the words ‘or courier services’ shall be inserted;

(16) after section 49, the following section shall be inserted, namely:—

“49A. *Bar against attachment in certain cases.*—Notwithstanding anything contained in any other law in force or in any judgment, decree or order of any court, no court or any other authority shall pass any order attaching any amount from any person out of the tax collected by such person under the Act and kept with him before it became due to Government.”;

(17) in Section 59, after sub-section (3) the following sub-section shall be inserted, namely:—

“(4). Notwithstanding anything contained in this Act, goods which were liable to tax at the point of last purchase in the State under section 5, on the date preceding the date of coming into force of The Kerala Value Added Tax Act, 2003 (30 of 2004) and purchased in the State and are held as closing stock on such date shall be deemed to have acquired the quality of last purchase in the State on such date, and tax levied at the rate of four per cent.”;

9

(18) in Section 59A, after sub-section (5), the following sub-section shall be inserted, namely:—

“(6) The Commissioner may, on application or otherwise, at any time within a period of three years from the date of the orders passed under sub-section (1), rectify any error apparent on the face of the record :

Provided that no such rectification which is prejudicial to a person shall be made, unless the Commissioner has given notice to the person affected and has allowed him a reasonable opportunity of being heard.”;

(19) for the Schedules, the following Schedule shall be substituted, namely:—

“THE SCHEDULE

[Section 5(1)]

Goods in respect of which tax is leviable under section 5

<i>Sl. No.</i>	<i>Sub-entry</i>	<i>Description of goods</i>	<i>Rate of tax (per cent)</i>
1.		<i>Petroleum products :</i>	
	(i)	Aviation turbine fuel	34
	(ii)	High Speed Diesel Oil	40
	(iii)	Motor Spirit (including light diesel oil but excluding petrol, naphtha, aviation turbine fuel and high speed diesel oil)	50
	(iv)	Petrol other than naphtha	44
2.		<i>Foreign Liquor :</i>	
	(i)	Beer and wine	60
	(ii)	Other than Beer and Wine	90
3.		<i>Ganja and Opium :</i>	85. ”.

4. *Amendment of Act 32 of 1976.*—In the Kerala Tax On Luxuries Act, 1976 (32 of 1976),—

(1) in section 2,—

(a) after clause (b), the following clause shall be inserted, namely:—

“(bb) ‘Appellate Tribunal’ means the Appellate Tribunal appointed under section 4 of the Kerala General Sales Tax Act, 1963 (15 of 1963);

(b) for clause (f), the following clause shall be substituted, namely:—

“(f) “Luxury provided in a hotel, house boat, hall, auditorium, Kalyanamandapam or place of like nature” means accommodation for residence or use and other amenities and services provided in a hotel or house boat or hall or auditorium or kalyanamandapam or place of like nature the rate of charges of which, exclusive of charges for food, drink and telephone calls, is seventy-five rupees per day or more.”;

(c) for clause (h), the following clause shall be substituted, namely:—

“(h) “proprietor” in relation to a hotel, house boat, hall, auditorium, Kalyanamandapam or place of like nature includes the person who for the time being is in charge of the management of such hotel, house boat, hall, auditorium or kalyanamandapam or place of like nature as the case may be.”;

(2) in section 4,—

(a) in sub-section (1) for the words “hotel or a house boat” the words “hotel, house boat, hall, auditorium or kalyanamandapam or including those attached to hotels, clubs, kalyanamandapam and places of the like nature which, are rented for accommodation for residence or used for conducting functions, whether public or private, exhibitions” shall be inserted;

(b) to sub-section (1), the following proviso shall be inserted, namely:—

“ Provided that the sub-section shall not apply to halls and auditoriums located within the premises of ‘places of worship’ owned by such institutions.”

(c) in sub-section (2A), for the words “four per cent” the words “ten per cent” shall be substituted;

- (d) after sub-section (2A) the following sub-section shall be inserted, namely:—

“(2B) The luxury tax payable in respect of hall, auditorium, Kalayanamandapam or place of the like nature under sub-section (1) shall be at the following rates, of such charges received on all amenities and services provided, but exclusive of charges for food, drink and telephone calls, namely:—

<i>Rent or other charges realized</i>	<i>Rate of Tax</i>
(1) Six thousand rupees and above But below twenty five thousand rupees	Ten per cent
(2) Twenty Five thousand rupees and above But below fifty thousand rupees	Twenty per cent
(3) Fifty thousand rupees and above	Thirty per cent”;

- (3) for section 4 B, the following section shall be substituted, namely:—

“4B. *Registration of Hotels etc.*—(1) Every proprietor of a hotel having not less than five rooms to be rented for accommodation for residence or otherwise and of every house boat, hall, auditorium, kalyanamandapam and place of the like nature shall get his hotel, house boat, hall, auditorium, kalyanamandapam or place of the like nature registered under the Act and the registration renewed annually.”

(2) An application for registration or renewal shall be made to such authority in such manner and within such period as may be prescribed and shall be accompanied by a fee as specified below :

“(a) Star Hotels	Six thousand two hundred and fifty rupees
(b) Hotels other than Star Hotels,—	
(i) Within the local area of a Municipal Corporation	One thousand two hundred and fifty rupees
(ii) Within the local area of a municipal council or township by whatever name called	One thousand rupees
(iii) Within the local area of a grama panchayath	Seven hundred and fifty rupees

12

(c) Halls, Auditorium, Kalyanamandapams etc.,—

- | | |
|--|--------------------------------|
| (i) Within the local area of a municipal corporation | One thousand rupees |
| (ii) Within the local area of a Municipal council, or Township by whatever name called | Seven hundred and fifty rupees |
| (iii) Within the local area of a grama panchayath | Five hundred rupees”; |

(4) in section 5A, for clauses (a), (b) and (c) the following clauses shall be substituted, namely:—

“(a) Within the local area of a Municipal Corporation;

- | | |
|-----------------------------------|--|
| (i) per air-conditioned room | One thousand eight hundred and seventy five rupees |
| (ii) per non-air conditioned room | One thousand two hundred and fifty rupees |

(b) Within the local area of a municipal council or township by whatever name called;

- | | |
|-----------------------------------|--|
| (i) per air-conditioned room | One thousand eight hundred and seventy-five rupees |
| (ii) Per non-air conditioned room | One thousand rupees |

(c) Within the local area of a panchayath;

- | | |
|-----------------------------------|----------------------------------|
| (i) Per air conditioned room | One thousand rupees |
| (ii) Per non-air conditioned room | Seven hundred and fifty rupees”; |

(5) after section 7, the following section shall be inserted, namely:—

“7A. *Appeal to Appellate Tribunal.*—(1) Any person aggrieved by an order referred in the sub section (1) of section 7 or any officer empowered by the Government in this behalf or any other person objecting to an order passed by the Appellate Authority under sub section (1) of section 7 may, within sixty days from the date on which the order was served on him appeal against such order to the Appellate Tribunal in such manner as may be prescribed:

Provided that the Appellate Tribunal may admit an appeal presented after the expiry of the said period if it is satisfied that the appellant has sufficient cause for not presenting the appeal within the said period.

(2) Every appeal shall be in the prescribed form and shall be verified in such manner as may be prescribed, and shall be accompanied by a fee of rupees seven hundred.

(3) In disposing an appeal, the Appellate Tribunal may, after giving the parties a reasonable opportunity of being heard, either in person or by a representative, in the case of an order of assessment or penalty,—

- (i) confirm, reduce, enhance or annul the assessment or penalty or both; or
- (ii) set aside the assessment and direct the assessing authority to make a fresh assessment after such enquiry as may be directed; or
- (iii) pass such other orders as it may think fit :

Provided that if the appeal involves a question of law for which the Appellate Tribunal has previously given its decision in another appeal and the matter is pending for decision before the High Court or the Supreme Court as the case may be, the Appellate Tribunal may defer the hearing of the appeal before it, till the matter is finally disposed of by the High Court or the Supreme Court, as the case may be:

- (4) Every order passed by the Appellate Tribunal under sub section (3) shall be communicated in the manner prescribed to the appellant, the respondent, the authority from whose order the appeal was preferred, the Deputy Commissioner concerned and to the Commissioner Commercial Taxes.”;
- (6) for section 10, the following section shall be substituted, namely:—

“ 10. *Interest on Default.*—If the tax or any other amount assessed or due under this Act is not paid by the proprietor or any dealer or any other person within the time prescribed therefor, in this Act or in any rule made there under and in other cases within the time specified therefor in the notice of demand, the proprietor or the other person shall pay simple interest at the rate of twelve per cent per annum on the tax or other amount defaulted.”.

5. *Amendment of Act 15 of 1991.*—In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991),—

- (1) in section 37,—
 - in sub-section (4), for the words ‘fifteen per cent’ the words ‘twelve per cent’ shall be substituted;
- (2) in section 39,—
 - in the first proviso, after the words ‘derived from’ and before the words ‘manufactured tea’ the words “rubber, coffee and” shall be inserted;
- (3) after section 91 the following section shall be inserted, namely;

“91A. *Appropriation of Payment.*—(1) Where any tax or any other amount due or demanded under the Act is paid by an assessee or other person, the payment so made shall be appropriated first towards interest accrued on such tax or other amount under sub section (4) of Section 37 on such date of payment and the balance available shall be appropriated towards principal outstanding, notwithstanding any request to the contrary by the assessee or any person making such payment.

(2) Notwithstanding anything contained in sub-section (1) where any assessee or other person has paid any amount towards tax or any other amount prior to coming into force of this section, no re-computation of such payments shall be made under sub-section (1)”;

(4) for the Schedule the following Schedule shall be substituted, namely :—

“SCHEDULE
(See section 3)

RATES OF AGRICULTURAL INCOME TAX

(1) In the case of person other than a company or co-operative society;

- | | | |
|-----|---|---|
| (a) | Where the total agricultural income does not exceed Rs. 40,000 | Nil |
| (b) | Where the total agricultural income exceeds Rs. 40,000 but does not exceed Rs. 60,000 | 10 per cent of the amount by which the total agricultural income exceeds Rs. 40,000 |
| (c) | Where the total agricultural income exceeds Rs. 60,000 but does not exceed Rs. 1,00,000 | Rs. 2000 plus 20 per cent of the amount by which the total agricultural income exceeds Rs. 60,000 |
| (d) | Where the total agricultural income exceeds Rs. 1,00,000 | Rs. 10,000 plus 30 per cent of the amount by which the total agricultural income exceeds Rs. 1,00,000 |

(2) In the case of a firm, thirty five per cent of the total agricultural income.

15

- (3) In the case of a domestic company or co-operative society,—
- | | |
|---|--|
| (a) Where the total agricultural income does not exceed Rs. 25,000 | 35 per cent of the total agricultural income |
| (b) Where the total agricultural income exceeds Rs. 25,000 but does not exceed Rs. 1,00,000 | 40 per cent of the total agricultural income |
| (c) Where the total agricultural income exceeds Rs. 1,00,000 but does not exceed Rs. 3,00,000 | 45 per cent of the total agricultural income |
| (d) Where the total agricultural income exceeds Rs. 3,00,000 | 50 per cent of the total agricultural income |

(4) In the case of foreign company, eighty per cent of the total agricultural income.”.

6. *Amendment of Act 15 of 1994* .—In The Kerala Tax on Entry of Goods into Local Areas Act, 1994 (15 of 1994),—

- (1) in section 4, after the words, brackets and figures “ Kerala General Sales Tax Act, 1963 (Act 15 of 1963)”, the words, brackets and figures “or the Kerala Value Added Tax Act, 2003 (Act 30 of 2004)” shall be inserted ;
- (2) in section 12, after the word ‘exempt’ the words ‘either prospectively or retrospectively’ shall be inserted ;
- (3) in section 14AA, for the words and figures “31st day of December 2004”, the words and figures “31st day of March 2006.” shall be substituted ;
- (4) in section 15, sub-section (2) shall be omitted ;
- (5) after section 15, the following section shall be inserted, namely :—

“15A. *Interest on default*.—If the tax or any other amount assessed or due under this Act is not paid by any dealer or any other person within the time prescribed therefor in this Act or in any rule made thereunder and in other cases within the time specified therefor in the notice of demand, the dealer or the other person shall pay, simple interest at the rate of twelve per cent per annum on the tax or other amount defaulted.” ;

16

- (6) for section 18, the following section shall be substituted, namely :—

“18. *Restriction on Registration.*—Notwithstanding anything contained in any other law for the time being in force, where the liability to pay tax in respect of a motor vehicle or body built on a motor vehicle arises under this Act, and such motor vehicle or body built on motor vehicle is required to be registered in the State under the Motor Vehicles Act, 1988 (Central Act 59 of 1988), no registering authority shall register such motor vehicle with body built on motor vehicle, unless the person concerned furnishes a certificate of payment of such taxes due under the Act, issued by the competent authority of the Commercial Taxes Department.”;

- (7) in the Schedule,—

(a) for the entries against serial number 2, the following entries shall be substituted, namely :—

“Cement including white cement” ;

(b) for the entries against serial number 6, the following entries shall be substituted, namely :—

“Cudappa stones, Kotta stones, any other similar stones and slabs”;

(c) for the entries against serial number 19, the following entries shall be substituted, namely :—

“Generator—whether assembled or unassembled” ;

(d) after serial number 59 and the entries against it, the following serial numbers and entries shall be added, namely :—

- “60. Scientific and laboratory equipments.
- 61. Electronic goods.
- 62. Machineries.
- 63. Fire works including colored matches.
- 64. Glasses.
- 65. Motor vehicle spares.
- 66. Linoleum and flexible flooring materials.”.

7. *Amendment of Act 30 of 2004*.—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 2,—

(a) for clause (x), the following clause shall be substituted, namely :—

“(x) “capital goods” means plant, machinery, equipments including pollution/quality control, lab and cold storage equipments used in manufacture, processing, packing or storage of goods in the course of business but shall not include such goods and civil structure as may be notified by Government.”

(b) after clause (xviii) the following clause shall be inserted, namely :—

“(xviii A) “Empowered Committee” means the Empowered committee of State Finance Ministers constituted by the Ministry of Finance, Government of India on the basis of the resolution adopted in the conference of the Chief Ministers on 16th November, 1999.”;

(ba) after clause (xxxvi) the following clause shall be inserted, namely:—

“(xxxviA) Prevailing market price” means the sale price for the sale of goods fixed by the assessing authority, if he has reason to believe that the dealer has practiced undervaluation and the sale price shall be the value or price at which the goods of the kind or quality are sold or capable of being sold in the open market or the price obtained from the Kerala State Civil Supplies Corporation Ltd. or Economic and Statistics Department of the State or other reliable sources on the date or sale of such goods.”;

(bb) in clause (xlvi), for the word and figures, “section 49”, the word and figures “section 46” shall be substituted.

(c) after clause (lvi), the following clause shall be inserted, namely :—

“(lvii) “zero rate sale” means the sale of any goods on which no tax is chargeable but in relation to which input tax credit or refund of input tax paid is admissible.”

(2) in section 6;

(a) in sub-section (1),—

(i) for the words “not less than two lakhs”, the words “not less than ten lakhs” shall be substituted ;

(ii) for clause (a), for the words “Second, Third and Fifth Schedules”, the words, “Second and Third Schedules” shall be substituted ;

(iii) for clause (b), the following clause shall be substituted, namely :—

“(b) goods specified in the Fourth Schedule shall be outside the purview of this Act.”;

(iv) for clauses (d), (e) and (f), and the provisos and the Explanation thereunder, the following clauses shall be substituted, namely :—

“(d) in the case of goods not falling under clauses (a), (b) or (c), at the rate of 12.5% at all points of sale of such goods within the State ;

(e) in the case of transfer of goods involved in the execution of works contract where transfer is in the form of goods, at the rates specified for such goods in clause (a), (b), (c) or (d) above, as the case may be;

(f) in the case of transfer of goods involved in the execution of works contract, where the transfer is not in the form of goods but in some other form, at the rate of 12.5% at all points of sale;” ;

(aa) in the proviso to the sub-section (2), for the words ‘two lakh rupees’ the words ‘five lakh rupees’ shall be substituted ;

(b) sub-section (3) and the provisos thereunder shall be omitted ;

(c) in sub-section (5), for the words “twenty lakhs” and “two per cent of the turnover” the words “fifty lakhs” and “one per cent of the turnover of taxable goods” shall be substituted.

(d) after sub-section (5) the following proviso shall be inserted, namely :—

“Provided that a dealer who has been paying tax under sub-section (1) shall not be entitled to opt for payment of tax under this sub-section unless his total turnover continue to be within the limit specified in this sub-section consecutively for three years;”;

(3) in section 8,—

(a) for clause (a) the following clause shall be substituted, namely :—

(a) (i) any works contractor who is not an importer or a dealer effecting first taxable sale in the State may, at his option, instead of paying tax in accordance with the provisions of the said sections, pay tax at two per cent of the whole contract amount.

(ii) any works contractor, other than those undertaking electrical, refrigeration or air conditioning contracts or contracts relating to supply and installation of plant, machinery, rolling shutters, cranes, hoists, elevators (lifts), escalators, generators, generating sets, transformers, weighing

machines, air conditioners and air coolers, deep freezers, laying of all kinds of tiles (except brick tiles), slabs and stones (including Marble), and not falling under clause (i) above, may at his option, instead of paying tax in accordance with the provisions of the said sections, pay tax at six per cent of the whole contract amount.

(b) to clause (a), the following explanation shall be inserted, namely :—

“*Explanation* : “First taxable sale” for the purpose of this section shall mean the sale of taxable goods effected by a registered dealer immediately after the import of such goods into the State or its manufacture in the State or after its purchase from a person other than a registered dealer in the State, as the case may be.” ;

(c) in clause (b), for the Explanation, the following Explanation shall be substituted, namely :—

“*Explanation* : For the purposes of this clause, primary crusher shall also be reckoned for the purpose of computation of the quantum of compounded tax and the rate applicable for primary crusher shall be fifty per cent of the rates mentioned in items (i), (ii) and (iii) above.” ;

(d) for clauses (c) and (d), the following clauses shall be substituted, namely :—

“(c) Any dealer in cooked food and beverages, including beverages prepared by him, other than a dealer supplying cooked food or beverages to any airline service company or institution or shipping company for serving in air craft, ships or steamer or served in air craft, ship, steamer, bar attached hotel or star hotel may, at his option, instead of paying tax in accordance with the provisions of section 6, pay tax at one per cent of the taxable turnover.

Explanation : For the purposes of this clause “bar attached hotel” shall mean a hotel or restaurant or club or any other place which is licensed under the Foreign Liquor Rules to serve foreign liquor falling under Sl. No. 2 of the Fourth Schedule.

(d) Any dealer who transfers the right to use Video Cassette or Computer Disc may, instead of paying tax in accordance with the provisions of section 6, pay tax at the rate of one thousand rupees per year for every main or branch shop situated in any place within the limits of any Municipal Corporation or Municipality and rupees five hundred per year for any main or branch shop situated in any other place or places” ;

(4) for section 10 the following section shall be substituted, namely :—

“10. *Deduction of tax at source.*—(1) Every awarder shall deduct from every payment, including advance payment, made by him to any works contractor liable to pay tax under section 6, in relation to any works contract

awarded, the tax payable by the contractor in respect of such contract under that section, whether the transfer of goods involved in the execution of works contract is in the form of goods or not, and remit it to Government, in the prescribed manner, within five days from the date of such deduction. Every such awarder shall also file such return as may be prescribed.

(2) For the purposes of sub-section (1) the awarder shall obtain from the contractor a declaration in the prescribed form, showing his tax liability in relation to such works contract:

Provided that the awarder shall obtain from the contractor quarterly certificate issued by the assessing authority showing the tax liability or tax remittances, as the case may be, of the contractor in relation to the contract up to the end of the previous quarter:

Provided further that the awarder shall, before making final payment to the works contractor in respect of any contract, obtain a liability certificate from the assessing authority.

(3) If any awarder effects any payment without deduction of the tax as provided under sub-section (1) or after making such deductions, fails to remit the same to Government within the time limit specified under the said sub-section, the awarder *and* any person or persons responsible for such deduction on behalf of the awarder, including a Director, Manager, Secretary or other officer of a company, shall be jointly and severally liable for payment of such amounts to the Government forthwith as if it were a tax due from him.

Explanation : For the purposes of this section :

(1) “company” means any body corporate and includes a firm or other association of individuals, or a Co-operative society; and

(2) “Director” in relation to a firm, means partner in the firm.”;

(5) in section 11,—

(a) for sub-section (2), the following sub-section shall be substituted, namely :—

“(2) In respect of capital goods purchased by a dealer, input tax credit shall be allowed over a period of three years from the date of commencement of commercial production or from the date from which the capital goods are put to use, whichever is later, in such manner and subject to such conditions as may be prescribed.”;

(b) in sub-section (3), for the words “output tax paid by him”, the words, “output tax payable by him” shall be substituted ;

(ba) After sub-section (3) the following provisos shall be inserted, namely :—

“Provided that no input tax credit shall be allowed to any amount illegally collected by way of tax as specified in sub-section (3) (a) of Section 30 of the Act :

Provided also that where any goods purchased in the state are subsequently sold at subsidized price, the input tax allowable under the sub-section in respect of such goods shall not exceed the output tax payable on such goods.”;

(c) in sub-section (5),—

- a. In clause (g) the word “consumable” shall be omitted.
- b. Clauses (h), (i) and (o) shall be omitted ;

(d) to sub-section (6), the following proviso shall be added, namely :—

“ Provided that where the excess input tax so carried forward cannot be fully adjusted during the last return period of that year and the output tax for the subsequent year is less than the excess input tax credit so remaining unadjusted, the amount by which the output tax for the subsequent year falls short of the excess input tax credit so remaining unadjusted, shall be refunded to the dealer as if it were a refund accrued under section 13.” ;

(e) in sub-section (7), after the words “at the time of closure of business” and before the words “in-put tax” the words “in relation to such goods” shall be inserted ;

(f) after sub-section (12), the following sub-section shall be inserted, namely :—

“(13) Subject to the provisions of sub-sections (4) to (7) and sub-sections (9) to (12), input tax credit shall be allowed to a registered dealer in respect of the tax paid under the Kerala General Sales Tax Act, 1963 (Act 15 of 1963), in respect of goods purchased by him during a period of one year immediately preceding the date of commencement of this Act and held as opening stock on such date and sold or used in the manufacture of taxable goods or used in the execution of works contract or for use as containers or as packing materials for the packing of taxable goods in the State for sale thereafter, against the output tax payable by him, subject to such conditions and restrictions as may be prescribed :

Provided that the assessing authority may adjust any amount accruing to a dealer as input tax credit under this sub-section towards any tax or other amount due from the dealer, under this Act or under the provisions of the Kerala General

Sales Tax Act, 1963 (15 of 1963) or the Central Sales Tax Act, 1956 (Central Act 74 of 1956) or the Kerala Tax on Entry of Goods into Local Areas Act, 1994 (15 of 1994).

Explanation : For the purposes of this sub-section “input tax” means tax paid by one registered dealer under the Kerala General Sales Tax Act, 1963 (15 of 1963) to another such dealer or, where the goods are liable to tax under the Kerala General Sales Tax Act, 1963 (15 of 1963) at the point of first purchase or last purchase, as the case may be, the tax paid by the dealer claiming input tax credit under this sub-section on the purchase.”.

(6). for section 12, the following section shall be substituted, namely:—

“12. *Special rebating in certain cases.*—In calculating the net tax payable by a dealer for a return period, there shall be deducted from the tax payable for the return period, a sum equal to,—

(a) the tax paid under sub-section (2) of section 6; and

(b) the tax paid under section 3 of the Tax on Entry of Goods into Local Areas Act, 1994 (15 of 1994) on the import of any goods, other than those included in the fourth schedule;

where such goods are sold or used in the manufacture of taxable goods or used in the execution of works contract or for use as containers or as packing materials for the packing of taxable goods in the State.”.

(7). for section 13, the following section shall be substituted, namely :—

“13. *Refund of input tax in the case of export or inter-State sale.*—

(1) Every sale in the course of export shall be a zero rate sale.

(2) Where input tax has been paid in respect of the purchase of any goods including capital goods, except those goods coming under the Fourth Schedule, and such goods are either,—

(i) sold in the course of export; or

(ii) sold in the course of inter-State trade or commerce; or

(iii) sent to outside the State otherwise than by way of sale in the course of inter-State trade; or

(iv) consumed in the manufacture of goods, other than those falling under the First Schedule or Fourth Schedule and the goods so manufactured are sent outside the State either by way of sale in the course of inter-State trade or commerce or otherwise; or

(v) used as Capital goods; the input tax paid on such goods shall be refunded to the person making such sales in the course of export or in the course of inter-State trade or commerce or sending such goods to outside the State, as the case may be, in such manner and subject to such conditions as may be prescribed :

Provided that the dealer claiming such refund shall not claim input tax credit on such purchases for any return period :

Provided further that where the goods are sent to outside the State otherwise than by way of sale in the course of inter-State trade or export or where the sale in the course of inter-State trade is exempted from tax, the refund under this section shall be limited to the amount of input tax paid in excess of the rate specified under sub-section (1) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) on the purchase turnover of such goods resold or used in the manufacture, as the case may be :

Provided also that in the case of capital goods, the refund of input tax will be allowed in such instalments as may be prescribed.

(3) Nothing contained in sub-section (2) shall be construed as preventing the assessing authority from adjusting any amount due as refund under sub-section (1) towards any tax or other amount due from the dealer, under this Act or under the provisions of the Kerala General Sales Tax Act, 1963 (15 of 1963) or the Central Sales Tax Act, 1956 (Central Act 74 of 1956) or The Kerala Tax on Entry of Goods into Local Areas Act, 1994 (15 of 1994).

(4) The provisions of this section shall apply to goods purchased by a dealer during a period of one year immediately preceding the date of commencement of the Act and held by such dealers as opening stock on such date.

Explanation : For the purpose of this section,—

(a) a ‘sale in the course of export’ means a sale falling under sub-section (1) or sub-section (3) of section 5 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956).

(b) “input tax” includes tax paid under sub-section (2) of section 6, input tax covered by the Explanation to sub-section (13) of section 11 and the tax paid under the Tax on Entry of Goods into Local Areas Act, 1994 (15 of 1994) on any taxable goods.”.

(8) for Section 14 the following section shall be substituted, namely :—

“14. *Reimbursement of tax.*—Where tax has been collected by any dealer in the State on any sale effected under this Act to any official or personnel of,—

(a) any foreign diplomatic mission or consulate in India ; or

(b) the United Nations or any other similar international body, entitled to privileges under any convention to which India is a party or under any law for the time being in force ; or

(c) any consular or diplomatic agent of any mission, the United Nations or other body, the tax so collected shall be reimbursed to such person, mission, United Nations or other body in such manner as may be prescribed.”;

(9) in section 16,—

(a) in sub-section (1), for the Table and the provisos there under, the following Table and provisos shall be substituted, namely :—

“TABLE

(a) Where the total turnover is less than three lakh rupees	Five hundred rupees
(b) Where the total turnover is three lakh rupees and above but is less than ten lakh rupees	Seven hundred and fifty rupees
(c) Where the total turnover is ten lakh rupees and above but is less than fifty lakh rupees	One thousand rupees plus Twenty-five rupees for each lakh or part thereof above ten lakh
(d) Where the total turnover is fifty lakh rupees and above	Two thousand rupees plus fifty rupees for each lakh or part thereof above fifty lakh, so however that the total registration fee shall not exceed twenty thousand rupees.

Provided that a dealer getting registered under clause (ii) of sub-section (2) of section 15 shall not be required to pay the registration fee specified in this sub-section; but only the fee for renewal of registration specified under sub-section (7) :

Provided further that where the dealer is an authorized retail or wholesale distributor of rationed articles under the Kerala Rationing Order, 1966, his total turnover for the purpose of this sub-section shall not include the turnover in respect of such goods :

Provided also that in the case of a casual trader, the minimum registration fee to be paid shall be one thousand five hundred rupees and the registration shall be valid for a period of three months from the date of issue of the certificate.”;

(b) in sub-section (4), for the words “one hundred rupees”, the words “one hundred and fifty rupees” shall be substituted ;

(c) in sub-section (7), for the words, figure and brackets “fee specified in sub-section (1) and shall continue to be valid on such renewal” the following words, figures and brackets shall be substituted, namely:—

“ fee specified below :

(a) dealer who is not an importer	Five hundred rupees
(b) others	One thousand five hundred rupees.”;

(d) after sub-section (12), the following sub-sections shall be inserted, namely :—

“(13) (i) Any dealer conducting exhibitions, exchange melas or any prize schemes for sales promotion, shall obtain a written permission from the assessing authority, with whom he is registered as a dealer on payment of a fee of five hundred rupees. The assessing authority may issue such permission in such form and subject to such conditions as may be prescribed. The dealer to whom the permission is issued shall exhibit the same at a conspicuous place where the exhibition or exchange mela or prize scheme is conducted.

(ii) The owner of the premises (not being the regular business place of the dealer) where the exhibition, exchange mela or any prize schemes for sales promotion are conducted shall obtain a copy of the permission issued by

the assessing authority under clause (i) and intimate the assessing authority concerned the particulars regarding the period during which the mela is conducted, the dealer conducting the mela and the conditions subject to which the premises are leased out for the conduct of such exhibition, exchange mela or prize schemes and any other relevant information. Where the owner of the premises fails to do so, he shall be jointly and severally liable for any tax that may become due on the sales of goods made in such exhibition, exchange mela or any prize schemes.”

(14) Every registered dealer shall be issued an electronic identity card on payment of five hundred rupees and subject to such conditions as may be prescribed. Add on cards may be issued to a dealer on payment of two hundred and fifty rupees per card. The maximum number of add-on cards that may be issued to a dealer shall not exceed three.

(15) Where a certificate of registration or an electronic identity card issued under this section is lost, a duplicate certificate may be issued on payment of One hundred rupees in the case of registration certificate and two hundred and fifty rupees in the case of electronic identity card, subject to such conditions as may be prescribed.”;

(10) in section 17; after proviso to sub-section (2) the following proviso shall be inserted, namely :—

“ Provided further that no security or additional security shall be demanded under this sub-section from a dealer falling under clause (ii) of sub-section (2) of section 15”.

(11) in section 19,—

(a) in sub-section (4) for the words “one hundred rupees”, the words “one hundred and fifty rupees” shall be substituted ;

(b) in sub-section (6), for the words, “one hundred rupees”, the words, “one hundred and fifty rupees” shall be substituted.

(12) for sections 20, 21 and 22 the following sections shall be substituted, namely :—

“20. *Filing of returns.*—(1) Every registered dealer and every dealer liable to be registered under this Act shall submit to the assessing authority such return or returns before such dates and in such manner and accompanied by such documents as may be prescribed.

(2) In case of a dealer having more than one place of business, the aggregate turnover of all such places of business shall, subject to the provisions of sub-section (3), be taken as the turnover of the business for the purposes of this Act.

(3) The Commissioner may, on application by the dealer, treat each of such places of business as a separate unit for the purposes of levy, assessment and collection of tax, and thereupon all the provisions of this Act regarding registration, filing of returns, assessment and collection of tax shall apply, as if each of such places of business were a separate unit.

(4) Where any order is passed by the Commissioner under sub-section (3), the turnover of each of such places of business shall be liable to tax irrespective of such turnover being below the minimum turnover mentioned in section 6 provided that the total turnover in respect of all such places of business together shall not be less than the minimum turnover mentioned in section 6.

21. *Self assessment.*—Where the return submitted under sub-section (1) of section 20 is in the prescribed manner and accompanied by the prescribed documents, the assessment relating to the return period shall, subject to the provisions of sections 22, 24 and section 25, be deemed to have been completed on the receipt of such return.

22. *Assessment in case of non-filing of return and filing of defective return.*—(1) Where the return submitted under sub-section (1) of section 20 is not in the prescribed manner or not accompanied by the prescribed documents or with incorrect particulars, the assessing authority shall, after recording its reasons, reject the return with due notice to the dealer.

(2) A dealer whose return is rejected under sub-section (1) may, file a fresh return curing the defects in such manner and within such time as may be prescribed and accompanied by such documents as provided under sub-section (1) of section 20 together with proof of payment of interest on the tax payable at the rates provided under section 31 for the period from the due date of filing of return till the date of filing of such fresh return. On the receipt of such return by the assessing authority, the assessment for the return period shall, subject to the provisions of section 24 and section 25, be deemed to have been completed.

(3) If any dealer fails to submit any return as provided under sub-section (1) of section 20 or files incorrect return and fails to file a fresh return as provided under sub-section (2), the assessing authority shall estimate the turnover of the return period and complete the assessment to the best of its judgment.

(4) No assessment under sub-section (3) of this section shall be completed without affording the dealer an opportunity of being heard.

(5) On receipt of the notice under sub-section (4), if the dealer files a return for the return period as provided under sub-section (1) of section 20 and accompanied by proof of payment of tax payable and interest on this amount from the due date for filing of return till the date of filing of return at the rates specified in section 31 and double the amount of interest so due as penalty the assessing authority shall drop the proposal for assessment under sub-section (3) and the assessment for the return period shall be deemed to have been completed on receipt of such return.

(6) Any assessment, levy and collection of tax under this Act shall be in such manner as may be prescribed.

(7) Notwithstanding anything contained in any other provision of this Act, no appeal shall lie against the assessment completed under sub-section (3) of this section unless the dealer has paid the entire tax assessed.”;

(13) in section 23,—

(i) in sub-section (1), the following sentence shall be inserted at the end, namely :—

“The officer so designated and the audit officers shall follow the procedure as may be notified by Government.”;

(ii) in sub-section (6), for the words, “all the return periods upto the previous audit visit shall be liable to be disallowed and the assessments of the return periods liable to be completed to the best of judgment”, the following shall be substituted, namely :—

“ the four return periods immediately preceding the date of such audit visit shall be liable to be disallowed and the assessments of such return periods liable to be completed to the best of judgment as provided under section 24.” ;

(iii) in sub-section (6) for the figures “11, 21 and 22” the figures “11, 20, 21 and 22” shall be substituted.;

(14) in section 30,—

(a) in sub-section (1), the words “and pay it over to Government in such manner as may be prescribed” shall be added at the end.

(b) for sub-section (4) the following sub-section shall be substituted, namely :—

“(4) No registered dealer whose turnover is below the limit specified under sub-section (1) of section 6 shall collect any sum purporting to be by way of tax.”;

(15) in section 31, for sub-section (5) the following sub-section shall be substituted, namely :—

“(5) If the tax or any other amount assessed or due under this Act is not paid by any dealer or any other person within the time prescribed therefore in this Act or in any rule made thereunder and in other cases within the time specified therefore in the notice of demand, the dealer or the other person, shall pay simple interest at the rate of twelve per cent per annum on the tax or other amount defaulted.”;

(16) for section 32, the following section shall be substituted, namely: —

“32. *Deferment of tax payable by Industrial Units.*—(1) Subject to such conditions and restrictions, the Government may, by notification, order to defer the payment of the whole or any part of the tax payable by any industrial unit in respect of which exemption in respect of tax payable under the Kerala General Sales Tax Act, 1963 (15 of 1963) or the Kerala Surcharge on Taxes Act, 1957 (11 of 1957) had been granted or is due to be granted under any notification issued under Section 10 of the Kerala General Sales Tax Act, 1963 (15 of 1963), under the Industrial Policy of the State, and that the tax or taxes so deferred shall be repaid, after the expiry of the period for which such exemption had been granted, in equal instalments over a period of five years in such manner as may be specified.

(2) Notwithstanding anything contained in this Act but subject to such conditions as the Government may, by general or special order specify, where in respect of an industrial unit deferment is granted under sub-section (1) and where liability equal to the amount of any such tax deferred has been created as a loan by Government, such tax deferred shall not attract interest under sub-section (5) of Section 31 during the period for which deferment is granted.”;

(17) in section 48 for sub-section (4) the following sub-section shall be substituted, namely :—

“(4) where any person consigns any goods or transports any goods liable to tax under this Act from another State into the State without any records as provided for under section 46 or where the particulars furnished in the documents accompanying the goods are false or the consignor or purchaser stated therein is found to be bogus or non-existent or is not traceable or where the transporter fails to prove the bona fides of the transport, it shall be presumed that such goods have been sold in the State by the consignor or the owner of the goods or the transports or the owner or persons in charge of the vehicle or the person in charge of the goods or all of them jointly and they shall be jointly and severally liable to pay tax on such sales which shall be assessed and recovered in the manner provided for in sub-section (3).”;

(18) in Section 49,—

(a) in the second proviso to sub-section (3) for the word “penalty” the words “redemption fee” shall be substituted ;

(b) for sub-sections (4) and (5), the following sub-sections shall be substituted, namely :—

“(4) Notwithstanding anything contained in the foregoing provisions, if the owner or person in charge of the notified goods or the owner or person in charge of the vehicle fails to prove the genuineness of the transport of the notified goods or to remit the redemption fee as specified in second proviso to sub-section (3), within thirty days from the seizure and detention of goods and the authorized officer has reason to believe that the owner or the person in charge of the vehicle or the driver has transported the notified goods to evade payment of tax with the knowledge or connivance of the owner of the goods, the officer may confiscate the vehicle or vessel along with the goods :

Provided that the authorized officer shall serve notice to the owner of the vehicle or the person in charge of the vehicle or the owner of the notified goods, if ascertainable, intimating the reason for the confiscation of the vehicle or vessel affording him and an opportunity of being heard. The officer shall also afford an opportunity to any of such persons to pay *a penalty* equal to thrice the amount of tax attempted to be evaded in lieu of confiscation of the notified goods and an amount equal to thrice the amount of such tax or rupees one lakh whichever is higher in lieu of confiscation of the vehicle or vessel.

(5) No order confiscating any vehicle or vessel shall be made under sub-section (4), if the owner or the person in charge of the vehicle or vessel proves to the satisfaction of the authorized officer that it was used for carrying the notified goods without the knowledge or connivance of the owner himself, his agent, if any, or the person in charge of such vehicle or vessel and that each of them has taken all reasonable and necessary precautions against such use.”;

(18A) After Section 49 the following section shall be inserted, namely:—

“49A. *Police Assistance for inspection, search and seizure.*—An officer authorised under the provisions of this Act to conduct inspection, search or seizure of any vehicle or vessel, goods, business place, residential accommodation or any other place, if feels necessary to have police assistance for the effective conduct of such inspection, search or seizure may seek police assistance from the officer in charge of the police station or from his superior officer having jurisdiction over the area where inspection, search or seizure is to be conducted or is being conducted and thereupon such police officer shall render such assistance to the officer as may be required for the conduct of such inspection, search or seizure.”

(19) in Section 67,—

(a) in sub-section (1), for the words “twenty-five thousand rupees”, the words “ten thousand rupees” shall be substituted ;

(b) in sub-section (2), for the words “at thrice the balance amount of tax” and “thrice the complete amount so assessed”, the words “at twice the balance amount of tax”, and “twice the complete amount so assessed” shall respectively be substituted ;

(20) in section 69, in sub-section (1), for the words “ten thousand rupees”, the words “five thousand rupees” shall be substituted ;

(21) in section 70, for the words “fifty thousand rupees”, the words “twenty-five thousand rupees” shall be substituted ;

(22) for section 71, the following section shall be substituted, namely :—

“71. *Punishment for submitting untrue return etc.*—(1) Any person who,—

(a) knowingly submits an untrue return or fails to submit return as required by the provisions of this Act or the rules made thereunder; or

(b) fails to keep true and complete accounts; or

(c) dishonestly objects to or fails to comply with the terms of a notice issued to him under sub-section (1) of section 35; or

(d) being a person obliged to register himself as a dealer under this Act does not get himself registered; or

(e) fails to stop any vehicle or vessel when required to do so by an officer empowered in this behalf; or

(f) wilfully acts in contravention of any of the provisions of this Act or the rules made thereunder, for the contravention of which no express provision for punishment is made by this Act, shall, on conviction by a Magistrate, be liable to fine which may extend to twenty-five thousand rupees.

(2) Any person who,—

(a) makes any bogus claim of input tax credit or refund, or

(b) continues the business during the period of suspension of registration, or

(c) prevents or obstructs survey, inspection, entry, search, checking of tax invoice or seizure by an officer empowered under this Act, or

(d) prevents or obstructs inspection of any vehicle or vessel or goods transported otherwise or seizure of goods by an officer in charge of a check post or barrier or by any officer empowered under this Act, or

(e) fraudulently evades the payment of tax, fee or other amount due from him under this Act, or

(f) carries on business as a dealer without furnishing the security demanded under sub-section (1) of section 17, shall, on conviction by a Magistrate, be punished with simple imprisonment for a period which may extend to six months or to fine not less than the tax or other amounts due but not exceeding fifty thousand rupees or to both.”;

(23) in section 73 for the words “which shall not be less than three months but which may extend to six months and shall also be liable to fine not exceeding fifty thousand rupees”, the words “which may extend to six months or with fine not exceeding fifty thousand rupees or with both” shall be substituted ;

(24) after section 79, the following section shall be inserted, namely:—

“79A. *Bar against attachment in certain cases* .—Notwithstanding anything contained in any other law in force or in any judgment, decree or order of any court, no court or any other authority shall pass any order attaching any amount from any person, out of the tax collected by such person under the Act and kept with him before it became due to Government.”;

(25) in section 85, in sub-section (2) after clause (x) the following clause shall be inserted, namely :—

“(xi) to an officer of Government of India or the Government of any State or Union Territory of India, where such disclosure is on the basis of the decision of the Empowered Committee.”;

(25A) in sub-section (1) of section 93 the words “except where such enhancement is to implement a decision of the Empowered Committee” shall be inserted at the end ;

(26) for section 98, the following section shall be substituted, namely :—

“98. *Kerala General Sales Tax Act, 1963 (15 of 1963) to have limited application* .— (1) From the date of commencement of this Act, the Kerala General Sales Tax Act, 1963 (15 of 1963) shall apply only in respect of goods included in the Fourth Schedule to this Act.

(2) Goods taxable under the said Act at the point of last purchase in the State, which are held as closing stock on the date preceding the date of coming into force of this Act, shall be deemed to have acquired the quality of last purchase under the provisions of the Kerala General Sales Tax Act, 1963 on such date and tax shall be levied accordingly.

(3) Notwithstanding anything in sub-section (1), Government may permit the use of the registration certificates issued under the provisions of the said Act and also of such forms prescribed by the rules made thereunder by any dealer to whom the provisions of this Act applies, till the thirtieth day of June, 2005.

(4) Notwithstanding anything contained in sub-section (i), in respect of the goods coming under the purview of the Kerala Value Added Tax Act, 2003 (30 of 2004), nothing shall affect the right to initiate and complete any proceedings pending at the commencement of the Kerala Value Added Tax Act, 2003 regarding the assessment, levy, collection and recovery of tax, penalty or other amount chargeable under the Kerala General Sales Tax Act, 1963 including

that of escaped turnover, or affect the liability of any person to pay any sum due from him or existing right of refund under the said Act, or the right to initiate or continue any application, appeal, revision including suo moto revision or other proceedings made or preferred to any officer or authority under the said Act.”.

(27) for the Schedules the following Schedules shall be substituted, namely :—

“ FIRST SCHEDULE

Goods exempted from tax under sub-section (4) of Section 6

<i>Sl. No.</i>	<i>Description of Goods</i>	<i>HSN Code</i>
(1)	(2)	(3)
1	<i>Agricultural implements manually operated or animal driven</i>	
(1)	Spades and shovels	8201.10.00
(2)	Forks	8201.20.00
(3)	Mattocks, picks, hoes and rakes	8201.30.00
(4)	Axes, bill hooks and similar hewing tools	8201.40.00
(5)	Secateurs and similar one-handed pruners and shears (including poultry shears)	8201.50.00
(6)	Hedge shears, two-handed pruning shears and similar two-handed shears	8201.60.00
(7)	Other hand tools of a kind used in agriculture, horticulture or forestry	8201.90.00
2	<i>Aids & implements used by handicapped persons</i>	
(1)	Orthopaedic or fracture appliances	9021.10.00
(2)	Artificial joints	9021.31.00
(3)	Frequency modulated hearing aid system used for hearing by handicapped persons in group situation	9021.40.10

(1)	(2)	(3)
(4)	Carriages for disabled persons, whether or not motorised or otherwise mechanically propelled	
	(a) Wheel chairs for invalids (including motorised)	8713.10.10
	(b) Other Wheel chairs for invalids	8713.90.10
(5)	Braille typewriters	
	(a) Braille typewriters (electric)	8469.20.10
	(b) Braille typewriters (non-electric)	8469.30.10
3	<i>Aquatic feed, poultry feed and its supplements & cattle feed, including grass, hay, etc. but excluding those specifically mentioned in Schedule II</i>	
(1)	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals or of leguminous plants	
	(a) Maize bran	2302.10.10
	(b) Deoiled rice bran	2302.20.10
	(c) Rice bran raw	2302.20.20
	(d) Bran of wheat	2302.30
	(e) Of other cereals	2302.40.00
	(f) of leguminous plants	2302.50.00
(2)	Vegetable materials and vegetable waste, vegetable residues and by-products, whether or not in the form of pellets of a kind used in animal feeding, not elsewhere specified or included	2308.00.00
(3)	Preparations of kind used in animal feeding	
	(a) Dog or cat food	2309.10.10
	(b) Compounded animal feed	2309.90.10
	(c) Concentrates for compound animal feed	2309.90.20
	(d) Prawn, shrimp and poultry feed	2309.90.31
	(e) Fish meal in powdered form	2309.90.32
	(f) Other feeds for fish	2309.90.39
	(g) Others	2309.90.90
(4)	Hay and fodder	1214.90.00
4	<i>Betal leaves</i>	1404.90.40

(1)	(2)	(3)
<i>5 Books and periodicals & journals</i>		
(1) Books		
	(a) Printed books meant for reading	4901.10.10
	(b) Dictionaries and encyclopaedias and serial instalments thereof	4901.91.00
	(c) Journals and periodicals	4902.10.20
(2) Children's picture, drawing or colouring books		
	(a) Picture books	4903.00.10
	(b) Drawing or colouring books	4903.00.20
<i>6 Candle</i>		3406.00.10
<i>7 Cart driven by animals</i>		8716.80.20
<i>8 Charcoal</i>		
	(1) Wood charcoal (including shell or nut charcoal), whether or not agglomerated	
	(a) Of coconut shell	4402.00.10
	(b) Other	4402.00.90
<i>9 Coarse grains other than paddy, rice and wheat</i>		
(1)	Rye	1002.00.90
(2)	Barley	1003.00.90
(3)	Oats	1004.90
(4)	Maize (Corn)	1005.90.00
(5)	Grain sorghum	1007.00.90
(6)	Buckwheat	1008.00.90
(7)	Jawar	1008.20.19
(8)	Bajra	1008.20.29
(9)	Ragi	1008.20.39
(10)	Canary seed	1008.30.90
(11)	Other cereals	1008.90.90

(1)	(2)	(3)
10	<i>Condoms and contraceptives</i>	
	(1) Contraceptive pills	
	(2) Rubber contraceptives, male (condoms)	4014.10.10
	(3) Rubber contraceptives, female (diaphragms), such as cervical caps	4014.10.20
11	<i>Cotton & silk yarn in hank</i>	
	(1) Cotton	
	(a) Cotton yarn (other than sewing thread), containing 85% or more by weight of cotton, not put up for retail sale	5205
	(b) Cotton yarn (other than sewing thread), containing less than 85% by weight of cotton, not put up for retail sale	5206
	(c) Cotton yarn (other than sewing thread) put up for retail sale	5207
	(2) Silk	
	(a) Silk yarn (other than yarn spun from silk waste) not put up for retail sale	5004
	(b) Yarn spun from silk waste, not put up for retail sale	5005
	(c) Silk yarn and yarn spun from silk waste, put up for retail sale, silk worm gut	5006
12	<i>Charkha, Amber Charkha, Handlooms, Handloom fabrics and Gandhi Topi</i>	
13	<i>Curd, Lussi, butter milk & separated milk</i>	
	(1) Curd and fresh (unripened or uncured) cheese, including whey cheese	0406.10.00
	(2) Yogurt	0403.10.00
	(3) Butter milk	0403.90.10
	(4) Others	0403.90.90
14	<i>Electrical energy</i>	2716.00.00
15	<i>Earthen pot</i>	6914.90.00

(1)	(2)	(3)
<i>16 Fresh milk and pasteurised milk</i>		
(1)	Milk and cream, not concentrated nor containing added sugar or other sweetening matter	0401
(2)	Milk and cream, concentrated not containing added sugar or other sweetening matter	0402.91.90
(3)	Other whole milk	0402.99.10
<i>17 Fresh plants, saplings and fresh flowers</i>		
(1)	Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant, in growth or in flower; chicory plants and roots other than roots of heading No.1212	
(a)	Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant	0601.10.00
(b)	Bulbs, horticultural	0601.20.10
(c)	Chicory	
(i)	Chicory plants	0601.20.21
(ii)	Chicory roots	0601.20.22
(iii)	Other	0601.20.90
(2)	Other live plants (including their roots), cuttings and slips; mushroom spawn	
(a)	Unrooted cuttings and slips	0602.10.00
(b)	Edible fruit or nut trees, grafted or not	0602.20.10
(c)	Cactus	0602.20.20
(d)	Rhododerndrons and azaleas, grafted or not	0602.30.00
(e)	Roses, grafted or not	0602.40.00
(f)	Mushroom spawn	0602.90.10
(g)	Flowering plants (excluding roses and rhododerndrons)	0602.90.20
(h)	Tissue culture plant	0602.90.30
(i)	Other	0602.90.90
(3)	Fresh flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh	0603.10.00
<i>18 Fishnet & Fishnet fabrics</i>		
(1)	Made up fishing nets of nylon	5608.11.10

(1)	(2)	(3)
19 <i>Fresh vegetables & fruits</i>		
(1)	Potatoes, fresh or chilled	0701.90.00
(2)	Tomatoes, fresh or chilled	0702.00.00
(3)	Onions, shallots, leeks and other alliaceous vegetables, fresh or chilled	
	(a) Onions	0703.10.10
	(b) Shallots	0703.10.20
	(c) Leeks and other alliaceous vegetables	0703.90.00
(4)	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled	
	(a) Cauliflowers and headed broccoli	0704.10.00
	(b) Brussels sprouts	0704.20.00
	(c) Others	0704.90.00
(5)	Lettuce (<i>Lactuca sativa</i>) and chicory, fresh or chilled	
	(a) Cabbage lettuce (head lettuce)	0705.11.00
	(b) Other lettuce	0705.19.00
	(c) Witloof chicory	0705.21.00
	(d) Other chicory	0705.29.00
(6)	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled	
	(a) Carrots and turnips	0706.10.00
	(b) Horse radish	0706.90.10
	(c) Other radish	0706.90.20
	(d) Salad beetroot	0706.90.30
	(e) Other	0706.90.90
(7)	Cucumbers or gherkins, fresh or chilled	0707.00.00
(8)	Leguminous vegetables, shelled or unshelled, fresh or chilled	
	(a) Peas	0708.10.00
	(b) Beans	0708.20.00
	(c) Others leguminous vegetables	0708.90.00
(9)	Manioc (cassava), fresh or chilled	0714.10.00
(10)	Sweet potatoes, fresh or chilled	0714.20.00

(1)	(2)	(3)
(11)	Other vegetables, fresh or chilled	
	(a) Globe artichokes	0709.10.00
	(b) Asparagus	0709.20.00
	(c) Aubergines (egg-plants)	0709.30.00
	(d) Celery other than celeriac	0709.40.00
	(e) Mushrooms of the genus Agaricus	0709.51.00
	(f) Other mushrooms	0709.59.00
	(g) Truffles	0709.52.00
	(h) Green chilly	0709.60.10
	(i) Other capsicum	0709.60.90
	(j) Spinach and Orache spinach	0709.70.00
	(k) Olives	0709.90.10
	(l) Curry banana	0709.90.20
	(m) Pumpkins	0709.90.30
(12)	Bananas, including plantains	0803.00.00
(13)	Figs	0804.20.10
(14)	Pineapples	0804.30.00
(15)	Avocados	0804.40.00
(16)	Gauvas	0804.50.10
(17)	Mangoes	0804.50.20
(18)	Oranges	0805.10.00
(19)	Mandarins (including tangerines and satsumas)	
	Clementines, wilkings and similar citrus hybrids	0805.20.00
(20)	Grape fruit	0805.40.00
(21)	Lemon and limes	0805.50.00
(22)	Grapes	0806.10.00
(23)	Watermelons	0807.11.00
(24)	Other melons	0807.19.00
(25)	Papaws (papayas)	0807.20.00
(26)	Apples	0808.10.00
(27)	Pears and quinces	0808.20.00
(28)	Apricots	0809.10.00
(29)	Cherries	0809.20.00
(30)	Peaches including nectarines	0809.30.00
(31)	Plums and sloes	0809.40.00
(32)	Strawberries	0810.10.00
(33)	Raspberries, blackberries, mulberries and loganberries	0810.20.00

(1)	(2)	(3)
(34)	Black, white or red currants and gooseberries	0810.30.00
(35)	Cranberries, bilberries and other fruits of the genus vaccinium	0810.40.00
(36)	Kiwifruit	0810.50.00
(37)	Durians	0810.60.00
(38)	Pomegranates	0810.90.10
(39)	Sapota (chico)	0810.90.30
(40)	Custard apple (ata)	0810.90.40
(41)	Bore	0810.90.50
(42)	Lichi	0810.90.60
20	<i>Garlic and green ginger</i>	
(1)	Garlic	
(a)	fresh	0703.20.00
(b)	dried	0712.90.40
(2)	Ginger, fresh	0910.10.10
21	<i>Glass Bangles</i>	7018.10.10
22	<i>Green and soaked coconut husk, coconut fibre, coir and coir products other than rubberised</i>	
(1)	Green coconut husk	
(2)	Soaked coconut husk	
(3)	Raw, coir bristle fibre	5305.11.10
(4)	Raw, mattress fibre	5305.11.20
(5)	Coir yarn	
(6)	Coir products other than rubberised coir products	
23	<i>Handmade safety matches</i>	
24	<i>Human Blood and blood plasma</i>	
(1)	Human blood	3002.90.10
(2)	Blood plasma	3002 .10
25	<i>Indigeneous handmade musical instruments</i>	
(1)	Harmoniums	9203.00.10
(2)	Flutes	9205.90.10
(3)	Drums	9206.00.00

(1)	(2)	(3)
26	<i>Kumkum, Bindi, Alta and Sindur</i>	3304.99.40
27	Life Saving medicine	
	(1) Vaccines of human medicine	
	(i) Single Vaccine	
	(a) For Cholera and typhoid	3002.20.11
	(b) For hepatitis	3002.20.12
	(c) for tetanus	3002.20.13
	(d) for polio	3002.20.14
	(e) for tuberculosis	3002.20.15
	(f) for rabies	3002.20.16
	(g) for japanese Encephalitis	3002.20.17
	(h) for whooping cough (pertusis)	3002.20.18
	(i) Others	3002.20.19
	(ii) Mixed Vaccines	
	(a) for diphtheria, pertutis and tetanus (DPT)	3002.20.21
	(b) for diphtheria and tetanus	3002.20.22
	(c) for measles, mumps and rubella (MMR)	3002.20.23
	(d) for typhoid-para typhoid (TAB) ortyphoid para typhoid cholera (TABC)	3002.20.24
	(e) Others	3002.20.29
	(2) Vaccines for veterinary medicine	3002.30.00
	(3) Animal blood prepared for therapeutic, prophylactic or diagonostic uses	3002.90.20
	(4) Cultures of micro organisms (excluding yeast)	3002.90.30
	(5) Toxins	3002.90.40
	(6) Anti sera	
	(a) for diphtheria	3002.10.11
	(b) for tetanus	3002.10.12
	(c) for rabies	3002.10.13
	(d) for snake venom	3002.10.14
	(e) Others	3002.10.15

(1)	(2)	(3)
	(7) Hemoglobin bloodglobulins and serum globulins	3002.10.20
	(8) Insulin Injunction	3002.31.10
	(9) Cyclosporine	
28	<i>Meat, fish, prawn and other aquatic products when not cured or frozen, eggs and livestock other than poultry and animal hair</i>	
	(1) Meat of bovine animals, fresh and chilled	
	(a) Carcasses and half-carcasses	0201.10.00
	(b) Other cuts with bone in	0201.20.00
	(c) Boneless	0202.30.00
	(2) Meat of swine, fresh or chilled	
	(a) Carcasses and half-carcasses	0203.11.00
	(b) Hams, shoulders and cuts thereof with bone in	0203.12.00
	(c) Other	0203.19.00
	(3) Meat of sheep or goats, fresh or chilled	
	(a) Carcasses and half-carcasses of lamb, fresh or chilled	0204.10.00
	(b) Other meat of sheep, fresh or chilled	
	(i) Carcasses or half-carcasses	0204.21.00
	(ii) Other cuts with bone in	0204.22.00
	(iii) Boneless	0204.23.00
	(4) Meat of horses, asses, mules or hinnies, fresh or chilled	0205.00.00
	(5) Edible offal of	
	(a) Bovine animals, fresh or chilled	0206.10.00
	(b) Swine, fresh or chilled	0206.30.00
	(c) Sheep or goats, fresh or chilled	0206.80.10
	(d) Others	0206.80.90
	(6) Other meat and edible meat offal, fresh or chilled	
	(a) of rabbits or hares	0208.10.00
	(b) frog's legs	0208.20.00
	(c) primates	0208.30.00
	(d) whales, dolphins and porpoises; of manatees and dugongs	0208.40.00
	(e) reptiles (including snakes and turtles)	0208.50.00
	(f) Other	
	(i) of wild animals	0208.90.10
	(ii) other	0208.90.90

(1)	(2)	(3)
(7)	Live fish	
	(a) Ornamental fish	0301.10.00
	(b) Trout	0301.91.00
	(c) Eels	0301.92.00
	(d) Carp	0301.93.00
	(e) Other	0301.99.00
(8)	Fish, fresh or chilled, excluding fish fillets and other fish meat of heading 0304	0302
(9)	Fish fillets and other fish meat (whether or not minced), fresh or chilled	0304.10.00
(10)	Crustaceans, whether in shell or not, live, fresh or chilled	
	(a) Rock lobster and other sea craw fish	0306.21.00
	(b) Lobsters	0306.22.00
	(c) Shrimps and prawns	0306.23.90
	(d) Crabs	0306.24.00
(11)	Molluscus whether, in shell or not, live, fresh or chilled	
	(a) Oysters	0307.10.00
	(b) Scallops, including queen scallops	0307.21.00
	(c) Mussels	0307.31.00
	(d) Clams, clam meat	0307.39.10
	(e) Cuttle fish	0307.41.10
	(f) Squid	0307.41.20
	(g) Octopus	0307.51.00
	(h) Snails other sea snails	0307.60.00
	(i) Others	0307.91.00
(12)	Eggs	
	(a) of the species <i>gallus domesticus</i> and ducks for hatching	0407.00.10
	(b) Eggs of the species <i>gallus</i> and ducks other than for hatching	0407.00.20
	(c) other	0407.00.90

(1)	(2)	(3)
(13)	Live stock	
	(a) Horses, asses, mules and hinnies	0101
	(b) Bovine animals	0102
	(c) Swine	0103
	(d) Sheep and goats	0104
	(e) Other (excluding poultry)	0106
(14)	Animal Hair	
	(a) Pigs', hogs' or boars' bristles and hair; badger hair and other brush making hair, wast of such bristles or hair	0502
	(b) Horse hair and horse hair waste whether or not put up as a layer with or without supporting material	0503.00.00
	(c) Fine or coarse animal hair, not carded or combed	5102
29	<i>National Flag</i>	6307.90.90
30	<i>Non-judicial stamp paper sold by Govt. Treasuries, postal items like envelope, postcard etc. sold by Govt., rupee note and cheques</i>	
	(1) Unused postage, revenue or similar stamps of current or new issue in the country in which they have, or will have a recognised face value	4907.00.10
	(2) Bank notes	4907.00.20
	(3) Other	4907.00.90
31	<i>Organic manure</i>	
	(1) Animal or vegetable fertiliser	
	(a) Guano	3101.00.10
	(aa) Wood ash, green manure, Compost, neem cake and crushed neems fruit	3101.00.10
	(ab) Others	3101.00.10
	(b) Animal dung	3101.00.91
	(c) Animal excreta	3101.00.92
	(d) Fishmanure, Poultrymanure	3101.00.99
	(e) Others	3101.00.99
32	<i>Prasadam by religious institutions</i>	
33	<i>Pulpaya, Thazhapaya</i>	4601.20.20
34	<i>Raw wool</i>	
	(1) Greasy, including fleece-washed wool	
	(a) Shorn wool	5101.11.00
	(b) Other	5101.19.00

(1)	(2)	(3)
	(2) Degreased, not carbonised	
	(a) Shorn wool	5101.21.00
	(b) Other	5101.29.00
	(3) Carbonised	5101.30.00
35	<i>Semen including frozen semen</i>	
	(1) Bovine semen	0511.10.00
	(2) Frozen semen, other than bovine	0511.99.91
36	<i>Slate and slate pencils</i>	
	(1) Slates and boards, with writing or drawing surfaces	9610.00.00
	(2) Slate pencils	9609.90.10
37	<i>Silk worm laying, cocoon & raw silk</i>	
	(1) Silk worm cocoons suitable for reeling	5001.00.00
	(2) Raw Silk (not thrown)	
	(a) Mulberry raw silk	5002.00.10
	(b) Mulberry dupion silk	5002.00.20
	(c) Non-mulberry silk	5002.00.30
38	Smokeless Country oven	
39	<i>Sugar and Khandasari</i>	1701.11
40	<i>Tender green coconut</i>	0801.19.90
41	<i>Textiles fabric</i>	
	(1) Silk fabrics	5007
	(2) Wool	
	(a) Woven fabrics of carded wool or of carded fine animal hair	5111
	(b) Woven fabrics of combed wool or of combed fine animal hair	5112
	(c) Woven fabrics of coarse animal hair or of horse hair	5113
	(3) Cotton	
	(a) Woven fabrics of cotton containing 85% or more by weight of cotton weighing not more than 200gm/m ²	5208
	(b) Woven fabrics of cotton containing 85% or more by weight of cotton weighing more than 200gm/m ²	5209

(1)	(2)	(3)
(c)	Woven fabrics of cotton containing less than 85% by weight of cotton, mixed mainly or solely with man made fibres, weighing not more than 200gm/m ²	5210
(d)	Woven fabrics of cotton containing less than 85% by weight of cotton, mixed mainly or solely with man made fibres, weighing more than 200gm/m ²	5211
(e)	Other woven fabrics of cotton	5212
(4)	Man-made filaments	
(a)	Woven fabrics of synthetic filament yarn, including woven fabrics obtained from materials of heading 5404	5407
(b)	Woven fabrics of artificial filament yarn, including woven fabrics obtained from materials of heading 5405	5408
(5)	Man-made Staple Fibres	
(a)	Woven fabrics of synthetic staple fibres, containing 85% or more by weight of synthetic staple fibres	5512
(b)	Woven fabrics of synthetic staple fibres, containing less than 85% by weight of such fibres mixed mainly or solely with cotton of a weight not exceeding 170 m ²	5513
(c)	Woven fabrics of synthetic staple fibres, containing less than 85% by weight of such fibres mixed mainly or solely with cotton of a weight exceeding 170 m ²	5514
(d)	Other woven fabrics of synthetic staple fibres	5515
(e)	Woven fabrics of artificial staple fibres	5516
(6)	Special Woven fabrics; Tufted textile fabrics; Lace, Tapestries, Trimmings; Embroidery	
(a)	Woven pile fabrics and chennile fabrics other than heading No. 5802 or 5806	5801
(b)	Terry towelling and similar woven terry fabrics other than narrow fabrics of heading number 5806; tufted textile fabrics other than heading number 5703	5802

(1)	(2)	(3)
(c)	Gauze other than narrow fabrics of heading 5806	5803
(d)	Tullies and other net fabrics not including woven, knitted or crocheted fabrics; lace in the piece, in strips or in motifs, other than fabrics of heading 6002 to 6006	5804
(e)	Hand woven tapestries of the type gobelins, flanders, aubusson, beauvals and the like and needle worked tapestries (for example petit point, cross stitch), whether or not made up	5805
(f)	Narrow wovens fabrics other than goods heading 5807; narrow fabrics consisting warp without weft assembled by means of an adhesive (bolducs)	5806
(g)	Labels, badges and similar articles of textile materials, in the piece, in strips or cut to shape or size, not embroidered	5807
(h)	Braids in the piece; Ornamental trimmings in the piece, without embroidery, other than knitted or crocheted; tassels, pompons and similar articles	5808
(i)	Woven fabrics or metal thread and woven fabrics of metalised yarn of heading 5605 of a kind used in apparel as furnishing fabrics of a similar purposes, not elsewhere specified or included	5809
(j)	Quilted textile product in the piece, composed of one or more layers of textile materials assembled with padding by stitching or otherwise, other than embroidery of heading 5810	5811
(7)	Knitted or chrocheted fabrics	
(a)	Pile fabrics, including 'long pile' fabrics and terry fabrics, knitted or chrocheted	6001
(b)	Knitted or chrocheted fabrics of a width not exceeding 30 cm, containing by weight 5% or more of elasto meric yarn of rubber thread, other than those of heading 6001	6002

(1)	(2)	(3)
(c)	knitted or crocheted fabrics of a width not exceeding 30 cm, other than those of heading 6001 or 6002	6003
(d)	knitted or crocheted fabrics of a width exceeding 30 cm, containing by weight 5% or more of elastic yarn or rubber thread, other than those of heading 6001	6004
(e)	Wrap knit fabrics (including those made on galleon knitting machines), other than those of headings 6001 to 6004	6005
(f)	Other knitted or crocheted fabrics	6006
42	<i>Tobacco</i>	
(1)	Unmanufactured tobacco; tobacco refuse	2401
(2)	Smoking tobacco, whether or not containing tobacco substitutes in any proportion	2403.10
(3)	“Homogenised” or “reconstituted” tobacco	2403.91.00
(4)	Other	2403.99.90
43	<i>Toddy, Neera</i>	2206.00.00
44	<i>Unbranded bread</i>	
45	<i>Unprocessed and unbranded salt</i>	
(1)	Rock salt	2501.00.20
(2)	Other	2501.00.90
46	<i>Water other than aerated, mineral, distilled, medicinal, ionic, battery, de-mineralised and water sold in sealed container</i>	2201.90
47	<i>Printed forms of court and P.S.C applications.</i>	
48	<i>Rice issued from Central/State Governments depots for sale by authorised ration dealers</i>	

(1)	(2)	(3)
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49 *Products notified by the Khadi and Village industries Commission, at the point of sale by the manufacturing unit whose annual turnover does not exceed twenty five lakhs.*

- (1) Handmade matches, fireworks and agarbathies
- (2) Handmade soaps
- (3) Tanned of hides and skins and ancillary industries connected with the same
- (4) handmade leather goods
- (5) handmade paper
- (6) cane gur and khandasary
- (7) manure and methane gas from cowdung and other waste products
- (8) lame products
- (9) shellac
- (10) Manufacture of vegetable and fruit products
- (11) bamboo and cane goods
- (12) Products of blacksmithy other than furniture
- (13) carpentry other than manufacture of furniture
- (14) fibre products other than coir
- (15) household utensils in aluminium
- (16) mize and ragi products
- (17) dipped rubber latex products such as rubber band, gloves and baloon
- (18) palm products
- (19) pottery
- (20) honey
- (21) ghani oil

50. Products of Kdumbasree units whose annual turnover does not exceed twenty five lakhs

51

SECOND SCHEDULE

**Goods in respect of which tax is leviable at all points of sale
at the rate of 1% under sub-section (1) of section 6**

<i>Sl. No.</i>	<i>Description of Goods</i>	<i>HSN Code</i>
(1)	(2)	(3)
1	<i>Gold, Platinum and Silver Ornaments (New and Old)</i>	
(1)	Silver jewellery with filigree work	7113.11.10
(2)	Silver jewellery studded with gems	7113.11.20
(3)	Other articles of silver jewellery	7113.11.30
(4)	Gold jewellery, unstudded	7113.19.10
(5)	Gold jewellery, set with pearls	7113.19.20
(6)	Gold jewellery set with diamonds	7113.19.30
(7)	Gold jewellery set with other precious and semi precious stones	7113.19.40
(8)	Platinum jewellery, unstudded	7113.19.50
2	<i>Precious Stones</i>	
(1)	Diamond	7102
(2)	Emerald	7103.10.11
(3)	Ruby and Sapphire	7103.10.12
(4)	Other	7103.10.90
3	<i>Bullions</i>	
(1)	Silver	
(a)	unwrought	7106.91.00
(b)	semi-manufactured	7106.92
(2)	Gold	
(a)	unwrought	7108.12.00
(b)	Semi-manufactured	7108.13.00
(3)	Platinum	
(a)	unwrought	7110.11.10
(b)	others	7110.19.00
4	(1) Paddy	1006.10.00
	(2) Rice	1006
	(3) Wheat	1001

52

THIRD SCHEDULE

Goods in respect of which tax is leviable at the rate of 4% under sub-section (1) of section 6

<i>Sl. No.</i>	<i>Description of Goods</i>	<i>HSN Code</i>
(1)	(2)	(3)
1	<i>Agricultural implements not operated manually or not driven by animal</i>	8432
2	<i>All equipments for communications such as ,private branch exchange (PBX) and Elect.Private Automatic Branch Exch. (EPABX)</i>	8517.30.00
3	<i>All intangible goods like copyright, patent, REP license etc.</i>	
(1)	Copyright	
(2)	Patent	
(3)	REP. License. DEPB license and like	
4	<i>All kinds of bricks including brickbats, jhama, Fly ash bricks, Refractory bricks, asphaltic roofing, earthen tiles</i>	
(1)	Fly ash bricks	6815.99.10
(2)	Refractory bricks	6902
(3)	asphaltic roofing	6807
(4)	Cement bricks	6810.11.10
(5)	Others	6901.00.90
5	<i>All types of yarn other than cotton & silk yarn in hank & sewing thread</i>	
(1)	Yarn of carded wool	5106
(2)	Yarn of combed wool	5107
(3)	Yarn of fine animal hair (carded or combed)	5108
(4)	Yarn of wool or fine animal hair	5109
(5)	Yarn of coarse animal hair or horse hair (including gimped horse hair yarn)	5110
(6)	Flax yarn	5306
(7)	Yarn of jute or of other textile bast fibres of heading No. 5303	5307
(8)	Yarn of other vegetable textile fibres; paper yarn	5308
(9)	Yarn (other than sewing thread) of synthetic staple fibres	5509
(10)	Yarn (other than sewing thread) of artificial staple fibres	5510

(1)	(2)	(3)
(11)	Yarn (other than sewing thread) of man made staple fibres	5511
(12)	Synthetic filament yarn other than sewing thread	5402
(13)	Man made filament yarn (other than sewing thread)	5406
(14)	Artificial filament yarn other than sewing thread	5403
(15)	Textile yarn	5604
(16)	Metalised yarn whether or not gimped	5605
(17)	Gimped yarn and strip	5606
6	<i>Aluminium utensils and enamelled utensils</i>	
(1)	Aluminium utensils	7615.19
(2)	Enamelled utensils.	
	(a) of cast iron	7323.92.00
	(b) of stainless steel	7323.93
	(c) of iron (other than cast iron) or steel	7323.94
7	<i>Areca nut powder and betel nut</i>	
(1)	Areca nut powder	0802.90.13
(2)	Betel Nut	0802.90.11
8	<i>Bamboo</i>	1401.10.00
9	<i>Bearings</i>	
(1)	Ball bearings	8482.10
(2)	Tapered roller bearings including cone and tapered roller assemblies	8482.20
(3)	Spherical roller bearings	8482.30.00
(4)	Needle roller bearings	8482.40.00
(5)	Other cylindrical roller bearings	8482.50
(6)	Other, including combined ball or roller bearings	8482.80.00
10	<i>Beedi leaves</i>	1404.90.10
11	<i>Beltings of all varieties and descriptions</i>	
(1)	Conveyor or transmission belts or belting of vulcanised rubber	4010
(2)	Leather belting for machinery	4204.00.40
(3)	Transmission or conveyor belts or belting, of textile machinery, whether or not impregnated, coated, covered or laminated with plastics or reinforced with metal or other material	5910
(4)	PVC belt conveyor	3926.90.10

(1)	(2)	(3)
12	<i>Bicycles, tricycles, cycle rickshaws and parts</i>	
(1)	Bicycles	8712.00.10
(2)	Tricycles, cycle rickshaws	8712.00.90
(3)	Parts	8714
13	<i>Bone meal</i>	0506.90
14	<i>Branded bread</i>	
(1)	Crisp bread	1905.10.00
(2)	Ginger bread and the like	1905.20.00
15	<i>Bulk drugs</i>	
(1)	Keytones and Quinones whether or not with other oxygen function, and their halogenated, sulfonated, nitrated or nitrosated derivatives	2914
(2)	Oxygen—function amino compounds	2922
(3)	Organic derivatives of hydrazin or of hydroxylamine	2928
(4)	Other organo-inorganic compounds	2931
(5)	Heterocyclic compounds with oxygen hetero-atom (s) only	2932
(6)	Heterocyclic compounds with nitrogen hetero-atom (s) only	2933
(7)	Nucleic acids and their salts whether or not chemically defined other hetereo cyclic compounds	2934
(8)	Sulphonamides	2935
16	<i>Castings</i>	
(1)	Pig iron and spiegeleisen in pigs, blocks or other primary forms	7201
(2)	Tube or pipe fittings (e.g. couplings, elbows, sleeves, of iron or steel)	7307
(3)	Table, kitchen or other household articles and parts thereof of iron or steel; iron or steel wool; pot scourers and scouring or polishing pads, gloves and the like, of iron or steel	7323
17	<i>Centrifugal and monoblock and submersible pumps and parts</i>	
(1)	Centrifugal and monoblock and submersible pumps	8413
(2)	parts	8413.91

(1)	(2)	(3)
18 <i>Clay including fireclay</i>		
(1)	Kaolin and other kaolinic clays, whether or not calcined	2507
(2)	(a) Other clays (not including expanded clays of heading 6806), and alusite, kyanite and sillimanite, whether or not calcined; Mullite, Chamotte or dinas earths	2508
	(b) Fire clay	2508.3
19 <i>Coal</i>		
	(a) Anthracite	2701.11.00
	(b) Bituminous coal	2701.12.00
	(c) Coking coal	2701.19.10
	(d) Steam coal	2701.19.20
	(e) Anthracite agglomerated	2701.20.10
	Other	2701.20.90
20 <i>Coffee beans and seeds, cocoa pod, green tea leaf and chicory</i>		
(1)	Coffee beans and coffee seeds	0901
(2)	Cocoa pod,	1801
(3)	Green tea leaf (not fermented)	0902.10
(4)	Manufactured Tea	902.2
(5)	Chicory	
	(a) Witloof chicory	0705.21.00
	(b) Other chicory	0705.29.00
21 <i>Chemical fertilizers, pesticides, weedicides, insecticides other than those specifically included in the first schedule.</i>		
(1)	Animal or vegetable fertilisers whether or not mixed together or chemically treated; Fertilisers produced by the mixing or chemical treatment of animal or vegetable products	3101
(2)	Mineral or chemical fertilisers, nitrogenous	3102
(3)	Mineral or chemical fertilisers, phosphatic	3103
(4)	Mineral or chemical fertilisers, potassic	3104
(5)	Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; Other fertilisers	3105
(6)	pesticides	3808.90.10
(7)	weedicides	3808.30.50
(8)	insecticides	3808.10.00

(1)	(2)	(3)
22	<i>Cotton and cotton waste</i>	
(1)	Cotton	5201
(2)	Cotton waste	5202
23	<i>Crucibles</i>	6903.20.10
24	<i>Dates</i>	0804.10.10
25	<i>Drugs and medicines including Ayurvedic, Unani and Homoeopathic medicine but excluding those specifically mentioned in First Schedule</i>	
(1)	Glands and other organs for organo therapeutic uses, dried, whether or not powdered, extracts of glands or other organs or of their secretions for organo therapeutic uses, heparin and its salts, other human or animal substances prepared for therapeutic or prophylactic uses, not elsewhere specified or included	3001
(2)	Animal blood prepared for therapeutic, prophylactic or diagnostic use, antiserum and other blood fractions and modified immunological products, whether or not obtained by means of biotechnological processes, vaccines, toxins, cultures of micro organisms (excluding yeast) and similar products	3002
(3)	Medicaments (excluding goods of headings nos. 3002, 3005 or 3006) consisting of two or more constituents which have been mixed together for therapeutic or prophylactic uses, not put up in measured doses or in forms or packings for retail sale	3003
(4)	Medicaments (excluding goods of heading nos. 3002, 3005 or 3006) consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses (including those in the form of transdermal administration systems) or in forms or packings for retail sale	3004

(1)	(2)	(3)
(5)	Wadding gauze, bandages, and similar articles (for example dressings, adhesive plasters, poultices) impregnated or coated with pharmaceutical substances or put up in forms or packings for retail sale for medical, surgical, dental or veterinary purposes	3005
(6)	other pharmaceutical goods	3006
26	<i>Electrodes</i>	8311.10.00
27	<i>Embroidery or zari articles, that is to say, -imi, zari, kasab, saima dabka, chumki, gota sitara, naqsi, kora, glass bead, badia</i>	
	Embroidery in the piece, in strips or in mortifs	
(1)	Embroidery without visible ground	5810.10.00
(2)	Other embroidery of cotton	5810.91.00
(3)	Embroidery of man made fibres	5810.92
	(a) embroidered badges, motifs and the like	5810.92.10
	(b) Other embroidered articles	5810.92.90
(4)	Embroidery of other textile materials	5810.99.00
(5)	Zari goods	99.91.50
28	<i>Environment friendly recycled products as may be notified by Government from time to time</i>	
29	<i>Exercise book, graph book and laboratory note book</i>	
(1)	Exercise book	4820.20.00
(2)	Graph book, Laboratory Note book	4820.90.90
30	<i>Ferrous and non-ferrous metals and alloys; non-metals such as aluminium, copper, zinc and extrusions of those</i>	
(1)	Pig iron and spieeleisen in pigs, blocks or other primary forms	7201
(2)	ferroalloys: Felt manganese	7202
(3)	ferrous products obtained by direct reduction of iron ore and other spongy ferrous products, in lumps, pellets or similar forms; iron having a minimum purity by weight of 99.94 percent, in slumps, pellets or similar forms:	7203

(1)	(2)	(3)
(4)	Ferrous waste and scrap; remelting scrap ingots of iron or steel	7204
(5)	Granules and powders, of pig iron, spiegeleisen, iron or steel	7205
(6)	Iron and non-alloy steel in ingots or other primary forms (excluding iron of heading 7203)	7206
(7)	Semifinished products of iron or non-alloy steel: Containing by weight less than 0.25 per cent of carbon	7207
(8)	Flat-rolled products of iron or non-alloy steel, of a width of 600mm (23.6 inches) or more, hot-rolled, not clad, plated or coated:	7208
(9)	Flat-rolled products of iron or non-alloy steel, of a width of 600mm (23.6 inches) or more, cold-rolled, (cold reduced), not clad, plated or coated: In coils, not further worked than cold-rolled (cold reduced):	7209
(10)	Flat-rolled products of iron or nonalloy steel, of a width of 600mm (23.6 inches) or more, clad, plated or coated: Plated or coated with tin:	7210.00
(11)	Flat-rolled products of iron or nonalloy steel, of a width of less than 600mm (23.6 inches) not clad, plated or coated: Not further worked than hot-rolled:	7211
(12)	Flat-rolled products of iron or nonalloy steel, of a width of less than 600mm (23.6 inches), clad, plated or coated:	7212
(13)	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel;	7213
(14)	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling:	7214
(15)	Other bars and rods, of iron or nonalloy steel	7215
(16)	Angles, shapes and sections of iron or nonalloy steel	7216
(17)	Wire of iron or nonalloy steel	7217

(1)	(2)	(3)
(18)	Stainless steel in ingots or other primary forms; semi finished products of stainless steel	7218
(19)	Flat-rolled products of stainless steel, of a width of 600mm (23.6 inches) or more: Not further worked than hot rolled in coils:	7219
(20)	Flat-rolled products of stainless steel, of a width of less than 600mm (23.6 inches): Not further worked than hot tilled	7220.00
(21)	Bars and rods, hot-rolled, in irregularly wound coils, of stainless steel	7221
(22)	Other bars and rods of stainless steel; angles, shapes and sections of stainless steel: Bars and rods, not further worked than hot-rolled, hot-drawn or extruded	7222.00
(23)	Wire of stainless steel	7223
(24)	Other alloy steel in ingots or other primary forms; semifinished products of other alloy steel	7224
(25)	Flat-rolled products of other alloy steel, of a width of 600mm (23.6 inches) or more: Of silicon-electrical steel	7225
(26)	Flat-rolled products of other alloy steel, of a width of less than 600mm (23.6 inches) or more: Of silicon electrical steel	7226.00
(27)	Bars and rods, hot-rolled, in irregularly wound coils, of other alloy steel	7227
(28)	Other Bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or nonalloy steel	7228.00
(29)	Wire of other alloy steel	7229
(30)	Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	7301
(31)	Railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails; switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish-plates, chairs, chair wedges, sole plates (base plates), fail clips, bedplates, ties and other material specialized for jointing or fixing rails	7302

60

(1)	(2)	(3)
(32)	Tubes, pipes and hollow profiles, if cast iron	7303
(33)	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	7304
(34)	Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross sections, the external diameter of which exceeds 406.4mm (16 inches) of iron or steel:	7305
(35)	Other tubes, pipes and hollow profiles (for example, open seamed or welded, riveted or similarly closed), of iron or steel	7306
(36)	Tube or pipe fittings (for example couplings, elbows, sleeves), of iron or steel: Cast fittings	7307
(37)	Copper mattes; cement copper (precipitated copper)	7401
(38)	Unrefined copper; copper anodes for electrolytic refining copper content	7402
(39)	Master alloys of copper	7405
(40)	Copper powders and flakes	7406
(41)	Copper bars, rods and profiles	7407
(42)	Copper wire	7408
(43)	Copper plates, sheets and strip, of a thickness exceeding 0.15 mm (0.006 inch)	7409
(44)	Copper foil [whether or not printed or backed with paper, paperboard, plastics or similar backing materials of a thickness (excluding any backing) not exceeding 0.15 mm (0.006 inch)]	7410
(45)	Copper tubes and pipes	7411
(as)	Copper tube or pipe fittings (for example, couplings, elbows, sleeves):	7412
(46)	Stranded wire, cables, plaited bands and the like, including slings and similar articles of copper, not electrically insulated	7413
(47)	Nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy	7501
(48)	Unwrought nickel	7502
(49)	Nickel waste and scrap	7503
(50)	Nickel powders and flakes	7504
(51)	Nickel bars, rods, profiles and wire	7505
(52)	Nickel plates, sheets, strip and foil	7506
(53)	Unwrought aluminium	7601
(54)	Aluminium waste and scrap	7602

61

(1)	(2)	(3)
(55)	Aluminium powders and flakes	7603
(56)	Aluminium bars, rods and profiles	7604
(57)	Aluminium wire	7605
(58)	Aluminum plates, sheets and strip, of a thickness exceeding 0.2mm (0.0079 inch)	7606
(59)	Aluminium foil whether or not printed or backed with paper, paperboard, plastics or similar backing materials of a thickness (excluding any backing) not exceeding 0.2mm (0.0079 inch)	7607
(60)	Aluminium tubes and pipes	7608
(61)	Aluminium tube or pipe fittings (for example, couplings, elbows, sleeves)	7609
(62)	Unwrought lead	7801
(63)	Lead waste and scrap	7802
(64)	Lead bars, rods, profiles and wire	7803
(65)	Lead plates, sheets, strip and foil; lead powders and flakes	7804
(66)	Lead tubes, pipes and tube or pipe fittings (for example, couplings)	7805
(67)	Unwrought zinc	7901
(68)	Zinc waste and scrap	7902
(69)	Zinc dust, powders and flakes	7903
(70)	Zinc bars, rods, profiles and wire	7904
(71)	Zinc plates, sheets, strip and foil	7905
(72)	Zinc tubes, pipes and tube or pipe fittings (for example, couplings, elbows, sleeves)	7906
(73)	Unwrought tin	8001
(74)	Tin waste and scrap	8002
(75)	Tin bars, rods, profiles and wire	8003
(76)	Tin plates, sheets and strip, of a thickness exceeding 0.2 mm (0.008 inch)	8004
(77)	Tin foil (whether or not printed or backed with paper, paper board, plastics or similar backing materials), of a thickness (excluding any backing) not exceeding 0.2mm (0.008 inch), tin powders and flakes	8005
(78)	Tin tubes, pipes and tube or pipe fittings (for example, couplings, elbows, sleeves)	8006
(79)	Tungsten (wolfram) and articles thereof, including waste and scrap	8101
(80)	Molybdenum and articles thereof, including waste and scrap	8102

(1)	(2)	(3)
(81)	Tantalum and articles thereof, including waste and scrap	8103
(82)	Magnesium and articles thereof, including waste and scrap:	8104
(83)	Cobalt mattes and other intermediate products of cobalt metallurgy; cobalt and articles thereof, including waste and scrap:	8105
(84)	Bismuth and articles thereof, including waste and scrap	8106
(85)	Cadmium and articles thereof, including waste and scrap	8107
(86)	Titanium and articles thereof, including waste and scrap	8108
(87)	Zirconium and articles thereof, including waste and scrap	8109
(88)	Antimony and articles thereof, including waste and scrap	8110
(89)	Manganese and articles thereof, including waste and scrap	8111
(90)	Beryllium, chromium, germanium, vanadium, gallium, hafnium, indium, niobium (columbium), rhenium and thallium, and articles of these metals, including waste and scrap	8112
(91)	Cermets and articles thereof, including waste and scrap	8113
31	<i>Fibres of all types and fibre waste</i>	
(1)	Composition leather with the basis of leather or leatherfibre, in slabs, sheet or strip whether or not in rolls	4115.10.00
(2)	Jute and other textile bast fibers (excluding flax, true hemp and ramie), raw or processed but not spun; tow and waste of these fibres (including yarn waste and garnetted stock)	5303
(3)	Sisal and other textile fibres of the genus agave, raw or processed but not spun; tow and waste of these fibres (including yarn waste and garnetted stock)	5304
(4)	Coconut, abaca (Manila hemp or musa textiles Nee), ramie and other vegetable textile fibres, not elsewhere specified or included, raw or processed but not spun; tow, noils and waste of these fibres (including yarn waste and garnetted stock)	5305
(5)	Synthetic staple fibres, not carded, combed or otherwise processed for spinning	5503
(6)	Artificial staple fibres, not carded, combed or otherwise processed for spinning	5504
(7)	Waste (including noils, yarn waste and garnetted stock) of man made fibres	5505

(1)	(2)	(3)
(8)	Synthetic staple fibres, carded, combed or otherwise processed for spinning	5506
(9)	Artificial staple fibres, carded, combed or otherwise processed for spinning	5507
(10)	Fabricated asbestos fibres; mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate; articles of such mixtures or of asbestos (for example, thread, woven fabric, clothing, head gear, footwear, gaskets), whether or not reinforced, other than goods of 6811 or 6813	6812
(11)	Glass fibres (including glass wool) and articles thereof (for example, yarn, woven fabrics)	7019
(12)	Optical fibres and optical fibre bundles; optical fibre cables other than those of heading 8544	9001.10.00
32	<i>Flour, Atta, Maida, Suji, Besan</i>	
(1)	wheat or meslin flour	1101.00.00
(2)	Rye flour	1102.10.00
(3)	Maize (corn) flour	1102.20.00
(4)	Rice flour	1102.30.00
(5)	Other cereal flour	1102.90.00
(6)	Flour, meal and powder of the dried leguminous vegetables of heading 0713, of sago or of roots or tubers of heading 0714 or of the products of Chapter 8	1106
33	<i>Fried grams</i>	2008.19.40
34	<i>Gur, Jaggery and edible variety of rub gur</i>	1701
35	Handmade Soaps other than those mentioned in the First Schedule	
36	<i>Hand pumps, parts and fittings</i>	
(1)	Hand pumps	8413.11.10
(2)	Parts and fittings of hand pumps	8413.91.40
37	<i>Herb, bark, dry plant, dry root, commonly known as jari booti and dry flower</i>	1211
38	Hides and skins, whether in a raw or dressed state	
(a)	Raw hides and skin of bovine (INN) (including buffalo) or equine animals (fresh or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared) whether or not deaired or split.	4101

(1)	(2)	(3)
(b)	Raw skins of sheep or lambs (fresh or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared) whether or not with wool or split	4102
(c)	Other raw hides and skins (fresh or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared) whether or not de-haired or split	4103
(d)	Tanned or crust hides and skins of bovine (including buffalo) or equine animals, without hair on, whether or not split, but not further prepared	4104
(e)	Tanned or crust skins of sheep or lambs, without wool on, whether or not split, but not further prepared	4105
(f)	Tanned or crust hides and skins of other animals, without wool or hair on, whether or not split, but not further prepared	4106
(g)	Leather further prepared after tanning or crusting, including parchment-dressed leather, of bovine (including buffalo) or equine animals, without hair on, whether or not split, other than leather or heading 4114	4107
(h)	Leather further prepared after tanning or crusting, including parchment-dressed leather, of sheep or lamp, without wool on, whether or not split, other than leather of heading 4114	4112
(i)	Leather further prepared after tanning or crusting, including parchment-dressed leather, of other animals, without wool or hair on, whether or not split, other than leather of heading 4114	4113
(j)	Chamois (including combination chamois) leather, patent leather and patent laminated leather, metalised leather	4114
(k)	Composition leather with a basis of leather or leather fibre, in slabs, sheets or strips, whether or not in rolls, parings and other waste of leather or of composition leather, but suitable for manufacture of leather articles, leather dust, power and flour	4115

65

(1)	(2)	(3)
39	<i>Hose pipes</i>	
	(1) of plastics	3917
	(2) of rubber	4009
40	<i>Hosiery goods</i>	6115
41	<i>Husk and bran of cereals</i>	
	(1) cereal husks unprepared whether or not chopped, ground, pressed or in the form of pellets	1213.00.00
	(2) Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals or of leguminous plants	2302
42	<i>Ice</i>	2201.90.10
43	<i>Incense sticks commonly known as agarbathi, dhupkathi or dhupbathi</i>	3307.41.00
44	<i>Industrial cables (high voltage cables, XLPE Cables, jelly filled cables, optical fibres)</i>	
	(1) Co-axial cables	8544.20.10
	(2) Telephone cables	
	(a) Telephone cables fitted with connectors	8544.41
	(b) Other telephone cables	8544.49
45	<i>IT Products specified in list A to this Schedule</i>	
46	<i>Kerosene oil sold through PDS</i>	2710.19.10
47	<i>Leaf plates and cups</i>	1404.90.90
48	<i>Liquid product of cellulose, commonly known as LPC and liquid product of earthen waste commonly known as LPE</i>	3912
49	<i>Industrial inputs and packing materials specified in List B to this schedule</i>	
50	<i>Knitting wool</i>	5109.10.10
51	<i>Lignite</i>	2702.00
	(1) Lignite whether or not pulverised, but not agglomerated	2702.10.00
	(2) Agglomerated lignite	2702.20.00

66

(1)	(2)	(3)
<i>52 Lime, limestone, clinker and dolomite</i>		
(1) Lime,		
(a) Quick lime		2522.10.00
(b) Slaked lime		2522.20.00
(c) Hydraulic lime		2522.30.00
(2) Lime stone		2521
(3) Cement clinkers		2523.10.00
(4) dolomite		2518
<i>53 Newars</i>		5806.31.20
<i>54 Napa Slabs (Rough flooring stones)</i>		6801.00.00
<i>55 Oil cakes and de-oiled cakes</i>		
(a) soyabeen oil cake		2304
(b) groundnut oil cake		2305
(c) other oil cakes		2306
<i>56 Oil seeds</i>		
(i) Groundnut or Peanut (<i>Archishypogaea</i>)		1201.10.10
(ii) Sesamum or Til (<i>Sesamum orientale</i>)		1207.40.10
(iii) Cotton seed (<i>Gossypium Spp</i>)		1207.20.10
(iv) Soyabean (<i>Glycine seja</i>)		1201.00.10
(v) Rapseed and Mustard		1205.10.00
		1207.50.10
(1) Toria (<i>Brassica campestris var toria</i>)		
(2) Rai (<i>Brassica juncea</i>)		
(3) Jamba-Taramira (<i>Eruca Satiya</i>)		
(4) Sarson, yellow and brown (<i>Brassica campestris var sarson</i>)		
(5) Bannarsi rai or True Mustard (<i>Brassica nigra</i>)		

67

(1)	(2)	(3)
(vi)	Linseed (<i>Linum usitatissimum</i>)	1204.00.1
(vii)	Castor (<i>Ricinus communis</i>)	1207.30.10
(viii)	Coconut (i.e., Copra excluding tender coconut) (<i>Cocos nucifera</i>)	1203.00.00
(ix)	Sunflower (<i>Helianthus annuus</i>)	1206.00.10
(x)	Nigar seed (<i>Guizotia abyssinica</i>)	1207.99.30
(xi)	Neem, vepa (<i>Azadirachta indica</i>)	
(xii)	Mahua, llupai, lpe (<i>Madhuca indica</i> M. Latofoha <i>Bassia</i> , <i>Latifolia</i> and <i>Madhaca longifolia</i> syn. M. <i>Longifolia</i>)	
(xiii)	Karanja, Pongam, Honga (<i>Pongamia ipinnata</i> syn. P. <i>Glabra</i>)	
(xiv)	Kusum (<i>Schleichera oleosa</i> , syn. S. <i>Trijuga</i>)	
(xv)	Punna, Undi (<i>Calophyllum inophyllum</i>)	
(xvi)	Kokum (<i>Carcma indica</i>)	1207.99.40
(xvii)	Sal (<i>Shorea robusta</i>)	
(xviii)	Tung (<i>Aleuites frodh</i> and <i>A. moritana</i>)	
(xix)	Radpalm (<i>Elaeisguinensis</i>)	1207.10.10
(xx)	Safflower (<i>Carthanus tinctorius</i>)	1207.60.10
57	<i>Pulses</i>	0713
58	<i>Paper and Newsprint</i>	
(1)	Recovered (waste and scrap) paper or paper board	4707
(2)	Newsprint in rolls or sheets	4801

(1)	(2)	(3)
(3)	Uncoated paper and paperboard, of a kind used for writing, printing of other graphic purposes and non perforated punch card and punch tape paper, in rolls of rectangular (including square) sheets of any size, other than paper of heading No. 4801 or 4803; handmade paper and paper board	4802
(4)	Toilet of facial tissue stock, towel or napkin stock and similar paper of kind used for household or sanitary purposes, cellulose wadding webs' or cellulose fibres, whether or not creped, crinkled, embossed, perforated, surface-coloured, surface decorated or printed, in rolls or sheets	4803
(5)	Uncoated craft paper and paper board, in rolls or sheets other than that of heading No. 4802 or 4803	4804
(6)	Other uncoated paper and paper board in rolls or sheets, not further worked or processed than as specified in Note 3 in Chapter 48	4805
(7)	Vegetable parchment, grease proof papers, tracing papers and glassine and other glazed or transparent or translucent papers, in rolls or sheets	4806
(8)	Composite paper and paper board (made by sticking flat layers of paper or paper board together with an adhesive), not surface coated or impregnated, whether or not internally reinforced, in rolls or sheets	4807
(9)	Paper and paper board corrugated (with or without glued flat surface sheets), creped, crinkled, embossed or perforated, in rolls or sheets, other than paper of the kind described in 4803	4808
(10)	Carbon paper, self - copy paper and other copying or transfer-paper (including or coated or impregnated paper for duplicator stencils or offset plates) whether or not printed, in rolls or sheets	4809

(1)	(2)	(3)
(11)	Paper and paper board, coated on one or both sides with kaoline (China clay) or other inorganic substances, with or without a binder and with no other coating, whether or not surface-coloured, surface-decorated or printed, in rolls or rectangular (including square) sheets, of any size	4810
(12)	Paper, paper board, cellulose wading and webs of cellulose fibres, coated, impregnated, covered, surface-coloured, surface-decorated or printed, in rolls or rectangular (including square) sheets, of any size other than goods of the kind described in headings 4803, 4809 or 4810	4811
(13)	Cigarette paper whether or not cut to size or in the form of booklet or tubes	4813
(14)	Wall paper and similar wall coverings ; window transparencies of paper	4814
(15)	Floor coverings on a base of paper or of paper board whether or not cut to size	4815.00.00
(16)	Carbon paper, self-copy paper and other copying or transfer-paper (other than those of heading 4809), duplicator stencils or offset plates of paper whether or not put up in boxes	4816
(17)	Toilet paper and similar paper, cellulose wading or webs or cellulose fibres, of a kind used for household or sanitary purposes, in rolls of a width not exceeding 36 c. m. or cut to size or shape; handkerchiefs, cleansing tissues, towels, table cloths, serviettes, napkins for babies, tampons, bedsheets, and similar household, sanitary or hospital articles, articles of apparel and clothing accessories, of paper pulp, paper cellulose wading or webs of cellulose fibres	4818
(18)	Paper or paper board labels of all kinds whether or not printed	4821

(1)	(2)	(3)
(19)	Other paper, paper board, cellulose wadding and webs of cellulose fibres, cut to size or shape; other articles of paper pulp, paper, paper board, cellulose wadding or webs or cellulose fibres other than those coming under the headings of 4823.60.00, 482370	4823
59	<i>“Petroleum products not falling under Fourth Schedule, sold to Kerala State Electricity Board, National Thermal Power Corporation and other Power Generating undertakings in the joint sector with a capacity above 25 KW, subject to production of such declaration from the purchaser as may be prescribed.”</i>	
60	<i>Pipes of all varieties including GI pipes, CI pipes, ductile pipes, PVC etc.</i>	
(1)	of plastic	3917
(2)	of asbestos-cement	6811.30.10
(3)	of ceramics	6906.00.00
(4)	of other refractory ceramic	6903
(5)	of iron other than cast iron or steel	7304
(6)	of cast iron	7303
(7)	of galvanised iron (line pipe used for oil or gas) of diameter exceeding 406.4 mm	
	(a) longitudinally submerged arc welded	7305.11.11
	(b) other longitudinally welded	7305.12.11
	(c) others	7305.19.11
(8)	of other galvanised materials (line pipe used for oil or gas) of diameter exceeding 406.4 mm	
	(a) longitudinally submerged arc welded	7305.11.19
	(b) other longitudinally welded	7305.12.19
	(c) others	7305.19.19
(9)	of non-galvanised iron (line pipe used for oil or gas) of diameter exceeding 406.4 mm	
	(a) longitudinally submerged arc welded	7305.11.21
	(b) other longitudinally welded	7305.12.21
	(c) others	7305.19.21

(1)	(2)	(3)
(10)	of other non-galvanised materials (line pipe used for oil or gas) of diameter exceeding 406.4 mm	
	(a) longitudinally submerged arc welded	7305.11.29
	(b) other longitudinally welded	7305.12.29
	(c) others	7305.19.29
(11)	Pipes, tubes, or other hollow profiles of iron or steel other than those coming under heading 7305	
	(a) galvanised	7306.10.11
	(b) non-galvanised	7306.10.21
(12)	Pipes, tubes, or other hollow profiles other than iron or steel not coming under heading 7305	
	(a) galvanised	7306.10.19
	(b) non-galvanised	7306.10.29
(13)	of copper	7411
(14)	of nickel	7507
(15)	of Aluminium	7608
(16)	of lead	7805.00.10
(17)	of zinc	7906.00.10
(18)	of tin	8006.00.10
61 <i>Plastic Footwear</i>		
(1)	Waterproof footwear with outer soles and uppers of plastics, the uppers of which are neither fixed to the sole nor assembled by stitching, riveting, nailing, screwing, plugging or similar processes	
	(a) footwear incorporating a protective metal toe-cap	6401.10.90
	(b) other foot wear covering the knee	6401.91.90
	(c) footwear covering the ankle but not covering the knee	6401.92.90
	(d) others	6401.99.90

(1)	(2)	(3)
	(2) Other footwear with outer soles and uppers of plastics	
	(a) sports footwear	6402.12.90
	(b) other than sports footwear	6402.19.90
	(3) Footwear with upper straps or thongs assembled to the sole by means of plugs	6402.20.90
62	<i>Plastic granules</i>	
(1)	Polymers of ethylene, in primary forms	3901
(2)	polymers of propylene or of other olefines, in primary forms	3902
(3)	polymers of styrene, in primary forms	3903
(4)	polymers of vinyl chloride or of other halogenated olefins, in primary forms	3904
(5)	polymers of vinyl acetate or of other vinyl esters, in primary forms; other vinyl polymers in primary forms	3905
(6)	acrylic polymers in primary forms	3906
(7)	polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, polyallylesters and other polyesters, in primary forms	3907
(8)	polymers in primary forms	3908
(9)	amino-resins phenolic resins and polyurethanes, in primary forms	3909
(10)	silicones in primary forms	3910
(11)	petroleum resins, coumarone-indene resins, polyterpenes, polysulphides, polysulphones and other products not elsewhere specified or included, in primary forms	3911
(12)	cellulose and its chemical derivatives, not elsewhere specified or included in primary forms	3912
(13)	natural polymers (for example alginic acid) and modified natural polymers (for example, hardened proteins, chemical derivatives of natural rubber) not elsewhere specified or included in primary forms	3913
(14)	ion-exchangers based on polymers of headings 3901 to 3913, in primary forms	3914

(1)	(2)	(3)
63	<i>Printed materials including diary, calendar etc.</i>	
(1)	Printed books, brochures, leaflets and similar printed matter, whether or not in single sheets	4901
(2)	Music, printed or in manuscript, whether or not bound or illustrated	4904.00.00
(3)	Maps and hydrographic or similar charts of all kinds including atlases, wall maps, topographical plans and globes, printed	4905
(4)	Maps, atlases, wall maps, topographical plans and globes used as teaching aids	9023
(5)	Printed of illustrated postcards; printed cards bearings, personnel greetings, messages or announcements, whether or not illustrated, with or without envelopes or trimmings	4909
(6)	Calendars of any kind, printed, including calendar blocks	4910
(7)	Diaries	4820.10
(8)	Other printed matter, including printed pictures and photographs	4911
64	<i>Printing ink excluding toner and cartridges.</i>	3215
65	<i>Processed & branded salt</i>	2501
66	<i>Processed meat, poultry and fish</i>	
(1)	Meat of bovine animals , frozen	
(a)	Carcasses and half-carcasses	0202.10.00
(b)	Other cuts with bone in	0202.20.00
(c)	Boneless	0202.30.00
(2)	Meat of swine, frozen	
(a)	Carcasses and half-carcasses	0203.21.00
(b)	Hams, shoulders and cuts thereof with bone in	0203.22.00
(c)	Other	0203.29.00
(3)	Meat of sheep or goats, frozen	
(a)	Carcasses and half-carcasses or lamb,	0204.30.00
(b)	Other meat of sheep,	
(i)	Carcasses or half-carcasses	0204.41.00
(ii)	Other cuts with bone in	0204.42.00
(iii)	Boneless	0204.43.00
(iv)	Goats	0204.50.00

(1)	(2)	(3)
(4)	Edible offal, frozen, of	
	(a) Bovine animals	
	(i) Tongues	0206.21.00
	(ii) Livers	0206.22.00
	(iii) Other	0206.29.00
	(b) Swine	
	(i) Livers	0206.41.00
	(ii) Other	0206.49.00
	(c) Sheep or goats, frozen	0206.90.10
	(d) Others	0206.90.90
(5)	Meat and edible meat offal, salted, in brine dried or smoked; edible flours and meals of meat or meat offal	0210
(6)	Fish fillets and other fish meat (whether or not minced), frozen	
	(a) Hilsa	0304.20.10
	(b) Shark	0304.20.20
	(c) Seer	0304.20.30
	(d) Tunas	0304.20.40
	(e) Cuttle fish	0304.20.50
	(f) Other	0304.90.00
(7)	Fish, dried, salted or in brine, smoked fish, whether or not cooked before or during the smoking process, flours, meals and pellets of fish, fit for human consumption	0305
(8)	Crustaceans, whether in shell or not, frozen, dried, salted, or in brine; crustaceans, in shell, cooked by steaming or by boiling in water, whether or not frozen, dried, salted or in brine, flours, meals and pellets, of aquatic invertebrates other than crustaceans fit for human consumption	
	(a) Rock lobster and other sea craw fish	0306.11.00
	(b) Lobsters	
	(i) Whole, cooked	0306.12.10
	(ii) Other	0306.12.90

(1)	(2)	(3)
	(c) Shrimps and prawns	
	(i) AFD shrimp	0306.13.11
	(ii) Other	0306.13.19
	(iii) Prawns	0306.13.20
	(d) Crabs	0306.14.00
	(e) Oyster	0306.19.00
(9)	Molluscus, whether in shell or not, frozen, dried, salted, or in brine; aquatic invertebrates other than crustaceans and molluscus frozen, dried, salted or in brine, flours, meals and pellets, of aquatic invertebrates other than crustaceans fit for human consumption	
(1)	Squids	
	(a) Squid tubes, frozen	0307.49.10
	(b) Whole squids, frozen	0307.49.20
	(c) Dried squids	0307.49.30
	(d) Other	0307.49.90
(2)	Jelly fish, dried, salted or frozen	0307.99.20
(3)	Eggs, in shell, preserved or cooked	
	(a) of the species <i>gallus domesticus</i> and ducks for hatching	0407.00.10
	(b) of the species <i>gallus</i> and ducks other than for hatching	0407.00.20
	(c) other	0407.00.90
67	Raw Cashew	0801.31.00
68	<i>Readymade garments</i>	
(1)	Men's or boy's overcoats, carcoats, capes, cloaks, anoraks (including ski jackers), and similar articles, knitted or crocheted, other than those of heading 6103	6101
(2)	Women's or girls' overcoats, carcoats, capes cloaks, anoraks (including ski jackers), and similar articles, knitted or crocheted, other than those of heading 6104	6102

(1)	(2)	(3)
(3)	Men's or boys' suits, ensembles, suit-type jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted	6103
(4)	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted	6104
(5)	Men's or boys' shirts, knitted or crocheted	6105
(6)	Women's or girls' blouses, shirts and shirt blouses, knitted or crocheted	6106
(7)	Men's or boys' underpants, briefs, night shirts, pyjamas, bath robes, dressing gowns and similar articles, knitted or crocheted	6107
(8)	Women's or girls' slips, petticoats, briefs, panties, night dresses, pyjamas, negligees, bath robes, dressing gowns and similar articles, knitted or crocheted	6108
(9)	T-shirts, singlets and other vests, knitted or crocheted	6109
(10)	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles knitted or crocheted	6110
(11)	Babies' garments and clothing accessories, knitted or crocheted	6111
(12)	Track suits, ski-suits and swimwear, knitted or crocheted	6112
(13)	Garments, made up of knitted or crocheted fabrics of heading 5903, 5906 or 5907: Having an outer surface impregnated, coated, covered or laminated with rubber or plastic material which completely obscures the underlying fabric	6113
(14)	Other garments, knitted or crocheted	6114
(15)	Gloves, mittens and mitts, knitted or crocheted	6116

(1)	(2)	(3)
(16)	other made up clothing accessories, knitted or crocheted; knitted or crocheted parts of garments or of clothing accessories	6117
(17)	Men's or boys' overcoats, raincoats, carcoats, capes, cloaks, anoraks (including ski jackets), windcheaters, wind jackets and similar articles other than those of heading 6203, not knitted or crocheted	6201
(18)	Women's or girls' overcoats, raincoats, carcoats, capes, cloaks, anoraks (including ski jackets), windcheaters, wind jackets and similar articles other than those of heading 6204, not knitted or crocheted	6202
(19)	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear), not knitted or crocheted	6203
(20)	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear), not knitted or crocheted	6204
(21)	Men's or boys' shirts, not knitted or crocheted	6205
(22)	Women's or girls' blouses, shirts and shirt blouses, not knitted or crocheted	6206
(23)	Men's or boys' singlets and other vests, underpants, briefs, night shirts, pyjamas, bath robes, dressing gowns and similar articles, not knitted or crocheted	6207
(24)	Women's or girls' singlets and other vests, slips, petticoats, briefs, panties, night dresses, pyjamas, negligees, bathrobes, dressing gowns and similar articles, not knitted or crocheted	6208
(25)	Babies' garments and clothing accessories, not knitted or crocheted	6209
(26)	Garments, made up of fabrics of heading 5602, 5603, 5906 or 5907, not knitted or crocheted	6210

(1)	(2)	(3)
(27)	Track suits, ski-suits and swimwear; other garments, not knitted or crocheted	6211
(28)	Brassieres, girdles, corsets, braces, suspenders, garters and similar articles and parts thereof, whether or not knitted or crocheted	6212
(29)	Handkerchiefs	6213
(30)	Shawls, scarves, mufflers, mantillas, veils and the like not knitted or crocheted	6214
(31)	Ties, bow, bow ties and cravats	6215
69	<i>Renewable energy devices and spare parts</i>	
(1)	Solar cells whether or not assembled in modules or panels	8541.40.11
(2)	Wind turbine/engine	8412.80.30
70	<i>Rubber Hawai Slippers</i>	
71	<i>Safety matches</i>	3605.00.10
72	<i>Seeds</i>	
(1)	Rye seed	1002.00.10
(2)	Barley seed	1003.00.10
(3)	Oats seed	1004.10
(4)	Maize (Corn) seed	1005.10.00
(5)	Grain sorghum seed	1007.00.10
(6)	Buckwheat seed	1008.10.10
(7)	Jawar seed	1008.20.11
(8)	Bajra seed	1008.20.21
(9)	Ragi seed	1008.20.31
(10)	Canary seed	1008.30.10
(11)	Seeds of Other cereals	1008.90.10

(1)	(2)	(3)
(12)	Soyabeans seed	1201.00.10
(13)	Groundnut seed	1202.10.10
(14)	Linseed	1204.00.10
(15)	sunflower seed	1206.00.10
(16)	Palmnut seed	1207.10.10
(17)	Cotton seed	1207.20.10
(18)	Castor oil seed	1207.30.10
(19)	Sesamum seed	1207.40.10
(20)	Mustard seed	1207.50.10
(21)	Safflower seed	1207.60.10
(22)	Sugar beet seed	1209.10.00
(23)	Lucerne seed	1209.21.00
(24)	Clover seed	1209.22.00
(25)	Fescue seed	1209.23.00
(26)	Kentucky blue grass seed	1209.24.00
(27)	Ray grass seed	1209.25.00
(28)	Timothy grass seed	1209.26.00
(29)	Australian lupin seed	1209.29.10
(30)	Seeds of herbaceous plants cultivated principally for their flowers	1209.30.00
(31)	Cabbage seed	1209.91.10
(32)	Cauliflower seed	1209.91.20
(33)	Onion seed	1209.91.30
(34)	Pea seed	1209.91.40
(35)	Radish seed	1209.91.50
(36)	Tomato seed	1209.91.60
(37)	Other fruit seeds for planting or sowing	1209.99.10

(1)	(2)	(3)
<i>73 Sewing machines</i>		
(1)	Sewing machines of the household type	8452.10
(2)	Other sewing machines	8452.21
<i>74 Ship and other water vessels</i>		
(1)	Cruise ships, excursion boats, ferry boats, cargo ships, barges and similar vessels for the transport of persons or goods	8901
(2)	Fishing vessels, factory ships and other vessels for processing or preserving fishery products	8902
(3)	Yachts and other vessels for pleasure or sports; row boats and canoes	8903
(4)	Tugs and pusher craft	8904.00.00
(5)	Light vessels, fire floats, dredgers, floating cranes and other vessels the navigability of which is subsidiary to their main function; floating docks; floating or submersible drilling or production platforms	8905
(6)	Other vessels, including war ships and life boats other than rowing boats	8906
(7)	Other floating structures (for eg; rafts, tanks, coffer dams landing stages, bouys and beacons)	8907
(8)	Vessels and other floating structures for breaking up	8908.00.00
<i>75 Solvent oils other than organic solvent oil.</i>		
<i>76 Spices of all varieties and forms including cumin seed, aniseed, turmeric and dry chillies</i>		
(1)	Mate	0903.00.00
(2)	Pepper of the genus piper, dried or crushed or ground, fruits of the genus capsicum or of the genus pimenta	0904
(a)	pepper	0904.11
(b)	Dried chillies	0904.20.10
(c)	Chilly powder	0904.20.20

(1)	(2)	(3)
(3)	Vanila	0905
(4)	Cinnamon and cinnamon tree flowers	0906.10
(5)	Cloves (whole fruit, cloves and stems)	0907
(6)	Nutmeg, mace and cardamoms	0908
	(a) Nutmeg	0908.10
	(b) Mace	0908.20.00
	(c) Cardamoms	0908.30
(7)	Seeds of anise, badian, fennel, coriander, cumin, caraway at juniper berries	0909
	(a) Anise or badian	0909.10
	(b) Coriander	0909.20
	(c) Cumin	0909.30
	(d) Caraway	0909.40
	(e) Fennel and juniper berries	0909.50
(8)	Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry and other spices	0910
	(a) Ginger (other than fresh)	0910.10
	(b) Saffron	0910.20
	(c) Turmeric	0910.30
	(d) Thyme, bay leaves	0910.40
	(e) Curry	0910.50.00
	(f) Other spices	0910.9972
<i>77 Sports goods excluding apparels and footwear</i>		
(1)	Articles of funfare, table or parlour games including pin tables, billiards, special tables for casino games and automatic bowling alley equipment.	9504

(1)	(2)	(3)
(2)	Articles and equipment for general physical exercise, gymnastics, athletics, other sports (including table tennis) or outer games, not specified or included elsewhere in this chapter; swimming pools and paddling pools	9506
(3)	Fishing rods, fish-hooks and other line fishing tackle; fish landing nets, butterfly nets, and similar nets; decoy "birds" (other than those of the heading 9208 or 9705 and similar hunting or shooting requisites	9507
78	<i>Stainless Steel sheets</i>	7219.90
79	<i>Starch</i>	1108
80	<i>Tamarind</i>	0813.40.10
81	<i>Tractors, threshers, harvesters, and attachments and parts thereof</i>	
(1)	Tractors (other than tractors of heading 8709)	8701
(2)	Tractors of the type used on railway station platforms	8709
(3)	Parts of heading 8701	8708.10.10
(4)	Parts of heading 8709	8709.90.00
(5)	Threshing and harvesting machinery	
	(a) combine harvester-threshers	8433.51.00
	(b) other threshing machinery	8433.52.00
	(c) root or tuber harvesting machinery	8433.53.00
	(d) other	8433.59.00
	(e) Parts	8433.90.00
82	<i>Transmission towers</i>	
(1)	Radio broadcast transmitter	8525.10.10
(2)	TV broadcast transmitter	8525.10.20
83	<i>Umbrella except garden umbrella</i>	6601.99.00
84	<i>Vanaspati (Hydrogenated Vegetable Oil)</i>	1516.20.91

(1)	(2)	(3)
85	<i>Vegetable oil including gingili oil and bran oil</i>	
(1)	Soyabean oil	1507.90.90
(2)	Groundnut oil	1508.90.99
(3)	Olive oil	1509.90.90
(4)	Palm oil	1511.90.90
(5)	Sunflower oil	1512.19.20
(6)	Saffola oil	1512.19.40
(7)	Cottonseed oil	1512.29.90
(8)	Babassu oil	1513.29.30
(9)	Crude colza oil	1514.91.10
(10)	Crude rapeseed oil	1514.99.90
(11)	Crude mustard oil	1514.91.20
(12)	Linseed oil	1515.19.90
(13)	Maize (corn) oil	1515.29.90
(14)	Castor oil	1515.30.90
(15)	Sesamum oil (gingili oil)	1515.50.99
(16)	Tung oil	1515.40.00
(17)	Bran oil	1515.90.40
(18)	other	1515.90.99
(19)	Other partly or wholly hydrogenated vegetable oils	
	(a) cottonseed oil	1516.20.19
	(b) groundnut oil	1516.20.29
	(c) castor oil	1516.20.39
	(d) other	1516.20.99
(20)	vegetable oils excluding heading 1516	
	(a) linseed oil	1518.00.1
	(b) castor oil dehydrated	1518.00.29
	(c) other	1518.00.39
(21)	Fixed vegetable oils, namely the following: chul moongra oil, mawra oil, kokam oil, tobacco seed oil, sal oil	1515.90.10

(1)	(2)	(3)
(22)	Fixed vegetable oils, namely the following: neemseed oil, karanj oil, silk cotton seed oil, khakhon oil, watermelon oil, kusum oil, rubberseed oil, dhup oil, undi oil, maroti oil, pisa oil, nahar oil	1515.90.20
(23)	Fixed vegetable oils, namely the following: cardamom oil, chillies/capsicum oil, turmeric oil, ajwain seed oil, niger seed oil, garlic oil	1515.90.30
86 Writing requisites		
(1)	Ball point pens; felt tipped and other porous tipped pens and markers; fountain pens, stylograph pens and other pens, propelling or sliding pencils	
	(a) Ball point pens	9608.10
	(b) Felt tipped and other porous-tipped pens and markers	9608.20.00
	(c) Fountain pens	9608.31
	(d) Other fountain pens	9608.39
	(e) stylograph pens	9608.31.10
	(f) Other pens	9608.31.90
	(g) Propelling or sliding pencils	9608.40.00
	(h) Refills for ball point pens, comprising the ball point and the ink reservoir	9608.60
(2)	Pencils (other than pencils of heading 9608), crayons, pencil leads, pastels, drawing charcoals, writing or drawing chalks and tailors' chalks	
	(a) pencils and crayons with leads encased in a rigid sheath	9609.10.00
	(b) pencil leads, black or coloured	9609.20.00
	(c) Other pencils	9609.90.20
	(d) pastels, drawing charcoals and writing or drawing chalks and tailors' chalks	9609.90.30
	(e) others	9609.90.90
(3)	Writing ink, instrument box, eraser, pencil sharpener and dissection box	

85

LIST A (See SERIAL No. 45)

<i>Entry No</i>	<i>Description of Goods</i>	<i>HSN Code</i>
40	IT Products	
(1)	(2)	(3)
1	IT-1 <i>Word processing machines, Electronic typewriters</i>	
	(1) Word processing machines	8469.11.00
	(2) Electronic typewriters	8469.12.00
2	IT-10 <i>Microphones, multimedia speakers, headphones etc.</i>	
	(1) Microphones	8518.10.00
	(2) multimedia speakers	8518.22.00
	(3) headphones etc.	8518.30.00
3	IT-11 <i>Telephone answering machines</i>	8520.20.00
4	IT-12 <i>Prepared unrecorded media for sound recording</i>	8523
5	IT-13 <i>Prepared unrecorded media for sound recording</i>	...
6	IT-14 <i>IT software of any media.</i>	
	(1) Disc for laser reading systems for reproducing phenomena other than sound or image	8524.31.11
	(2) Magnetic tapes for reproducing phenomena other than sound or image	8524.40.11
	(3) other software	
	(a) on floppy disc or cartridge tape	8524.91.11
	(b) on disc or on CD ROM	8524.91.12
	(c) on other media	8524.91.13
7	IT-15 <i>Transmission apparatus other than apparatus for radio or T.V. broadcasting</i>	8525.2
8	IT-16 <i>Radio communication receivers, Radio Pagers</i>	
	(1) Radio pagers	8527.90.11
	(2) Demodulators	8527.90.12
	(3) Other	8527.90.19

(1)	(2)	(3)
9	IT-17 <i>Aerials, antennas and parts</i>	8529.10
10	IT-18 <i>LCD Panels, LED panels and parts.</i>	
	(1) LCD Panels/LED Panels	8531.20.00
	(2) Parts	8531.90.00
11	IT-19 <i>Electrical capacitors, fixed, variable and parts</i>	
	(1) Electrical capacitors, fixed, variable	8532
	(2) Parts	8532.90.00
12	IT-2 <i>Electronic calculators</i>	8470.10.00
13	IT-20 <i>Electrical resistors</i>	8533
14	IT-21 <i>Printed Circuits</i>	8534.00.00
15	IT-22 <i>Switches, Connectors, relays for up to 5 amps</i>	8536
16	IT-23 <i>DATA/Graphic Display tubes, other than Picture tubes and parts</i>	
	(1) Colour	8540.40.00
	(2) Black & White or other monochrome	8540.50.00
17	IT-24 <i>Diodes, transistors & similar semi-conductor devices</i>	8541
18	IT-25 <i>Electronic Integrated Circuits and Micro-assemblies</i>	8542
19	IT-26 <i>Signal Generators and parts</i>	
	(1) Signal Generators	8543.20
	(2) Parts	8543.90.00
20	IT-27 <i>Optical fibre cables</i>	8544.70
21	IT-28 <i>Optical fibre and optical fibre bundles, cables</i>	9001.10.00
22	IT-29 <i>Liquid Crystal devices, flat panel display devices and parts</i>	
	Liquid Crystal devices, flat panel display devices	9013.80.10
	Parts	9013.9
23	IT-3 <i>Computer systems and peripherals, Electronic diaries</i>	
	(1) computer systems and peripherals	8471
	(2) Electronic diaries	8470

87

(1)	(2)	(3)
24	IT-30 <i>Cathode ray oscilloscopes, spectrum analysers, signal analysers</i>	
	(1) Cathode ray oscilloscopes	9030.20.00
	(2) Spectrum analysers	9030.39.20
	(3) Signal analysers	
25	IT-4 <i>Parts and Accessories of HSN 84.69, 84.70 & 84.71</i>	8473
26	IT-5 <i>DC Micromotors, Stepper motors of 37.5 watts.</i>	
	(1) D C Micromotors of an output not exceeding 37.5 W	8501.10.11
	(2) D C Micromotors of an output not exceeding 750 W	8501.31.11
	(3) Stepper motors of an output not exceeding 37.5 W	8501.10.12
	(4) Stepper motors of an output not exceeding 750 W	8501.31.12
27	IT-6 <i>Parts of HSN 85.01</i>	8503
28	IT-7 <i>Uninterrupted power supply</i>	8471.90.00
29	IT-8 <i>Permanent magnets and articles</i>	8505
30	IT-9 <i>Electrical apparatus for line telephony or line telegraphy.</i>	8517

LIST B (See SERIAL No. 49)

<i>Sl No.</i>	<i>Industrial inputs</i>	<i>HSN CODE</i>
(1)	(2)	(3)
1	<i>Animal including fish fats, oils, crude, refined or purified</i>	
	(1) pig fats (including lard) and poultry fat other than that of 0209 or 1503	1501.00.00
	(2) fats of bovine animals, sheep or goats, other than those of heading 1503	1502
	(3) lard stearin, lard oil, oleostearin, oleo-oil and tallow oil, not emulsified or mixed or otherwise prepared	1503.00.00
	(4) fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified	1504
	(5) other animal fats and oils and their fractions, whether or not refined, but not chemically modified	1506

88

(1)	(2)	(3)
2	<i>Glycerol, crude, glycerol waters and glycerol lyes</i>	1520.00.00
3	<i>Vegetable waxes, Bee wax</i>	
	(1) vegetable waxes	1521.10
	(2) Bee waxes	1521.90.10
	(3) shellac wax	1521.90.20
4	Animal or vegetable fats boiled, oxidised, dehydrated etc.	1518
5	Liquid glucose (non-medicinal), Dextrose syrup	1702
6	Denatured ethyl alcohol of any strength	2207.20.00
7	<i>Ores and minerals</i>	
	(1) Iron ores and concentrates, including roasted iron pyrites	26
	(2) Manganese ores and concentrates	2602
	(3) Copper ores and concentrates	2603
	Nickel ores and concentrates	2604
	Cobalt ores and concentrates	2605
	Aluminium ores and concentrates	2606
	Lead ores and concentrates	2607
	Zinc ores and concentrates	2608
	Tin ores and concentrates	2609
	Chromium ores and concentrates	2610
	Tungsten ores and concentrates	2611
	Uranium or thorium ores and concentrates	2612
	Molybdenum ores and concentrates	2613
	Titanium ores and concentrates	2614
	Niobium, tantalum, vanadium or zirconium ores and concentrates	
	(i) Niobium, Tantalum, ores and concentrates	2615.90.90
	(ii) Vanadium ores and concentrates	2615.90.10
	(iii) Zirconium ores and concentrates	2615.10.00

(1)	(2)	(3)
8	Precious metal ores and concentrates	2616
	(i) Silver ores and concentrates	2616.10.00
	(ii) Gold ores and concentrates	2616.90.10
	Other ores and concentrates	2617
	Granulated slag (slag sand) from mfg. Of iron or steel	2618
9	<i>Benzole</i>	2707.10.00
	Toluole	2707.20.00
	Xylol	2707.30.00
	Naphthalene	2707.40.00
	Phenols	2707.60.00
	Creosole oils	2707.91.00
	Normal Paraffin	2712.20
	Butadiene	2711.14.00
10	<i>Fluorine, chlorine, bromine and iodine</i>	
	(1) Fluorine	2801.30.10
	(2) Chlorine	2801.10.00
	(3) Bromine	2801.30.20
	(4) Iodine	2801.20.00
11	<i>Sulphur, sublimed or precipitated, colloidal sulphur</i>	
	(1) Sublimed Sulphur	2802.00.10
	(2) Precipitated Sulphur	2802.00.20
	(3) Colloidal Sulphur	2802.00.30
12	<i>Carbon (carbon blacks and other forms of carbon)</i>	
	(1) Carbon black	2803.00.10
	(2) Acetylene black	2803.00.20
	(3) Other	2803.00.90
13	<i>Hydrogen, rare gases and other non-metals</i>	
	(1) Hydrogen	2804.10.00
	(2) Argon	2804.21.00

90

(1)	(2)	(3)
(3) Other rare gases		2804.29
(4) Nitrogen		2804.30.00
(5) Oxygen		2804.40.90
(6) Boron		2804.50.10
(7) Tellurium		2804.50.20
(8) Silicon		2804.61.00
(9) Phosphorus		2804.70
(10) Arsenic		2804.80.00
(11) Selenium		2804.90.00
14 <i>Alkali or alkaline earth metals</i>		
(1) Sodium		2805.11.00
(2) Calcium		2805.12.00
(3) Other		2805.19.00
(4) Mercury		2805.40.00
(5) Rare earth metals		2805.30.00
15 Hydrogen chloride		2806.10.00
16 Sulphuric acid and anhydrides		2807.00.10
17 Nitric acid, sulphonitric acids		
(1) Nitric acid		2808.00.10
(2) Sulphonitric acid		2808.00.20
18 Diphosphorous pentaoxide, phosphoric acid etc.		
(1) Diphosphorous pentaoxide		2809.10.00
(2) phosphoric acid		2809.20.10
(3) Polyphosphoric acid		2809.20.20
19 Oxides of boron, boric acids		
(1) Oxides of boron		2810.00.10
(2) Boric acids		2810.00.20

(1)	(2)	(3)
20	Halides and halide oxides of non-metals	
(1)	Phosgene	2812.10.10
(2)	phosphorus trichloride	2812.10.20
(3)	phosphorus oxychloride	2812.10.30
(4)	sulphur oxychloride, thionyl chloride	2812.10.40
(5)	silicon tetrachloride	2812.10.50
(6)	other	2812.10.90
21	Sulphides of non-metals	
(1)	carbon disulphide	2813.10.00
(2)	arsenic disulphide (artificial)	2813.90.10
(3)	commercial phosphorus trisulphide	2813.90.20
22	Ammonia, anhydrous	2814.10.00
23	Sodium hydroxide (caustic soda), Potassium hydroxide (caustic potash)	
(1)	Sodium hydroxide (caustic soda)	2815.11
(2)	Potassium hydroxide (caustic potash)	2815.20.00
24	Hydroxide and peroxide of magnesium	
(1)	Magnesium Hydroxide	2816.10.10
(2)	Magnesium peroxide	2816.10.20
25	Aluminium hydroxide	2818.30.00
26	Chromium oxides and hydroxides	2819
27	(1) Chromium trioxide	2820.10.00
	(2) Other	2820.90.00
28	Manganese oxides	
(1)	Manganese dioxide	2820.10.00
(2)	Other	2820.90.00
29	Iron oxides and hydroxides	
(1)	Iron oxides	2821.10.10
(2)	Iron hydroxide	2821.10.20

(1)	(2)	(3)
30 <i>Cobalt oxides and hydroxides</i>		
(1) Cobalt oxides		2822.00.10
(2) Cobalt hydroxides		2822.00.20
31 <i>Titanium oxides</i>		
(1) Titanium dioxide		2823.00.10
(2) Other		2823.00.90
32 <i>Hydrazine & hydroxylamine and their inorganic salts</i>		
(1) Hydrazine, anhydrous		2825.10.10
(2) Hydrazine hydrate		2825.10.20
(3) Hydrazine sulphate		2825.10.30
(4) Hydroxylamine sulphate		2825.10.40
(5) Other		2825.10.90
33 <i>Fluorides, fluorosilicates, etc.</i>		
(1) Ammonium fluorides		2826.11.10
(2) Sodium fluorides		2826.11.20
(3) Aluminium fluorides		2826.12.00
(4) Magnesium fluorides		2826.19.10
(5) Fluorosilicates of sodium		2826.20.10
(6) Fluorosilicates of potassium		2826.20.20
(7) Other		2826.90.00
34 <i>Chlorides, chloride oxides</i>		
(1) Ammonium chloride		2827.10.00
(2) Calcium chloride		2827.20.00
(3) Chlorides of Magnesium		2827.31.00
(4) Chlorides of Aluminium		2827.32.00
(5) Chlorides of Iron		2827.33.00
(6) Chlorides of Cobalt		2827.34.00

(1)	(2)	(3)
(7)	Chlorides of Nickel	2827.35.00
(8)	Chlorides of Zinc	2827.36.00
(9)	Mercuric chloride	2827.39.10
(10)	Mercurous chloride	2827.39.20
(11)	Strontium chloride	2827.39.30
(12)	Cuprous chloride	2827.39.40
(13)	Chloride oxydies and chloride hydroxies of copper	
	(a) Copper oxychloride	2827.41.10
	(b) Other	2827.41.90
35	<i>Chlorates and perchlorates, Bromates etc.</i>	
(1)	Chlorates of sodium	2829.11.00
(2)	Barium chlorates	2829.19.10
(3)	Potassium chlorate	2829.19.20
(4)	Magnesium chlorate	2829.19.30
(5)	Other Chlorates	2829.19.90
(6)	perchlorates	2829.90.10
(7)	Bromates and perbromates	2829.90.20
36	Sulphides, Polysulphides	
(1)	Sodium sulphides	2830.10.00
(2)	Zinc sulphides	2830.20.00
(3)	Cadmium sulphides	2830.30.00
(4)	Other sulphides	2830.90.10
(5)	Polysulphides	2830.90.20
37	Dithionites and sulphoxylates	
(1)	Sodium Dithionites	2831.10.10
(2)	Sodium sulphoxylates.	2831.10.20
(3)	Other Dithionites	2831.90.10
(4)	Other sulphoxylates	2831.90.20

(1)	(2)	(3)
38	Sulphites, thiosulphates	
(1)	Sodium bi-sulphite	2832.10.10
(2)	Sodium hydrosulphite	2832.10.20
(3)	Other sodium sulphites	2832.10.90
(4)	Potassium metabisulphite	2832.20.10
(5)	Magnesium sulphite	2832.20.20
(6)	Sodium thiosulphate	2832.30.10
(7)	Magnesium thiosulphate	2832.20.20
(8)	Other thiosulphate	2832.30.90
39	Copper sulphate	2833.25.00
40	Nitrites, nitrates	
(1)	Sodium nitrite	2834.10.10
(2)	Other nitrites	2834.10.90
(3)	Potassium nitrate	2834.21.00
(4)	Strontium nitrate	2834.29.10
(5)	magnesium nitrate	2834.29.20
(6)	Barium Nitrate	2834.29.30
(7)	Thorium Nitrate	2834.29.90
41	Phosphinates, phosphonates, etc.	
(1)	Calcium hypophosphite	2835.10.10
(2)	Magnesium hypophosphite	2835.10.20
42	Carbonates, peroxocarbonates	
(1)	Commercial ammonium carbonate and other ammonium carbonates	2836.10.00
(2)	Disodium carbonate dense	2836.20.10
(3)	Disodium carbonate light	2836.20.20

(1)	(2)	(3)
(4)	other disodium carbonate	2836.20.90
(5)	Sodium hydrogen carbonate (Sodium bicarbonate)	2836.30.00
(6)	Potassium carbonates	2836.40.00
(7)	Calcium carbonates	2836.50.00
(8)	Barium carbonate	2836.60.00
(9)	Lead carbonate	2836.70.00
(10)	Lithium carbonates	2836.91.00
(11)	Strontium carbonate	2836.92.00
(12)	Percarbonates	2836.99.10
(13)	Magnesium carbonate	2836.99.20
(14)	Aluminium bicarbonate	2836.99.30
43 Cyanides, cyanide oxides		
(1)	Sodium cyanide	2837.11.00
(2)	Potassium cyanide	2837.19.10
(3)	Double cyanide of potassium and sodium	2837.19.20
(4)	Ammonium sulphocyanide	2837.20.10
(5)	Potassium ferricyanide	2837.20.20
(6)	Potassium ferrocyanide	2837.20.30
(7)	Sodium ferrocyanide	2837.20.40
(8)	Sodium nitrophruside	2837.20.50
(9)	Other complex cyanides	2837.20.90
44 Fulminates, cyanates and thiocyanates		
(1)	Fulminates	2838.00.10
(2)	Cyanates	2838.00.20
(3)	Thiocyanates	2838.00.30
45 Borates, peroxoborates		
(1)	Disodium tetraborate, anhydrous	2840.11.00
(2)	Other disodium tetraborate	2840.19.00
(3)	Magnesium borates	2840.20.10
(4)	Peroxoborates	2840.30.00

96

(1)	(2)	(3)
46	Sodium dichromate	2841.30.00
47	Potassium dichromate	2841.50.90
48	Radioactive chemical elements	
	(1) Natural uranium and its compounds	2844.10.00
	(2) Uranium enriched in U235 and its compounds: Plutonium and its compounds	2844.20.00
	(3) Uranium depleted in U235 and its compounds; Thorium and its compounds	2844.30.00
	(4) Radioactive elements other than those of sub- heading 2844.10, 2844.20 or 2844.30	2844.40.00
49	Sotopes and compounds	
	(1) Heavy water (deuterium oxide)	2845.10.00
	(2) Nuclear fuels not elsewhere included or specified	2845.90.10
50	Compounds, inorganic or organic of rare earth metals	
	(1) Cerium oxides	2846.10.10
	(2) Other cerium compounds	2846.10.90
	(3) Rare earth oxides not elsewhere included or specified	2846.90.10
	(4) Rare earth fluorides not elsewhere included or specified	2846.90.20
	(5) Rare earth chlorides not elsewhere included or specified	2846.90.30
	(6) Others	2846.90.90
51	Phosphides, whether or not chemically defined	
	(1) of copper	2848.00.10
	(2) of Zinc	2848.00.20
	(3) Other	2848.00.90
52	Calcium carbides	2849.10.00
53	Ethylene, Propylene	
	(1) Ethylene	2901.21.00
	(2) Propylene.	2901.22.00

(1)	(2)	(3)
54 Cyclic Hydrocarbons		
(1)	Cyclohexane	2902.11.00
(2)	Benzenes	2902.20.00
(3)	Toluene	2902.30.00
(4)	o-xylene	2902.41.00
(5)	m-xylene	2902.42.00
(6)	p-xylene	2902.43.00
(7)	mixed xylene Isomers	2902.44.00
(8)	Styrene	2902.50.00
(9)	Ethyle Benzene	2902.60.00
(10)	Cumene	2902.70.00
(11)	Dipentene	2902.90.10
(12)	Dephenyl methane	2902.90.20
(13)	Dodecyclic benzenes (excluding mixed alkylarenes)	2902.90.30
(14)	Naphthalene	2902.90.40
(15)	Isobutyl benzene	2902.90.50
55 Halogenated derivatives of Hydrocarbons		
(1)	Chloromethane (methyl chloride)	2903.11.10
(2)	Chloromethane (ethyl chloride)	2903.11.20
(3)	Dichloromethane (methylene chloride)	2903.12.00
(4)	Chloroform (trichloromethane)	2903.13.00
(5)	Carbon tetrachloride (CC14-Tetrachloromethane)	2903.14.00
(6)	1,2-Dichloroethane (ethylene dichloride)	2903.15.00
(7)	Tetrachloroethane	2903.19.10
(8)	Trichloroethane	2903.19.20
(9)	Vinyl chloride (Chloroethylene)	2903.21.00
(10)	Trichloroethylene	2903.22.00
(11)	Tetrachloroethylene (Perchloroethylene)	2903.23.00
(12)	Flourinated derivatives of acyclic hydrocarbons	2903.30.10
(13)	Brominated derivatives of acyclic hydrocarbons	2903.30.20
(14)	Iodinated derivatives of acyclic hydrocarbons	2903.30.30
(15)	Trichlorofluoromethane	2903.41.00
(16)	Dichlorodifluoromethane	2903.42.00
(17)	Trichlorofluoroethane	2903.43.00
(18)	1, 2 Dichlorotetrafluoroethane	2903.44.10
(19)	Chloropentafluoroethane	2903.44.20
(20)	Chlorotrifluoro-methane	2903.45.11

(1)	(2)	(3)
(21)	Pentachloro fluoroethane	2903.45.12
(22)	Tetrachlorodi fluoroethane, Heptachlorodi fluoroethane, Hexachlorodi fluoroethane, Pentachlorotri fluoroethane, Tetrachlorotetra fluoroethane, Trichloropenta fluoroethane, Dichlorohexa fluoroethane, Chlorohepta fluoroethane	2903.45.13
(23)	Heptachlorodi fluoroethane	2903.45.21
(24)	Hexachlorodi fluoroethane	2903.45.22
(25)	Pentachlorotri fluoroethane	2903.45.23
(26)	Tetrachloropetra fluoroethane	2903.45.24
(27)	Trichloropenta fluoroethane	2903.45.25
(28)	Dichlorohexa fluoroethane	2903.45.26
(29)	Chlorohepta fluoroethane	2903.45.27
(30)	Bromochlorodifluoro-methane	2903.46.10
(31)	Bromotrifluoro-methane	2903.46.20
(32)	Dibromotetra-fluoro-ethane	2903.46.30
(33)	Other perhalogenated derivatives with fluorine and chlorine	2903.47.00
(34)	Halogenated derivatives of methane, ethane or propene halogenated only with fluorine and chlorine HCFC3	2903.49.10
(35)	1, 2, 3, 4, 5, 6-Hexachlorocyclohexane	2903.51.00
(36)	Chlorobenzene (mono chloro)	2903.61.10
(37)	Ortho-dichlorobenzene	2903.61.20
(38)	Para-dichlorobenzene	2903.61.30
(39)	Hexachloro benzene other than indane	2903.62.10
(40)	DDT (Dichloro diphenyl trichloroethane)	
	(a) DDT - Technical 75 Wdp	2903.62.21
	(b) Other	2903.62.29
(41)	Chloro-fluorobenzene	2903.69.10
(42)	Benzal chloride (Benzyl dichloride)	2903.69.10
(43)	Benzo trichloride	2903.69.30
(44)	Benzye Chloride	2903.69.40
(45)	Parachloro-toluene (4-Chloromethyl benzene)	2903.69.50
(46)	Napthalene chlorinated	2903.69.60
(47)	Chlorofluoro aniline	2903.69.70

(1)	(2)	(3)
<i>56 Sulphonated, nitrated or nitrosated derivatives of hydrocarbons</i>		
(1)	Benzene sulphonic acid	2904.10.10
(2)	1, 5 Naphthalene disulphonic acid (Armstrong's Acid)	2904.10.20
(3)	Naphthalene sulphonic acid	2904.10.30
(4)	Vinyl sulphone	2904.10.40
(5)	Nitrobenzene	2904.20.10
(6)	Meta dinitrobenzene	2904.20.20
(7)	Meta nitrotoluene	2904.20.30
(8)	Ortho nitrotoluene	2904.20.40
(9)	paranitrotoluene	2904.20.50
(10)	Dinitrotoluene	2904.20.60
(11)	2, 5 Dichloronitrobenzene	2904.90.10
(12)	Dinitrochlorobenzene	2904.90.20
(13)	Meta nitrochlorobenzene	2904.90.30
(14)	Ortho nitrochlorobenzene	2904.90.40
(15)	Para nitrochlorobenzene	2904.90.50
(16)	2-nitro-chlorotoluene	2904.90.60
(17)	Sodium meta nitrobenzene sulphonate	2904.90.70
<i>57 Methanol</i>		2905.11.00
<i>58 DI-Ethylene Glycol, Mono-Ethylene Glycol</i>		2905.31.00
<i>59 Cyclic alcohols</i>		
(1)	Menthol	2906.11.00
(2)	Cyclohexanol methyl-cyclohexanols and dimethylcyclohexanols	2906.12.00
(3)	Sterols and inositols	
	(a) Cholesterol	2906.13.10
	(b) Other	2906.13.90
(4)	Terpineols	2906.14.00
(5)	Borneol	2906.19.10
(6)	Benzyl alcohol	2906.21.00
(7)	Cinnamic alcohol	2906.29.10
(8)	Phenylethyl alcohol	2906.29.20

(1)	(2)	(3)
60	<i>Halogenated, sulphonated, nitrated or nitrosated derivatives of Phenols and Phenol alcohols</i>	
(1)	Derivatives containing only halogen substituents and their salts	2908.10.00
(2)	Phenol sulphonic acids, Naphthol sulphonic acids	2908.20.10
(3)	G acid (2-naphthol-6) 8 disulphonic acid	2908.20.21
(4)	Salts of G acid	2908.20.22
(5)	Beta naphthol sulphonic acids	2908.20.23
(6)	Nevile-winter acid (1-naphthol 4 sulphonic acid)	2908.20.24
(7)	Schaeffer acid (2-Naphthol-6- sulphonic acid)	2908.20.25
(8)	R acid (2-Naphthol 3, 6 disulphonic acid) and its disodium salt and salt of R acid	2908.20.26
(9)	Chromotropic acid (1, 8-dihydroxynaphthalene 3, 6-disulfonic acid)	2908.20.27
(10)	Para nitrophenol	2908.90.10
(11)	Musk xylol	2908.90.20
61	<i>Ethers, ether-alcohols, ether-phenols etc.</i>	2909
(1)	Acyclic ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives	
(a)	Diethyl ether	2909.11.00
(b)	Other	2909.19.00
(2)	Cyclanic, cyclenic or cycloterpenic ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives	2909.20.00
(3)	4-chloro-2 nitro anisole	2909.30.11
(4)	Ortho nitro anisole	2909.30.12
(5)	Diphenyl oxide	2909.30.20
(6)	Musk ambrette	2909.30.30
(7)	2, 2-Oxyduethanol (diethylene glycol digol)	2909.41.00
(8)	Monomethyl ethers of ethylene glycol or of diethylene glycol	2909.42.00
(9)	Monobutyl ethers of ethylene glycol or of diethylene glycol	2909.43.00
(10)	Other monoalkylethers of ethylene glycol or of diethylene glycol	2909.44.00

(1)	(2)	(3)
(11)	Ether phenols, ether alcohol-phenols and their halogenated, sulphonated, nitrated or nitrosated derivatives	
	(a) Guaiacol	2909.50.10
	(b) Isoeugenol	2909.50.20
	(c) Guaiacol sulphonate	2909.50.30
	(d) Others	2909.50.90
(12)	Alcohol peroxides, ether peroxides, ketone peroxides, and their halogenated, sulphonated, nitrated or nitrosated derivatives	2909.60.00
62	<i>Expoxides, epoxyalcohols, epoxyethers.</i>	
(1)	Methyloxirane (propylene oxide)	2910.20.00
(2)	1-chloro-2, 3,-epoxypropane (epychorohydrin)	2910.30.00
(3)	Others	2910.90.00
63	<i>Ethylene Oxide</i>	2910.10.00
64	<i>Acetals and hemiacetals</i>	
(1)	Acetals and hemiacetals whether or not with other oxygen function	2911.00.10
(2)	Others	2911.00.90
65	<i>Aldehydes whether or not with other oxygen function</i>	
(1)	Methanal (formaldehyde)	2912.11.00
(2)	Ethanal (acetaldehyde)	2912.12.00
(3)	Butanal (butyraldehyde normal isomer)	2912.13.00
(4)	Crotonaldehyde	2912.19.10
(5)	Heptaldehydes (heptanal)	2912.19.20
(6)	Glyoxal	2912.19.30
(7)	Benzaldehyde	2912.21.00
(8)	Cinnaminaldehyde	2912.29.10
(9)	Phenyl acetaldehyde	2912.29.20
(10)	Aldehyde-alcohols	2912.30.00
(11)	Vanillin (4-hydroxy-3-methoxy-benzaldehyde)	2912.41.00
(12)	Ethylvanillin (3-ethoxy-4-hydroxybenzaldehyde)	2912.42.00
(13)	Anisicaldehyde (anisaldehyde)	2912.49.10
(14)	Heliotropin (piperonyl aldehyde)	2912.49.20
(15)	Thiacetazone	2912.49.30
(16)	3,4,5-trimethoxy-benzaldehyde	2912.49.40
(17)	Cyclipolymers of aldehydes	2912.50.00
(18)	Paraformaldehyde	2912.60.00

(1)	(2)	(3)
66	<i>Halogenated, sulphonated, nitrated derivatives of phenols alcohols.</i>	
(1)	Ortho-chloro-benzaldehyde	2913.00.10
(2)	Other	2913.00.90
67	<i>Saturated acyclic monocarboxylic acids.</i>	
(1)	Formic acid, its salts and esters	
(a)	formic acid	2915.11.00
(b)	Sodium formate	2915.12.10
(c)	Others	2915.12.90
(d)	Esters of formic acid	2915.13.00
(2)	Acetic acid, its salts and esters	
(a)	acetic acid	2915.21.00
(b)	sodium acetate	2915.22.00
(c)	cobalt acetate	2915.23.00
(d)	calcium acetate	2915.29.10
(e)	maganesium acetate	2915.29.20
(f)	manganeese acetate	2915.29.30
(g)	ethyl acetate	2915.31.00
(h)	vinyl acetate	2915.32.00
(i)	n-Butyl acetate	2915.33.30
(j)	isobutyl acetate	2915.34.00
(k)	2-Ethoxy ethyl acetate	2915.35.00
(l)	benzyl acetate	2915.39.10
(m)	bormyl acetate and Iso bormyl acetate	2915.39.20
(n)	linalyl acetate	2915.39.30
(o)	methyl acetate	2915.39.40
(p)	phenyle propyl acetate	2915.39.50
(q)	ter pinyl acetate	2915.39.60
(3)	Monochloroacetic acid, their salts and esters	2915.40.10
(4)	Dichloroacetic acid, their salts and esters	2915.40.20
(5)	Trichloroacetic acid, their salts and esters	2915.40.30
(6)	Propionic acid, its salts and esterskG	2915.50.00
(7)	Butanoic acid, their salts and esters	2915.60.10
(8)	Pentanoic acids, their salts and esters	2915.60.20
(9)	Palmitic acid	2915.70.10
(10)	Stearic acid	2915.70.20
(11)	Glycerol monostearate	2915.70.30
(12)	H.C.O Fatty acid (including 12-Hydroxy stearic acid)	2915.70.40
(13)	D.C.O Fatty acid	2915.70.50

(1)	(2)	(3)
(14)	Acetyl chloride	2915.90.10
(15)	Octoic acid (caprylic acid)	2915.90.20
(16)	Hexoic acid (caproic acid)	2915.90.30
68	<i>Unsaturated acyclic monocarboxylic acids.</i>	
(1)	acrylic acid and its salts	2916.11.00
(2)	butyl acrylate	2916.12.00
(3)	methacrylic acid	2916.13.10
(4)	salts of methacrylic acid	2916.14.00
(5)	oleic acid	2916.15.10
(6)	undecylnic acid	2916.19.10
(7)	bismuth compounds of unsaturated acyclic monoacids	2916.19.20
(8)	potassium compounds of unsaturated acyclic monoacids	2916.19.30
(9)	sodium compounds of unsaturated acyclic monoacids	2916.19.40
(10)	esters of unsaturated acyclic monoacids not elsewhere specified	2916.19.50
(11)	sorbic acid	2916.19.60
(12)	cyclanic, cyclenic or cycloterpenic monocarboxylic acid, their anhydrides, halides, peroxides, peroxyacids and their derivatives	2916.20.00
(13)	benzoic acid	2916.31.10
(14)	benzyl acetate	2916.31.20
(15)	methyl benzoate	2916.31.30
(16)	sodium benzoate	2916.31.40
(17)	benzocaine (ethylpara-amino benzoate)	2916.31.50
(18)	orthochloro benzoic acid	2916.31.60
(19)	benzoyl peroxide and benzoyl chloride	2916.32.00
(20)	phenylacetic acids and its salts	2916.34.00
(21)	esters of phenylacetic acid	2916.35.00
(22)	cinnamic acid	2916.39.10
(23)	bismuth compounds of aromatic monoacids	2916.39.20
(24)	potassium compounds of aromatic acids	2916.39.30
(25)	sodium compounds of aromatic monoacids	2916.39.40
(26)	esters of aromatic monoacids not elsewhere specified	2916.39.50

(1)	(2)	(3)
69	<i>Polycarboxylic acids</i>	2917
70	<i>Carboxylic acids</i>	2918
71	<i>Phosphoric ester and their salts</i>	2919
72	<i>Esters of other inorganic acids</i>	2920
73	<i>Amine-function compounds</i>	2921
74	Oxygen - function amino-compounds.	2922
75	Quaternary ammonium salts and hydroxides.	2923
76	Carboxamide-function compounds.	2924
77	Carboxamide-function compounds including saccharin and its salts.	2925
78	Nitrile-function compounds.	2926
79	Diazo-, Azo- or azoxy-compounds.	2927
80	Organic derivatives of hydrazine or of hydroxylamine.	2928
81	Organo-sulphur compounds.	2930
82	Ethylene Diamine Tetra Acetic Acid.	
83	Heterocyclic compounds with oxygen heteroatom(s) only.	2932
84	Heterocyclic compounds with nitrogen heteroatom(s) only.	2933
85	Nucleic acids and their salts.	2934
86	Sulphonamides.	2935
87	Glycosides, natural or reproduced by synthesis and their salts.	2938
88	Vegetable alkaloids, natural or reproduced by synthesis and their salts	2939
89	Tanning extracts of vegetable origin.	3201
90	Synthetic organic tanning substances.	3202
91	Colouring matter of vegetable or animal origin.	3203
92	Synthetic organic colouring matter.	3204
93	Colour lakes.	3205
94	Glass frit and other glass.	3207.40.00
95	Other	
96	Prepared driers.	3211.00.00
97	Casein, Caseinates.	3501
98	Enzymes, Prepared enzymes.	3507
99	Artificial graphite.	3801

(1)	(2)	(3)
100	Activated carbon.	3802
101	Residual lyes from mfg. Of wood pulp.	3804
102	Rosin and resin acids and derivatives.	3806
103	Wood tar, wood tar oils.	3807
104	Finishing agents, fixing of dye-stuffs.	3809
105	Prepared rubber accelerators.	3812
106	Reducers and blanket wash/roller wash.	
107	Reaction initiators, reaction accelerators.	3815
108	Mixed alkylbenzenes.	3817
109	Chemical elements doped.	3818
110	Industrial monocarboxylic fatty acids.	3823
111	Retarders.	3824
112	LLDPE/LDPE	3901.10.10
113	HDPE	3901.10.90
114	Polymers of propylene.	3902
115	PVC 3904	
116	Acrylic polymers.	3906
117	Polyacetals.	3907
118	Polythene chips	3907.60.90
119	Polyamides.	3908
120	Amino-resins, polyphenylene oxide.	3909
121	Silicons.	3910
122	Petroleum resins.	3911
123	Cellulose and its chemical derivatives.	3912
124	Natural polymers.	3913
125	Ion-exchangers based on polymers.	3914
126	Self-adhesive plates, sheets, film, strip of plastics.	3919
127	Flexible plain films.	3920
128	Articles for conveyance or packing of goods of plastics.	3923
129	Raw Rubber, latex, dry ribbed sheet of all RMA grade, treelace, earth scrap, amoniated latex, preserved latex, latex concentrate, centrifugal latex, dry creep rubber, dry block rubber, crumb rubber and skimmed rubber	4001
130	Synthetic rubber and factice derived from oils.	4002

106

(1)	(2)	(3)
131	Reclaimed rubber.	4003
132	Compounded rubber, unvulcanised.	4005
133	Mechanical wood pulp, chemical wood pulp, semi-chemical wood pulp	4701,4702, 4703
134	Cartons, Boxes.	4819
135	Paper printed labels, paperboard printed labels.	4821
136	Paper self-adhesive tape.	4823.12.00
137	Partially oriented yarn, polyester texturised yarn.	5402.33.00
138	Polyester Staple Fibre & Polyester Staple Fibre Fill.	5503.20.00
139	Polyester Staple Fibre waste.	5505.10
140	Sacks and bags, of a kind used for packing of goods.	6305.10
141	Carboys, bottles, jars, phials of glass.	7010
142	Stoppers, caps and lids.	7010.20.00
143	Any other industrial input as notified by Government	

FOURTH SCHEDULE

Goods which are outside VAT under sub-section (1) of section 6

<i>Sl. No.</i>	<i>Sub-entry</i>	<i>Description of Goods</i>
1	<i>Petroleum Products :</i>	
	(i)	Aviation Turbine fuel
	(ii)	High Speed Diesel Oil
	(iii)	Motor Spirit (including light diesel oil but excluding petrol, naphtha, aviation turbine fuel and high speed diesel oil)
	(iv)	Petrol other than naphtha
2	<i>Foreign Liquor :</i>	
	(i)	Beer and wine
	(ii)	Other than Beer and Wine
3	<i>Ganja and Opium</i>	

107

This Bill was passed by the Legislative Assembly of the State of Kerala on the 3rd day of March, 2005.

I certify that this is a Money Bill.

SPEAKER

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Government of Kerala
കേരള സർക്കാർ
2006



Reg. No. രജി. നമ്പർ
KL/TV(N)/12/2006-2008

KERALA GAZETTE

കേരള ഗസറ്റ്

EXTRAORDINARY

അസാധാരണം

PUBLISHED BY AUTHORITY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്

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		2nd Karthika 1928		
		1928 കാർത്തിക 2		

GOVERNMENT OF KERALA

Law (Legislation-A) Department

NOTIFICATION

No. 12302/Leg. A2/2006/Law.

Dated, Thiruvananthapuram

24th October, 2006

2nd Karthika, 1928

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 24th day of October, 2006.

Act 22 of 2006**THE KERALA FINANCE ACT, 2006**

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial year 2006-07.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2006-07.

BE it enacted in the Fifty-seventh year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2006.

(2) (a) Sub-section (5) of section 3 and clause (d) and (e) of sub-section (5) of section 5 of this Act shall be deemed to have come into force on the 1st day of April, 2006 ;

(b) Sub-clause (iv) of clause (a) of sub-section (2) of section 5 of this Act shall be deemed to have come into force on the 19th day of August, 2005;

(c) Sub-clause (ii) of clause (d) of sub-section (2), clause (g) of sub-section (5), items (vii) (viii) and (xii) of clause (a) and items (i), (ii), (iv), (v), (vi), (x), (xii) to (xvi), (xviii), (xx), (xxi), (xxv), (xxvii), (xxviii), (xxx) to (xxxv), sub items (a) to (d) of item (xxxvi) of clause (c) of sub-section (24) of section 5 of this Act shall be deemed to have come into force on the 1st day of April, 2005; and

(d) the remaining provisions of this Act shall be deemed to have come into force on the 1st day of July, 2006.

2. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) for section 7, the following section shall be substituted, namely:—

“7. *Payment of tax at compounded rates.*—Notwithstanding anything contained in sub-section (2) of section 5, any bar attached hotel, not being a star hotel of and above three star hotel, heritage hotel or club, may, at its option, instead of paying turnover tax on foreign liquor in accordance with the provisions of the said sub-section pay turnover tax on the turnover of foreign liquor calculated,—

3

(a) at one hundred and forty per cent of the purchase value of such liquor, in the case of those situated within the area of a municipal corporation or a municipal council or a cantonment, and at one hundred and thirty five per cent of the purchase value of such liquor, in the case of those situated in any other place; or

(b) at one hundred and fifteen per cent of the highest turnover tax payable by it as conceded in the return or accounts or the turn over tax paid for any of the previous consecutive three years, whichever is higher.”.

(2) in section 17,—

(a) for the fourth and fifth provisos to sub-section (6), the following proviso shall be substituted, namely:—

“Provided also that the assessment relating to the years upto and including the year 2001-02 pending as on 31st March, 2006 shall be completed on or before the 31st day of March, 2007.”;

(b) in sub-section (8),—

(i) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that all such assessments or re-assessments pending as on the 31st day of March, 2006 shall be completed on or before the 31st day of March, 2007.”;

(ii) for the third proviso the following proviso shall be substituted, namely:—

“Provided also that all such modified assessments or modified re-assessments or remanded assessments pending as on the 31st day of March, 2006 shall be completed on or before the 31st day of March, 2007.”.

(3) after section 17B the following section shall be inserted, namely:—

“17C. *Assessment in certain cases treated as completed.*—(1) Notwithstanding anything contained in section 17, the assessment for the period upto the 31st day of March, 2005 in respect of any registered dealer, who falls under any of the categories mentioned in sub-section (4) of the said section as it stood on the 31st day of March, 2005 and who has filed returns and paid tax in accordance with the provisions thereof, pending on the 1st day of April, 2006 shall, subject to the provisions of sub-section (2), be treated as completed.

(2) Notwithstanding anything contained in sub-section (1) where the Commissioner or the Deputy Commissioner, as the case may be, is satisfied on information or otherwise, that a registered dealer,—

(a) has concealed any sale or purchase; or

(b) has furnished incorrect statement of his turnover or incorrect particulars of his sales, in the return submitted under section 17 or otherwise, relating to an assessment made under sub-section (1), which has resulted in reduction of the amount of tax payable by him under this Act in respect of any of the periods, the Commissioner or the Deputy Commissioner, as the case may be, shall, within five years from the 1st day of April, 2006, direct the assessing authority to reopen the assessment for such period after giving such dealer a reasonable opportunity of being heard and to make fresh assessments following the procedure under sub-section (3) of section 17, for that period to the best of his judgment and the time limit specified under section 19 shall not apply to such fresh assessment.

(3) Where on reopening of an assessment under sub-section (2), it is found that the amount of tax, if any, paid by a dealer is less than the amount of tax, which he is liable to pay on such fresh assessment, the assessing authority shall direct such dealer to pay the difference between the amount of tax already paid and that arrived at on such fresh assessment, together with thrice the amount of such difference as penalty:

Provided that no penalty shall be imposed under this sub-section on a registered dealer, in respect of such period, where such dealer voluntarily discovers omissions or errors or other facts resulting in short payment of tax due from him according to books of accounts and furnishes revised return, together with proof of payment of the balance amount of tax and interest under sub-section (3) of section 23, which is found to be payable, on or before the 31st day of December, 2006.”;

(4) in section 44, in sub-section (3), after the words “towards the recovery of any amount due”, the words “under this Act or under the Central Sales Tax Act, 1956 or under the Kerala Value Added Tax Act, 2003” shall be inserted ;

(5) in section 57, in sub-section (1), after the words “make rules” the words “either prospectively or retrospectively” shall be inserted.

5

3. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976),—

(1) in section 2,—

(a) after clause (c), the following clause shall be inserted, namely:—

“(ca) “cable operator”, means a person engaged in the business of receiving and distributing satellite television signals, communication network including production and transmission of programmes and packages for a monetary consideration”;

(b) in clause (f), for the words “the rate of charges of which, of exclusive of charges for food, drink and telephone calls, is seventy five rupees per day or more”, the words “the rate of charges of accommodation for residence and other amenities and services provided excluding charges of food and liquor is one hundred and fifty rupees per day or more”, shall be substituted ;

(c) after clause (f), the following clause shall be inserted, namely:—

“(fa) “Luxury provided by a cable operator” means any service by means of transmission of television signals by wire, where subscriber’s television set is linked by metallic co-axial cable or optic fibre cable to a central system called the ‘headend’ and by using a video cassette or disc or both, recorder or player or similar such apparatus on which pre-recorded video cassettes or disc or both are played or replayed and the films or moving pictures or series of pictures which are viewed and heard on Television receiving set at a residential or a non-residential place of a connection holder;”;

(2) in section 4,—

(a) in sub-section (1), for the words “exhibitions and in respect of a commodity included in the Schedule” the words “exhibition and cable operators” shall be substituted;

(b) for sub-section (2) and (2A), the following sub-sections shall be substituted, namely :—

“(2) Luxury tax shall be levied and collected,—

(a) in respect of a hotel, for charges of accommodation for residence and other amenities and services provided in the hotel, excluding food and liquor,—

(i) at the rate of ten per cent for hotels, in respect of rooms where the gross charges of accommodation for residence and other amenities and services provided is less than rupees five hundred per day ;

6

(ii) at the rate of fifteen per cent for hotels in respect of rooms where the gross charges of accommodation for residence and other amenities and services provided is rupees five hundred or more per day ;

(b) in respect of a house boat, for charges of accommodation for residence and other amenities and services provided, excluding food and liquor, at the rate fifteen per cent ;

(c) in respect of a convention centre, hall, Kalyanamandapam, auditorium including those attached to hotels, clubs or places of the like nature, for the charges for accommodation, amenities and services provided excluding food and beverage at the rate fifteen per cent ;

(d) in respect of a cable TV operator at the rate of rupees five per connection permonth,

and shall be collectable from the person enjoying the luxury :

Provided that no luxury tax shall be payable in respect of a connection provided by a cable operator engaged in the distribution of programmes of Doordharshan channels only :

Provided further that luxury tax, if any, collected shall be paid over to the Government :

Provided also that no luxury tax shall be payable, if such charges per day is below three thousand rupees in respect of halls, Kalyanamandapam, auditorium other than those attached to star hotels :

Provided also that a proprietor of a hotel who had claimed exemption under sub-clause (1) of clause 4 of the Kerala Finance Bill, 2006 (Bill No. 355 of the XI Kerala Legislative Assembly) from the 1st day of April 2006 being the charges of accommodation below rupees two hundred per room per day, shall be permitted to avail such exemption till 30th June, 2006.

(2A) Notwithstanding anything contained in sub-section (2), there shall be levied a luxury tax at the rate of rupees one hundred per year per member and the same shall be collected by the person responsible for the management of the club, by whatever name called.

Explanation : For the purpose of this section, ‘club’ means a club which provides more than two facilities like card room, bar, billiard rooms, snooker room, tennis court, swimming pool, Sauna Jacuzzi and the like, gymnasium, golf course, internet facility, video, video compact disk, digital video disk and computer games and having a membership strength of at least twenty five” ;

(c) sub-section (2B) shall be omitted;

(3) section 4A shall be omitted;

(4) after section 4C, the following section shall be inserted; namely:—

“4D. *Registration of cable operators.*—Every cable operator shall get himself registered with such authority and in such manner, as may be prescribed and the application for registration shall be accompanied by a registration fee of Rupees one thousand. The registration shall be for a period of one year and shall be renewed annually.”;

(5) in section 5A,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Notwithstanding anything contained in section 4 or section 5 any proprietor of a house boat may apply to the assessing authority for permission to compound the tax at the following rates per annum, namely:—

(i) non air-conditioned house-boat with one bed room	Ten thousand rupees
(ii) non air-conditioned house boat with two bed rooms or more	Fifteen thousand rupees
(iii) air-conditioned house boat with one bed room	Seventeen thousand and five hundred rupees
(iv) air-conditioned house-boat with two bed rooms or more	Twenty five thousand rupees”;

(b) in sub-section (7), for the words “any addition to the hotels”, the words “any addition to the house-boats” shall be substituted;

(c) in sub-section (8), for the words “addition to the hotels” the words “addition to the house-boats” shall be substituted;

(6) in section 6, sub-section (4), the following proviso shall be inserted, namely:—

“Provided that all assessments relating to the years, upto and including the year 2001-2002, pending as on 31st day of March, 2006, shall be completed on or before the 31st day of March, 2007.”;

(7) in section 20, in sub-section (1), after the words “make rules”, the words “either prospectively or retrospectively” shall be inserted.

4. *Amendment of Act 15 of 1994.*— In the Kerala Tax on Entry of Goods into Local Areas Act, 1994 (15 of 1994),—

(1) after section 11, the following section shall be inserted, namely:—

“11A. *Refund of tax in the case of temporary use.*— Where tax has been paid by any importer on the entry of any goods into the State for temporary use, the tax so paid shall be refunded to him, with permission of the Commissioner of Commercial Taxes, if the goods so imported are sent back from the State within a period of one month subject to such conditions as may be prescribed.”;

(2) in the Schedule,—

(a) for serial number 9 and entries against it, the following serial number and entry shall be substituted, namely:—

“9. iron and steel falling under item (iv) of section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) and taxable under the Kerala Value Added Tax Act, 2003 (30 of 2004).”;

(b) After Serial No.69 and the entries against it, the following serial numbers and entries shall, respectively, be added, namely:—

“70. Copra and Coconut Oil

71. Plastic and PVC Pipes and fittings

72. Arecanut

73. Pepper

74. Aerated Drinks

(a) Mineral Water

(b) Packaged Drinking Water

(c) Branded Soft drinks excluding soda

75. Granite Tiles

76. Dish Washer

77. Health Drinks

Boost, Bournvita, Complian, Horlicks and similar other items.

78. Micro oven and other Ovens Cookers, Cooking plates, Boiling rings, grillers and roaster

79. Vacuum Cleaners”.

5. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 2,—

(a) in clause (x), for the words “the value of which exceeds such limit as may be prescribed”, the words “and delivery vehicles” shall be substituted ;

(b) for clause (xxx), the following clause shall be substituted, namely:—

“(xxx) “notified goods” means coffee, rubber, cardamom, pepper, arecanut, other than tender arecanut, cashewnut, iron and steel, cement, timber, plywood, glass, tread rubber and any other goods notified by the Government from time to time.”;

(c) after clause (lii), the following clause shall be inserted, namely:—

“(liiA) “used Motor vehicle” means a motor vehicle purchased and registered under the provisions of the Motor Vehicles Act, 1988 (Central Act 59 of 1988) and used for a minimum period of fifteen months subsequent to the registration;”;

(2) in section 6,—

(a) in sub-section (1),—

(i) in clause (a) following shall be added at the end, namely:— “and in the case of goods specified below at the rate of twenty per cent, at all points of sale of such goods within the State, namely:—

<i>Sl. No.</i>	<i>Description of Goods</i>	<i>HSN Code</i>
(1)	(2)	(3)
1	Aerated drinks	
	(1) Mineral Water	2201.10.10
	(2) Packaged drinking water	****
	(3) Branded soft drinks, excluding soda	2202.10
2	Air conditioners	8415
3	Building Materials	
	(a) Ceramic Floor and wall tiles including vitrified tiles whether polished or not	6907 and 6908
	(b) Marbles and Granite slabs and tiles	
	(c) (i) Paint, other than cement paints, enamel, polishes, students water colour and artist paints	
	(ii) Lacquers	

(1)	(2)	(3)
	(d) Sanitary Equipments	
	wash basins, pedestals, baths, water closet pans, flushing cisterns, urinals and similar sanitary fixtures only of ceramics, china ware or porcelain ware	6910
4	Dishwashers	8422
5	Health Drinks	
	Boost, Bournvita, Complan, Horlicks and similar other items	1901 and 1806.90.40
6	Microwave ovens and other ovens	
	(1) Microwave ovens	8516.50.00
	(2) Other ovens—cookers, cooking plates, boiling rings, grillers and roaster	8516.60.00
7	Refrigerators	8418
8	Vacuum cleaners	8509.10.00
9	Washing Machines	8450”;

(ii) for clause (f), the following clause shall be substituted, namely:—

“(f) In the case of transfer of goods involved in execution of works contract, where the transfer is not in the form of goods, but in some other form, at the rate of 12.5 per cent and when the transfer is in the form of goods at the rates prescribed under the respective Schedules.”;

(iii) In the fourth proviso, after the words “Sarva Siksha Abhiyan Funds” the following words shall be inserted, namely:—

“or funds of Local Authorities or Command Area Development Authority or execution of work under Jananidhi Project (KRWSA) or OFD works through Beneficiary Farmers’ Associations or Karshaka Samithy.

(iv) after the fourth proviso the following proviso shall be added, namely:—

“Provided also that where the sale is to or by Military, Naval, Air Force or NCC Canteen and Canteen Stores Department, the tax payable under clauses (a) or (d) above shall subject to such conditions and restrictions, as may be prescribed, be at half the rate applicable to such goods.”;

11

(b) in sub-section (2), after clause (b), the following clause shall be inserted, namely:—

“(c) every awarder, not being a Government department or Local Authority, who purchases taxable goods from any person, other than a registered dealer, within the State for execution of works contract and issues the same for incorporation in the work, without including its value in the gross contract amount, shall pay tax on the purchase turnover of such goods at the rates specified under sub-section (1), if the cost of the work exceeds one crore rupees.”;

(c) in sub-section (5), after the third proviso, the following proviso shall be inserted, namely:—

“Provided also that a dealer shall not be liable to pay presumptive tax under this sub section, if his total turnover is less than ten lakh rupees.”;

(d) in sub-section (7),—

(i) for clause (b) the following clause shall be substituted, namely:—

“(b) sale of any building materials, industrial inputs, plant and machinery including components, spares, tools and consumables in relation thereto to any developer or industrial unit or establishments situated in any Special Economic Zone in the State for setting up the unit or use in the manufacture of other goods shall, subject to such conditions or restrictions, as may be prescribed, be exempted from tax.”;

(ii) after clause (b), the following clause shall be inserted, namely:—

“(c) sale of medicines and drugs falling under the Third Schedule, in respect of which tax had been paid under the Kerala General Sales Tax Act, 1963 (15 of 1963) and which are held as opening stock on the 1st day of April, 2005 shall, subject to conditions and restrictions, as may be prescribed, be exempted from tax.”;

(3) in section 8,—

(a) after sub-clause (i) of clause (a) the following provisos shall be inserted, namely:—

“Provided that any works contractor who undertakes works of the Government Departments or Local Authorities or Kerala Water Authority shall not be liable to tax under sub-section (2) of section 6, if he pays compounded tax at the rate of three per cent on the whole contract amount:

Provided further that notwithstanding anything contained elsewhere in this Act, a works contractor who intends to pay tax at compounded rate in accordance with clause (a) in respect of all the works undertaken by him during a year, may instead of filing separate application for, compounding for individual works may, file a single option for payment of tax under the said clause before 30th April of the year to which the option relates subject to eligibility:

Provided also that the application for compounding in accordance with the above proviso for the year 2006-07 shall be filed before 30th day of November, 2006:

Provided also that in the case of any work covered under the above provisos which remains unexecuted or part of which remains to be executed at the end of the year, the contractor shall continue to pay tax in respect of such works in accordance with the provisions of clause (a) of this section.”;

(b) in clause (c),—

(i) in sub-clause (i) after the words “food and beverages prepared by him”, at the end, the words “and also on the turnover of other goods in respect of which he is not the dealer effecting first taxable sale, as defined in the explanation under sub-section (5) of section 6” shall be added;

(ii) in sub-clause (ii), the following words shall be added at the end, namely:—

“or one hundred and fifteen per cent of the tax paid or payable under the Kerala General Sales Tax Act, 1963 (15 of 1963) or under this Act in respect of the highest turnover for the previous consecutive three years, immediately preceding the year to which the option relates, whichever is higher.”;

(c) in clause (e),—

(i) in the Explanation, after the words “ultimate consumer” the words “and in respect of supplies to Government of Kerala, where such price is not so printed on the package, the price charged on the sales to Government” shall be added.

(ii) after the first proviso, the following proviso shall be inserted, namely:—

Provided further that a dealer who opts payment of tax under this clause shall not allow any trade discount or incentive in terms of quantity of goods in relation to any sale of goods covered under the clause, effected by him, for the purpose of calculating his tax liability.”.

(d) after clause (e) the following clause shall be inserted, namely:—

“(f)(i) any dealers in ornaments or wares or articles of gold, silver or platinum group metals may at his option, instead of paying tax in respect of such goods in accordance with the provisions of section 6,

pay tax at 200 per cent of the highest tax payable by him as conceded in the return or accounts, either under this Act or under the Kerala General Sales Tax Act, 1963 (15 of 1963), for a period of twelve months during any of the three consecutive years preceding that to which such option relates.

(ii) A dealer who is not eligible for option under sub-clause (i) may at his option, instead of paying tax in accordance with the provisions of section 6, pay tax at four hundred per cent of the tax payable by him as conceded in the return or accounts, or tax paid by him under this Act, whichever is higher, for the previous year.

Explanation I: Where during any such preceding year the dealer had not transacted business for any period in that financial year, the tax payable for the twelve months shall be calculated proportionately on the basis of the tax payable for the period during which such dealer had transacted business.

Explanation II: A branch shall be treated as an independent place of business for the purpose of calculating the tax under this section.

(iii) Where a dealer who has opted to pay tax under clause (i) or (ii), had opened any new branch subsequent to 31st day of March, 2005, then the additional compounded tax payable with respect to any such branch shall be the average of the tax paid or payable by him in respect his principal place of business and all branches, as if such new branch had not been opened :

Provided no additional tax is payable by a dealer covered by clause (ii) for the new branches opened during the year 2005-06.

(iv) Notwithstanding anything contained elsewhere where a dealer commences business during the period from 1st day of April, 2006 to 30th day of September, 2006 may at his option, instead of paying tax in respect of such goods in accordance with the provisions of section 6, pay tax at compounded rate per month from the commencement of the business at one hundred and fifty per cent of the average monthly tax paid or payable from the commencement of business to 30th day of September, 2006 under this Act :

Provided further that where a dealer had paid tax under clause (f) and opts for payment of tax under the clause for the succeeding year, the compounded tax payable for the succeeding year to which such option relates shall be at one hundred and fifteen per cent of the tax paid under this clause or tax payable as per returns or accounts whichever is higher for the preceding year :

Provided also that a dealer who opts for payment of tax under this clause may collect tax on the sales at the rate not exceeding the rate prescribed for the commodity under the Act, but where the tax so collected during the year is in excess of the compounded tax payable for the year under this clause, the tax collected in excess of the compounded tax shall be paid over to Government in addition to the compounded tax.”.

(4) in section 10, in sub-section (2), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that the awarder shall not insist from the contractor, not being a dealer registered under the provisions of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) any certificate issued by the assessing authority showing the tax liability or tax remittances, as the case may be, of the contractor, in relation to the contract, if he has opted for payment of tax in accordance with the proviso to sub-clause (i) of clause (a) of section 8.”;

(5) in section 11,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Subject to the other provisions of this section, any registered dealer, liable to tax under sub-section (1) of section 6, shall be eligible for input tax credit.”;

(b) in sub-section (2),—

(i) after the words “capital goods purchased by a dealer”, the words “the value of which exceeds such limit as may be prescribed”, shall be inserted.;

(ii) the following proviso shall be inserted, namely:—

“Provided that input tax credit on capital goods for industrial units including those which have undertaken expansion, diversification or modernisation shall be allowed over a period twelve months from the date of commencement of commercial production or from the date from which the capital goods are put to use, whichever is earlier from 1st day of April, 2006.”.

(c) in sub-section (3), after the second proviso the following provisos shall be added, namely:—

“Provided also that where any goods purchased in the State are subsequently sent to outside the State or used in the manufacture of goods and the same are sent outside the State otherwise than by way of sale in the course of inter-State trade or export or where the sale in the course of inter-State trade is exempted from tax, input tax credit under this section shall be limited to the amount of input tax paid in excess of the rate specified under sub-section (1) of section 8 of the Central Sale Tax Act, 1956 (Central Act 74 of 1956), on the purchase turnover of such goods sent outside the State:

Provided also that where it is found that the dealer claiming input tax credit under this section has charged tax under section 6 on the turnover of goods, without making any deduction in respect of the tax paid under this Act, for which input tax credit is allowed to him under this section, the input tax credit availed of by him shall be disallowed:

Provided also that input tax credit shall not be available in respect of the tax paid on the turnover subsequently allowed as discount, and shall be disallowed where it is found that the dealer has claimed input tax credit under this section on such turnover or of such goods used in the manufacture of goods sent outside.”;

(d) to sub-section (4), the following provisos shall be inserted, namely:—

“Provided that where a dealer has opted to pay tax under section 8 in respect of certain transactions and is liable to pay tax under sub-section (1) of section 6 in respect of others, he shall be eligible for input tax credit only on the purchases of taxable goods made in relation to the sales in respect of which he pays tax under sub-section (1) of section 6:

Provided further that notwithstanding anything contained elsewhere in the Act, manufacturers of medicine who have opted for payment of compounded tax under clause (e) of section 8 shall be eligible for input tax credit, for the tax paid under this Act, under the Kerala Tax on Entry of Goods into Local Areas Act, 1994, on purchase of raw materials, packing materials and capital goods used exclusively for the manufacture of own taxable goods.”;

(e) in sub-section (5), after clause (n) the following clause shall be inserted, namely:—

“(o) of goods notified under clause (x) of section 2;”;

(f) for sub-section (7), the following sub-section shall be substituted, namely:—

“(7) If goods in respect of which input tax credit has been availed of are subsequently used, fully or partly, for purposes in relation to which no input tax credit is allowable under the section, the input tax credit availed of in respect of such goods shall be reverse tax.”;

(g) in sub-section (13), after the existing provisos the following proviso shall be inserted, namely:—

“Provided also that no input tax credit under this sub-section shall be allowed in respect of tax paid under the Kerala General Sales Tax Act, 1963 (15 of

1963) on medicines and drugs falling under the Third Schedule to this Act and turnover of sale of such medicines and drugs shall not be included in the taxable turnover of any dealer effecting sales of such medicines and drugs, subject to such conditions and restrictions as may be prescribed.”;

(6) in section 12, in sub-section (1),—

(i) in the second proviso, the words “or used in the manufacture of taxable goods” occurring in both places shall be omitted ;

(ii) after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that where the goods in respect of which tax under sub-section (2) of section 6 or under section 3 of the Kerala Tax on Entry of Goods into Local Areas Act, 1994 has been paid, are sent outside the State or used in the manufacture of goods and the same are sent outside the State, otherwise than by way of sale in the course of inter-state trade or export or where the sale in the course of inter-state trade is exempted from tax, the special rebate under this section shall be limited to the amount of such tax paid in excess of the rate specified under sub-section (1) of section 8 of the Central Sale Tax Act, 1956 (Central Act 74 of 1956) :

Provided also that where the goods in respect of which tax under sub-section (2) of section 6 or under section 3 of the Kerala Tax on Entry of Goods in to Local Areas Act, 1994 has been paid and where such goods are resold in the State at reduced rate or a part of which has been resold and the balance disposed in the state otherwise than by way of sale or used in the manufacture of taxable goods, then the special rebate under this section shall not exceed the output tax payable in respect of such goods or goods manufactured out of such goods.”;

(7) in sub section (2) of section 13, the following Explanation shall be inserted, namely :—

“*Explanation:* For the removal of doubt it is hereby clarified that where input tax is paid on the purchase of Duty Entitlement Pass Book or any similar licence for the import of any goods and goods so imported are used, consumed or disposed of in the manner specified in this sub-section, the input tax paid on the purchase of such Duty Entitlement Pass Book or any similar licence shall for the purpose of this section and section 11, be deemed to be the input tax paid on the goods imported.”;

(8) in section 15,—

(a) in sub-section (2), after clause (x), the following clause shall be inserted, namely.—

“(xi) any hallmarking unit.”;

(b) sub-section (5) shall be omitted;

(9) after section 15, the following section shall be inserted, namely:—

“15A. *Compulsory Registration.*—Where a dealer liable to be registered under this Act has failed to inform the registering authority of his liability to be registered, the registering authority, after conducting such survey, inspection or enquiry, as may be prescribed, proceed to register such person as a dealer under this Act and thereupon all the provisions of this Act and the Rules made thereunder, shall be binding on such person however, such dealer shall not be entitled to any benefits accruing from such registration.”;

(10) after section 19, the following section shall be inserted, namely:—

“19A. *Issue of Green Card.*—Every registered dealer satisfying the criteria, as may be prescribed, may be issued a Green Card for such speeding up clearances of his consignments at the check posts and such other purposes as may be prescribed.”;

(11) in section 40, after the words “get himself registered under this Act”, the words “every awarder, other than Government Departments and Local Authorities, where the cost of the work exceeds one crore rupees” shall be inserted;

(12) after section 40, the following section shall be inserted, namely:—

“40A. *Issuance of sale bill by dealers.*—Every dealer registered or liable to get himself registered under this Act shall compulsorily issue a bill or an invoice or cash memorandum in respect of every sale of goods liable to tax under this Act involving transaction amounting to not less than one hundred rupees.”;

(13) in section 46,—

(a) for clause (b) of sub-section (3), the following clause shall be substituted, namely :—

“(b) When notified goods, exceeding such quantity or value, as may be prescribed, is transported into or out of the State, the consignments shall be accompanied by delivery note in Form 15. In the case of movements within the

State, the consignments shall be accompanied by delivery notes when it is dealer to dealer transaction and sale bill in case the transport is between a dealer to the consumer.”;

(b) after clause (b) of sub-section (3), as so substituted, the following clauses shall be inserted, namely:—

“(c) A report issued by the scanning agency and weighing agency, where such an agency is available.

Explanation : For the purpose of this clause, scanning and weighing agency means the person in charge of the scanner and weigh bridge installed in such check post, whether controlled by Government or any other agency approved by the Government.

(d) a declaration in such form, as may be prescribed, when the vehicle or vessels enters or leaves the State limits.” ;

(c) after sub-section (4), the following sub-sections shall be inserted, namely :—

“(5) All transport of consignments of goods, exceeding such quantity as provided in sub-section (3), by road into or out of the State shall be made only through notified check post.

(6) All vehicles carrying goods, other than those specifically notified by the Commissioner shall be subjected to scanning and weighing by the scanning and weighing agency at such check post, where such facilities are available whether controlled by the Government, or any other agency approved by the Government, and the driver or the person in charge of the vehicle shall be liable to pay the weighing and scanning charges at rates notified by the Commissioner.”;

(14) in section 47,—

(a) after sub-section (1), the following sub-section shall be inserted, namely :—

“(2) Notwithstanding anything contained in section 3 of this Act, or in The Kerala Panchayat Raj Act, 1994 (13 of 1994), where there is reason to believe that a goods-laden vehicle has by-passed the check post and entered in the State, it shall be lawful for an elected member or an officer authorized by resolution by a Grama Panchayat touching the border of the State, through which the vehicle is passing, to stop the vehicle for ascertaining whether the vehicle has passed through a check post, and on so doing, the driver or the person in charge of the vehicle shall stop the vehicle, and if it is found that the vehicle has not passed through a check post, they shall inform the commercial tax authorities having jurisdiction over the area to pursue further action under this Act and no suit, prosecution or other proceeding shall lie against any such person for anything done or purporting to be done in good faith under this sub-section.”;

(b) after sub-section (16), the following sub-section shall be inserted, namely :—

“(16A) Notwithstanding anything contained in this Act or the rules made there under, the Commissioner may where he deems it necessary to prevent any evasion of tax, direct that the tax in respect of the sale of any evasion prone commodities, as may specified by him, shall be paid before the date prescribed for its payment under this Act.”;

(15) in section 55, in sub-section (1), the words, figures and brackets “sub-section (3) of section 25, sub-section (8) or sub-section (9) of section 44, section 49, section 67, section 68, section 69 or section 70” shall be omitted;

(16) in section 58, in sub-section (1) after the words “the Deputy Commissioner (Appeals)” the words “not being the orders passed by him against any order issued or proceedings recorded under sub-section (3) of section 25, sub-section (8) or sub-section (9) of section 44, section 49, section 67, section 68, section 69 or section 70”, shall be inserted;

(17) in sub-section (1) of section 60 A after the existiting proviso, the following proviso shall be inserted, namely :—

“Provided further that no appeal shall lie in cases where *suo moto* revision proceedings under section 58 is pending.”;

(18) after section 70, the following section shall be inserted, namely:—

“70A. *Penalty for non-issuance of sale bill.*—(1) Any officer during the course of any inspection or search of any business place, building, godown or any other place, or checking of goods under transport or verification of the bills at any place finds that the seller has not issued a sale bill or an invoice or cash memorandum in respect of any sale, in violation of section 40 A of the Act, the dealer shall, without prejudice to any other provisions in the Act, be liable to pay by way of penalty, an amount not exceeding twice the amount of tax evaded or sought to be evaded or one thousand rupees for the first offence, whichever is higher, an amount not exceeding thrice the amount of tax evaded or sought to be evaded or two thousand rupees for the second offence, which ever is higher, and so on in arithmetic progression, for every subsequent commissions of the above offence.

(2) No penalty under sub-section (1) shall be imposed without giving the person affected a reasonable opportunity of being heard.

(3) Notwithstanding anything contained in sub-section (1), the dealer shall have an option to get the offence compounded, on the spot, on the payment of fifty per cent of penalty payable under sub-section (1).

(4) Where an offence has been compounded under sub-section (3), no further penal proceedings under sub-section (1) shall be taken against the dealer in respect of such offence.

(5) A dealer who commits the offence in sub-section (1) for more than ten occasions shall be liable to cancellation of his registration.”;

(19) in sub-section (2) of section 74, after the words “no further” the words “penal or prosecution” shall be inserted ;

(20) in section 85, after sub-section (2) the following sub-section shall be inserted, namely:—

“(3) Notwithstanding anything contained in sub-section (1), the Commissioner may display the details of tax paid and the tax defaulted by the dealers on the official website of the Department.”;

(21) in section 89,—

(a) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) When an assessing authority receives an order from any appellate or revisional authority or any officer authorised under sub-section (5) of section 47, to make a refund of tax or penalty or cash security paid by a dealer or any other person, it shall effect the refund to such dealer or such other person, as the case may be.”;

(b) in sub-section (3), after the words, figures and brackets “due to be refunded under sub-section (1) or sub-section (2)” the following words, figures, and brackets shall be inserted, namely:—

“or under the provisions of the Kerala General Sales Tax Act, 1963 (15 of 1963);”;

(22) in section 92, in sub-section (1), after the words, “make rules” the words, “either prospectively or retrospectively” shall be inserted;

(23) in section 93, in sub-section (1), the words “except where such enhancement is to implement a decision of the Empowered Committee” shall be omitted;

(24) in the SCHEDULE,—

(a) in the First Schedule,—

(i) in serial number 2,—

(a) for item (4) and the entries against it in columns (2) and (3), the following item and entries shall, respectively be substituted, namely:—

“(4) Hearing aid system 9021.40”;

(ii) in serial number 3, after item (6) the following item and entries shall be inserted, namely :—

“(7) Anappatta 1214.90.00”

(b) in item (5), in column (3), for the figures “9021.90.10” the figures “9021.40” shall be substituted.

(iii) after serial number 12, and entries against it in columns (2) and (3) the following serial number and entries shall respectively be inserted, namely:—

“ 12A Coconut 0801.19.20.”;

(iv) after serial number 17 and entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“17A. Embroidery or zari articles, that is to say, imi, zari, kasab, saima dabka, chumki, gota sitara, naqsi, kora, glass bead, badia

(1) Embroidery without visible ground 5810.10.00

(2) Other embroidery of cotton 5810.91.00

(3) Embroidery of man made fibres

(a) Embroidered badges, motifs and the like 5810.92.10

(b) Other embroidered articles 5810.92.90

(4) Embroidery of other textile materials 5810.99.00

(5) Zari articles *****”;

(v) in serial number 18, item 4 and 5 and the entries against them in columns (2) and (3) shall be omitted;

(vi) after serial number 24, and the entries against it in columns (2) and (3), the following serial number and entries shall be inserted, namely:—

“24A. Handmade Soaps, Squashes and Pickles sold under the registered Kudumbashree brand *****”;

(vii) in serial number 30, after item (9) and the entries against it in column (2) and (3), the following items and entries shall, respectively, be inserted, namely:—

“(10) Dineal Solution required for continuous Ambulatory Peritoneal Dialysis treatment of kidney patients *****”

(11) Antiretroviral Drugs (HIV Patients) *****

(12) Glevce Capsules (for treatment of Blood Cancer)***** ”;

(viii) in serial number 31, for item (10) and the entries against it in column (2) and (3) the following item and entries shall respectively, be substituted, namely:—

“(10) Fish dried and salted ***** ”;

(ix) for serial number 40 and the entries against it in columns (2) and (3) the following serial numbers and entries shall respectively be substituted, namely:—

“40. Rattan, Reed, Bamboo, Bambooply and Canes and its products

(1) Bamboo	1401.10.00
(2) Bambooply	*****
(3) Canes	1401.90.10
(4) Rattan	1401.20.00
(5) Reed	1401.90.90
(6) Products including Furniture	*****

(x) after serial number 46 and entries against it columns (2) and (3) the following serial number and entries shall respectively be inserted;

“46A. Silk fabrics and sarees made of natural silk 5007.”;

(xi) for the entries against serial number 54 in column (3), for the figures “2201.90” the figures “2201.90.90” shall be substituted;

(xii) after serial number 58 in column (1), and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“59. Products of Rehabilitation Centre under the Institute of Mental Health and Neuro Sciences (I.M.H.A.N.S) Kozhikode at the point of sale by them *****”;

(b) in the Second Schedule, serial number 2 and the entries against it in columns (2) and (3), shall be omitted.

(c) in the Third Schedule,—

(i) for serial number 1 in column (1) and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“1. Agricultural and Horticultural implements not operated manually or not driven by animal and parts thereof;

(1) Agricultural, horticultural or forestry machinery for soil preparations or cultivation, lawn or sports ground rollers 8432

(2) Harvesting or threshing machinery, including straw or fodder balers, grass or hay mowers, machines for cleaning, sorting, or grading eggs, fruits, or other agricultural produce 8433 ”;

(ii) in serial number 10, after sub-item (e) (v) of item (2) and the entries against it in column (2) and (3), the following sub-item and entries shall, respectively, be inserted, namely:—

“(vi) Pillow Cover ***** ”;

(iii) after serial number 15 and the entries against it in columns (2) and (3) the following serial number and entries shall respectively be inserted, namely :—

“15 A. Petroleum bitumen 2713.20.00”;

(iv) in serial number 27, the entries in column (3) against item (1) shall be omitted;

(v) for serial number 30 in column (1) and the entries against it in columns (2) and (3) the following serial number and entries shall, respectively, be substituted, namely:—

“30. Cotton coated fabrics ***** ”;

(vi) in serial number 36, after sub-item (h) of item (10) and the entries against it in columns (2) and (3) the following sub-item and entries shall, respectively, be inserted, namely:—

“(i) Camphor 2914.21”;

(vii) in serial number 38, after item number 20, and entries against it in columns (2) and (3), the following serial number and entries against it shall, respectively, be inserted, namely :—

“21. Palm Kernal Oil 1513.21.10”

(viii) serial number 40 and the entries against it in columns (2) and (3) shall be omitted;

(ix) in serial number 44, in item (5), in column (3), the entries shall be omitted;

(x) in serial number 45, after item (8) and the entries against it in columns (2) and (3), the following item and entries shall, respectively, be inserted, namely:—

- | | |
|---|------------|
| “(9) Composition leather with the basis of leather fibre, in slabs, sheet or strip whether or not in rolls | 4115.10.00 |
| (10) Fabricated asbestos fibres, mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate, articles of such mixtures or of asbestos (for example, thread, woven fabric, clothing, head gear, footwear, gaskets) whether or not reinforced, other than goods of HSN No. 6811 or 6813 ”; | 6812 |

(xi) after serial number 51 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

- “51A. Gold, Silver and Platinum Ornaments, new and old
- | | |
|---|------------|
| (1) Silver jewellery with filigree work | 7113.11.10 |
| (2) Silver jewellery studded with gems | 7113.11.20 |
| (3) Other articles of silver jewellery | 7113.11.30 |
| (4) Gold jewellery, unstudded | 7113.19.10 |
| (5) Gold jewellery, set with pearls | 7113.19.20 |
| (6) Gold jewellery set with diamonds | 7113.19.30 |
| (7) Gold jewellery set with other precious and semi precious stones | 7113.19.40 |
| (8) Platinum unstudded | 7113.19.50 |
| (9) Gold coin.”; | |

(xii) in serial number 69,—

(a) in the entries against item (4) in column (2) after the letter “CDs” and before the letters “CDRs”, the letters “DVDs” shall be inserted;

(b) in item (22), sub item (c) and the entries against it in columns (2) and (3) shall be omitted;

(xiii) against serial number 78, for the entries in column (2), the following entries shall be substituted, namely:—

“78. Leaf plates, cups and similar goods made out of palm leaves”;

(xiv) in serial number 79, after item (2) and the entries against it in columns (2) and (3), the following item and entries shall, respectively, be inserted, namely:—

“(3) Accessories for Peritoneal Dialysis

- | | |
|------------------------|------|
| (a) Catheters | **** |
| (b) Mini Cap | |
| (c) Easy-Y-Set | **** |
| (d) Effluent Bag (Set) | **** |
| (e) Transfer Set | **** |
| (f) Titanium Adapter | **** |
| (g) Dialyzer | **** |
| (h) Blood tubing | **** |
| (i) AV Fistulers | **** |
| (j) Needles | **** |
| (k) Cardiac stents.”; | |

(xv) in serial number 81,—

(a) for the entries against sub-item (c) of item (1) in column (2), the following entries shall be substituted, namely:—

“Hydrated Lime ”;

(b) after sub item (c) of item (1) and the entries against it in columns (2) and (3) the following sub-item and entries shall, respectively, be inserted, namely:—

“(d) Lime Powder **** ”;

(xvi) in serial number 82, after item (7) and the entries against it in columns (2) and (3), the following item and entries shall, respectively, be inserted, namely:—

“(8) Locks (other) 8301.40.90”;

(xvii) in serial number 83,—

(a) in item (5) in column (2), for the words, “machinery for aerating machinery” the words “ machinery for aerating beverages” shall be substituted;

(b) item (60) and the entries against it in columns (2) and (3) shall be omitted;

(xviii) in serial number 84,—

(a) in the entries against item (10) in column (2), the words “dried, salted or” shall be omitted;

(b) for the entries against item (33) in column (2), the following entries shall be substituted, namely:—

“Fruits, nuts and other edible parts of plants (other than cashew nut roasted, salted or roasted and salted) otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified.”;

(xix) for serial number 87, and the entries against it in columns (2) and (3) the following serial number and entries shall be substituted, namely:—

“87. footwear of all kind whose MRP does not exceed Rs. 200 and its MRP is embossed on the sole of the footwear.”;

(xx) after serial number 87, in column (1) and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“ 87A. Musical instruments other than electronic and electric **** ”;

(xxi) after serial number 92, and entries against in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“92A. Nylon Rope 5607.50.40”;

(xxii) in serial number 93,—

(a) the entries against item (13) in column (3) shall be omitted;

(b) the entries against item (14) in column (3) shall be omitted;

(xxiii) in serial number 94, item (9) and the entries against it in columns (2) and (3) shall be omitted;

(xxiv) after serial number 98 and the entries against it in columns (2) and (3), the following serial number and the entries shall be inserted, namely:—

“98 A—Domestic LPG 2711.19.00”;

(c) for the entries against item (9) in column (2), the following entries shall be substituted, namely:—

“Paper cutter and paper punch ”;

(d) for the entries against item (15) in column (2), the following entries shall be substituted, namely:—

“ Staplers and stapler pins” ;

(e) after item (20) and the entries against it in columns (2) and (3) the following items and entries shall, respectively, be inserted, namely:—

“(21) Cello tape *****

(22) Typewriter cleaning brush ***** ”;

(xxxii) in serial number 128,—

(a) for the word “Tea” occurring in the heading, the words “ Tea including green tea leaves and manufactured tea” shall be substituted;

(b) for the entries against item (1) in column (2), the following entries shall be substituted, namely:—

“Green tea including leaves”;

(c) for the entries against item (2) in column (2) the following shall be substituted, namely:—

“Other Green tea (not fermented) including green tea waste ”;

(d) for the entries against item (6) in columns (2) and (3), the following entries shall, respectively, be substituted, namely:—

“Black tea (fermented) and partly fermented tea, in immediate packing of a content not exceeding 3 kg. 0902.30 ” ;

(e) after item (6) and the entries against it in columns (2) and (3) the following sub-items and entries shall, respectively, be inserted, namely:—

“(7) Other black tea (fermented) and other partly fermented tea including tea bags and black tea waste 0902.40

(8) Other ***** ” ;

(xxxiii) after serial number 128 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“ 128 A. Telephone cards ***** ” ;

(xxxiv) in serial number 131, in the entries against item (10) in column (2), after the words “Tyres used for tractors” and before the words “threshing and harvesting machinery”, the words “power tillers” shall be inserted ;

(xxxv) in serial number 139, in item (3), sub item (a) and the entries against it in columns (2) and (3) shall be omitted ;

(xxxvi) in LIST A,—

(a) for the entries against serial number 10, in columns (2) and (3), the following entries shall, respectively, be substituted, namely:—

“Ammonia anhydrous or in aqueous solution

(1) Ammonia anhydrous	2814.10.00
(2) Ammonia in aqueous solution	2814.20.00 ” ;

(b) in the entries against serial number 21, for the figures “2811.21.00” under column (3), the figures “2811.21” shall be substituted;

(c) in serial number 22, for items (2), (3) and (4) and the entries against them in column (2), the following items and entries shall, respectively, be substituted, namely:—

“(2) Di sodium carbonate dense (soda ash)

(3) Di sodium carbonate light (soda ash)

(4) Other di sodium carbonate (soda ash)”;

(d) after serial number 88 in column (1) and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“ 88 A. Mechanical wood pulp, chemical wood pulp and semi-chemical wood pulp

(1) Mechanical wood pulp	4701.00.00
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30

(2)	Chemical wood pulp, dissolving grades	4702.00.00
(3)	Chemical wood pulp, soda or sulphate, other than dissolving grades	4703
(4)	Chemical wood pulp, sulphite, other than dissolving grades	4704
(5)	Wood pulp obtained by a combination of mechanical and chemical pulping process	4705.00.00” ;

(e) after serial number 92 and the entries against it in columns (2) and (3) the following serial number and entries shall be inserted, namely:—

“92A. Naphtha 2910.11.19”;

(f) after serial number 111, the following serial number shall be inserted, namely:—

“111A. Phenol 2907.11.01”;

(g) in serial number 134, in item (1) in column (2),—

(1) in the entries against sub item (g) in column (2), for the word “Yeast” the word “Estate” shall be substituted;

(2) after sub-item (i) and the entries against it in columns (2) and (3) the following sub-item and entries shall, respectively, be inserted, namely:—

“ (j) Other, including raw rubber, latex, dry ribbed sheet of all RMA grades, tree lace, earth scrap, ammoniated latex, preserved latex, latex concentrate, centrifugal latex, dry crepe rubber, dry block rubber, crumb rubber, skimmed rubber and all other qualities and grade of latex. **** ”;

(h) after serial number 136, and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“136A. Rubber wood **** ”;

(i) serial number 144 and the entries against it in column (2) shall be omitted;

(j) after serial number 167 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“167 A. Veneer sheets for plywood 4408 ”;

(k) Annexure-1 occurring after serial number 175 shall be omitted;

(d) Fifth Schedule shall be omitted;

(25) In the Appendix, in the Rules of Interpretation of Schedules, the clarification in serial number 42 shall be omitted.

6. *Validation.*— (1) Notwithstanding the lapse of the Kerala Finance Bill, 2006 (Bill No. 355 of the XI Kerala Legislative Assembly) (hereinafter called the said Bill), anything done or any action taken, including levy and collection of tax, during the period from the 1st day of April, 2006 to the 30th day of June, 2006, by virtue of the declared provisions of the said Bill, under the Kerala Stamp Act, 1959 (17 of 1959) or under the Kerala Tax on Luxuries Act, 1976 (17 of 1976) or under the Kerala Tax on Entry of Goods into Local Areas Act, 1994 (15 of 1994) or under the Kerala Value Added Tax Act, 2003 (30 of 2004) (hereinafter called the respective Acts), as they stand amended by the said Bill, shall be deemed to be and to have always been, for all purposes, validly and effectively done or taken under the provisions of the respective Acts, as if the said amendments had been in force at all material times.

(2) Notwithstanding anything contained in the Kerala Value Added Tax Act, 2003 (30 of 2004), during the period from 29th day of June, 2006 to 30th day of June, 2006, during which the declared provisions contained in the Finance Bill, 2006 (Bill No. 12 of the XII Kerala Legislative Assembly) was in force, anything done or any action taken by virtue of the said provisions of the said Bill shall be deemed to have been validly done or taken under the said Act and no action shall lie against, any dealer or authority, on the ground of short levy or refund of excess tax, and tax collected by a dealer, if any, shall be paid over to the Government.

ACT 15 OF 2007**THE KERALA FINANCE ACT, 2007**

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial year 2007-08.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2007-08.

BE it enacted in the Fifty-eighth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2007.

(2) (a) sub-clause(iii)ofclause(a)of sub-section (1), clause (b) of sub-section (3), clause (b) of sub-section (5), sub-section (8), sub-section (9) and sub-clause (x) of clause (b) of sub-section (13) of section 7 shall be deemed to have come in to force on the 1st day of April, 2005;

(b) sub-section (1) of section 3, clause (c) of sub-section (2) and sub-section (11) of section 7 shall be deemed to have come into force on the 1st day of April, 2006;

(c) sub-clause (i) of clause (b) and sub-clause (i) of clause (c) of sub-section (13) of section 7 shall be deemed to have come into force on the 1st day of July, 2006;

(d) sub-clause (ii) of clause (a) and sub-clauses (vi) and (xi) of clause (b) of sub-section (13) of section 7 of this Act shall be deemed to have come into force on the 1st day of May, 2007;

(e) sub-clause (iii) of clause (a) and sub-clause (xii) of clause (b) of sub-section (13) of section 7 shall be deemed to have come into force on the 1st day of June, 2007;

(f) The remaining provisions of this Act shall be deemed to have come into force on the 1st day of April, 2007.

2. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) in section 2, after clause (q), the following clause shall be inserted, namely:—

“(qq) “Stamp” means any mark, seal or endorsement by any agency or person duly authorised by the State Government and includes an adhesive or impressed stamp for the purposes of duty chargeable under this Act.”;

(2) after section 10, the following section shall be inserted, namely:—

“10 A. *Deduction of stamp duty by a member of a stock exchange or commodity exchange or intermediary thereof.*—(1) A member of a stock exchange or commodity exchange or intermediary thereof who issues a contract note or memorandum in respect of purchase or sale of goods or stock or security in this State at first

instance of any such transaction which is ultimately concluded in the State shall deduct the stamp duty payable thereon.

(2) The stamp duty deducted for any calendar month under sub-section (1) shall be remitted into the Government treasury on or before the seventh day of succeeding month and if the stamp duty so deducted is not remitted in time, it shall be remitted with interest at the rate of twelve per cent per annum from the date of default.

(3) Any default in the deduction of stamp duty under sub section (1) or failure to remit the stamp duty under sub section (2) shall be punishable with fine which may extend to fifty thousand rupees.”;

(3) in the SCHEDULE,—

(a) in serial number 5, existing clause (c) shall be re-numbered as clause (d) and before clause (d) as so renumbered and entries against it in columns (2) and (3), the following clause and entries shall respectively be inserted, namely:—

<p>“(c) if relating to giving authority or power to a promoter or developer, by whatsoever name called, for construction, development or sale or transfer (in any manner whatsoever) of any immovable property.</p>	<p>The same duty as a conveyance (under 21 or 22 as the case may be) on the value or the estimated cost of proposed construction / development of such property, as the case may be.”;</p>
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(b) under the entries in column (3) against Serial No. 21, the following proviso shall be added, namely:—

“provided that if the conveyance relates to any transfer of undivided share of any land and refers to any agreement relating to the construction of any building or part of building, including flat or apartment or room etc., the value of such building or such part of the building shall also be included in such consideration, and the stamp duty if any paid in respect of such agreement shall be deducted from the stamp duty payable for the conveyance.”;

(c) under the entries in column (3) against serial No. 22, the following proviso shall be added, namely:—

“provided that if the conveyance relates to any transfer of undivided share of any land and refers to any agreement relating to the construction of any building or part of building, including flat or apartment or room etc., the value of such building or such part of the building shall also be included in such consideration, and the stamp duty if any paid in respect of such agreement shall be deducted from the stamp duty payable for the conveyance.”;

(d) for the entries against serial No. 40 in columns (2) and (3), the following entries shall respectively be substituted, namely:—

“Note or memorandum, electronically or otherwise, sent by a broker or agent to his principal, intimating the purchase or sale on

account of such principal,—

(a) if relating to sale or purchase of Government securities.

Fifty rupees for every rupees one crore or part thereof of the value of security subject to a maximum of Rupees five hundred.

(b) if relating to purchase or sale of goods or stock or securities, other than those falling under item (a) above,—

(i) in case of delivery part thereof

One rupee for every 10,000 rupees or subject to a maximum of Rs. 250.

(ii) in case of non-delivery part thereof

One rupee for every 50,000 rupees or subject to a maximum of Rs. 250.

(b)if relating to futures and options trading part thereof

One rupee for every 50,000 rupees or subject to a maximum of Rs. 250.

(d) if relating to forward contracts of commodities traded rupees or part thereof

One rupee for every 100,000 subject to a maximum of Rs. 250

(e) in serial number 44, the existing clause (f) shall be renumbered as clause (g) and before clause (g) as so renumbered and the entries against it in columns (2) and (3), the following clause and the entries shall respectively be inserted, namely:—

“(f) when authorising a person other than his father, mother, wife or husband, son, daughter, brother or sister to sell immovable property situated in Kerala The same duty as a conveyance (No. 21 or 22 as the case may be) for the amount of consideration/ estimate.”.

3. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) in section 7,—

(i) after the word “calculated”, the words “at the rates in clause (a) or (b) whichever is higher” shall be inserted;

(ii) in clause (b), the words “whichever is higher” shall be omitted;

(2) in section 17,—

(a) for the fourth proviso to sub-section (6), the following proviso shall be substituted, namely:—

“Provided also that the assessment relating to the years up to and including the year 2001-02 pending as on 31st day of March, 2007 shall be completed on or before the 31st day of March, 2008.”;

(b) in sub-section (8),—

(i) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that all such assessments or re-assessments pending as on the 31st day of March, 2007 shall be completed on or before the 31st day of March, 2008.”;

(ii) for the third proviso the following proviso shall be substituted, namely:—

“Provided also that all such modified assessments or modified reassessments or remanded assessments pending as on the 31st day of March, 2007 shall be completed on or before the 31st day of March, 2008.”;

(3) after section 17C the following section shall be inserted, namely:—

“17D. *Fast Track method of completion of Assessment.*—(1) Notwithstanding anything contained in any other law for the time being in force or in any other provisions of this Act assessments pending under the Act as on the 1st day of April, 2007 may, subject to the provisions of sub-section (2), be completed under the fast track method.

(2) The assessment under sub-section (1) shall be completed in the following manner, namely:—

- (a) The assessment shall be completed by a ‘team’ comprising of a team of officers which shall be constituted by the Commissioner;
- (b) In the case of files relating to Special Circles, there shall be three Assistant Commissioners in the team, headed by a Deputy Commissioner. In the case of Ordinary Circles, the team shall be headed by an Assistant Commissioner and comprise three Commercial Tax Officers as members;
- (c) All files of the dealer pertaining to an assessment year shall be clubbed with assessment file and taken up for disposal;
- (d) No assessment completed by the teams shall be re-opened unless there is fresh receipt of materials pertaining to tax evasion:

Provided that the assessment may be re-opened with the prior permission of the Commissioner;
- (e) The assessment shall be completed fairly by a summary proceeding;
- (f) The team shall be competent to offer reasonable concessions after recording the reasons thereof on the estimation of suppression of turnover on account of any offences detected against the dealer, and also on the interest payable up to a maximum of fifty per cent of that payable, in cases where the dealer offers immediate payment of the dues;
- (g) The hearings shall be open to public. The date and venue of the sitting shall be intimated in advance to the dealers concerned. Information shall also be published through the local media;
- (h) No adjournment in the cases listed at a session shall be permitted except under exceptional circumstances;

(i) If a dealer fails to appear, the assessment shall be finalized 'ex-parte' following the principles of natural justice;

(3) All assessment under fast tract method shall be by unanimous decisions signed by all team members.

(4) Notwithstanding anything contained in any other law for the time being in force the officers of the team shall be absolved from personal liability on account any assessment order issued in good faith.

(5) Notwithstanding anything contained in any other provisions of this Act, appeals against the assessment orders issued under fast track method shall lie within forty five days to the Sales Tax Appellate Tribunal and no such appeal shall lie unless the dealer has paid the entire tax amount.”.

4. *Amendment of Act 23 of 1975.*—In the Kerala Chitties Act, 1975 (23 of 1975) after section 21, the following section shall be inserted, namely:—

“21A. *Levy of Service Charges.*—Notwithstanding anything contained in this Act, any class or classes of foreman, as may be notified by the Government, in the Gazette shall be liable to pay service charges on the foreman commission and other charges realised by them, at such rate and in such manner as may be prescribed.”.

5. *Amendment of Act 19 of 1976.*—In the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976),—

(1) in section 2, the existing clause (e) shall be re-numbered as clause (ee) and before clause (ee) as so re-numbered the following clause shall be inserted, namely:—

“(e) “purchase value”, means the value of the vehicle as shown in the original purchase invoice:

Provided that where the purchase value of any vehicle including a vehicle imported from other countries or a vehicle acquired or obtained otherwise than by way of purchase, is not ascertainable on account of non availability of the invoice, then the purchase value shall be the value or price at which the vehicles of like kind or of same specifications is already registered or available with the manufacturer or as fixed by the customs and central excise department for the purpose of levying customs duty, as the case may be.”;

(2) in sub-section (1) of section 3, for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that in respect of a new motor vehicle of any of the classes specified in item numbers 1, 2, 6 and 11 of the Schedule to this Act, there shall be levied from the date of purchase of the vehicle “one time tax”

at the rates specified in the Annexure, at the time of first registration of the vehicle and thereafter tax shall be levied at the time of renewal of registration of such vehicle at the rate specified in the schedule as per fourth proviso to sub section (1) of section 4.”;

(3) in sub-section (1) of section 4,—

(a) for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that the registered owner or a person having possession or control of a motor cycle (including motor scooters and cycles, with attachment for propelling the same by mechanical power), specified in item 1 of the Schedule or three wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power)

not used for transportation of goods or passengers specified in item 2 of the Schedule or a motor vehicle specified in item 6 of the Schedule or a motor car specified in item 11 of the said Schedule shall pay tax in respect of those vehicles in advance for a period of two years in lump sum upon a licence for such period.”;

(b) for the sixth proviso the following proviso shall be substituted, namely:—

“Provided also that the owner or a person liable to pay tax in respect of vehicles specified in items 1, 2, 6 and 11 of the Schedule shall not be liable to pay any periodical increase in tax, during the period for which he has paid tax for such vehicle.”;

(4) for the existing Schedule and the Annexure the following Schedule and the Annexure shall respectively be substituted, namely:—

“THE SCHEDULE

[See Section 3 (1)]

<i>Sl. No.</i>	<i>Class of Vehicle</i>	<i>Rate of Quarterly Tax (in Rupees)</i>
(1)	(2)	(3)
1. Motor Cycles (including Motor Scooters and cycles with attachment for propelling the same by mechanical power)		
(a)	Bi-cycles not exceeding (95CC) (Engine Capacity)	35.00
(b)	Bi-cycles exceeding (95 CC) with or without side car or drawing a trailer	45.00
2. Three Wheelers (including tri-cycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers.		
(a)	Tri-cycle/Cycle rickshaws	35.00
(b)	Three Wheelers	45.00
3. Goods Carriages		
(a)	Motor cycle trucks 300 Kg. vehicle not exceeding weight	in Gross 135.00
(b)	Vehicles 1000 Kg. not exceeding	220.00
(c)	Vehicles 1000 Kg. but not 1500 Kg. exceeding exceeding	420.00
(d)	.. 1500 Kg. .. 2000 Kg.	550.00
(e)	.. 2000 Kg. .. 3000 Kg.	705.00
(f)	.. 3000 Kg. .. 4000 Kg.	840.00
(g)	.. 4000 Kg. .. 5500 Kg.	1210.00
(h)	.. 5500 Kg. .. 7000 Kg.	1430.00

(i)	..	7000 Kg.	..	9000 Kg.	..	1760.00
(j)	..	9000 Kg.	..	9500 Kg.	..	1870.00
(k)	..	9500 Kg.	..	10500 Kg.	..	2090.00
(l)	..	10500 Kg.	..	11000 Kg.	..	2310.00
(m)	..	11000 Kg.	..	12000 Kg.	..	2530.00
(n)	..	12000 Kg.	..	13000 Kg.	..	2750.00
(o)	..	13000 Kg.	..	14000 Kg.	..	2970.00
(p)	..	14000 Kg.	..	15000 Kg.	..	3080.00
(q)	..	15000 Kg.	Rs 3080+Rs. 110

for every
250 Kg. or part thereof
in excess of 15000 Kg

4. Trailers used for carrying goods

(a)	For each trailer	1000 Kg.	in Gross	155.00
	not exceeding		vehicle	
			weight	
(b)	For each 1000 Kg. but not 1500 Kg.	..	320.00	
	trailernot exceeding			
(c)	.. 1500 Kg.	.. 2000 Kg.	.. 430.00	
(d)	.. 2000 Kg.	.. 3000 Kg.	.. 585.00	
(e)	.. 3000 Kg.	.. 4000 Kg.	.. 790.00	
(f)	.. 4000 Kg.	.. 5500 Kg.	.. 1000.00	
(g)	.. 5500 Kg.	.. 7000 Kg.	.. 1320.00	
(h)	.. 7000 Kg.	.. 9000 Kg.	.. 1540.00	
(i)	.. 9000 Kg.	.. 9500 Kg.	.. 1650.00	
(j)	.. 9500 Kg.	.. 10500 Kg.	.. 1760.00	
(k)	.. 10500 Kg.	.. 12000 Kg.	.. 1980.00	
(l)	.. 12000 Kg.	.. 13000 Kg.	.. 2090.00	
(m)	.. 13000 Kg.	.. 14000 Kg.	.. 2200.00	
(n)	.. 14000 Kg.	.. 15000 Kg.	.. 2310.00	
(o)	.. 15000 Kg.	Rs. 2310.00+Rs. 110 for every 250 Kg. or part thereof in excess of 15000 Kg.

5. Private Service Vehicles:

For every seated passenger
(other than driver) 155.00”;

6. Omni Bus for Private use (Private Service Vehicle—Non-Transport)

- (a) Not more than ten seats, for every seated passenger 80.00
(other than driver)

- (b) more than ten seats, for every seated passenger 145.00
(other than driver)

7. Motor vehicles plying for hire and used for transport of passengers and in respect of which permits have been issued under the Motor Vehicles Act, 1988.

- (i) Vehicles permitted to ply solely as Contract Carriage and to carry:
- (a) Not more than two passengers 60.00
(Auto Rickshaw)
- (b) Three Passengers (Auto Rickshaw) Petrol driven 120.00
Diesel driven 130.00
- (c) More than 3 passengers but not more than 6 passengers other than Petrol driven 240.00
Tourist motor cabs (Motor cab) Diesel driven 260.00
- (d) More than 6 passengers but not more than 12 passengers for every passenger .. 310.00
- (e) Vehicles permitted to operate within the State more than 12 passengers but not more than 20 passengers for every passenger .. 530.00
More than 20 passengers, for every passenger .. 750.00
- (f) Vehicles operating Inter-State more than 12 passengers, for every passenger .. 1540.00
- (g) Tourist Motor Cabs Petrol driven 320.00
Diesel driven 340.00
- (ii) Vehicles permitted to ply solely as Stage Carriages:
- (a) Ordinary services- for every seated passenger (other than driver and conductor) which the vehicle is permitted to carry .. 600.00
- (b) Fast Passenger and Express Services 690.00
for every seated passenger other than driver and conductor which the vehicle is permitted to carry
- (c) For every standing passenger the vehicle (whether Ordinary, Fast Passenger or Express Service) is permitted to carry 210.00
- (d) For every standing passenger if the vehicle with only city/town permit 150.00''

(whether ordinary, fast passenger or express service) is permitted to carry

8. Motor vehicles not themselves constructed to carry any load (other than water, fuel, accumulators and other equipments) used for the haulages solely and weighing:

(a) Not more than 1000 Kg.	in unladen weight	70.00
(b) More than 1000 Kg. but not more than 2000 Kg.	„	120.00
(c) More than 2000 Kg. but not more than 4000 Kg.	„	230.00
(d) More than 4000 Kg. but not more than 6000 Kg.	„	350.00
(e) More than 6000 Kg. but not more than 8000 Kg.	„	505.00
(f) More than 8000 Kg. but not more than 9000 Kg.	„	570.00
(g) Exceeding 9000 Kg.	„	570.00 + Rs. 25 for every 250 Kg. or part thereof in

excess of

9000 Kg.

9. Double axle trailers drawn by the vehicles in clause 8 above and articulated vehicles with or without additional or alternative trailers, for each trailer or articulated vehicle, subject to the proviso of this Schedule:—

(a) Not exceeding 1000 Kg.	in Gross	155.00
	Vehicle weight	
(b) Exceeding 255.00	1000 Kg. but not	1500 Kg. in Gross exceeding
Vehicle weight		
(c) Exceeding 1500 Kg.	but not 2000 Kg. exceeding	in Gross 350.00 Vehicle weight
(d) Exceeding 2000 Kg.	but not 3000 Kg. exceeding	in Gross 460.00 Vehicle weight
(e) Exceeding 3000Kg.	but not 4000 Kg. exceeding	in Gross 630.00 Vehicle weight
(f) Exceeding 4000 Kg.	but not 5500 Kg. exceeding	in Gross 805.00 Vehicle weight
(g) Exceeding 5500 Kg.	but not 7000 Kg. exceeding	in Gross 990.00 Vehicle weight
(h) Exceeding 7000 Kg.	but not 9000 Kg.	in Gross 1210.00 exceeding
Vehicle weight		
(i) Exceeding 9000 Kg.	but not 9500 Kg. exceeding	in Gross 1320.00 Vehicle weight

(j) Exceeding 9500 Kg.	but not 10500 Kg.	in Gross	1430.00	
		exceeding		
Vehicle weight				
(k) Exceeding 10500 Kg.	but not 12000 Kg.	in Gross	1540.00	
		exceeding		
Vehicle weight				
(l) Exceeding 12000 Kg.	but not 13000 Kg.	in Gross	1650.00	
	exceeding		Vehicle weight	
(m) Exceeding 13000 Kg.	but not 14000 Kg.	in Gross	1760.00	
	exceeding		Vehicle weight	
(n) Exceeding 14000 Kg.	but not 15000 Kg.	in Gross	1870.00	
	exceeding		Vehicle weight	
(o) Exceeding 15000 Kg.		in Gross		Rs.
1870 +		Vehicle		
Rs. 110 for				weight
every 250 Kg.				250 Kg.
Or part thereof				in
excess of 15000 Kg.				

10. (i) Fire Engine, Fire Tenders, Road Water Sprinklers, Cranes and Earth Moving Vehicles such as Dumper, Bulldozer etc.

(a) Not exceeding 1000 Kg.		in Gross	35.00	
		Vehicle weight		
(b) Exceeding 1000Kg.	but not 1500 Kg.	in Gross	55.00	
	exceeding	Vehicle weight		
(c) Exceeding 1500 Kg.	but not 2275 Kg.	in Gross	80.00	
	exceeding	Vehicle weight		
(d) Exceeding 2275 Kg.	but not 3050 Kg.	in Gross	100.00	
	exceeding	Vehicle weight		
(e) Exceeding 3050 Kg.	but not 4300 Kg.	in Gross	110.00	
	exceeding	Vehicle weight		
(f) Exceeding 4300 Kg.	but not 5575 Kg.	in Gross	120.00	
	exceeding	Vehicle weight		
(g) Exceeding 5575 Kg.	but not 7600 Kg.	in Gross	145.00	
	exceeding	Vehicle weight		
(h) Exceeding 7600 Kg.	but not 9000 Kg.	in Gross	165.00	
	exceeding weight	Vehicle weight		
(i) Exceeding 9000 Kg.		in Gross	Rs. 165+	
		Vehicle	Rs. 25 every	
			weight	for 1000 Kg. or
				part thereof in
excess of				
9000 Kg.				

(ii) Additional tax payable in respect of such vehicles for drawing trailers including Fire Engine and Trailer Pumps:

- | | | | | | |
|-----|--------------------------------|----------------------------|----------|-------------------------|-------|
| (a) | For each trailer not exceeding | 1000 Kg. | | in Gross Vehicle weight | 30.00 |
| (b) | For each trailer exceeding | 1000 Kg. but not exceeding | 1500 Kg. | in Gross Vehicle weight | 50.00 |
| (c) | For each trailer exceeding | 1500 Kg. but not exceeding | 2250 Kg. | in Gross Vehicle weight | 65.00 |
| (d) | For each trailer exceeding | 2250 Kg. | | in Gross Vehicle weight | 80.00 |

11. (i) Motor Car (payable every two years)

- | | | |
|-----|---|--------|
| (a) | Weighing not more than 750 Kg. in unladen weight | 320.00 |
| (b) | Weighing more than 750 Kg. but not more than 1500 Kg. in unladen weight | 430.00 |
| (c) | Weighing more than 1500 Kg. in unladen weight | 530.00 |

(ii) Tax payable in respect of trailers drawn by any of the vehicles specified in (a) to (c) above and used solely for carrying luggage or personal effects—

- | | | |
|-----|---|-------|
| (a) | For each trailer not exceeding 1000 Kg. in Gross Vehicle weight | 35.00 |
| (b) | For each trailer exceeding 1000 Kg. in Gross Vehicle weight | 55.00 |

12. Motor vehicles other than those liable to tax under the foregoing provisions of this Schedule—

- | | | |
|-----|--|--------|
| (a) | Weighing not more than 750 Kg. in unladen weight | 100.00 |
| (b) | Weighing more than 750 Kg. but not more than 1500 Kg. in unladen weight | 110.00 |
| (c) | Weighing more than 1500 Kg. but not more than 2250 Kg. in unladen weight | 145.00 |
| (d) | Weighing more than 2250 Kg. in unladen weight | 165.00 |
| (e) | Break down vans used for taking disabled Vehicles | 120.00 |

13. (1) Educational Institution Bus

- | | | |
|-----|---|---------|
| (a) | Vehicles with 20 or less seats including that of the driver | 500.00 |
| (b) | Vehicles with more than 20 seats | 1000.00 |

(2) Ambulance 550.00

(3) Road Roller 110.00

(4) Excavator	275.00
(5) Tractor	220.00
(6) Vehicles exclusively used for imparting instructions in driving of motor vehicles	
(a) Light Motor vehicles excluding Motor Cars	550.00
(b) Medium Goods/Passenger Vehicles	1100.00
(c) Heavy Goods/Passenger Vehicles	1650.00

Provided that,—

- (1) in the case of trailers coming under Items 4, 9 and 10 of the Schedule when used alternatively, one at a time, with goods vehicles, tractors or articulated vehicles, as the case may be, tax shall be levied only on the heaviest trailer;
- (2) in the case of Motor Vehicles in respect of which permit has not been issued under the Motor Vehicles Act but which has been used for transport of passengers for hire or reward, tax shall be levied at such rate as is specified for similar motor vehicles in item 7 of this Schedule, as if permit had been issued for the vehicles;
- (3) in respect of trailers coming under Items 9 and 10 of this Schedule, two or more vehicles shall not be chargeable in respect of this same trailer;
- (4) tax for the last one month and two months of a quarter shall be $\frac{1}{3}$ and $\frac{2}{3}$ of the quarterly tax respectively, rounded off to the nearest multiple of rupees ten in the case of tax up to rupees thousand and multiple of rupees hundred in the case of tax exceeding rupees thousand ;
- (5) the rates of tax in respect of vehicles other than those fitted with pneumatic tyres shall be 150% of the rates specified in this Schedule for similar vehicles;
- (6) a Stage Carriage if permitted to operate on special or temporary permit as a Contract Carriage, a tax at the rate of Rs. 330 (Rupees Three Hundred and Thirty only) per day shall be levied in respect of such vehicle having a seating capacity exceeding forty and the rate of Rs. 200 (Rupees Two Hundred only) per day in respect of such vehicle having a seating capacity not exceeding forty.

ANNEXURE

ONE TIME TAX

[See Proviso to Section 3 (1)]

<i>Sl. No.</i>	<i>Class of Vehicle</i>	<i>Rate of one time tax (in Rupees)</i>
(1)	(2)	(3)
A.	New Motor Cycles (including Motor Scooters and Cycles with attachments for propelling the same by mechanical	

- power) and Three Wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers and omni bus for private use (Private Service Vehicle-NTV) and Motor Cars.
- 1 Motor Cycles (including Motor Scooters and Cycles with attachment for propelling the same by mechanical power) and bicycles of all category with or without side car or drawing a trailer. 6% of the purchase value of the vehicle
 - 2 Three Wheelers (including tricycle and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers. 6% of the purchase value of the vehicle
 - 3 Omni bus for private use (Private Service Vehicle-NTV). 6% of the purchase value of the vehicle
 - 4 Motor Cars. 6% of the purchase value of the vehicle
- B. Motor Cycles (including Motor Scooters and Cycles with attachments for propelling the same by mechanical power) and three wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers and omni bus for private use (Private Service Vehicle-NTV) and Motor Cars which were originally registered in other States on or after 1st April, 2007 and migrated to Kerala State. As per the table given below
- C. Motor Cycles (including Motor Scooters and Cycles with attachments for propelling the same by mechanical power) and three wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers and omni bus for private use (Private Service Vehicle-NTV) and Motor Cars which were registered on or after 1st April, 2007 and re-classified from the category of Transport vehicle. As per the table given below

TABLE

<i>Sl. No.</i>	<i>Age of vehicle from the month of original registration</i>	<i>Percentage of the one time tax leviable under A above</i>
----------------	---	--

(1)	(2)	(3)
1	Not more than one year	100%
2	More than one year but not more than 2 years	93%
3	More than 2 years but not more than 3 years	87%
4	More than 3 years but not more than 4 years	80%
5	More than 4 years but not more than 5 years	73%
6	More than 5 years but not more than 6 years	67%
7	More than 6 years but not more than 7 years	60%
8	More than 7 years but not more than 8 years	53%
9	More than 8 years but not more than 9 years	47%
10	More than 9 years but not more than 10 years	40%
11	More than 10 years but not more than 11 years	33%
12	More than 11 years but not more than 12 years	27%
13	More than 12 years but not more than 13 years	20%
14	More than 13 years but not more than 14 years	13%
15	More than 14 years but not more than 15 years	7%

6. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976), in sub-section (2) of section 4,—

(a) in clause (a),—

(i) in item (i),—

(a) after the words “ten per cent” the words “per room” shall be inserted;

(b) for the words “less than rupees five hundred” the words “above rupees two hundred and up to five hundred” shall be inserted;

(ii) in item (ii), for the words “rupees five hundred or more per day” the words “above rupees five hundred per day” shall be substituted;

(iii) the following provisos shall be inserted, namely:—

“Provided that no luxury tax shall be payable, for such charges received in respect of service rendered outside the hotel premises, such as vehicle hire, boat hire and trekking :

Provided further that the hire charges received in respect of house boats owned or possessed with right to use it by the hotels shall be liable to tax under the Act.”;

(b) for clause (c) the following clause shall be substituted, namely:—

“(c) in respect of a convention centre, hall, kalyanamandapam, auditorium including those attached to hotels, clubs or places of the like nature, for the charges for accommodation, amenities and services provided excluding food and beverages,—

(i) at the rate of ten per cent where the gross charges of accommodation and other amenities and services provided is above rupees three thousand and up to rupees ten thousand per day;

(ii) at the rate of fifteen per cent where the gross charges of accommodation and other amenities and services provided is above rupees ten thousand and up to rupees twenty thousand per day;

(iii) at the rate of twenty per cent where the gross charges of accommodation and other amenities and services provided is above rupees twenty thousand per day.”;

(c) the third proviso shall be omitted.

(d) after sub-section (4) the following sub-section shall be added, namely:—

“(5) any amount recoverable under this Act and remaining unpaid shall be a charge on the properties of the defaulter and may be recovered as an arrear of public revenue due on land”.

7. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 6,—

(a) in sub-section (1),—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) in the case of goods specified in the Second and Third Schedules at the rates specified therein and at all points of sale of such goods within the State and in the case of aerated branded soft drinks excluding soda at the rate of twenty per cent at all points of sale within the State.”

(ii) in the fourth proviso,—

(a) for the words, brackets and letters “Project (KRWSA) or OFD Works” the words, brackets and letters “Project (KRWSA) and OFD Works” shall be substituted;

(b) the following words shall be added at the end, namely:—

“and the beneficiary committees shall be entitled to receive payment even without taking registration under the Act.”;

(iii) in the fifth proviso after the words “NCC Canteen” the symbol and words, “Indian Naval Canteen Service” shall be inserted;

(iv) after the fifth proviso, the following provisos shall be inserted, namely:—

“Provided also that in respect of sale of fuel and lubricants to foreign-going vessels, other than fishing vessels, the tax payable under clause (a) or (d) above shall, subject to conditions and restrictions as may be prescribed, be half per cent:

Provided also that where sale of goods, other than petroleum products is to Railways, the tax payable under clause (d) above shall, subject to such conditions and restrictions as may be prescribed, be at four per cent.”;

(b) in sub-section (2), in clause (c) after the words “if the cost of the work” the words “including the value of materials supplied by the awarded” shall be inserted;

(2) in section 8,—

(a) in clause (a), in sub-clause (iii), after the existing proviso the following provisos shall be inserted, namely:—

“Provided further that this sub-clause shall not be applicable to any works taken up after 31st March, 2005 as a subsequent part or phase of the original work for which option had been filed under sub-section (7) or (7A) of section 7 of Kerala General Sales Tax Act, 1963 (15 of 1963):

Provided also that the rate under this sub-clause shall be applicable only for the payments received up to 31st March, 2007 in respects of all works other than works awarded by the Government.”;

(b) in clause (b),—

(i) for item (i), the following item shall be substituted, namely:—

“(i) for each crushing machine of size not exceeding 30.48 cm x 22.86 cm = Rs. 50,000 per annum;”

(ii) for item (ii), the following item shall be substituted, namely:—

“(ii) for the each crushing machine of size exceeding 30.48 cm x 22.86 cm but not exceeding 40.64 cm and 25.40 cm = Rs. 1,60,000 per annum;”

(iii) for item (iii), the following item shall be substituted, namely:—

“(iii) for the each crushing machine of size exceeding 40.64 cm x 25.40 cm = Rs. 3,20,000 per annum;”;

(iv) after item (iii), the following item shall be inserted, namely:—

“(iv) for each cone crusher Rs. 7,50,000 per annum”;

(v) the following proviso shall be inserted, namely:—

“Provided that in the case of dealers, who opted to pay compounded tax under this clause, no separate assessment shall be made in respect of m-sand produced by them.”;

(c) in clause (f),—

(i) in sub-clause (ii) for the words “four hundred per cent” the words “two hundred per cent” shall be substituted;

(ii) in sub-clause (iv) in the proviso beginning with the words “provided further that where a dealer” the words “or tax payable as per returns or accounts whichever is higher for the preceding year” shall be omitted;

(iii) after sub-clause (iv), the following sub-clauses shall be inserted, namely:—

“(v) Notwithstanding anything contained in this Act, where a dealer has not exercised the option under sub-clause (iv) within the period prescribed therein, and a dealer who has commenced business during the period from the 1st day of October, 2006 to 28th day of February, 2007, may at his option, instead of paying tax in respect of such goods in accordance with the provisions of section 6, pay tax at compounded rate per month from the commencement of the business at one hundred and fifty per cent of the average monthly tax paid or payable under this Act from the commencement of business to 28th of February, 2007;

(vi) Notwithstanding anything contained in this Act, where a dealer commences business during the period from 1st March, 2007 to 30th June, 2007 may at his option instead of paying tax in respect of such goods in accordance with the provisions of section 6, pay tax at compounded rate per month from the commencement of the business at one hundred and fifty per cent of the average monthly tax paid or payable under this Act from the commencement of business to 30th day of June, 2007;

(vii) Notwithstanding anything contained in sub-clause (ii) of clause (f) where a dealer who has started business during the year 2005-2006 has become ineligible for paying tax at compounded rates on account of excess of input tax credit over output tax payable by such dealer during that period, such dealer may, at his option, instead of paying tax in accordance with provisions of section 6, pay tax at the compounded rate per month from the

1st day of April, 2006 at one hundred and fifty per cent of the average monthly tax paid or payable under the Act from 1st day of April, 2006 to 30th day of September, 2006;

(viii) Notwithstanding anything contained in this Act, the compounded tax payable for the year 2007-2008 by a dealer who exercised option for compounding under this clause between 1st December, 2006 and 15th March, 2007 shall be one hundred and fifteen per cent of the compounded tax fixed for the year 2006-2007 or tax collected as per accounts, whichever is higher.”.

(3) in section 11,—

(a) in sub-section (4), in the second proviso, after the words and figure “section 8 shall be eligible” the words and figures “with effect from 1st April, 2005” shall be inserted;

(b) after sub-section (5), the following proviso shall be inserted, namely:—

“Provided that where a dealer remits differential tax in accordance with the provisions of the Act, he may, for the period up to 31st March, 2007, issue debit note for the tax amount subsequently remitted, to the purchasing dealer to claim input tax credit to the extent of the tax covered in the debit note subject to such condition as may be prescribed.”;

(4) in section 12, in sub-section (1), for the second proviso, the following proviso shall be substituted, namely:—

“Provided also that where the goods in respect of which tax is payable under sub-section (2) of section 6 is sold in the State or in the course of interstate trade or used in the course of manufacture of taxable goods in the month in which it is purchased, the special rebate allowable in respect of such goods resold or sold in the course of interstate trade or used in the manufacture of goods liable to pay tax under this Act or Central Sales Tax Act, 1956 may be availed in the month itself.”;

(5) in section 16,—

(a) in sub-section (1),—

(i) for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that in the case of casual trader, the minimum registration fee to be paid shall be two thousand five hundred rupees per month and the maximum period of validity of registration certificate shall be three months from the date of issue of certificate.”;

(ii) after the fourth proviso, the following proviso shall be inserted, namely:—

“Provided also that a person shall not be entitled for more than one registration under this Act.”;

(b) to sub-section (2), the following proviso shall be inserted, namely:—

“Provided that the date of effect of the registration shall be the date of filing of the valid application before the registering authority.”;

(6) in section 20,—

(a) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A). Dealers whose output tax liability per annum is rupees twenty five lakhs or more on account of taxable sale in the State and every wholesale dealer, distributor and dealers holding van sale permit, shall file their returns as well as purchase and sale lists electronically in addition to the hard copy to be filed along with the returns.”;

(b) in sub-section (3), the following words shall be added at the end, namely:—

“except for considering the eligibility for payment of tax under sub-section (5) of section 6”;

(7) in section 22, sub-section (7) shall be omitted;

(8) in section 25, in sub-section (1), after the words “has escaped assessment to tax in any year” the words “or return period” shall be inserted;

(9) in section 30, after sub-section (2), the following proviso shall be inserted, namely:—

“Provided that the dealers who are paying tax under sub-section (5) of section 6 are entitled to recover from the buyers the amount of tax paid by him on the purchase value of such goods at the time of purchase.”;

(10) in section 40A, the existing section shall be renumbered as sub-section (1) and after the sub-section (1) as so renumbered, the following sub-sections shall be inserted, namely:—

“(2) Where a dealer effects taxable sale, he shall furnish the name and address of the purchaser in the sale bill/invoices, and where the sale is to a dealer, the address shall include TIN or PIN, as the case may be.

(3) Where the TIN or PIN details are not furnished as specified in sub-section (2), such dealer shall be liable for payment of the tax on the Maximum Retail Price (MRP) of such goods, where it is ascertainable.”.

(11) in section 42, the existing section shall be renumbered as sub-section (1) and after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely:—

“(2) Where any dealer detects any omission or mistake in the annual return submitted by him with reference to the audited figures, he shall file revised annual return rectifying the mistake or omission along with the audit certificate. Where, as a result of such revision, the tax liability increases, the revised return shall be accompanied by proof of payment of such tax, interest due thereon under sub-section (5) of section 31, and penal interest, calculated at twice the rate specified under sub-section (5) of section 31:

Provided that this sub-section shall not apply to a dealer against whom any penal action is initiated in respect of such omission or mistake under any of the provisions of this Act.”;

(12) in section 55, in sub-section (1), clause (a) of the second proviso shall be omitted.

(13) in the SCHEDULES,—

(a) in the First Schedule,—

(i) after serial number 4 in column (1) and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“4A. (1)	Beedi, Beedi Tobacco	2403-10-31
(2)	Cheroots	2402-10-20.”;

(ii) after serial number 12A and the entries against it in columns (2) and (3), the following serial numbers and entries shall respectively be inserted, namely:—

“12B	Coconut Oil	1513.11.00
------	-------------	------------

12C Cocount Oil cake 2306.50”;

(iii) after serial number 12C as so inserted, the following serial number and entries shall be inserted, namely:—

“12D Copra 1203.00.00”

(iv) after serial number 23 in column (1) and the entries against it in columns (2) and (3) the following serial number and entries shall be inserted, namely:—

“23A. Handloom cloth, handloom
bedsheet and pillow cover ***** ”;

(v) for serial number 27 and the entries against it in columns (2) and (3), the following shall be substituted, namely:—

“27. Khadi Cloth, Garments and
Made ups ***** ”;

(vi) in serial number 30, for the entries under the heading ‘Life saving Drugs’ in columns (2) and (3), the following entries shall respectively be substituted, namely:—

“Dineal solution required for continuous xxx
Ambulatory peritoneal Dialysis treatment of
kidney patients and accessories required for
the treatment.”

(vii) serial number 52 and the entries against it in columns (2) and (3) shall be omitted.

(viii) for serial number 56 and the entries against it in columns (2) and (3) the following serial number and entries shall be substituted, namely:—

“56 Products manufactured and sold by xxx”;
Kudumbasree units under brand name as

notified by Government from time to time.

(b) in the Third Schedule,—

(i) Serial number 8 and entries against it in columns (2) and (3) shall be omitted;

(ii) in serial number 13, after sub-item (g) of item (3) and the entries against it in columns (2) and (3) the following shall be inserted, namely:—

“(h) Other xxx”

(iii) after serial number 19 and the entries against it in columns (2) and (3) the following serial number and entries shall respectively be inserted, namely:—

“19A. Cashew Kernel xxx”;

(iv) after serial number 28, and the entries against it in columns (2) and (3) the following serial number and entries shall respectively be inserted, namely:—

“28A. Compact Fluorescent Lamps ***** ”;

(v) in serial number 36,—

- (a) in the heading after the words “mosquito repellants and those specifically mentioned in First Schedule” the words “and those notified under clause (d) of subsection (1) of section 6” shall be inserted;
- (b) after item (25) and the entries against it in columns (2) and (3) the following item and the entries shall respectively be inserted, namely:—

“(26) **Life Saving medicine**

- | | |
|---|------------|
| (1) Vaccines of human medicine | |
| (i) Single Vaccine | |
| (a)for cholera and typhoid | 3002.20.11 |
| (b)for hepatitis | 3002.20.12 |
| (c)for tetanus | 3002.20.13 |
| (d)for polio | 3002.20.14 |
| (e)for tuberculosis | 3002.20.15 |
| (f) for rabies | 3002.20.16 |
| (g)for Japanese Encephalitis | 3002.20.17 |
| (h)for whooping cough (pertusis) | 3002.20.18 |
| (i) Others | 3002.20.19 |
| (ii)Mixed vaccines | |
| (a)for diphtheria, pertusis and tetanus (DPT) | 3002.20.21 |
| (b)for diphtheria and tetanus | 3002.20.22 |
| (c)for measles, mumps and rubella (MMR) | 3002.20.23 |
| (d)for typhoid, para-typhoid (TAB) or typhoid
para-typhoid-cholera (TABC) | 3002.20.24 |
| (e) Others | 3002.20.29 |
| (2) Vaccines for veterinary medicine | 3002.30.00 |
| (3) Animal blood prepared for therapeutic,
prophylactic or diagnostic uses | 3002.90.20 |
| (4) Cultures of micro organisms (excluding yeast) | 3002.90.30 |
| (5) Toxins | 3002.90.40 |
|
 | |
| (6) Anti sera | |
| (a) for diphtheria | 3002.10.11 |
| (b) for tetanus | 3002.10.12 |
| (c) for rabies | 3002.10.13 |
| (d) for snake venom | 3002.10.14 |
| (e) Others | 3002.10.15 |
| (7) Hemoglobin, blood globulins and serum globulins | 3002.10.20 |

- (8) Insulin injection 3002.31.10
 (9) Cyclosporine
 (10) Antiretroviral Drugs (HIV patients)
 (11) Gleevec Capsules (For treatment of Blood cancer) ***** ”;

(vi) in serial number 38, item (8) and the entries against it in columns (2) and

(3) shall be omitted;

(vii) in serial number 55, in the entries against it in column (2), the following shall be added at the end, namely:—

“at the point of sale by dealers whose annual turnover does not exceed rupees two crores”;

(viii) for serial number 69 and the entries against it in columns (2) and (3), the following serial number and entries shall be substituted, namely:—

“69 IT Products

(1) Word processing machines, Electronic typewriters

- (a) Word processing machines 8469.00
 (b) Electronic typewriters 8469.00.20

(2) Microphones, multimedia speakers, headphone etc.

- (a) Microphones 8518.10.00
 (b) Multimedia Speakers 8518.22.00
 (c) Headphone etc. 8518.30.00

(3) Telephone answering machines 8519.50.00

(4) discs, tapes, solid state non-volatile storage devices, “Smart card” and other media for the recording of sound or of other phenomena, 8523 whether or not recorded, including matrices and masters for the production of discs, but excluding products of Chapter 37

(5) IT software of any media 8523.80.20

(6) Transmission apparatus other than apparatus for radio or T. V. broadcasting

- (a) Base stations 8517.61.00
 (b) Machines for the reception, conversion and transmission or regeneration of voice, image or other data including switching and routing apparatus 8517.62

(7) Radio communication receivers, Radio Pagers

- (a) Radio Pagers 8527.99.11
 (b) Demodulators 8527.99.12
 (c) Others 8527.99.19

(8) Aerials, antennas and parts 8528

(9) LCD Panels/LED Panels and Parts	
(a) LCD Panels/LED Panels	8531.20.00
(b) Parts	8531.90.00
(10) Electrical capacitors, fixed, variable and parts	
(a) Electrical capacitors, fixed, variable	8532
(b) Parts	8531.80.00
(11) Electronic calculators	8470.10.00
(12) Electrical resistors	8533
(13) Printed Circuits	8534.00.00
(14) Switches, connectors relays for up to 5 amps	8536.10.10
(15) DATA/Graphic Display tubes, other than Picture tubes and parts	
(a) Colour	8540.40.00
(b) Black & White or other monochrome	8540.50.00
(c) Others	8540.60.00
(16) Diodes, transistors & similar semi-conductor device	8541
(17) Electronic integrated circuits and Micro-assemblies	8542
(18) Signal Generators and parts	
(a) Signal Generators	8543.20
(b) Parts	8543.80.00
(19) Optical fibre cables madeup of individually sheathed fibres, whether or not assembled with electric conductors or fitted with connectors	8544.70.00
(20) Optical fibre and optical fibre bundles, cables, other than those of heading 8544.70	9001.10.00
(21) Liquid Ctystal devices, flat panel display devices and parts	
(a) Liquid Crystal devices, flat panel display devices	9013.80.10
(b) Parts	9013.9
(22) Computer systems and peripherals, Electronic diaries	
(a) Computer systems and peripherals	8471
(b) Electronic diaries	8470.90.10
(c) Printers	8443.32
(23) Cathode ray oscilloscopes, spectrum analysers, signal analysers	
(a) Cathode ray oscilloscopes	9030.20.00
(b) Spectrum analysers	
(c) Signal analysers	
(24) Parts and Accessories of HSN 84.69, 84.70 & 84.71	84.73

- (25) DC Micromotors, Stepper motors of 37.5 Watts.
- | | |
|--------------------|------------|
| (a) Micro motors | 8501.10.11 |
| (b) Stepper motors | 8501.10.12 |
- (26) Parts of HSN 85.01
- | | |
|--|------|
| | 8503 |
|--|------|
- (27) Uninterrupted power supply
- | | |
|--|---------|
| | 8504.40 |
|--|---------|
- (28) Permanent magnets and articles
- | | |
|--|------|
| | 8505 |
|--|------|
- (29) Electrical apparatus for line telephony or line telegraphy
- | | |
|--|------------|
| (a) Line telephone sets/cordless hand sets | 8517.11 |
| (b) Telephones for cellular networks (Mobile Phone) or for other wireless networks | 8517.12 |
| (c) Other | 8517.18 |
| (d) Videophones | 8517.62.90 |
| (e) Fascimile machines | |
- (I) capable of connecting to an automatic data processing machine or to a network
- | | |
|--|------------|
| | 8443.32.60 |
|--|------------|
- (II) not capable of connecting to an automatic data processing machine
- | | |
|--|------------|
| | 8443.39.70 |
|--|------------|
- | | |
|--|------------|
| (f) Teleprinters | 8517.32.90 |
| (g) Attachments for telephones | 8517.69.70 |
| (h) Subscriber end equipment | 8517.69.50 |
| (i) Set top boxes for gaining access to the internet | 8517.89.60 |
- (30) Parts of HSN heading No. 8517
- | | |
|--|-----------|
| | 8517.90"; |
|--|-----------|
- (ix) in serial number 79, for item (3) and the entries against it in columns (2) and (3), the following shall be substituted, namely:—
- | | |
|---------------------|-------|
| “(3) Cardiac Stents | xxx”; |
|---------------------|-------|
- (x) in serial number 87, for the entries in column (2) the following entries shall be substituted, namely:—
- | | |
|----------------------------|-----|
| “(1) Rubber Hawai chappals | xxx |
|----------------------------|-----|
- (2) Footwear of all kinds other than the above, whose MRP does not exceed Rs. 200 and its MRP is embossed on the sole of the footwear in the case of moulded plastic footwear, and in other case, indelibly marked.
- | | |
|--|-----|
| | xxx |
|--|-----|
- (3) Parts of footwear including uppers
- | | |
|--|--------------|
| | 6406.20.00”; |
|--|--------------|
- (xi) in serial number 93, item number, number (5) and the entries against it in columns (2) and (3), shall be omitted;
- (xii) in serial number 94, item number (10) and the entries against it in columns (2) and (3), shall be omitted;
- (xiii) in serial number 97, in the entries in column (2), the following shall be inserted at the end, namely:—
- “except granite metal produced with the aid of crushing machines.”;

(xiv) in serial number 137, after item (12) and the entries against it in columns (2) and (3), the following item and entries shall respectively be inserted, namely:—

“(13) *Choodarapetti* *****”

(c) in List A,—

(i) in serial number 111A, for the entries against it in column (3) the following entry shall be substituted, namely:—

“2907-11-10” ;

(ii) after serial number 143 and the entries against it in columns (2) and (3), the following serial number and entries shall be inserted, namely:—

“144. Soft wood, namely *kattadi, vatta, ******”,
pala, matti and elavu.

8. *Validation.*—Notwithstanding anything contained in the Kerala Provisional Collection of Revenues Act 1985 (10 of 1985) or in the Kerala Value Added Tax Act, 2003 (30 of 2004), during the period from 1st April, 2007 to the date of publication of this Act, during which the declared provisions contained in the Finance Bill, 2007(Bill No. 84 of the Twelfth Kerala Legislative Assembly) was in force, any tax collected by the first seller by virtue of clause (h) of section 8 proposed to be inserted by item (d) of sub- clause (2) of Clause 7 of the said Bill shall be deemed to have been validly collected under the said Act, and the subsequent dealers covered under the said provision shall be entitled for the exemptions as envisaged in the said clause of the said Bill.

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2008



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GOVERNMENT OF KERALA
Law (Legislation-A) Department
NOTIFICATION

No. 5012/Leg. A2/2008/Law. *Dated, Thiruvananthapuram, 29th July, 2008*
7th Sravana 1930.

The following Act of the Kerala State Legislature is hereby published for General information. The Bill as passed by the Legislative Assembly Received the assent of the Governor on the 28th day of July, 2008.

By order of the Governor,

V. G. KUMARI GIRIJA,
Special Secretary (Law).

ACT 21 OF 2008**THE KERALA FINANCE ACT, 2008**

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial year 2008-2009.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial year 2008-2009;

BE it enacted in the Fifty-ninth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2008.

(2) Save as otherwise provided in this Act,—

(a) clause (b) of sub-section (6), sub-section (16), sub-section (17), sub-section (20), item (iii) and serial No. 60 inserted by item (iv) of clause (a) of sub-section (22) of section 5 shall be deemed to have come into force on the 1st day of April, 2005;

(b) 3rd proviso to clause (ii) of sub-section (3) of section 5 shall be deemed to have come into force on the 24th day of April, 2007;

(c) items (v), (vi) and (vii) of clause (b) of sub-section (22) of section 5 shall be deemed to have come into force on the 22nd day of October, 2007;

(d) the remaining provisions of this Act shall be deemed to have come into force on the 1st day of April, 2008;

2. *Amendment of Act 11 of 1957.*—In the Kerala Surcharge on Taxes Act, 1957 (11 of 1957), in section 3,—

(a) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) The tax payable under sub-sections (1) and (2) of section 6 of the Kerala Value Added Tax Act, 2003 (30 of 2004), other than declared goods as defined in section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) shall, in the case of national or multi-national companies functioning in the State as retail chains or direct marketing chains who import not less than fifty per cent of their stock from outside the State or country and not less than seventy-five

per cent of whose sales are retail business, and whose total turnover exceeds five crore rupees per annum, but excluding such class of dealers of certain commodities, which may be notified by the Government from time to time, be increased by a surcharge at the rate of ten per cent, and the provisions of the Kerala Value Added Tax Act, 2003 (30 of 2004) shall apply in relation to the said surcharge as they apply in relation to the tax payable under the said Act.

Explanation I:— For the purpose of this section big retail chains and direct marketing chains mean retail sales outlets or part of retail sales outlets of companies which share a registered business name or commercial name by way of franchisee agreements or otherwise with standardized sales, purchase and promotional activities.

Explanation II:— For the purpose of this section ‘retail business’ shall mean sales to persons other than registered dealers.”;

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Notwithstanding anything contained in sub-section (1) of section 22 of the Kerala General Sales Tax Act, 1963 and in sub-section (1) of section 30 of the Kerala Value Added Tax Act, 2003, no dealer referred to in sub-sections (1) and (1A) shall be entitled to collect the surcharge payable under the said sub-sections.”;

(c) in sub-section (3), for the word, brackets and figure “sub-section (1)”, the words, brackets, figures and letter “sub-sections (1) and (1A)” shall be substituted;

(d) after section 3, the following section shall be inserted, namely:—

“3A. *Reduction of arrears in certain cases.*—(1) Notwithstanding anything contained in this Act, or in any Judgement, decree or order of any court, tribunal or appellate authority, an assessee who is in arrears of surcharge or any other amount due under the Act relating to the period ending on 31st March, 2005, may opt for settling the arrears by availing reduction at the following rates:

(a) in the case of demands relating to the periods up to and including 31st March, 1991, a reduction of twenty-five per cent for the principal surcharge amount, and complete reduction of the interest on the surcharge amount and for the amount of penalty and interest thereon;

(b) in the case of demands relating to the period from 1st April, 1991 to 31st March, 1996, a complete reduction of the interest on the surcharge amount, and for the amount of penalty and interest thereon;

(c) in the case of demands relating to the period from 1st April, 1996 to 31st March, 2000, a reduction of ninety-five per cent of the interest on the surcharge amount, and for the amount of penalty and interest thereon;

(d) in the case of demands relating to the period from 1st April, 2000 to 31st March, 2005, a reduction of ninety per cent of the interest on the surcharge amount, and the amount of penalty and interest thereon:

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968 reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have been initiated and the assessing authorities shall have the power to collect such amounts on settlement under sub-section (1) and where the amount is settled under sub-section (1) the assessing authorities shall withdraw the revenue recovery proceedings against such assessee which will then be binding on the revenue authorities and such assessee shall not be liable for payment of any collection charges.

(3) An assessee who wishes to opt for payment of arrears under the section shall make an application to the assessing authority in the prescribed form before 30th September, 2008 or on such date as may be notified by the Government.

(4) On receipt of an application under sub-section (3), the assessing authority shall work out the actual amount of surcharge and other amounts due from the assessee under sub-section (1) and shall intimate the amount to the assessee, and thereupon the assessee shall remit twenty-five per cent of the amount within 15 days of receipt of the intimation, and the balance amount in three equal monthly instalments from the subsequent month.

(5) If the assessee commits any default in payment of the instalments, the reduction granted under sub-section (1) is liable to be revoked.

(6) No action under sub-section (5) shall be taken without giving notice to the assessee.

(7) If the amount settled under this provision has been a subject matter of appeal or revision, such appeal and revision may be continued and if the final orders of such appeal or revision results in the reduction of surcharge payable under this Act, the amount so reduced shall be refunded. But if, as the result of such appeal or revision, the surcharge payable under this Act is enhanced, the dealer shall pay such enhanced amount, with interest thereon, in accordance with the provisions of this Act.”.

3. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) in section 17,—

(a) for the fourth proviso to sub-section (6), the following proviso shall be substituted, namely:—

“Provided also that the assessment relating to the years up to and including the year 2003-04 pending as on 31st March, 2008 shall be completed on or before the 31st day of March, 2009.”;

(b) in sub-section (8),—

(i) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that all such assessments or re-assessments pending as on 31st day of March, 2008 shall be completed on or before the 31st day of March, 2009.”;

(ii) for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that all such modified assessments or modified re-assessments or remanded assessments pending as on the 31st day of March, 2008 shall be completed on or before the 31st day of March, 2009.”;

(2) in section 17D, in clause (E) of sub-section (2), the following shall be added at the end, namely:—

“and in cases where the returns are not acceptable, the following criteria may be adopted for determining their tax liability namely:—

(i) in case where the dealer had compounded the offence under section 47, or penalty under section 45A or section 29A has been levied, the assessment may be completed on an addition proportionate to the period of suppression with reference to the quantum of suppression detected, limiting the tax effect on such addition to a maximum of three times of the compounding fee paid or tax effect of suppression detected, whichever is higher, and in case where a pattern of suppression has not been established, to an amount equal to the suppression detected.

(ii) in case where tax evaded cannot be quantified, the assessment may be completed on an addition equal to five per cent of the taxable turnover conceded by the dealer as per his returns or accounts, subject to tax effect of a minimum of five thousand rupees and a maximum of one lakh rupees.

(iii) in case where statutory forms and/declarations in support of a claim of concessional rate of tax or exemption have not been filed or are partially filed, or where the forms have been misused, the assessment may be completed by disallowing such claims, to the extent of the defect in such forms, assessing it under this Act.

(iv) in case of contracts where option for compounding under the provision contained in section 7 of this Act, as it then existed have been filed, and where returns and tax deduction certificate issued by the awarder have been produced, assessment may be completed accepting the awarder’s certificate.

6

(v) in case of contracts in respect of which tax is paid under section 5 of this Act, and where returns and statement of accounts have been filed, but the returns are found to be incorrect or incomplete, assessments may be completed determining additional tax payable at twenty per cent of the tax payable subject to a minimum of ten thousand rupees:

Provided that the amnesty scheme envisaged in section 23B shall also be applicable to assessment completed as per this section.”;

(3) after section 23AA, the following section shall be inserted, namely:—

“23B. *Reduction of arrears in certain cases.*— (1) Notwithstanding anything contained in this Act, or in any Judgement, decree or order of any court, tribunal or appellate authority, an assessee who is in arrears of tax or any other amount due under the Act relating to the period ending on 31st March, 2005, may opt for settling the arrears by availing reduction at the following rates:

(a) in the case of demands relating to the periods up to and including 31st March, 1991, a reduction of twenty five per cent for the tax amount, and complete reduction of the interest on the tax amount and for the amount of penalty and interest thereon;

(b) in the case of demands relating to the period from 1st April, 1991 to 31st March, 1996, a complete reduction of the interest on the tax amount, and for the amount of penalty and interest thereon;

(c) in the case of demands relating to the period from 1st April, 1996 to 31st March, 2000, a reduction of ninety five per cent of the interest on the tax amount, and for the amount of penalty and interest thereon;

(d) in the case of demands relating to the period from 1st April, 2000 to 31st March, 2005, a reduction of ninety per cent of the interest on the tax amount, and for the amount of penalty and interest thereon; and

(e) in cases where principal amount has already been remitted prior to coming into force of section 55C of the Act, a reduction of ninety per cent of the interest amount.

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968, reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have been initiated and the assessing authorities shall have the power to collect such amounts on settlement under sub-section (1) and where the amount is settled under sub-section (1) the assessing authorities shall withdraw the revenue recovery

proceedings against such dealers which will then be binding on the revenue authorities and such dealers shall not be liable for payment of any collection charges.

(3) A dealer who wishes to opt for payment of arrears under sub-section (1) shall make an application to the assessing authority in the prescribed form before 30th September, 2008, or on such date as may be notified by the Government.

(4) On receipt of an application under sub-section (3), the assessing authority shall work out the actual amount of tax and other amounts due from the dealer under sub-section (1) and shall intimate the amount to the dealer, and thereupon the dealer shall remit twenty five per cent of the amount within 15 days of receipt of the intimation, and the balance amount in three equal monthly instalments starting from the subsequent month.

(5) If the dealer commits any default in payment of the instalments, the reduction granted under sub-section (1) is liable to be revoked.

(6) No action under sub-section (5) shall be taken without giving notice to the dealer.

(7) If the amount settled under this provision has been a subject matter of appeal or revision, such appeal and revision may be continued and if the final orders of such appeal or revision results in the reduction of tax payable under this Act, the amount so reduced shall be refunded. But if, as the result of such appeal or revision, the tax payable under this Act is enhanced, the dealer shall pay such enhanced amount, with interest thereon, in accordance with the provisions of this Act.”;

(4) in section 34, in sub-section (1),—

(a) after the words, brackets and figures “under sub-section (6) or sub-section (7) of section 14” the words, figure and letter “under section 14 A” shall be inserted;

(b) after the words and figure “under section 43” the words, figure and letter “and section 45A” shall be inserted.

4. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976),—

(1) in section 2,—

(a) after clause (dd), the following clause shall be inserted, namely:—

“(de) ‘hospital’ includes a nursing home, therapy centre, rejuvenation or recuperation centre, nature care or cure centre, ayurvedic cure or care centre, sidha centre or any other treatment centre, personal care centre and beauty treatment centre, by whatever name called.”;

(b) after clause (de) the following shall be inserted, namely:—

“(df) ‘home stay’ means an accommodation provided in a residential building or house or apartments or part thereof, with three rooms or above, where any person can stay for comfort or pleasure for consideration.”;

(c) after clause (fa), the following clause shall be inserted, namely:—

“(fb) ‘luxury provided in a hospital’ means accommodation for residence for use of amenities and services provided in a hospital the rate of charges of which, excluding charges of food, medicine and professional services, is one thousand rupees per day or more.”;

(d) after clause (fb), the following clause shall be inserted, namely:—

“(fc) ‘luxury provided in a home stay’ means residential accommodation for the use of amenities and services provided in a home stay and the daily rate of charges of which is rupees one thousand or more.”;

(e) in clause (h), after the word “auditorium” wherever it occurs, the words and symbol “home stay, hospital” shall be inserted;

(2) in section 4,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Subject to the provisions of this Act, there shall be levied and collected a tax, hereinafter called the ‘luxury tax’, in respect of any luxury provided,—

(i) in a hotel, house boat, hall, auditorium or kalyanamandapam or including those attached to hotels, clubs, kalyanamandapam and places of the like nature which are rented for accommodation for residence or used for conducting functions, whether public or private, exhibition;

(ii) by cable operators;

(iii) in a hospital ; and (iv) in a home stay:

Provided that the sub-section shall not apply to halls and auditorium located within the premises of ‘places of worship’ owned by such institutions.”;

(b) in sub-section (2), after clause (d), the following clause shall be inserted, namely:—

“(e) in respect of a hospital, for charges of accommodation for residence for use of amenities and services, at the rate of ten per cent per room where the gross charges, excluding charges of food, medicine and professional services, is one thousand rupees per day or more.”;

(c) after clause (e), the following clause shall be inserted, namely:—

“(f) in respect of a home stay, for charges of accommodation including use of amenities and services provided at the rate of half per cent where the daily rate of gross charges is rupees one thousand or more.”;

(3) after section 4D, the following section shall be inserted, namely:—

“4E. *Registration of Hospitals.*—Every hospital having not less than five rooms to be rented for accommodation of patients for treatment or otherwise for which gross charges excluding charges for food, medicine and professional services is one thousand rupees or more per room, shall get itself registered with such authority and in such manner as may be prescribed, and the application for registration shall be accompanied by a registration fee of rupees one thousand. The registration shall be for a period of one year and shall be renewed annually.”;

(4) after section 4E, the following section shall be inserted, namely:—

“4F. *Registration of home stays.*—Every proprietor of a home stay where the daily charges of accommodation including other amenities provided is rupees one thousand or more, shall get his home stay registered with such authority and in such manner as may be prescribed and the application for registration shall be accompanied by a registration fee of rupees one thousand. The registration shall be for a period of one year and shall be renewed annually.”;

(5) after section 10, the following section shall be inserted, namely:—

“10A. *Further mode of recovery.*—(1) The assessing authority may, at any time, or from time to time, by notice in writing, a copy of which shall be forwarded to the proprietor at his last address known to the assessing authority,

require any court or any officer of the Central Government or of the Government of any State or Union Territory or any other person (other than an individual) who holds or may subsequently hold money for or on account of the proprietor, to pay to the assessing authority, either forthwith, if the money has become due or is so held, or within the time specified in the notice (not being before the money becomes due or is held), so much of the money as is sufficient to pay the amount due by the proprietor in respect of arrears of tax, fee or penalty, or the whole of the money when it is equal to or less than the arrears of tax, fee or penalty.

(2) The assessing authority may at any time, or from time to time, amend or revoke any such notice, or extend the time for making any payment in pursuance of the notice.

(3) Any court, officer or other person making any payment in compliance with a notice under this section, shall be deemed to have made the payment under the authority of the proprietor, and the receipt by the assessing authority shall constitute a good and sufficient discharge of the liability of such court, officer or other person to the extent of the amount referred to in the receipt.

(4) Any court or person, other than an officer of the Government, making any payment to the proprietor after receipt of the notice referred to in this section, shall be liable to the assessing authority to the extent of the payment made, or to the extent of the liability of the proprietor, for the amount due under this Act, whichever is less.

(5) Where any court or person, other than an officer of the Government, to which or to whom a notice under this section is sent, objects to it on the ground that the sum demanded or any part thereof is not due by it or him to the proprietor, or that such court or person does not hold any money for or on account of the proprietor, then nothing contained in this section shall be deemed to require such court or person to pay the sum demanded or any part thereof to the assessing authority.

(6) Any amount which a court or person other than any officer of the Government is required to pay the assessing authority or for which it or he is liable to the assessing authority under this section shall, if it remains unpaid, be a charge on the properties of such court or person, as the case may be, and may be recovered as if it were an arrear of public revenue due on land.

Explanation: For the purposes of this section, the amount due to a proprietor or money held for or on account of a proprietor by any court, officer or other person shall be computed after taking into account such claims if any, as may have fallen due for payment by such court, officer or other person, as the case may be, and as may be, lawfully subsisting.”;

(6) after section 10 A, the following section shall be inserted, namely:—

“10B. *Reduction of arrears in certain cases.*—(1) Notwithstanding anything contained in this Act, or in any judgment, decree or order of any court, tribunal or appellate authority, an assessee who is in arrears of tax or any other amount due under the Act relating to the period ending on 31st March, 2005, may opt for settling the arrears by availing reduction at the following rates:

(a) in the case of demands relating to the periods up to and including 31st March, 1991, a reduction of twenty-five per cent for the principal tax amount, and complete reduction of the interest on the tax amount and for the amount of penalty and interest thereon;

(b) in the case of demands relating to the period from 1st April, 1991 to 31st March, 1996, a complete reduction of the interest on the tax amount, and for the amount of penalty and interest thereon;

(c) in the case of demands relating to the period from 1st April, 1996 to 31st March, 2000, a reduction of ninety-five per cent of the interest on the tax amount, and for the amount of penalty and interest thereon;

(d) in the case of demands relating to the period from 1st April, 2000 to 31st March, 2005, a reduction of ninety per cent of the interest on the tax amount, and for the amount of penalty and interest thereon.

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968 reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have been initiated and the assessing authorities shall have the power to collect such amounts on settlement under sub-section (1) and where the amount is settled under sub-section (1) the assessing authorities shall withdraw the revenue recovery proceedings against such assesseees which will then be binding on the revenue authorities and such assesseees shall not be liable for payment of any collection charges.

(3) An assessee who wishes to opt for payment of arrears under this section shall make an application to the assessing authority in the prescribed form before 30th September, 2008, or on such date as may be notified by Government.

(4) On receipt of an application under sub-section (3) the assessing authority shall work out the actual amount of tax and other amounts due from the assessee under sub-section (1) and shall intimate the amount to the assessee, and thereupon the assessee shall remit twenty-five per cent of the amount within 15 days of receipt of the intimation, and the balance amount in three equal monthly instalments from the subsequent month.

(5) If the assessee commits any default in payment of the instalments the reduction granted under sub-section (1) is liable to be revoked.

(6) No action under sub-section (5) shall be taken without giving notice to the assessee.

(7) If the arrears settled under this provision is already a subject matter of appeal or revision, such appeal and revision may be continued and if the final orders of such appeal or revision results in the reduction of tax payable under this Act, the amount so reduced shall be refunded. But if, as the result of such appeal or revision, the tax payable under this Act is enhanced, the dealer shall pay such enhanced amount, with interest thereon, in accordance with the provisions of this Act.”.

5. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 2, after clause (xv), following clause shall be inserted, namely:—

“(xva) ‘declared goods’ mean goods declared by section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) to be of special importance in inter-state trade or commerce.”;

(2) in section 4, in sub-section (1), after the words “as many other members as they think fit” the words “and such additional Appellate Tribunals, as they think fit, with such members” shall be inserted;

(3) in section 6, in sub-section (1),—

(i) for the seventh proviso, the following proviso shall be substituted, namely:—

“Provided also that where sale of goods other than petroleum products, manufactured in the State is to Railways, Kerala State Electricity Board,

Kerala State Road Transport Corporation or Kerala Water Authority, the tax payable under clause (d) above shall, subject to such conditions and restrictions as may be prescribed, be at four per cent.”;

(ii) after the seventh proviso, the following provisos shall be inserted, namely:—

“Provided also that sculptural statues of national leaders and social reformers shall be exempted from tax payable under clauses (e) and (f) of sub-section (1) of section 6:

Provided also that the tax payable under clause (f), in respect of transfer of declared goods not in the form of goods but in some other form, shall be at the rate prescribed under the respective Schedules:

Provided also that the rate of tax on the sale of used motor vehicles shall be at 0.5 per cent and that no tax is payable under sub-section (2):

Provided also that, in respect of cinematographic films, turnover relating to sale of “copyright” under clause (a) and transfer of right to use under clause (c) shall be exempted.”;

(4) in section 8,—

(a) for clause (a), the following clause shall be substituted, namely:—

“(a) (i) any works contractor not being a dealer registered under the provisions of the Central Sales Tax Act, 1956 (Central Act 74 of 1956), and who is not an importer may, at his option, instead of paying tax in accordance with the provisions of the said section, pay tax at three per cent of the whole contract amount;

(ii) any works contractor not falling under clause (i) above may, at his option, instead of paying tax in accordance with the provisions of the said sections, pay tax at eight per cent of the whole contract amount:

Provided that notwithstanding anything contained in sub-clause (ii) above, the compounded tax payable by any works contractor under this clause in respect of works contracts awarded by Government of Kerala, Kerala Water Authority or Local Authorities shall be four per cent of the whole contract amount:

Provided further that the provisions of this clause shall not apply to any works contract in which the transfer of material is in the form of goods:

Provided also that notwithstanding anything contained elsewhere in this Act, a works contractor who intends to pay tax at compounded rate in accordance with this clause in respect of all works undertaken by him during a year, may, instead of filing separate application for compounding for individual works, file a single option for payment of tax under this clause before 30th day of April of the year to which the option relates, subject to eligibility:

Provided also that in the case of any work covered under the above provisos which remains unexecuted fully or partly at the end of the year, the contractor shall continue to pay tax in respect of such works in accordance with the provisions of this clause.

*Explanation:—*For the purpose of this clause “whole contract amount” shall not include the amount paid to sub-contractors for execution of the portion of works contract if the sub-contractor is a registered dealer liable to tax under sub-section (1) or sub-section (1A) of section 6, and the contractor claiming deduction in respect of such amount furnishes certificates in such form as may be prescribed.”;

(b) in clause (c), for sub-clause (ii), the following sub-clause shall be substituted, namely:—

“(ii) Any bar attached hotel, not being a star hotel of and above three star or a club or a heritage hotel may, at its option, instead of paying tax in accordance with the provisions of section 6, but subject to such conditions and restrictions as may be prescribed, pay tax at one hundred and twenty five per cent of the tax paid or payable under this Act, in respect of the highest turnover of cooked food and beverages prepared by them, and packaged water, aerated water, cigarettes and soft drinks purchased from registered dealers, for the previous three consecutive years, immediately preceding the year to which the option relates:

Provided that the dealers who have paid compounded tax during the previous year shall pay tax at one hundred and fifteen per cent of the compounded tax paid and one hundred and fifteen per cent of the tax paid on packaged water, aerated water, cigarettes and soft drinks purchased from registered dealers.

*Explanation:—*For the purpose of this clause “bar attached hotel” shall mean a hotel or restaurant or club or any other place, which is licensed under the Foreign Liquor Rules to serve foreign liquor falling under Serial Number 2 of the Fourth Schedule, but shall not include any hotel or restaurant, not being a star hotel, which is licensed to serve only beer.”;

(c) for clause (f), the following clause shall be substituted, namely:—

“(f) (i) any dealer in ornaments or wares or articles of gold, silver or platinum group metals may at his option, instead of paying tax in respect of such goods in accordance with the provisions of section 6, pay tax at one hundred and fifty per cent of the highest tax payable by him as conceded in the return or accounts, or tax paid by him under this Act, whichever is higher, for a year during any of the three consecutive years preceding that to which such option relates.

Explanation 1:— Where a dealer had not transacted any business for the last three years consecutively, the highest tax paid or payable for the year during the year or years he transacted business shall be considered for the above purpose.

Explanation 2:— Where during any such preceding year the dealer had not transacted business for any period in that financial year, the tax payable for the twelve months shall be calculated proportionately on the basis of the tax payable for the period during which such dealer had transacted business.

Explanation 3:— Dealers opting for payment of tax under this clause shall pay compounded tax in respect of all their branches existing in the year previous to the year in which the option relates.

Explanation 4:— Where a dealer has not transacted business in a new branch for any period in that financial year the tax payable for the twelve months shall be calculated proportionately on the basis of the tax payable for the period during which such dealer had transacted business.

Explanation 5:— Where a dealer opens a new branch in the current year, the additional compounded tax payable under this clause in respect of such branch shall be the average of the tax payable by him in respect of his principal place of business and all branches. Such dealers will be permitted to continue to pay compounded tax under this clause even if they do not opt for paying tax under this clause for the new branch.

Explanation 6:— Where a dealer has opted for payment of tax under this clause for the first time in 2007-08 and the tax payable in 2006-07 as per return or accounts is less than the output tax, the tax payable under this clause for 2007-08 shall be notionally redetermined on the basis of output tax for determining the tax liability for 2008-09:

Provided that a dealer who opts for payment of tax under this clause may collect tax on the sales at the rate not exceeding the rate prescribed for the commodity under this Act, but where the tax so collected during the year is in excess of the tax payable for the year under this clause, the tax collected in excess shall be paid over to Government in addition to the tax payable under this clause.

(ii) The assessing authority, for valid and sufficient reasons, such as shifting of place of business, holding of stock exceeding double the quantity held in the previous year, furnishing of false information, suppression of relevant information, failure to furnish such information demanded, may refuse permission to pay tax under this section and cancel the permission if any granted:

Provided that no orders under this sub-clause shall be issued without giving the dealer an opportunity of being heard and without prior approval of the District Deputy Commissioner.

(iii) Notwithstanding anything contained in sections 55 or 60 of this Act, orders under sub-clause (ii) shall be appealable only to the Appellate Tribunals.

(iv) In case where permission has been cancelled, the amount, if any paid based on the permission, shall be apportioned against the output tax due of the dealer.

(v) Where a dealer had paid tax under this clause for the previous year, the tax payable for the succeeding year under this clause shall be one hundred and fifteen per cent of such tax paid during the previous year and in case of dealers covered under Explanation 6 of this clause, one hundred and fifteen per cent of the tax so re-determined.”;

(5) in section 10, for sub-section (2), the following sub-sections shall be substituted, namely:—

“(2) For the purpose of sub-section (1), the contractor may produce a liability certificate in relation to such works contracts from the assessing authority showing the tax liability or tax remittance, as the case may be, of the contractor in relation to the work.

(2A) In cases where a liability certificate has been produced as per sub-section (2), payment shall be effected to a works contractor, on the basis of the said certificate; and,—

(i) in case of work awarded by Government of Kerala, Kerala Water Authority or Local Authorities, after deducting four per cent of the amount paid as per the works contract; and .

(ii) in other cases—

(a) after deducting eight per cent of the amount paid as per the works contract in the case of contractors registered under this Act.

(b) after deducting ten per cent of the amount paid as per the works contract in the case of other contractors:

Provided that the awarder shall not insist from the contractor, not being a dealer registered under the provisions of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) any certificate issued by the assessing authority showing the tax liability or tax remittances, as the case may be, of the contractor, in relation to the contract, if he has opted for payment of tax in accordance with the proviso to sub-clause (i) of clause (a) of section 8.”;

(6) in section 11, in sub-section (3),—

(a) in the third proviso, for the words “in excess of the rate specified under sub-section (1) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956)”, the words “in excess of four per cent” shall be substituted:

(b) in the fifth proviso, the following shall be added at the end, namely:—

“but the amount covered under credit notes issued by a supplier that do not affect the input tax credit already availed of or on account of reimbursement of any expenses incurred by the dealer shall not be reckoned for the purpose of assessment under this Act.”;

(c) after the fifth proviso, the following provisos shall be added, namely :—

“Provided also that no input tax credit shall be allowed where any dealer, with a view to evade payment of tax or in order to claim any inflated input tax credit or refunds under this Act, purchases goods from a sister concern of the dealer and where the sale consideration in respect of which has been influenced by such relationship, and there has been no physical transfer of the goods covered by the invoice:

Provided also that the purchase in respect of which input tax credit availed is made from a sister concern of the dealer and there is actual physical transfer of the goods involved, and the dealer availing input tax credit sells such goods at a price lower than the price for which it was purchased, the input tax credit allowable in respect of such goods shall not exceed the output tax due on such goods.

Explanation.— For the purpose of above provisos, ‘sister concern’ means a business run by a proprietorship or partnership, association of persons or a company which is controlled by the dealer, or by a person whom the dealer controls, or by a person who is controlled by the same person who controls the dealer:

18

Provided also that notwithstanding anything contained elsewhere in this Act, planters including companies or firms or society, including a co-operative society or association of individuals, whether incorporated or not, shall not be entitled to input tax credit on purchases of fertilizers, pesticides etc.,”;

(7) in section 12, in sub-section (1), in the third proviso, for the words, brackets and figures “in excess of the rate specified under sub-section (1) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956)”, the words “in excess of four per cent” shall be substituted;

(8) in section 13, in sub-section (2), in the second proviso, for the words “in excess of the rate specified under sub-section (1) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956)”, the words “in excess of four per cent” shall be substituted;

(9) after section 15A, the following sections shall be inserted, namely:—

“15B. *Special drive for registration.*—Notwithstanding anything contained anywhere in this Act, dealers who had voluntarily applied for registration under the Act for the period from 15th December, 2007 to 31st March, 2008 would be entitled to,—

(a) get registration with effect from the date of commencement of business irrespective of the date of application;

(b) claim input tax credit on their purchases covered under bills/invoices of registered dealers within the State from the date of commencement of business; and

(c) pay tax under sub-section (5) of section 6, subject to eligibility, or pay tax under section 8 for the relevant years subject to eligibility and filing application for compounding along with the registration application: Provided that such dealers shall be liable to pay interest on all dues and will not be entitled for any refund relating to the period prior to filing of registration application.

15C. *Registration of industrial Units.*—(1) Any person who intends to establish an industrial unit may get himself registered under this section.

(2) Every application for registration of an Industrial Unit shall be supported by a certificate in the prescribed form issued by the Director of Industries and Commerce, the Kerala State Industrial Development Corporation or the Kerala Financial Corporation.

(3) A provisional registration certificate shall be issued to the applicant within seven days from the date of application.

(4) The form of application, form of provisional registration certificate, the fee for registration, the conditions and the authority empowered to issue such certificates shall be such as may be prescribed.

(5) The provisional registration certificate issued under this section shall facilitate the holder for procurement of all materials for construction and establishment of the Industrial Unit, including raw materials for trial production in such quantity as may be specified in such certificate.

(6) Every holder of a provisional registration certificate, shall before starting commercial production in the Industrial Unit, get himself registered under section 15.”;

(10) after section 20, the following section shall be inserted, namely :—

“20A. *Condonation of Delay*.—The Deputy Commissioners having jurisdiction over the area may, for valid and sufficient reasons, to be recorded in writing, condone delay,—

(a) in applying for any refund under this Act and Rules made there under,

(b) in filing options under section 8 of this Act upto 31st December, 2008 for the years 2005-06, 2006-07 and 2007-08:

Provided that the time limit for completion of any assessment under this Act shall be extended by a further period of three years from the date of condoning such delay, under this section.”;

(11) in section 22, after sub-section (6), the following sub-sections shall be inserted, namely:—

“(7) Where on scrutiny of returns or verification of accounts in any proceedings under this Act, in respect of dealers paying tax under sub section (5) of section 6, it is found that the amount of tax, if any, paid by such dealer is less than the amount of tax he is liable to pay on finalising such proceedings, the assessing authority shall direct the dealer to pay difference of tax between the amount of tax already paid and that fixed in such proceedings, together with thrice the amount of such difference as penalty.

(8) No proceeding made under sub-section (7) shall be completed without affording the dealer an opportunity of being heard.”;

(12) in section 30, in sub-section (2) for the words, brackets, figures and letters “compounded tax under clause (a) to clause (d) of section 8”, the words, brackets, figures and letters “tax under clause (a) of section 8 by those undertaking works of Government of Kerala, Kerala Water Authority and Local Authorities, and under clause (b), clause (c) (ii) and clause (d) of section 8 shall be substituted.;

(13) in section 40, the following proviso shall be added, namely:—

“Provided that dealers shall be permitted to use electronic billing and accounting subject to such restrictions and conditions as may be prescribed.”;

(14) in section 44,—

(i) in sub-section (9), after the words “opportunity of being heard”, the words “confiscate such goods and” shall be inserted;

(ii) after sub-section (9), the following sub-section shall be inserted, namely:—

“(10) If any officer, in the course of any inspection or search of any business place, building or any other place finds that goods are stored in

undeclared godown” such stock shall be treated as stock outside the regular books of accounts of the dealer:

Provided that godowns in respect of which prior written intimation had been given to the registering authority by the dealer shall not be treated as undeclared godowns.”;

(15) in section 46,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) If the Government consider that with a view to prevent or check evasion of tax under this Act in any place or places in the State it is necessary so to do, they may by notification in the Gazette notify such areas, hereinafter referred to as the notified area, and may direct setting up of check posts at such place or places, and define the boundaries of such notified area and may demarcate such boundaries by means of barriers or otherwise for the purpose of regulating the passage of goods across the notified area.”;

(b) in sub-section (3), after clause (d), the following clause shall be inserted, namely:—

“(e) Where goods are imported into the State through coastal cargo, through air and through the Railways, the importer or clearing agents, by

whatever name called, shall, on arrival of such goods, furnish a declaration before the Commercial Tax Officer having jurisdiction over the place of import, as may be prescribed. While transporting such goods within the State or across the State, the transporter/person in charge of the vehicle/vessel shall keep a copy of such declaration duly acknowledged by the concerned authority and shall be produced for verification by any authority under this Act.”;

(16) in section 47, in sub-section (16), after the word “seize” the words “and confiscate” shall be inserted.;

(17) in section 74, in sub-section (1), after clause (a), the following proviso shall be inserted, namely:—

“Provided that the maximum compounding fee collectable against a single offence spread over several return periods in a financial year shall be two lakh rupees.”;

(18) after section 79A, the following section shall be inserted, namely:—

“79B. *Bar against Revision of returns.*—Notwithstanding anything contained elsewhere in this Act, where a case of tax evasion has been detected and proceedings have been initiated against such evasion, the dealer shall not be permitted to revise the returns in respect of the return period covered in the penal proceedings until such proceedings are finalised.”;

(19) in section 86, in sub-section (1), in the *Explanation*, after the words “he is appearing” the following words shall be inserted, namely:—

“or part-time employee holding Diploma in Sales Taxation issued by the Centre for Taxation Studies.”;

(20) in section 93, in sub-section (1), after the words “Schedule to this Act” the words “either prospectively or retrospectively” shall be inserted . ;

(21) in section 94, the, proviso shall be omitted.;

(22) in the Schedule,—

(a) in the First Schedule,—

(i) in serial No. 12B, the entries against it in column (3) shall be omitted.;

(ii) after serial No. 35, in column (1) and the entries against it

in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“35A. Paper bags *****”;

(iii) after serial No. 41 in column (1) and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“41A. Recharge coupons. *****”;

(iv) after serial No. 59 in column (1) and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“60 Prasadam and sale of goods received as offerings from devotees by the Devaswom Boards. *****”;

61 Products such as Chalk, umbrella and books (binding) manufactured by Kerala Federation of Blind at the point of sale by them. *****”;

(b) in the Third Schedule,—

(i) in serial number 3, after item (37) and the entries against it in columns (2) and (3), the following items and entries shall respectively be inserted, namely:—

“ (38) aldrops, pulley and clamps *****

(39) Hangers (of all types) *****”;

(ii) in serial number 13, after sub-item (h) of item (3) and the entries against it in columns (2) and (3), the following *Note* shall be inserted, namely:—

“*Note:* sub-item (h) shall be deemed to have come into force on the 1st day of April, 2005.”;

(iii) in serial No. 19A, for the entries against it in columns (2) and (3) the following entries shall be substituted, namely:’-:”

“(1) Cashew kernel including roasted and salted *****

(2) Cashew soup, cashew vita, cashew powder and cashew bits *****”;

(iv) after serial number 30 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“30A. Cooked food other than those served to any airline service company or institution or shipping company for serving in aircraft, ship or steamer or served in aircraft, ship, steamer, bar attached hotels and star hotels. *****”;

(v) after serial number 38 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“38A. Generator *****”;

(vi) after serial number 59 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“59A. All medical and diagnostic equipments and Hospital instruments, apparatus, appliances, tools and aids used exclusively in medical,

surgical, dental, physiotherapy and veterinary
sciences *****;

(vii) for serial number 69 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be substituted, namely:—

“69 IT Products

- | | |
|---|------------|
| (1) Word processing machines, Electronic typewriters.— | |
| (a) Word processing machines | 8469.00.10 |
| (b) Electronic typewriters | 8469.00.20 |
| (2) Microphones, multimedia speakers, headphones etc.— | |
| (a) Microphones | 8518.10.00 |
| (b) Multimedia speakers | 8518.22.00 |
| (c) Headphones etc. | 8518.30.00 |
| (3) Telephone answering machines | 8519.50.00 |
| (4) Discs, tapes, solid state non-volatile storage devices, “Smart cards” and other media for the recording of sound or of other phenomena, whether or not recorded, including matrices and masters for the production of discs, but excluding products of Chapter 37 | 8523 |
| (5) IT software of any media | 8523.80.20 |
| (6) Transmission apparatus other than apparatus for radio or T. V. broadcasting | |
| (a) Base stations | 8517.61.00 |
| (b) Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus | 8517.62 |
| (7) Radio communication receivers, Radio Pagers | |
| (a) Radio pagers | 8527.99.11 |
| (b) Demodulators | 8527.99.12 |
| (c) Other | 8527.99.19 |
| (8) Aerials, antennas and parts | 8529.10 |
| (9) LCD Panels, LED panels and parts | |
| (a) LCD Panels / LED Panels | 8531.20.00 |
| (b) Parts | 8531.90.00 |
| (10) Electrical capacitors, fixed, variable and parts | |
| (a) Electrical capacitors, fixed, variable | 8532 |
| (b) Parts | 8532.90.00 |
| (11) Electronic calculators | 8470.10.00 |
| (12) Electrical resistors | 8533 |
| (13) Printed Circuits | 8534.00.00 |
| (14) Switches, connectors, relays for up to 5 amps | 8536.10.10 |
| (15) DATA/Graphic Display tubes, other than Picture tubes and parts | |

(a) Colour	8540.40.00
(b) Black and White or other monochrome	8540.50.00
(c) Other	8540.60.00
(16) Diodes, transistors and similar semi-conductor devices	8541
(17) Electronic Integrated Circuits and Micro-assemblies	8542
(18) Signal Generators and parts	
(a) Signal Generators	8543.20
(b) Parts	8543.90.00
(19) Optical fibre cables made-up of individually sheathed fibres, whether or not assembled with electric conductors or fitted with connectors	8544.70
(20) Optical fibre and optical fibre bundles, cables, other than those of heading 8544.70	9001.10.00
(21) Liquid Crystal devices, flat panel display devices and parts	
(a) Liquid Crystal devices, flat panel display devices	9013.80.10
(b) Parts	9013.90
(22) Computer systems and peripherals, Electronic diaries, Printers and Monitors	
(a) Computer systems and peripherals	8471
(b) Electronic diaries	8470.90.10
(c) Printers	
(i) Machines which perform two or more of the functions of printing, copying or facsimile transmission, capable of connecting to an automatic data processing machine or to a network	8443.31
(ii) Other, capable of connecting to an automatic data processing machine or to a network	8443.32
(iii) Parts and accessories of goods of sub-headings 8443.31 and 8443.32	
(a) Ink cartridges, with print head assembly	8443.99.51
(b) Ink spray nozzle	8443.99.52
(c) Other	8443.99.59
(d) Monitors	
(i) Cathode Ray Tube Monitors of a kind solely or principally used in an automatic data processing system of heading 8471	8528.41.00
(ii) Other Monitors of a kind solely or principally used in an automatic data processing system of heading 8471	8528.51.00
(iii) Parts suitable for use solely or	

	principally with the apparatus under 8528.41 and 8528.51	8529.90.90
(23)	Cathode ray oscilloscopes, spectrum analysers, signal analysers—	
	(a) Cathode ray oscilloscopes	9030.20.00
	(b) Spectrum analysers	9030.33
	(c) Signal analysers	
(24)	Parts and Accessories of HSN 84.69, 84.70 & 84.71	8473
(25)	DC Micromotors, Stepper motors of 37.5 watts—	
	(a) Micro motors	8501.10.11
	(b) Stepper motors	8501.10.12
(26)	Parts of HSN 85.01	8503
(27)	Uninterrupted power supply	8504.40
(28)	Permanent magnets and articles	8505
(29)	Electrical apparatus for line telephony or line telegraphy—	
	(a) Line telephone sets with cordless hand sets	8517.11
	(b) Telephones for cellular networks or for other wireless networks	8517.12
	(c) Other	8517.18
	(d) Videophones	8517.62.90
	(e) Facsimile machines	
	(i) capable of connecting to an automatic data processing machine or to a network	8443.32.60
	(ii) not capable of connecting to an automatic data processing machine	8443.39.70
	(f) Teleprinters	8443.32.90
	(g) Attachments for telephones	8517.69.70
	(h) Subscriber end equipment	8517.69.50
	(i) Set top boxes for gaining access to the internet	8517.69.60
(30)	Parts of HSN heading No. 8517	8517.70";
	(viii) in serial No. 83,—	

(a) for item (19) and the entries against it in columns (2) and (3), the following item and entries shall respectively be substituted, namely:—

“(19) all kinds of printing machinery and parts thereof ****”;

(b) for item (27) and the entries against it in columns (2), and (3), the following item and entries shall respectively be substituted, namely:—

“(27) Lathes and its parts. ****”;

(c) for item (28) and the entries against it in columns (2) and (3), the following item and entries shall respectively be substituted, namely:—

“(28) Machine tools and parts thereof 8456, 8459, 8460,
8461, 8462, 8463,
8464, 8465, 8466,
8467”;

(ix) after serial number 86 and the entries against it in columns (2) and

(3), the following serial number and entries shall respectively be inserted, namely:—

“86A. Municipal Solid Waste Management Equipment and Plant *****”;

(x) after serial number 103 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“103A. Rain guarding compounds *****”;

“(xi) after serial No. 103A and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“103B. Rat traps *****”;

(xii) in serial number 105, after item (32) and the entries against it in columns (2) and (3), the following item and entries shall respectively be inserted, namely:—

“(33) Rugs, mats and carpets made of handloom and cotton *****”;

(xiii) in serial number 117, for the entries in column (2), the following entries shall be substituted, namely:—

“SIM cards.”;

(xiv) after serial number 127 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:•

“127 A. Tarpaulin including silpaulin . *****”;

“(xv) after serial No.129 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“129A. Toy balloons *****”

(xvi) serial number 136 and the entries against it in column (2) shall be omitted;

(c) In List A,—

(i) after serial No. 91, and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“91A. Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of kind used as raw material in industry; other preparations based on odoriferous substance, of kind used for the manufacture of beverages. 3302”;

(ii) after serial number 167A, Veneer sheets for plywood 4408, the following *Note* shall be inserted, namely:—

“*Note:* serial number 167 A shall be deemed to have come into force on the 1st day of April, 2005”;

(iii) in serial number 174,—

(a) in item (1), for sub-item (c) and the entries against it in columns (2) and (3), the following sub-item and entries shall respectively be substituted,

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കേരള സർക്കാർ
2009



Reg. No. രജി. നമ്പർ
KL/TV(N)/12/2009-2011

KERALA GAZETTE

കേരള ഗസറ്റ്

EXTRAORDINARY

അസാധാരണം

PUBLISHED BY AUTHORITY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്

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	Tuesday	2009 ജൂലൈ 28	
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	ചൊവ്വ	1931 ശ്രാവണം 6	

GOVERNMENT OF KERALA

Law (Legislation-A) Department

NOTIFICATION

No. 3828/Leg. A2/2009/Law. *Dated, Thiruvananthapuram, 28th July, 2009.*
6th Sravana, 1931.

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 27th day of July, 2009.

By order of the Governor,

K. JOHN BRITTO,
Special Secretary (Law).

ACT 13 OF 2009**THE KERALA FINANCE ACT, 2009**

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2009-2010.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2009-2010.

BE it enacted in the Sixtieth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2009.

(2) Save as otherwise provided in this Act,—

(a) clause (i) of sub-section (3) of section 5 and clause (ii) of sub-section (3), sub-clause (a) of clause (iii) of sub-section (4), sub-section (9), sub-sections (13), (14), (20) and (26), sub-clauses (i), (ii), (iii), (iv), (vi) of clause (a), sub-clauses (i), (iii), (vii), (ix) of clause (c) and sub-clause (ii) of clause (d) of sub-section (27) of section 7 shall be deemed to have come into force on the 1st day of April, 2005;

(b) sub-clause (vii) of clause (a), sub-clause (v) of clause (c) and sub-clause (iii) of clause (d) of sub-section (27) of section 7 shall be deemed to have come into force on the 1st day of April, 2007;

(c) sub-section (6) of section 6 and sub-clause (v) of clause (a) of sub-section (27) of section 7 shall be deemed to have come into force on the 1st day of April, 2008;

(d) clause (i) of sub-section (1), sub-sections (2) and (5) to (9) of section 4, sub-sections (1), (2) and (5) to (7) of section 5, sub-sections (1) to (5) and (7) to (15) of section 6 and clause (ii) of sub-section (1), sub-sections (2), (15) to (19) and sub-clause (b) of clause (iv) of sub-section (25) of section 7 shall come into force on such date as the Government may, by notification in the Gazette, appoint; and

(e) the remaining provisions of this Act shall be deemed to have come into force on the 1st day of April, 2009.

3

2. *Amendment of Act 11 of 1957.*—In the Kerala Surcharge on Taxes Act, 1957 (11 of 1957), after section 3A, the following section shall be inserted, namely :—

“3B. *Reduction of arrears in case of Public Sector Undertakings and Co-operative Societies.*—(1) Notwithstanding anything contained in this Act, or in any judgment, decree or order of any court, tribunal or appellate authority, an assessee which is a Public Sector Undertaking or a Co-operative Society and which is in arrears of tax or any other amount due under this Act relating to the period ending on 31st March, 2005, may opt for settling the arrears by availing reduction at the following rates:—

(a) a complete reduction of the interest on the tax amount and for the amount of penalty and interest thereon ; and

(b) in the case of Public Sector Undertakings and Co-operative Societies which are running in profit, reduction in fifty per cent of the principal amount ; and

(c) in the case of Public Sector Undertakings and Co-operative Societies which are running at loss, a reduction in seventy-five per cent of the principal amount :

Provided that Public Sector Undertakings or Co-operative Societies, the landed property of which are likely to be sold in execution of any judgment, decree or order of any court, tribunal or other authority shall not be eligible to opt under this scheme.

(2) A Public Sector Undertaking or a Co-operative Society, which wishes to opt for payment of arrears under sub-section (1) shall make an application to the assessing authority in the prescribed form before 30th September, 2009, or on such date as may be notified by the Government.

(3) On receipt of an application under sub-section (2), the assessing authority shall verify the same and shall intimate the amount to the assessee, and thereupon they shall remit twenty five per cent of the amount within 15 days of receipt of the intimation and the balance amount in three equal monthly instalments starting from the subsequent month.

(4) If the assessee commits any default in payment of the instalments, the reduction allowed under sub-section (1) is liable to be revoked.

(5) No action under sub-section (4) shall be taken without giving the assessee, an opportunity of being heard.

4

(6) If the amount settled under this provision has been the subject-matter of an appeal or revision, such appeal or revision may be continued and if the final orders of such appeal or revision results in the reduction of tax payable under this Act, the amount so reduced shall be refunded. But if, as the result of such appeal or revision, the tax payable under this Act is enhanced, the assessee shall pay such enhanced amount with interest thereon, in accordance with the provisions of this Act.

Note:—For the purpose of this section, Co-operative Society means an Apex Co-operative Society incorporated under the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969) and having Government control.”.

3. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959), in sub-section (1) of section 9, after clause (b), the following clause shall be inserted, namely :—

“(c) provide for compounding of duties payable on the instruments referred to the Collector or called for by him under sections 45A, 45B or 45C at such rate and for such period as may be specified by the Government.”.

4. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) in section 2,—

(i) clause (i) shall be omitted ;

(ii) in clause (xvii), the words “and includes ethanol blended petrol” shall be added at the end ;

(2) in section 3,—

(i) in sub-section (2), the words “Appellate Assistant Commissioners” shall be omitted ;

(ii) the proviso to sub-section (3) shall be omitted ;

(3) in section 17,—

(i) for the fourth proviso to sub-section (6), the following proviso and explanation shall be substituted, namely :—

“Provided also that the assessment relating to the years up to and including the year 2004-05 pending as on 31st March, 2009 shall be completed on or before the 31st day of March, 2010.

5

Explanation:—For the purpose of the above proviso, it is clarified that the extension of time granted for completion of assessments is applicable in all cases where regular assessments have not been completed before the date fixed for completion of assessment in the respective years.”;

(ii) in sub-section (8),—

(a) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that all such assessments or re-assessments pending as on 31st March, 2009 shall be completed on or before 31st March, 2010.”;

(b) for the third proviso, the following proviso shall be substituted, namely :—

“Provided also that all such modified assessments or modified reassessments or remanded assessments pending as on 31st March, 2009 shall be completed on or before 31st March, 2010.”;

(4) after section 23B, the following section shall be inserted, namely:—

“23BA. *Reduction of arrears in respect of Public Sector Undertakings and Co-operative Societies.*— (1) Notwithstanding anything contained in this Act, or in any judgment, decree or order of any court, tribunal or appellate authority, an assessee which is a Public Sector Undertaking or a Co-operative Society and which is in arrears of tax or any other amount due under this Act relating to the period ending on 31st March, 2005, may opt for settling the arrears by availing reduction at the following rates:—

(a) a complete reduction of the interest on the tax amount and for the amount of penalty and interest thereon ; and

(b) in the case of Public Sector Undertakings or Co-operative Societies which are running in profit, reduction in fifty per cent of the principal amount ; and

(c) in the case of Public Sector Undertakings or Co-operative Societies which are running at loss, reduction in seventy-five per cent of the principal amount:

Provided that Public Sector Undertakings or Co-operative Societies, the landed properties of which are likely to be sold in execution of any judgment, decree or order of any court, tribunal or other authority shall not be eligible to opt under this scheme.

6

(2) A Public Sector Undertaking or a Co-operative Society which wishes to opt for payment of arrears under sub-section (1) shall make an application to the assessing authority in the prescribed form before 30th September, 2009, or on such date as may be notified by the Government.

(3) On receipt of an application under sub-section (2), the assessing authority shall verify the same and shall intimate the amount to the assessee, and thereupon they shall remit twenty-five per cent of the amount within 15 days of receipt of the intimation, and the balance amount in three equal monthly instalments starting from the subsequent month.

(4) If the assessee commits any default in payment of the instalments, the reduction allowed under sub-section (1) is liable to be revoked.

(5) No action under sub-section (4) shall be taken without giving the assessee, an opportunity of being heard.

(6) If the amount settled under this provision has been the subject-matter of an appeal or revision, such appeal or revision may be continued and if the final orders of such appeal or revision results in the reduction of tax payable under this Act, the amount so reduced shall be refunded. But if, as the result of such appeal or revision, the tax payable under this Act is enhanced, the assessee shall pay such enhanced amount with interest thereon, in accordance with the provisions of this Act.

Note:—For the purpose of this section, Co-operative Society means an Apex Co-operative Society incorporated under the Kerala Co-operative Societies Act, 1969 (Act 21 of 1969) and having Government control.”;

(5) section 34 shall be omitted;

(6) in section 36, in sub-section (1), the words and figures “section 34 or” shall be omitted;

(7) in section 37,—

(i) in sub-section (1), the words “other than an Appellate Assistant Commissioner” shall be omitted ;

(ii) in sub-section (2), the words “the Appellate Assistant Commissioner or” shall be omitted ;

(8) in section 39,—

(i) for sub-sections (1) and (2), the following sub-sections shall respectively be substituted, namely :—

7

“(1) Any person objecting to an order affecting him passed by an appropriate authority under sub-section (6) or sub-section (7) of section 14, section 14A, sub-section (2) or sub-section (3) or sub-section (4) or sub-section (4A) of section 17, sub-section (1) or sub-section (2) of section 19, sections 19A, 19B, 19C, 26, 29, 29A, 30, 30A, or an order passed by a lower authority under section 43 and section 45A and any person objecting to an order passed by the Deputy Commissioner under sub-section (1) of section 35, may within a period of sixty days from the date on which the order was served on him in the manner prescribed, appeal against such order to the Appellate Tribunal :

Provided that the Appellate Tribunal may admit an appeal after the expiration of the said period if it is satisfied that the appellant had sufficient cause for not presenting the appeal within the said period.

(2) All appeals together with the interlocutory applications, if any, pending for disposal before any appellate authority under this Act as on the date of commencement of this provision shall stand transferred to the Appellate Tribunal and the Appellate Tribunal shall consider the same as if it is an appeal filed before it.”;

(ii) after sub-section (2), the following sub-sections shall be inserted, namely :—

“(2A) No appeal under this section shall be entertained unless at the time of presenting the appeal, the assessee has furnished satisfactory proof of payment of tax due on the turnover admitted by him.

(2B) The authority by whom the order appealed against had been passed or any officer empowered by the Government in this behalf, as the case may be, on receipt of notice that an appeal has been preferred under sub-section (1), may file within thirty days of receipt of the notice, a memorandum of cross objections, which shall be considered by the Appellate Tribunal while disposing of the appeal.”;

(9) in section 45A, in sub-sections (1) and (3), the words “or the Appellate Assistant Commissioner” shall be omitted.

5. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976),—

(1) in section 2, clause (a) shall be omitted ;

(2) in section 3,—

(i) sub-section (2) shall be omitted ;

(ii) the proviso to sub-section (3) shall be omitted ;

8

(3) in section 4,—

(i) in the proviso to sub-section (1), the words “and to the retiring rooms and dormitories in the railway stations, managed by Indian Railways” shall be added at the end ;

(ii) sub-section (5) shall be omitted ;

(4) in section 5A, in sub-section (3),—

(i) after the words “first day of May every year”, the words “or with respect to new cases, within a month of filing the application for registration” shall be inserted;

(ii) the following proviso shall be inserted, namely:—

“Provided that the last date of filing an application under this section for the year 2008-09 shall be 15th March, 2009.”;

(5) section 7 shall be omitted;

(6) in section 7A,—

(i) for sub-section (1), the following sub-section shall be substituted, namely :—

“(1) Any person aggrieved by an order of assessment made or a penalty levied under section 6, sub-sections (7) and (8) of section 12A, sub-section (8) of section 13 or section 17A may within sixty days from the date on which the order was served on him, appeal against such order, for the annulment or modification of the assessment or penalty to the Appellate Tribunal in such manner as may be prescribed :

Provided that the Appellate Tribunal may admit an appeal presented after the expiry of the said period if it is satisfied that the appellant has sufficient cause for not presenting the appeal within the said period.”;

(ii) after sub-section (4), the following sub-section shall be inserted, namely :—

“(5) All appeals together with interlocutory applications, if any, pending for disposal before any Appellate Authority under this Act as on the date of commencement of this provision shall stand transferred to the Appellate Tribunal and the Appellate Tribunal shall consider the same as if it is an appeal filed before it.”;

9

(7) in section 8, in sub-section (3), for the word and figure “section 7”, the word, figure and letter “section 7A” shall be substituted ;

(8) in section 10, the existing section shall be renumbered as sub-section (1) and after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely :—

“(2) Where any proprietor, dealer or any other person has failed to include any charges or any other amount taxable under this Act with respect to any luxury provided in any return filed or where any charges or any other amount taxable under this Act or tax due has escaped assessment, interest under sub-section (1) shall accrue on the tax due on such charges or other amount or tax with effect from such date on which the tax would have fallen due for payment, had the proprietor, dealer or any other person included such charges or other amount taxable under this Act or tax in the return relating to the period to which such charges or other amount relates.”;

(9) the existing section 10A shall be renumbered as section 10AA and before section 10AA as so renumbered, the following section shall be inserted, namely :—

“10A. *Recovery of tax.*—(1) Any amount of tax, penalty, interest and any other amount payable by any person under this Act and remaining unpaid shall be the first charge on the property of such person and may be recovered as an arrear of public revenue due on land.

(2) Government may, by notification in the Gazette, appoint any assessing authority under this Act to exercise the functions of a Collector under the Kerala Revenue Recovery Act, 1968 (15 of 1968) for the recovery of arrears under this Act.

(3) Notwithstanding anything contained in any other law for the time being in force, an officer appointed under sub-section (2) shall be deemed to be a Collector within the meaning of clause (c) of section 2 of the Kerala Revenue Recovery Act, 1968 (15 of 1968).”;

(10) for section 17B, the following section shall be substituted, namely :—

“17B. *Composition of offences.*—(1) The assessing authority or other officer or authority authorized by the Government in this behalf may accept from

10

any person or proprietor who has committed or is reasonably suspected of having committed an offence in contravention of the provisions of this Act, by way of compounding of such offence,—

(a) where the offence consists of the evasion of any tax payable under this Act, in addition to the tax so payable, a sum of money equal to the amount of tax so payable subject to a minimum of rupees five hundred and maximum of rupees four lakhs; and

(b) in other cases, a sum of money not exceeding ten thousand rupees.

(2) On payment of such amount under sub-section (1), no further penal or prosecution proceedings shall be taken against such person or proprietor in respect of that offence.”.

6. *Amendment of Act 15 of 1991.*—In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991),—

(1) in section 2, clause (5) shall be omitted;

(2) in section 24, in sub-section (1), clause (d) shall be omitted;

(3) in section 25, the proviso to sub-section (1) shall be omitted;

(4) in section 27, in sub-section (1), the words and brackets “the Deputy Commissioner (Appeals)” shall be omitted;

(5) in section 29, the words and brackets “or the Deputy Commissioner (Appeals)”, wherever they occur, shall be omitted;

(6) after section 37B, the following section shall be inserted, namely:—

“37C. *Reduction of arrears in certain cases.*—(1) Notwithstanding anything contained in this Act, or in any judgment, decree or order of any court, tribunal or appellate authority, an assessee who is in arrears of tax or any other amount due under this Act relating to the period ending on 31st March, 2005, may opt for settling the arrears by availing reduction at the following rates:—

(a) in the case of demands relating to the period up to and including 31st March, 1991, a reduction of twenty-five per cent for the principal tax amount, and complete reduction of the interest on the tax amount and for the amount of penalty and interest thereon;

(b) in the case of demands relating to the period from 1st April, 1991 to 31st March, 1996, a complete reduction of the interest on the tax amount and for the amount of penalty and interest thereon;

11

(c) in the case of demands relating to the period from 1st April, 1996 to 31st March, 2000, a reduction of ninety-five per cent of the interest on the tax amount and for the amount of penalty and interest thereon;

(d) in the case of demands relating to the period from 1st April, 2000 to 31st March, 2005, a reduction of ninety per cent of the interest on the tax amount and for the amount of penalty and interest thereon;

(e) in cases where principal amount has already been remitted prior to coming into force of section 91A of the Act, a reduction of ninety per cent of the interest amount.

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968 reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have been initiated and the assessing authorities shall have the power to collect such amounts on settlement under sub-section (1) and where the amount is settled under sub-section (1) the assessing authorities shall withdraw the revenue recovery proceedings against such assesseees which will then be binding on the revenue authorities and such assesseees shall not be liable for payment of any collection charges.

(3) An assessee who wishes to opt for payment of arrears under this section shall make an application to the assessing authority in the prescribed form before 30th June, 2009, or on such date as may be notified by the Government.

(4) On receipt of an application under sub-section (3), the assessing authority shall verify the same and shall intimate the amount to the assessee, and thereupon the assessee shall remit twenty-five per cent of the amount within 15 days of receipt of the intimation, and the balance amount in three equal monthly instalments from the subsequent month.

(5) If the assessee commits any default in payment of the instalments the reduction granted under sub-section (1) is liable to be revoked.

(6) No action under sub-section (5) shall be taken without giving notice to the assessee.

(7) If the amount settled under this provision has been the subject matter of an appeal or revision, such appeal or revision may be continued and if the final orders of such appeal or revision results in the reduction of tax payable under this Act, the amount so reduced shall be refunded. But if, as the result of such appeal or revision, the tax payable under this Act is enhanced, the dealer shall pay such enhanced amount with interest thereon, in accordance with the provisions of this Act.”;

12

(7) in section 43, in the Explanation, the words and brackets “the Deputy Commissioner (Appeals) or” shall be omitted;

(8) in section 71, the words “the Appellate Assistant Commissioner” shall be omitted;

(9) section 72 shall be omitted;

(10) in section 74,—

(i) in sub-section (1), for clause (a) the following clause shall be substituted, namely:—

“(a) an order passed by the Agricultural Income Tax Officer or the Inspecting Assistant Commissioner.”;

(ii) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) No appeal under this section shall be admitted unless at the time of presenting the appeal, the assessee has paid the tax due on the agricultural income admitted by him.”;

(iii) for sub-section (4), the following sub-section shall be substituted, namely :—

“(4) On receipt of notice that an appeal against his order has been preferred the assessing authority or an officer authorised in this behalf by the Government may within thirty days of the receipt of the notice, file a memorandum of cross objections and the Appellate Tribunal shall consider the same while disposing of the appeal.”;

(iv) in sub-section (6), the words, brackets and figures “except in the case of an appeal referred to in sub-section (2) or a memorandum of cross objections referred to in sub-section (4)” shall be omitted;

(v) in the Explanation to sub-section (7), the words, brackets and figure “appeal or” and “under sub-section (2)” shall be omitted;

(vi) sub-section (8) shall be omitted;

(vii) after sub-section (13), the following sub-section shall be inserted, namely:—

“(14) All appeals together with the interlocutory applications, if any, pending for disposal before the appellate authority on the date of commencement of this provision shall stand transferred to the Appellate Tribunal and the Appellate Tribunal shall consider the same as if it is an appeal filed before it.”;

13

(11) in section 75,—

(i) in sub-section (1), the words and brackets “other than a Deputy Commissioner (Appeals)” shall be omitted;

(ii) in sub-section (2), the words and brackets “the Deputy Commissioner (Appeals) or” shall be omitted;

(12) in section 76,—

(i) in sub-section (1), the words and brackets “including a Deputy Commissioner (Appeals)” shall be omitted;

(ii) in sub-section (2), the words and brackets “the Deputy Commissioner (Appeals) or” shall be omitted;

(13) in section 78A, item (a) and the entries against it shall be omitted;

(14) in section 79,—

(i) in sub-section (1), the words and brackets “the Deputy Commissioner (Appeals)” shall be omitted;

(ii) in sub-section (5), the words and brackets “the Deputy Commissioner (Appeals)” shall be omitted;

(15) section 96 shall be omitted.

7. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 2,—

(i) in clause (x), after the word “processing”, the words “excluding for job works or rendering of services.” shall be inserted;

(ii) clause (xvii) shall be omitted;

(2) in section 3,—

(i) in sub-section (3), the words and brackets “Deputy Commissioner (Appeals)” shall be omitted;

(ii) the proviso to sub-section (4) shall be omitted;

(3) in section 6,—

(i) in sub-section (5), after the fourth proviso, the following proviso shall be inserted, namely:—

14

“Provided also that dealers covered under this sub-section whose total turnover for a year is below rupees twenty lakhs, may pay a lump sum amount of rupees three thousand annually as presumptive tax, and the payment shall be at the rate of rupees seven hundred and fifty per quarter along with a statement as may be prescribed. Such dealers shall also file an annual declaration as may be prescribed.”;

(ii) in sub-section (7), in sub-clause (a) the word “exclusively” shall be omitted;

(4) in section 8,—

(i) in clause (a),—

(a) for sub-clause (ii), the following sub-clause shall be substituted, namely:—

“(ii) any works contractor not falling under clause (i) above may, at his option, instead of paying tax in accordance with the provisions of the said section, shall pay tax at three per cent of the contract amount after deducting the purchase value of goods excluding freight and gross profit element consigned into the State on stock transfer or purchased from outside the State and for the purchase value of goods so deducted shall pay tax at the scheduled rate applicable to such goods.”;

(b) after the fourth proviso, the following provisos shall be inserted, namely:—

“Provided also that notwithstanding anything contained in this Act, in cases of works which commenced prior to 1st April, 2008 and which remains partly unexecuted as on 1st April, 2008, the contractor shall pay tax at the rates as it existed prior to 1st April, 2008 till the completion of work, or up to 31st March, 2009, whichever is earlier:

Provided also that notwithstanding anything contained in this Act, contractors who have opted for payment of tax under sub-clause (ii) of clause (a) of section 8 during the previous years shall continue to pay tax on that portion of the works remaining unexecuted as on 1st April, 2009, at the rates applicable as on 1st April, 2009.”;

(c) the existing Explanation shall be renumbered as Explanation 1, and after the Explanation as so renumbered, the following Explanation shall be inserted, namely:—

“*Explanation 2.*—Notwithstanding anything contained in any other Act, a dealer who had surrendered his registration and unused declaration forms under

15

the Central Sales Tax Act, 1956 (74 of 1956), before the assessing authority on or before 31st March, 2008 and who does not have any closing stock of materials purchased interstate as on 31st March, 2008 or who pays tax on such closing stock at scheduled rates, shall be eligible for paying compounded tax under sub-clause (i) of this clause, for the year 2008-2009.”;

(ii) in clause (b),—

(a) in sub-clause (i), for the letters, figures and words “Rs. 50,000 per annum”, the letters, figures and words “Rs. 40,000 per annum” shall be substituted;

(b) in sub-clause (ii), for the letters, figures and words “Rs. 1,60,000 per annum”, the letters, figures and words “Rs. 1,50,000 per annum” shall be substituted;

(c) in sub-clause (iii), for the letters, figures and words “Rs. 3,20,000 per annum”, the letters, figures and words “Rs. 3,00,000 per annum” shall be substituted;

(d) in sub-clause (iv), for the letters, figures and words “Rs. 7,50,000 per annum”, the letters, figures and words “Rs. 10,00,000 per annum” shall be substituted;

(e) after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that notwithstanding anything contained in this clause, dealers with a single crushing machine of size not exceeding 30.48 cm. × 22.86 cm. shall pay rupees twenty five thousand only per annum as tax under this clause.”;

(f) for the Explanation, the following Explanation shall be substituted, namely:—

“*Explanation.*—For the purpose of this clause, primary crushers shall also be reckoned for the purpose of computation of compounded tax, and the rate applicable to primary crushers shall be at fifty per cent of the aggregate of the tax payable on secondary crushers.”;

(iii) in clause (c),—

(a) in sub-clause (i), the following Explanation shall be inserted, namely:—

16

“*Explanation*:—Cooked food for the purpose of this clause shall include sweets and fresh fruit juice prepared and served in the restaurants and hotels.”;

(b) in sub-clause (ii), for the words “cigarettes and soft drinks”, the words “cigarettes, soft drinks and other goods” shall be substituted;

(iv) in clause (f),—

(a) for sub-clause (i), the following sub-clause shall be substituted, namely:—

“(i) any dealer in ornaments or wares or articles of gold, silver or platinum group metals including diamond may at his option, instead of paying tax in respect of such goods in accordance with the provisions of section 6, pay tax at,—

(a) one hundred and fifteen per cent, in case their annual turnover for the above goods for the preceding year was rupees ten lakhs or below;

(b) one hundred and twenty per cent, in case their annual turnover for the above goods for the preceding year was above rupees ten lakhs and up to rupees forty lakhs;

(c) one hundred and thirty five per cent; in case their annual turnover for the above goods for the preceding year was above rupees forty lakhs and up to rupees one crore; and at

(d) one hundred and fifty per cent; in case their annual turnover for the above goods for the preceding year exceeded rupees one crore;

of the highest tax payable by him as conceded in the return or accounts, or tax paid by him under this Act, whichever is higher, for a year during any of the three consecutive years preceding that to which such option relates.”;

(b) for Explanation 2, the following Explanation shall be substituted, namely:—

“*Explanation 2*:—Where during any such preceding year, the dealer had not transacted business for any period in that financial year, the tax payable for the twelve months shall be calculated proportionately on the basis of the tax payable or the turnover conceded, as the case may be, for the period during which such dealer had transacted business.”;

17

(c) in Explanation 3, for the words “previous to the year in which the option relates”, the words “to which the option relates” shall be substituted;

(d) for Explanation 4, the following Explanation shall be substituted, namely:—

“*Explanation 4:*—Where a dealer has not opted to pay compounded tax with respect to a new branch opened in 2008-09, the compounded tax payable for such branch for the year 2008-09 shall be notionally fixed as the average of the compounded tax paid for the principal place and branches in that year and if the new branch opened is the first branch, the compounded tax payable for it shall be the same as that payable for the principal place of business.”;

(e) in Explanation 5, the last sentence shall be omitted;

(ea) for Explanation 6, the following Explanation shall be substituted, namely:—

“*Explanation 6:*— Where a dealer has opted for payment of tax under this clause for the first time in 2009-10 and has commenced business only in 2008-09 and the tax payable as per return or account during 2008-09 is less than the output tax payable, then the tax payable for 2008-09 shall be notionally re-determined on the basis of output tax for determining the tax liability for 2009-10.”;

(f) after Explanation 6, the following explanation shall be inserted, namely :—

“*Explanation 7:*—Tax payable as conceded in the accounts includes the tax payable on suppressed turnover subsequently detected also.”;

(5) in section 11,—

(i) in sub-section (2), after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that no input tax credit shall be allowed with respect to capital goods used exclusively for the manufacture of goods having no taxable consequence under this Act or the Central Sales Tax Act, other than zero rated sales and in cases where it is only partly used for such purposes, input tax credit shall be proportionately disallowed to that extent.”;

18

(ii) in sub-section (5), in the proviso, for the words and figures “31st March, 2007”, the words and figures “30th June, 2009” shall be substituted;

(6) in section 16, in sub-section 2, for the existing proviso, the following provisos shall be substituted, namely:—

“Provided that registration shall be deemed to have been granted with effect from the date of commencement of business irrespective of the date of application, for the purposes of,—

(a) paying tax under sub-section (5) of section 6, subject to eligibility, and

(b) opting for payment of tax under section 8 for the relevant years subject to eligibility:

Provided further that new dealers applying for registration and existing dealers having registration may avail this benefit subject to the condition that they shall pay tax under the respective provisions along with interest and will not be entitled for any refunds relating to the period prior to filing of application for registration:

Provided also that in the case of dealers against whom an offence has been detected under section 67 of the Act before filing application for registration, registration shall be granted under this sub-section subject to the finalisation of the proceedings in respect of the offence so detected.”;

(7) in section 20, for sub-section (2A), the following sub-section shall be substituted, namely:—

“(2A) Every dealer registered under this Act and every others required to file their returns under this Act shall file their returns as well as purchase and sale list through electronic filing in addition to the hard copy to be filed along with the returns:

Provided that the Commissioner may, in the interest of tax administration, exempt such class or classes of dealers or others as may be prescribed, from electronic filing of returns and the stipulation regarding hard copy of returns prescribed under this sub-section.”;

(8) in section 22, after sub-section (8), the following sub-sections shall be inserted, namely:—

19

“(9) Notwithstanding anything contained in this Act, where an offence has been detected under the Act in respect of a return filed by a dealer or otherwise and proceedings initiated under this Act, the dealer shall not be permitted to revise the return till such proceedings are finalised.

(10) Where the proceedings referred to in the above sub-section are finalised under section 74 on payment of tax due along with the compounding fee, the dealer may thereafter file a revised return incorporating such turnover covered in such proceedings within a period of three months from the finalisation of such proceedings and on the receipt of such return by the assessing authority, the assessment for the return period or periods shall, subject to the provisions of sections 24 and 25, be deemed to have been completed:

Provided that where a pattern of suppression is detected the assessing authority shall proceed with best judgment assessment in accordance with the provisions of sections 24 and 25, as the case may be.”;

(9) in section 24, in sub-section (1), in clause (c), for the words “two years”, the words “three years” shall be substituted ;

(10) in section 40, after the existing proviso, the following proviso shall be inserted, namely :—

“Provided further that auctioneers acting as agents and effecting auction sale shall maintain in such manner, as may be prescribed, the details of such goods received for auction, sold in auction and those returned to the owners of such goods without effecting auction.”;

(11) in section 42, in sub-section (1), the following proviso shall be inserted, namely :—

“Provided that a co-operative society registered or deemed to be registered under the Kerala Co-operative Societies Act, 1969 (21 of 1969), may in lieu of the statement and certificate mentioned above, submit a copy of the audited statement of accounts and certificate issued by the Registrar of Co-operative Societies on or before 31st day of December of the year succeeding to the year to which annual return relates.”;

(12) in section 44, in sub-section (6), for the words “sixty days”, the words “one hundred and eighty days” and for the words “ninety days”, the words “one year” shall respectively be substituted;

20

(13) in section 47, in sub-section (16), for the words “in the public auction”, the words “in public auction or by public sale” shall be substituted ;

(14) in section 49, after sub-section (8), the following sub-section shall be inserted, namely :—

“(8A) Notwithstanding anything contained in this Act, the goods so confiscated under this section can be disposed of by public auction or by public sale, if the Commissioner feels that compelling circumstances exist to do so.”;

(15) section 55 shall be omitted ;

(16) in section 56, in sub-section (2), the words and brackets “Deputy Commissioner (Appeals) or” shall be omitted ;

(17) in section 58,—

(i) in sub-section (1), the words and brackets “other than that of the Deputy Commissioner (Appeals)” shall be omitted ;

(ii) in sub-section (2), the words and brackets “the Deputy Commissioner (Appeals) or” shall be omitted ;

(18) in section 59, in sub-section (1), the words, brackets and figures “the Deputy Commissioner (Appeals) under section 55” shall be omitted ;

(19) in section 60,—

(i) for sub-section (1), the following sub-section shall be substituted, namely :—

“(1) Any person aggrieved by any order issued or proceedings recorded other than those under sub-section (3), sub-section (8), or sub-section (9) of section 16, sub-section (8) of section 19 passed by an authority empowered to do so, or any officer empowered by the Government in this behalf may within a period of sixty days from the date on which the order was served on him, in the manner prescribed, appeal against such order to the Appellate Tribunal :

Provided that the Appellate Tribunal may admit an appeal presented after the expiration of the said period if it satisfied that the appellant had sufficient cause for not presenting the appeal within the said period :

Provided further that no appeal shall lie in cases where *suo moto* revision proceedings under section 58 is pending.”;

(ii) after sub-section (1), the following sub-section shall be inserted, namely :—

21

“(1A) All appeals together with the interlocutory applications, if any, pending for disposal before any appellate authority under this Act as on the date of commencement of this provision shall stand transferred to the Appellate Tribunal and the Appellate Tribunal shall consider the same as if it is an appeal filed before it.”;

(iii) for sub-section (2), the following sub-section shall be substituted, namely :—

“(2) On receipt of notice that an appeal against his order has been preferred the assessing authority or any other officer authorised by the Government in this behalf may within thirty days of receipt of the notice, file a memorandum of cross objections and the Appellate Tribunal shall consider the same while disposing of the appeal.”;

(20) in section 67, in the proviso to sub-section (1), for the words “one year”, the words “three years” shall be substituted ;

(21) after section 70A, the following section shall be inserted, namely :—

“70B. *Penalty for commercial use of goods brought from outside the State declaring it as for own use.*—Any person bringing goods from outside the State declaring it as for own use and has used the goods so brought otherwise than for own use, shall, without prejudice to any other provisions in this Act, be liable to pay by way of penalty, an amount not exceeding thrice the amount of tax due on such goods.”;

(22) in section 74, in sub-section (1), for the words ‘two lakhs’, the words ‘four lakhs’ shall be substituted ;

(23) after section 74, the following section shall be inserted, namely :—

“74A. *Voluntary disclosure of unaccounted transactions.*—(1) Any dealer who had failed to include or suppressed any turnover or taxable turnover in the return filed upto 31st March, 2008 shall be permitted to disclose voluntarily such suppressed turnover to the assessing authority on or before 30th June, 2009.

(2) Such dealers shall file a revised return along with tax due thereon and a statement admitting such non-inclusion or suppression in the returns already filed.

(3) Interest and penalty on the tax due on the suppressed turnover shall be waived in the case of such dealers.

(4) The provisions under this section shall not be applicable to cases already detected by any authority under this Act.”;

22

(24) in section 86, in sub-section (1), after clause (d), the following clause shall be inserted, namely :—

“(e) a member of the Institute of Company Secretaries of India within the meaning of section 2(2) of the Company Secretaries Act, 1980 (Central Act 56 of 1980)”;

(25) in section 94,—

(i) in the marginal heading, for the word “Commissioner”, the word “Authority” shall be substituted ;

(ii) in sub-section (1), after the words “shall be decided by”, the words “an authority consisting of three Deputy Commissioners nominated by” shall be inserted ;

(iii) in sub-section (2),—

(a) for the word “Commissioner”, the word “authority” shall be substituted ;

(b) the following sentence shall be added at the end, namely :—

“Commissioner may considering the fact in issue decide whether such orders have prospective operation only.”;

(iv) in sub-section (5),—

(a) for the words “by the Commissioner”, the words “by the authority” shall be substituted ;

(b) the words and brackets “including Deputy Commissioner (Appeals)” shall be omitted ;

(v) after sub-section (5), the following sub-sections shall be inserted, namely :—

“(6) If no unanimous decision is arrived at by the authority, the matter shall be referred to the Commissioner who shall decide the same as if the application is filed before him.

(7) If the order passed by the authority mentioned in sub-section (1) is found to be prejudicial to the revenue; the Commissioner may exercise his powers of *suomoto* revision, and may cancel, amend or vary such order:

Provided that no order shall be passed under this sub-section, until the party is given an opportunity of being heard.

23

(8) Where the Authority/Commissioner finds on a representation made to it by any officer or otherwise, that an order passed by it was obtained by the applicant by fraud or mis-representation of facts, it may, by order, declare such order to be void *ab initio* and thereupon all the provisions of this Act shall apply to the applicant as if such order had never been made.”;

(26) in section 98, in sub-section (2), the following proviso shall be inserted, namely :—

“Provided that, notwithstanding anything contained in sub-section (2), the dealer who had paid tax on such stock under this Act shall not be liable to pay any tax under the Kerala General Sales Tax Act, 1963. But such dealer shall be liable to pay interest for such belated payments under the provisions of this Act.”

(27) in the SCHEDULES,—

(a) in the First Schedule,—

(i) in serial No.7, in the entries against it in column (2), after the words ‘brushes’, the words “including mops” shall be inserted ;

(ii) after serial No. 9 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely :—

“9A. Cement or concrete frames for doors and windows **** ”;

(iii) after serial No. 27 in column (1) and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely :—

“27A. Khadi sliver/roving **** ” ;

(iv) in serial No. 35, in the entries against it in column (2), after the words ‘palm jaggery’, the words “and its products” shall be inserted ;

(v) in serial No. 35A, for the entries against it in column (2), the following entries shall be substituted, namely :—

“Paper bags including paper covers” ;

(vi) after serial No. 38 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely :—

“38A. Screw pine and products of screw pine **** ” ;

24

“(vii) in serial No. 56, for the entries against it in column (2), the following entries shall be substituted, namely :—

“Products manufactured and sold by Kudumbasree units, or by marketing organisations exclusively owned by Kudumbasree units, under brand name as notified by Government from time to time, either prospectively or retrospectively.”;

(b) in the Second Schedule, in serial No. (1), after item (6) and the entries against it in columns (2) and (3), the following items and entries shall respectively be inserted, namely :—

“(7) Articles of goldsmiths’ or silversmiths’ wares and parts thereof of precious metals or of metal clad with precious metal.	7114
(8) Other articles of precious metal or of metal clad with precious metals	7115
(9) Silver, semi-manufactured	7106.92
(10) Gold, semi-manufactured	7108.13.00
(11) Waste and scrap of precious metals	7112
(12) Gold coins	**** ”;

(c) in the Third Schedule,—

(i) in serial No. 3, in item (1), after sub-item (i) and the entries against it in columns (2) and (3), the following sub-item and entries shall respectively be inserted, namely :—

“(j) Composite Panel **** ”;

(ii) serial No. 4 in column (1) and the entries against it in columns (2) and (3) shall be omitted ;

(iii) in serial No.18, after item (5) and the entries against it in columns (2) and (3), the following item and entries shall respectively be inserted, namely :—

“(5A) Cement paving blocks **** ”;

(iv) in serial No. 51A, item (9) and the entries against it in column (2) shall be omitted ;

(v) in serial No. 55, in the entries in column (2), after the words “annual turnover”, the words “of this item” shall be inserted ;

25

(vi) in serial No. 59A, in the entries in column (2), after the words “veterinary science”, the words “and spares and parts thereof” shall be inserted ;

(vii) after serial No. 75 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely :—

“75A. Kitchen Stands (plastic coated) ****.”;

(viii) after serial No. 79 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely :—

“79A. Light Emitting Diode Lamps ****.”;

(ix) in serial No. 83, for item (19) and the entries against it in columns (2) and (3), the following item and entries shall respectively be substituted, namely :—

“(19) All kinds of machinery for printing and allied activities, including book binding, spiral binding, comb binding, gathering, saddle stitching, paper cutting, paper folding, perforating machines.”;

(x) in serial No. 103A, after the entries against, it in columns (2) and (3), the following Note shall be inserted, namely :—

“*Note* :—This entry shall be deemed to have come into force on the 1st day of April, 2005.”;

(d) in List A,

(i) in serial No. 82, in item (1) in the entries in column (2) after the words ‘iron oxides’ the words ‘including red oxide’ shall be inserted and the entry against it in column (3) shall be omitted ;

(ii) in serial No. 134, after item (9), and the entries against it in columns (2) and (3), the following items and entries shall respectively be inserted, namely :—

“9A. Tread rubber and tread packing strip for resoling
or repairing or retreading rubber tyres 4008.29.40 ;”;

(iii) in serial No. 144, in the entries in column (2), after the word “kattadi”, the word “silveroak” shall be inserted.1

8. *Validation*.—(1) Notwithstanding anything contained in the Kerala Value Added Tax Act, 2003 (Act 30 of 2004) or any other law for the time being in force, during the period from 1st April, 2009 to the date of publication of this

26

Act, during which the declared provisions contained in the Kerala Finance Bill, 2009 (Bill No. 254 of the XIIth Kerala Legislative Assembly) were in force, anything done or any action taken or any tax collected by virtue of the said provisions of the said Bill shall be deemed to have been validly done or taken or collected under the said Act and no action shall lie against any dealer or authority on the ground of short levy or refund of excess tax, and tax collected or paid by a dealer, if any, shall be paid over to the Government.

(2) Notwithstanding anything contained in the Kerala Value Added Tax Act, 2003 (Act 30 of 2004) any exemption or reduction of tax granted by virtue of the provisions of the Kerala Finance Bill, 2009 (Bill No. 254 of the XIIth Kerala Legislative Assembly) in respect of the period with effect from 1st April, 2005 to the date of publication of this Act, shall be deemed to have been validly done and any tax collected or paid by a dealer at such higher rates shall be deemed to have been validly collected or paid and the tax so collected shall be paid over to the Government and shall not be refunded.

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GOVERNMENT OF KERALA

Law (Legislation – A) Department

NOTIFICATION

No.5048/Leg. A2/2010/Law.

Dated, Thiruvananthapuram 28th July, 2010

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 28th day of July, 2010.

By order of the Governor,

K. MADHUSUDANAN NAIR,
Special Secretary (Law)

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33/2954/2010/DTP.

ACT 10 of 2010

THE KERALA FINANCE ACT, 2010

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2010-2011.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2010–2011;

BE it enacted in the Sixty-first Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2010.

(2) Save as otherwise provided in this Act,—

(a) sub-clauses (i), (iii) and (iv) of clause (b) and sub-clauses (i) and (ii) of clause (c) of sub-section (21) of section 8 shall be deemed to have come into force on the 1st day of April, 2005;

(b) sub-clause (iii) of clause (c) of sub-section (21) of section 8 shall be deemed to have come into force on the 1st day of April, 2007;

(c) clause (i) of sub-section (3) of section 4 and clause (ii) of sub-section (10) of section 8 shall be deemed to have come into force on the 1st day of April, 2008;

(d) clause (i) of sub-section (4) of section 4 shall be deemed to have come into force on the 1st day of April, 2009;

(e) sub-clause (iv) of clause (a) and sub-clause (viii) of clause (b) of sub-section (21) of section 8 shall be deemed to have come into force on the 18th day of September, 2009 ;

(f) clause (iv) of sub-section (4) of section 8 shall be deemed to have come into force on the 13th day of November, 2009;

(g) clause (ix) of sub-section (3) of section 3; item (r) in serial number 3 (i) of clause (i) and clause (ii) of sub-section (3) of section 5; clause (iii) of sub-section (2) of section 6; and section 9 shall come into force at once; and

(h) the remaining provisions of this Act shall be deemed to have come into force on the 1st day of April, 2010.

3

2. *Amendment of Act 11 of 1957.*—In the Kerala Surcharge on Taxes Act, 1957 (11 of 1957),—

(1) in section 3A,—

(i) in sub-section (3), for the figures, words and symbol “30th September, 2008 or on such date as may be notified by the Government.”, the figures, words and symbol “31st December, 2010.” shall be substituted ;

(ii) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) On receipt of an application under sub-section (3), the assessing authority shall verify the same and intimate the amount due to the assessee and thereupon the assessee shall remit the amount in lump sum or in three equal instalments, on or before 31st December, 2010 :

Provided that notwithstanding anything contained in this section, where,

(a) after the last date for filing option, the Government have notified a further date under sub-section (3); and

(b) if an applicant had filed his option earlier and remitted at least one instalment, but had failed to remit the balance amount due and his earlier option was revoked by the assessing authority,

on furnishing of a fresh option, the amount paid under the earlier option shall be treated as the amount paid under the subsequent option.”;

(2) in section 3B,—

(i) in sub-section (2), for the figures, words and symbols “30th September, 2009 or on such date as may be notified by the Government.”, the figures, words and symbols “31st December, 2010.” shall be substituted;

(ii) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) On receipt of an application under sub-section (2), the assessing authority shall verify the same and intimate the amount due to the assessee and thereupon the assessee shall remit the amount in lump sum or in three equal instalments on or before 31st December, 2010 :

Provided that notwithstanding anything contained in this section, where,

(a) after the last date for filing option, the Government have notified a further date under sub-section (3); and

4

(b) if an applicant had filed his option earlier and remitted at least one instalment, but had failed to remit the balance amount due and his earlier option was revoked by the assessing authority,

on furnishing of a fresh option, the amount paid under the earlier option shall be treated as the amount paid under the subsequent option.”.

3. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) after section 30, the following section shall be inserted, namely :—

“30A. *No surcharge on stamp duty.*—Notwithstanding anything contained in the Kerala Panchayath Raj Act, 1994 (13 of 1994) or in the Kerala Municipality Act, 1994 (20 of 1994), no surcharge on stamp duty shall be levied and collected on any instrument by a Grama Panchayat, Municipality or Municipal Corporation.”;

(2) in section 45A,—

(i) in sub-section (1), the words and symbols “other than an instrument of partition, settlement or gift among members of a family,” shall be omitted;

(ii) in sub-section (3), for the words “the instrument shall be duly registered”, the words “he shall duly register such instrument and certify by endorsement on the instrument under his seal and signature that proper stamp duty has been charged and paid” shall be substituted;

(3) in the SCHEDULE,—

(i) in serial number 5, in clause (d), for the entries against it in column (3), the following entries shall be substituted, namely:—

“One hundred rupees”;

(ii) in serial number 6 for sub-clause (a) and (b) the following shall be substituted, namely:—

“(i)	If the amount secured is up to rupees 5 lakhs	0.5% of the amount
“(ii)	If the amount secured exceeds rupees 5 lakhs but does not exceed rupees 20 lakhs	0.5% of the amount subject to a maximum of rupees 5,000.

5

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|-------|---|--|
| (iii) | If the amount secured exceeds rupees 20 lakhs but does not exceed rupees 50 lakhs | 0.5% of the amount subject to a maximum of rupees 10,000. |
| (iv) | If the amount secured exceeds rupees 50 lakhs | 0.25% of the amount subject to a minimum of rupees 20,000 and a maximum of rupees 25,000.” ; |

(iii) in serial number 21, for the entries in column (3), the following entries shall be substituted, namely:—

“Seven rupees for every rupees 100 or part thereof of the fair value of the land or the amount or value of the consideration for such conveyance, whichever is higher.”;

(iv) for serial number 22 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be substituted, namely:—

“22 Conveyance as defined by section 2(d), not being a transfer charged or exempted under No. 55 of immovable property situated,—

(i) within the Municipalities/Townships/Cantonments other than Corporations. Eight rupees for every rupees 100 or part thereof of the fair value of the land or the amount or value of the consideration for such conveyance, whichever is higher.

(ii) within the Municipal Corporations. Nine rupees for every rupees 100 or part thereof of the fair value of the land or the amount or value of the consideration for such conveyance, whichever is higher.”;

6

(v) in serial number 29, for the entries in column (3), the following entries shall be substituted, namely:—

“The same duty as a conveyance (No. 21 or 22 as the case may be) for the fair value of the land or for the amount of the consideration, whichever is higher, of the property of the greater value as set forth in such instrument.”;

(vi) for serial number 31 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be substituted, namely:—

“31 Gift – instrument not being a settlement or will or transfer,

(i) where the gift is in favour of father, mother, husband, wife, son, daughter, brother or sister of a person. Two rupees for every rupees 100 or part thereof of the fair value of the land or the value set forth in the instrument, whichever is higher.

(ii) in any other case The same duty as a conveyance (No. 21 or 22 as the case may be).”;

(vii) in serial number 42,—

(a) in clause (i), for the entries in column (3), the following entries shall be substituted, namely:—

“One rupee for every rupees 100 or part thereof of the amount of the value or fair value of the separated share or shares of the property, whichever is higher.”;

(b) in clause (ii), for the entries in column (3), the following entries shall be substituted, namely:—

“Six rupees for every rupees 100 or part thereof of the amount of the value or fair value of the separated share or shares of the property, whichever is higher.”;

7

(c) for the existing explanation the following shall be substituted, namely:—

“*Explanation.*—Family means father, mother, husband, wife, son, daughter, brother, sister and legal heirs of the deceased children, if any, as the case may be.”.

(viii) in serial number 44,—

(a) in clause (a), for the entries in column (3), the following entries shall be substituted, namely:—

“Fifty rupees.”;

(b) in clause (b), for the entries in column (3), the following entries shall be substituted, namely:—

“One hundred rupees.”;

(c) in clause (c), for the entries in column (3), the following entries shall be substituted, namely:—

“Three hundred rupees.”;

(d) in clause (d), for the entries in column (3), the following entries shall be substituted, namely:—

“One thousand rupees.”;

(e) in clause (e), for the entries in column (3), the following entries shall be substituted, namely:—

“The same duty as a conveyance (No. 21 or 22 as the case may be) for the fair value of the land or for the amount of the consideration, whichever is higher.”;

(f) in clause (f), for the entries in column (3), the following entries shall be substituted, namely:—

“The same duty as a conveyance (No. 21 or 22 as the case may be) for the fair value of the land or the amount of consideration/estimate, whichever is higher.”;

8

(g) in clause (g), for the entries in column (3), the following entries shall be substituted, namely:—

“Rupees three hundred for each person authorised.”;

(ix) in serial number 48, for clauses (a) and (b), the following clauses shall be substituted, namely:—

“(a) When such release operates in favour of father, mother, husband, wife, son, daughter, brother or sister of a person. One rupee for every rupees 100 or part thereof of the amount or value of the property or claim or fair value of the land of which the right is relinquished in proportion to the right relinquished or consideration for the release, whichever is higher.”;

(b) in any other case The same duty as conveyance (No. 21 or 22, as the case may be) for such amount or value of the property or claim or fair value of the land of which the right is relinquished in proportion to the right relinquished or consideration for the release, whichever is higher.”.

(x) in serial number 51, for clause (a) and the entries against it in columns (2) and (3), the following clause and entries shall respectively be substituted, namely:—

“(a) instrument of (including a deed of dower),

(i) where the settlement is in favour of father, mother, husband, wife, son, daughter, brother or sister of a person. Rupees two for every rupees 100 or part thereof of the fair value of the land or the value set forth in such instrument, whichever is higher.

(ii) in any other case The same duty as Bottomry Bond (No. 14) for a sum equal to the amount or value of the property settled as set forth in such instrument or fair value of the land, whichever is higher.

Exemption: Deed of dower executed on the occasion of a marriage between Muhammadans :	“Where an agreement to settle is stamped with the stamp required for an instrument of settlement and an instrument in pursuance of such agreement is subsequently executed, the duty on such instrument shall not exceed five rupees.”.
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4. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) for section 7, the following section shall be substituted, namely:—

“7. *Payment of tax at compounded rates.*—Notwithstanding anything contained in sub-section (2) of section 5, any bar attached hotel, not being a star hotel of and above four star hotel, heritage hotel or club, may, at its option, instead of paying turnover tax on foreign liquor in accordance with the said sub-section, pay turnover tax on the turnover of foreign liquor calculated at the rates in clauses (a) or (b) of items (i) and (ii), respectively, whichever is higher,—

(i) in respect of a bar attached hotel of and below two star,

(a) at one hundred and forty per cent of the purchase value of such liquor, in the case of those situated within the area of a municipal corporation or a municipal council or a cantonment, and at one hundred and thirty five per cent of the purchase value of such liquor, in the case of those situated in any other place; or

(b) at one hundred and fifteen per cent of the highest turnover tax payable by it as conceded in the return or accounts or the turnover tax paid for any of the previous consecutive three years; and

(ii) in respect of a bar attached hotel of three stars,

(a) at one hundred and eighty per cent of the purchase value of such liquor, in the case of those situated within the area of a municipal corporation or a municipal council or a cantonment, and at one hundred and seventy per cent of the purchase value of such liquor, in the case of those situated in any other place; or

(b) at one hundred and twenty five per cent of the highest turnover tax payable by it as conceded in the return or accounts or the turnover tax paid for any of the previous consecutive three years.”;

10

(2) in section 17,—

(i) in sub-section (6), for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that the assessment relating to the years upto and including the year 2004-05 pending as on 31st March, 2010 shall be completed on or before the 31st day of March, 2011 :

Provided further that in cases where any assessment completed under this Act has been reopened with the permission of the Commissioner, the time limit mentioned in section 19 shall not apply.”

(ii) in sub-section (8)—

(a) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that all such assessments or reassessments pending as on 31st March, 2010 shall be completed on or before 31st March, 2011.”;

(b) for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that all such modified assessments or modified reassessments or remanded assessments pending as on 31st March, 2010 shall be completed on or before 31st March, 2011.”;

(3) in section 23B,—

(i) in sub-section (1), for the words “due under the Act”, the words, figures and brackets “due under this Act or the Central Sales Tax Act, 1956 (Central Act 74 of 1956)” shall be substituted ;

(ii) in sub-section (3), for the figures, words and symbols “30th September, 2008 or on such date as may be notified by the Government.”, the figures, words and symbols “31st December, 2010.” shall be substituted ;

(iii) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) On receipt of an application under sub-section (3), the assessing authority shall verify the same and intimate the amount due to the assessee and thereupon the assessee shall remit the amount in lump sum or in three equal instalments on or before 31st December, 2010 :

11

Provided that notwithstanding anything contained in this section, where,

(a) after the last date for filing option, the Government have notified a further date under sub-section (3); and

(b) if an applicant had filed his option earlier and remitted at least one instalment, but had failed to remit the balance amount due and his earlier option was revoked by the assessing authority,

on furnishing of a fresh option, the amount paid under the earlier option shall be treated as the amount paid under the subsequent option.”;

(4) in section 23BA,—

(i) in sub-section (1), for the words “due under the Act”, the words, figures and brackets “due under this Act or the Central Sales Tax Act, 1956 (Central Act 74 of 1956)” shall be substituted ;

(ii) in sub-section (2), for the figures, words and symbols “30th September, 2009 or on such date as may be notified by the Government.”, the figures, words and symbols “31st December, 2010.” shall be substituted;

(iii) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) On receipt of an application under sub-section (2), the assessing authority shall verify the same and intimate the amount due to the assessee and thereupon the assessee shall remit the amount in lump sum or in three equal instalments on or before 31st December, 2010:

Provided that notwithstanding anything contained in this section, where,

(a) after the last date for filing option, the Government have notified a further date under sub-section (3); and

(b) if an applicant had filed his option earlier and remitted at least one instalment, but had failed to remit the balance amount due and his earlier option was revoked by the assessing authority,

on furnishing of a fresh option, the amount paid under the earlier option shall be treated as the amount paid under the subsequent option.”;

(5) in the SCHEDULE, in serial number “2. Foreign Liquor”,—

(i) in item “(i) Beer and wine,” for the figure “60” under the heading “Rate of tax (per cent),” the figure “50” shall be substituted;

(ii) in item “(ii) Other than Beer and wine,” for the figure “90” under the heading “Rate of tax (per cent),” the figure “100” shall be substituted.

12

5. *Amendment of Act 19 of 1976.*—In the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976),—

(1) in section 3,—

(i) in sub-section (1), for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that in respect of a new motor vehicle of any of the classes specified in item numbers 1, 2, 6, 10(iii) and 11 of the Schedule to this Act, there shall be levied from the date of purchase of the vehicle one-time tax at the rate specified in Annexure I, at the time of first registration of the vehicle and thereafter tax shall be levied at the time of renewal of such vehicle at the rate specified in the Schedule as per fourth proviso to sub-section (1) of section 4.”;

(ii) after the third proviso the following proviso shall be inserted, namely:—

“Provided also that in respect of new autorickshaws specified in item number 7(i)(b) of the Schedule to this Act, there shall be levied from the date of purchase of the new vehicle, a tax in advance for a period of five years at the rate specified in Annexure II, at the time of first registration of the vehicle and thereafter tax shall be levied for 5 years or for one year at the rate specified in the seventh proviso to sub-section (1) of section 4.”;

(2) in section 4, in sub-section (1), for the sixth proviso, the following provisos shall be substituted, namely:—

“Provided also that the owner or a person liable to pay tax in respect of vehicle specified in item numbers 1, 2, 6, 7(i)(b), 10(iii) and 11 of the Schedule to this Act shall not be liable to pay any periodical increase in tax during the period for which he has paid tax for such vehicle :

Provided also that the owner or a person liable to pay tax in respect of autorickshaws specified in item number 7(i)(b) of the Schedule shall have an option to remit tax in lump sum for 5 years at the rate specified in Annexure II or to remit tax for one year at the rate specified in item number 7(i)(b) of the Schedule.”;

(3) in the SCHEDULE,—

(i) for serial number “3. Goods Carriages” and the entries related thereto in columns (1), (2) and (3), the following serial number and entries shall respectively be substituted, namely:—

“3. Goods Carriages**(i) Goods Carriages other than those fitted with tipping mechanism**

(a)	Motor Cycle trucks not exceeding			300 Kg. in gross vehicle weight		135.00
(b)	Vehicles not exceeding			1000 Kg. „		220.00
(c)	Vehicles exceeding	1000 Kg.	but not exceeding	1500 Kg. „		420.00
(d)	„	1500 Kg.	„	2000 Kg. „		550.00
(e)	„	2000 Kg.	„	3000 Kg. „		705.00
(f)	„	3000 Kg.	„	4000 Kg. „		840.00
(g)	„	4000 Kg.	„	5500 Kg. „		1210.00
(h)	„	5500 Kg.	„	7000 Kg. „		1430.00
(i)	„	7000 Kg.	„	9000 Kg. „		1760.00
(j)	„	9000 Kg.	„	9500 Kg. „		1870.00
(k)	„	9500 Kg.	„	10500 Kg. „		2090.00
(l)	„	10500 Kg.	„	11000 Kg. „		2310.00
(m)	„	11000 Kg.	„	12000 Kg. „		2530.00
(n)	„	12000 Kg.	„	13000 Kg. „		2750.00
(o)	„	13000 Kg.	„	14000 Kg. „		2970.00
(p)	„	14000 Kg.	„	15000 Kg. „		3080.00
(q)	„	15000 Kg.	„	20000 Kg. „		3080.00 + Rs. 110 for every 250 Kg. or part thereof in excess of 15000 Kg.
(r)	„	20000 Kg.	„	„		5280.00 + Rs. 220 for every 250 Kg. or part thereof in excess of 20000 Kg.”;

**(ii) Goods Carriages fitted with tipping mechanism
(Tipper Goods Carriages)**

(a)	Motor Cycle trucks not exceeding		300 Kg.	in gross vehicle weight	170.00	
(b)	Vehicles not exceeding		1000 Kg.	„	280.00	
(c)	Vehicles exceeding	1000 Kg.	but not exceeding	1500 Kg.	„	530.00
(d)	„	1500 Kg.	„	2000 Kg.	„	690.00
(e)	„	2000 Kg.	„	3000 Kg.	„	880.00
(f)	„	3000 Kg.	„	4000 Kg.	„	1050.00
(g)	„	4000 Kg.	„	5500 Kg.	„	1510.00
(h)	„	5500 Kg.	„	7000 Kg.	„	1790.00
(i)	„	7000 Kg.	„	9000 Kg.	„	2200.00
(j)	„	9000 Kg.	„	9500 Kg.	„	2350.00
(k)	„	9500 Kg.	„	10500 Kg.	„	2610.00
(l)	„	10500 Kg.	„	11000 Kg.	„	2900.00
(m)	„	11000 Kg.	„	12000 Kg.	„	3160.00
(n)	„	12000 Kg.	„	13000 Kg.	„	3440.00
(o)	„	13000 Kg.	„	14000 Kg.	„	3710.00
(p)	„	14000 Kg.	„	15000 Kg.	„	3850.00
(q)	„	15000 Kg.			„	3850.00+ Rs. 140 for every 250 Kg. or part thereof in excess of 15000 Kg.”;

(ii) for serial number 4. Trailers used for carrying goods and the entries related thereto in columns (1), (2) and (3), the following serial number and entries shall respectively be substituted, namely:—

“4. Trailers used for carrying goods

(a)	For each trailer not exceeding		1000 Kg.		in gross vehicle weight	155.00
(b)	For each trailer exceeding	1000 Kg.	but not exceeding	1500 Kg.	”	320.00
(c)	”	1500 Kg.	”	2000 Kg.	”	430.00
(d)	”	2000 Kg.	”	3000 Kg.	..	585.00
(e)	”	3000 Kg.	”	4000 Kg.	..	790.00
(f)	”	4000 Kg.	”	5500 Kg.	..	1000.00
(g)	”	5500 Kg.	”	7000 Kg.	..	1320.00
(h)	”	7000 Kg.	”	9000 Kg.	..	1540.00
(i)	..	9000 Kg.	”	9500 Kg.	..	1650.00
(j)	..	9500 Kg.	”	10500 Kg.	..	1760.00
(k)	..	10500 Kg.	”	12000 Kg.	..	1980.00
(l)	..	12000 Kg.	”	13000 Kg.	..	2090.00
(m)	..	13000 Kg.	”	14000 Kg.	..	2200.00
(n)	..	14000 Kg.	”	15000 Kg.	..	2310.00
(o)	..	15000 Kg.	..	20000 Kg.	”	2310.00+ Rs. 110 for every 250 Kg. or part thereof in excess of 15000 Kg.
(p)	..	2000 Kg.			..	4510.00 + Rs. 220 for every 250 Kg. or part thereof in excess of 20000 Kg.”

16

(iii) in serial number 6, for the words, brackets and symbol “Omni Bus for Private use (Private Service Vehicle – Non-Transport)” in column (2), the words, brackets and symbol “Private Service Vehicle for Personal Use (Non-Transport)” shall be substituted ;

(iv) in serial number 10,—

(a) in item (i), the words “Cranes and Earth Moving Vehicles such as Dumper, Bulldozer” shall be omitted ;

(b) after item (ii) and the entries against it in columns (2) and (3), the following item and entries shall respectively be inserted, namely:—

“(iii) Construction equipment vehicles such as Excavators, Loaders, Backhoe, Compactor Rollers, Road Rollers, Dumpers, Motor Graders, Mobile Cranes, Dozers, Forklift Trucks, Self Loading Concrete Mixers etc.

(a)	Not Exceeding	1000 Kg.			In gross vehicle weight	35.00
(b)	Exceeding	1000 Kg.	but not exceeding	1500 Kg.	„	55.00
(c)	„	1500 Kg.	„	2275 Kg.	„	80.00
(d)	„	2275 Kg.	„	3050 Kg.	„	100.00
(e)	„	3050 Kg.	„	4300 Kg.	„	110.00
(f)	„	4300 Kg.	„	5575 Kg.	„	120.00
(g)	„	5575 Kg.	„	7600 Kg.	„	145.00
(h)	„	7600 Kg.	„	9000 Kg.	„	165.00
(i)	„	9000 Kg.			„	165.00 + Rs. 25 for every 1000 Kg. or part thereof in excess of 9000 Kg.”;

17

(v) for serial number 13 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be substituted, namely:—

“13. 1. Educational Institution Bus

(a) Vehicles with 20 or less seats including that of the driver	500.00
(b) Vehicles with more than 20 seats	1000.00
2. Ambulance	550.00
3. Tractor	220.00
4. Vehicles exclusively used for imparting instructions in driving of motor vehicles,—	

(a) Light motor vehicles excluding Motor Car	550.00
(b) Medium goods / passenger vehicles	1100.00
(c) Heavy goods / passenger vehicles	1650.00” ;

(vi) for the existing Annexure, the following Annexures shall be substituted, namely:—

“ANNEXURE - I

ONE TIME TAX

[See proviso to section 3(1)]

<i>Sl. No.</i>	<i>Class of Vehicle</i>	<i>Rate of one time tax</i>
(1)	(2)	(3)
A.	New Motor Cycles (including Motor Scooters and Cycles with attachments for propelling the same by mechanical power) and three wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers and Private Service Vehicle for personal use (NTV), Motor Cars and Construction Equipment Vehicle.	
1.	Motor Cycles (including motor scooters and cycles with	6% of the purchase value of the vehicle.

(1)	(2)	(3)
	attachments for propelling the same by mechanical power) and bicycles of all categories with or without side car or drawing a trailer.	
2.	Three Wheelers (including tricycles and cycle rikshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers.	6% of the purchase value of the vehicle.
3.	Private Service Vehicle for personal use (NTV) having cubic capacity below 1500.	6% of the purchase value of the vehicle.
4.	Motor cars having cubic capacity below 1500.	6% of the purchase value of the vehicle.
5.	Private Service Vehicle for personal use (NTV) having cubic capacity 1500 and above.	8% of the purchase value of the vehicle.
6.	Motor cars having cubic capacity 1500 and above.	8% of the purchase value of the vehicle.
7.	Construction Equipment Vehicles such as excavators, loaders, backhoe, compactor rollers, road rollers, dumpers, motor graders, mobile cranes, dozers, forklift trucks, self loading concrete mixers etc.	6% of the purchase value of the vehicle.
B.	Motor Cycles (including motor scooter and cycles with attachments for propelling the same by mechanical power) and three wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers and private service vehicle for personal use (NTV) and motor cars which were originally registered in other States on or after 1 st April, 2007 and migrated to Kerala State.	As per the Table below.

(1)	(2)	(3)
	C. Motor Cycles (including motor scooter and cycles with attachments for propelling the same by mechanical power) and three wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers and private service vehicle for personal use (NTV) and motor cars which were registered on or after 1 st April, 2007 and reclassified from the category of transport vehicles.	As per the Table below.
	D. Construction Equipment Vehicles which are originally registered in other States on or after 1 st April, 2010 and migrated to the Kerala State.	As per the Table below.

TABLE

<i>Sl. No.</i>	<i>Age of vehicle from the month of original registration</i>	<i>Percentage of one time tax leviable under A above</i>
(1)	(2)	(3)
1	Not more than 1 year	100%
2	more than 1 year but not more than 2 years	93%
3	more than 2 years but not more than 3 years	87%
4	more than 3 years but not more than 4 years	80%
5	more than 4 years but not more than 5 years	73%
6	more than 5 years but not more than 6 years	67%
7	more than 6 years but not more than 7 years	60%
8	more than 7 years but not more than 8 years	53%
9	more than 8 years but not more than 9 years	47%
10	more than 9 years but not more than 10 years	40%
11	more than 10 years but not more than 11 years	33%
12	more than 11 years but not more than 12 years	27%
13	more than 12 years but not more than 13 years	20%
14	more than 13 years but not more than 14 years	13%
15	more than 14 years but not more than 15 years	7%

20

ANNEXURE II

LUMP SUM TAX

[See proviso to sections 3(1) and 4(1)]

<i>Class of Vehicle</i>	<i>Rate of tax</i>
New autorickshaws and autorickshaws which were originally registered in other States on or after 1 st April, 2010 and migrated to Kerala State with seating capacity three, excluding driver seat.	Rs. 2,000 for five years.”.

6. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976),—

(1) in section 2,—

(i) after clause (d), the following clauses shall be inserted, namely:—

“(da) “Direct-To-Home (DTH) Broadcasting Service” means a system of distribution of multi-channel television programmes in *ku* band using a satellite system of providing television signals direct to the subscriber’s premises in an encrypted form which will be received by an antenna and decrypted by an electronic device, thus providing television signals to the television set or other viewing devices of the subscriber, without passing through an intermediary such as cable operator.

(db) “Direct-To-Home (DTH) Broadcasting Service Provider” means, a company registered under the Companies Act, 1956 (Central Act 1 of 1956) having granted license to provide Direct-To-Home (DTH) Broadcasting Service by the Government of India under section 4 of the Telegraph Act, 1885 (Central Act 13 of 1885) and Indian Wireless Telegraphy Act, 1933 (Central Act 17 of 1933) and providing such service within the State.”;

(ii) after clause (fc), the following clause shall be inserted, namely:—

“(fd) “Luxury provided by Direct-To-Home (DTH) Broadcasting Service Provider” means any service by means of transmission of television signals and the films or moving pictures or series of pictures which are viewed and heard on television receiving set or other devices through a Direct-To-Home (DTH) service at a residential or a non-residential place of a subscriber, providing pleasure, comfort and entertainment to the subscribers and viewers.”;

21

(iii) after clause (k), the following clause shall be inserted, namely:—

“(1) “subscriber” means a person who enjoys the luxury by receiving the signal of cable television network or a direct-to-home service at a place indicated by him to the cable operator or the Direct-To-Home (DTH) Service Provider, without further transmitting it to any other person.”;

(2) in section 4,—

(i) (a) in sub-section (1), in item (ii), the words, symbols, brackets and letters “and by Direct-To-Home (DTH) Service Providers” shall be added at the end ;

(b) for the existing proviso to sub-section (1), the following provisos shall be substituted, namely:—

“Provided that the sub-section shall not apply to,—

(i) halls and auditoriums located within the premises of places of worship owned by religious institutions;

(ii) to the retiring rooms in the railway stations, managed by Indian Railways;

(iii) to dormitories; and

(iv) to cable operators whose total number of connections, including those given through franchisees, is seven thousand and five hundred or less:

Provided further that the cable operators with seven thousand and five hundred or less connections shall not be liable to tax from 1st July, 2006;

(ii) in sub-section (2), in clause (a),—

(a) in sub-clause (i), for the words, “ten per cent”, the words “seven and a half per cent” shall be substituted;

(b) in sub-clause (ii), for the words, “fifteen per cent”, the words “twelve and a half per cent” shall be substituted;

(iii) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) Every Direct-To-Home (DTH) Broadcasting Service Provider in the State shall pay luxury tax at the rate of two per cent on the gross charges received or receivable by him every month in any manner including installation charges, subscription charges, recharges, or other charges by whatever name called from the subscribers in the State in respect of the luxury provided by him.”;

(3) in section 4D,—

(i) in its marginal heading, after the words “cable operators”, the words and brackets “and Direct-To-Home (DTH) Broadcasting Service Provider” shall be inserted;

(ii) in the first sentence, after the words “cable operator”, the words and brackets “and Direct-To-Home (DTH) Broadcasting Service Provider” shall be inserted;

(4) in section 10B,—

(i) in sub-section (3), for the figures, words and symbols “30th September, 2008 or on such date as may be notified by the Government.”, the figures, words and symbols “31st December, 2010.” shall be substituted ;

(ii) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) On receipt of an application under sub-section (3), the assessing authority shall verify the same and shall intimate the amount due to the assessee and thereupon the assessee shall remit the amount in lump sum or in three equal instalments on or before 31st December, 2010 :

Provided that notwithstanding anything contained in this section, where,

(a) after the last date for filing option, the Government have notified a further date under sub-section (3), and

(b) if an applicant had filed his option earlier and remitted at least one instalment, but had failed to remit the balance amount due and his earlier option was revoked by the assessing authority,

on furnishing of a fresh option, the amounts paid under the earlier option shall be treated as the amount paid under the subsequent option.”.

7. *Amendment of Act 15 of 1991.*—In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991), in section 37C,—

(1) in sub-section (3), for the figures, words and symbols “30th June, 2009 or on such date as may be notified by the Government.”, the figures, words and symbols “31st December, 2010.” shall be substituted;

(2) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) On receipt of an application under sub-section (3), the assessing authority shall verify the same and shall intimate the amount due to the assessee and thereupon the assessee shall remit the amount in lump sum or in three equal instalments on or before 31st December, 2010 :

Provided that notwithstanding anything contained in this section, where,

(a) after the last date for filing option, the Government have notified a further date under sub-section (3), and

(b) if an applicant had filed his option earlier and remitted at least one instalment, but had failed to remit the balance amount due and his earlier option was revoked by the assessing authority,

on furnishing of a fresh option, the amount paid under the earlier option shall be treated as the amount paid under the subsequent option.”.

8. *Amendment of Act 30 of 2004.*— In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 2,—

(i) after clause (vi), the following clause shall be inserted, namely:—

“(vi a) “Assistant Commissioner (Appeals)” means any person appointed to be an Assistant Commissioner (Appeals) under sub-section (3) of section 3.”;

(ii) after clause (xvi), the following clause shall be inserted, namely:—

“(xvii) “Deputy Commissioner (Appeals)” means any person appointed to be a Deputy Commissioner (Appeals) under sub-section (3) of section 3.”;

(iii) in clause (liiA), after the words “subsequent to the registration”, the words “or which had already been subjected to tax under this Act” shall be inserted ;

(2) in section 3,—

(i) in sub-section (3), after the words “Deputy Commissioners”, the words and brackets “Deputy Commissioner (Appeals), Assistant Commissioner (Appeals)” shall be inserted ;

(ii) to sub-section (4), the following proviso shall be inserted, namely:—

“Provided that no such orders, instructions or directions shall be given so as to interfere with the discretion of the Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals) in the exercise of their appellate functions.”;

(3) in section 6,—

(i) in sub-section (1), for the fifth proviso, the following proviso shall be substituted, namely:—

“Provided also that where,

(a) the sale is to or by Military, Naval, Air Force or National Cadet Corps Canteen, Indian Naval Canteen Service and Canteen Stores Department ; and

(b) in case of motor vehicles, the sale is to Defence personnel or ex-service men on production of authorisation duly issued by the authorised officer of the Canteen Stores Department,

the tax payable under clauses (a) or (d) above shall subject to such conditions and restrictions as may be prescribed, be at half the rate applicable to such goods.”;

(ii) in sub-section (2), after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that Khadi and Village Industrial Units manufacturing splints and veneers shall not be liable to tax under this sub-section on the turnover of purchase of softwood effected from unregistered dealers for the years 2005-06 and 2006-07.”;

(4) in section 8,—

(i) in clause (b),—

(a) in sub-clause (ii), for the letters, figures and words “Rs. 1,50,000 per annum”, the letters, figures and words “Rs. 1,40,000 per annum” shall be substituted ;

(b) in sub-clause (iii), for the letters, figures and words “Rs. 3,00,000 per annum”, the letters, figures and words “Rs. 2,80,000 per annum” shall be substituted;

(c) in sub-clause (iv), for the letters, figures and words “Rs. 10,00,000 per annum”, the letters, figures and words “Rs. 15,00,000 per annum” shall be substituted;

(d) for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that notwithstanding anything contained in this clause, dealers with a single crushing machine of size not exceeding 30.48 cm × 22.86 cm shall pay rupees twenty five thousand only per annum and those with a single crushing machine of size above 30.48 cm × 22.86 cm but not exceeding 40.64 cm × 25.40 cm shall pay rupees one lakh only per annum, as tax under this clause.”;

(ii) in clause (c), in sub-clause (ii), after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that, where a dealer had paid tax under this sub-clause for the previous year, the tax payable for the succeeding year under this clause shall be one hundred and fifteen per cent of such tax paid during the previous year.”;

(iii) in clause (f),—

(a) in sub-clause (i),—

(i) in Explanation 6,—

(a) for the figures and symbol “2008-09” wherever they occur, the figures and symbol “2009-10” shall be substituted;

(b) for the figures and symbol “2009-10” wherever they occur, the figures and symbol “2010-11” shall be substituted;

(ii) after Explanation 7, the following Explanation shall be inserted, namely:—

“*Explanation 8.*—Where a dealer who had opted and paid tax under this clause during previous years with respect to a branch that had remained closed during the whole of the year 2009-10, for the purpose of determining the compounded tax payable for 2010-2011, the tax paid in respect of that branch shall not be reckoned.”;

(b) for sub-clause (v), the following sub-clause shall be substituted, namely:—

“(v) Where a dealer had paid tax under this clause for the previous year, the tax payable for the succeeding year under this clause shall be,

(a) one hundred and five per cent of such tax paid during the previous year, in case their turnover for the above goods for the preceding year was rupees ten lakhs or below;

(b) one hundred and ten per cent of such tax paid during the previous year, in case their turnover for the above goods for the preceding year was above rupees ten lakhs and up to rupees forty lakhs;

(c) one hundred and fifteen per cent of such tax paid during the previous year, in case their turnover for the above goods for the preceding year was above rupees forty lakhs and up to rupees one crore; and

(d) one hundred and twenty five per cent of such tax paid during the previous year, in case their turnover for the above goods for the preceding year exceeded rupees one crore:

Provided that the tax payable under this sub-clause by the dealers covered under Explanation 6 of this clause shall be at the appropriate percentage of tax mentioned in (a), (b), (c) or (d) above, of the tax re-determined under the said Explanation.”;

(c) after sub-clause (v), the following sub-clause shall be inserted, namely:—

“(vi) Where a dealer who opts for compounding under this clause has been transacting business under a brand name, the compounded tax payable under this clause shall not be less than the compounded tax payable had the business been run as a branch of the franchisee or of other franchisees.”

(iv) after clause (f), the following clause shall be inserted, namely:—

“(g) Any dealer in poultry or poultry meat which are brought from outside the State may, at his option, instead of paying tax in accordance with the provisions of the said section, pay tax on the basis of the floor value fixed by the Commissioner from time to time at the rate of 12.5% during the time of entry of goods into the State.”

(5) in section 11,—

(i) after sub-section (3), the following sub-section shall be inserted, namely:—

“(3A) Notwithstanding anything contained in this Act, the tax collected by registered dealers under this Act at four percent on the sales of coconut oil, copra and coconut oil cake for the return periods of May, 2007 and June, 2007 shall be deemed to have been validly collected.”;

(ii) in the proviso to sub-section (5), the word, letters and figures “30th June, 2009”, the word, letters and figures “30th September, 2010” shall be substituted;”.

(6) in section 12, in the second proviso, after the words “Provided further that where the goods”, the words and symbols “except plywood, packing cases, splints and veneers” shall be inserted;

(7) in section 24, in sub-section (1), after the existing provisos, the following proviso shall be inserted, namely:—

“Provided also that the time limit for the completion of assessments for the year 2005-06, under this section shall be extended up to 31st March, 2011.”;

27

(8) in section 25, in sub-section (1), after the existing provisos, the following proviso shall be inserted, namely:—

“Provided also that the time limit for the completion of assessments for the year 2005-06, under this section shall be extended upto 31st March, 2011.”;

(9) in section 42, in sub-section (1), for the words “rupees forty lakhs”, the words “rupees sixty lakhs” shall be substituted;

(10) in section 44,—

(i) in sub-section (8), for the words “fifty per cent of the value of the goods”, the words “fifty per cent of the value of taxable goods” shall be substituted;

(ii) in sub-section (10),—

(a) after the words “books of accounts of the dealer”, the words, “unless proved otherwise” shall be inserted;

(b) in the proviso, after the words “the registering authority”, the words “within ten days of its usage” shall be inserted;

(11) in section 46,—

(i) in sub-section (3), after the existing proviso, the following proviso shall be inserted, namely:—

“Provided also that notwithstanding anything contained in this sub-section, in case of transport of notified goods for which advance tax has been paid under sub-section (16A) of section 47, to the shop, branches or godowns of the dealer mentioned in his certificate for registration, delivery note shall not be insisted, if the transport is accompanied by the proof of remittance of advance tax along with any of the other documents specified in this sub-section.”;

(ii) after sub-section (6), the following sub-section shall be inserted, namely:—

“(7) For the effective enforcement of the provisions of this Act, the Commissioner may, from time to time, issue necessary instructions for regulating the movement of vehicles carrying goods, through selected border check posts.”;

(12) after section 54, the following section shall be inserted, namely:—

“55. *Appeals to the Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals).*—(1) Any person aggrieved by any order issued or proceedings recorded other than those under sub-section (3), sub-section (8) or sub-section (9) of section 16, sub-section (8) of section 19 passed by an authority empowered to do so under this Act not being an authority above the rank of an Assistant Commissioner may, within a period of thirty days from the date on which the order was served on him, appeal against such order,

(i) to the Deputy Commissioner (Appeals), if the order was passed by an authority of the rank of an Assistant Commissioner; and

(ii) to the Assistant Commissioner (Appeals), if the order was passed by an authority of the rank of a Commercial Tax Officer:

Provided that orders passed under sections 48, 49, 67, 69, 70, 70A and 72 shall be appealable only to the Deputy Commissioner (Appeals):

Provided further that the Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals) may admit an appeal presented after the expiration of the said period if he is satisfied that the appellant had sufficient cause for not presenting the appeal within the said period:

Provided also that no appeal shall be entertained under this sub-section unless it is accompanied by satisfactory proof of the payment of the tax or other amounts admitted by the appellant to be due or such instalment thereof as might have become payable, as the case may be, where the appeal is against an assessment completed under sub-section (6) of section 23, or under section 24 or section 25.

(2) Where an appeal lies against any order under sub-section (1), any order issued under section 66 to rectify any error in such order shall also be appealable under the said sub-section.

(3) The appeal shall be in such form and shall be verified in such manner as may be prescribed, and shall be accompanied by a fee of five hundred rupees.

(4) Notwithstanding that an appeal has been preferred under sub-section (1), the tax or other amounts shall be paid in accordance with the order against which the appeal has been preferred:

Provided that the Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals) may, at his discretion, give such directions as he thinks fit in regard to the payment of the tax before the disposal of the appeal, if the appellants furnish sufficient security to his satisfaction in such form and in such manner as may be prescribed.

(5) In disposing of an appeal, the Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals) may, after giving the appellants a reasonable opportunity of being heard,—

(a) in the case of an order of assessment or penalty, either confirm, reduce, enhance or annul the assessment or the penalty or both;

(b) set aside the assessment and direct the assessing authority to make a fresh assessment after such further enquiry as may be directed;

(c) or pass such other orders as he may think fit; or

(d) in the case of any other order, confirm, cancel or vary such order:

Provided that at the hearing of any appeal against an order of the assessing authority, the assessing authority or the officer empowered by the Commissioner in this behalf shall be heard.

(6) The order of the Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals) disposing of an appeal before it shall state the point for determination, the decision thereon and the reason for arriving at such decision.

(7) Where as a result of the appeal any change becomes necessary in the order appealed against, the Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals) may, direct the assessing authority to amend such order accordingly and on such amendment being made, any amount paid in excess by the appellants shall be refunded to him or as the case may be the further amount of tax, if any, due from him shall be collected in accordance with the provisions of this Act, as the case may be.”;

(13) in section 56, in sub-section (2), in clause (b), after the words “an appeal to the”, the words and brackets “Deputy Commissioner (Appeals) or the Assistant Commissioner (Appeals) or” shall be inserted;

(14) in section 58,—

(i) in sub-section (1), after the words “subordinate to him”, the words and brackets “other than that of the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals) or” shall be inserted;

(ii) in sub-section (2), in clause (b), after the words “an appeal to the”, the words and brackets “the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals) or” shall be inserted;

(15) in section 59, in sub-section (1), after the words “an order of”, the words, brackets and figure “the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals) under section 55” shall be inserted;

(16) in section 60,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Any person objecting to an order passed by the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals) under sub-section (5) of section 55 or any officer empowered by the Government in this behalf may within a period of 60 days from the date on which the order was served on him, in the manner prescribed, appeal against such order to the Appellate Tribunal:

Provided that the Appellate Tribunal may admit an appeal presented after the expiration of the said period if it is satisfied that the appellant had sufficient cause for not presenting the appeal within the said period:

Provided further that no appeal shall lie in cases where suo moto revision proceedings under section 58 is pending.”;

(ii) sub-section (1A) shall be omitted;

(iii) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The officer authorised under sub-section (1) or the person against whom an appeal has been preferred, as the case may be, on receipt of notice that an appeal against the order of the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals) has been preferred under sub-section (1) by the other party may notwithstanding that he has not appealed against such order or any part thereof, file within 30 days of the receipt of the notice, a memorandum of cross objection, verified in the prescribed manner, against any part of the order of the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals) and such memorandum shall be disposed by the Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (1).”;

(17) in section 65, after the words and brackets “Deputy Commissioner (Appeals)”, the symbol, words and brackets, “ Assistant Commissioner (Appeals)” shall be inserted;

31

(18) after section 71, the following section shall be inserted, namely:—

“71A. *Penal provisions for the misuse of registration numbers.*— (1) Any person, who knowingly and wilfully, uses a false registration number or uses a registration number of another person with a view to,

- (i) evade payment of tax due, or
- (ii) to claim any input tax credit, without actually effecting the purchase, or
- (iii) to shield the identity of the person to whom the sale has been effected,

in the invoices issued or in the sale and purchase lists to be filed along with the returns under this Act, shall, on conviction by a Magistrate, be punished with simple imprisonment for a period which may extend to six months or with fine not less than five times of the tax sought to be evaded, or both.

(2) The assessing authority may cancel his registration granted under this Act on conviction by the Magistrate under sub-section (1).

Explanation:—For the purpose of this section, return shall mean revised return if such revised return is filed and registration number shall mean Tax Payers Identification Number (TIN) or the Presumptive tax payers Identification Number granted or generated under the provisions of this Act.”;

(19) in section 85, in sub-section (2), in sub-clause (b) of clause (x), after the words “to be furnished by an”, the words and brackets “Assistant Commissioner (Appeals) or” shall be inserted;

(20) in section 94,—

(i) in sub-section (1), for the words “three Deputy Commissioners”, the words “three officers in the rank of Joint Commissioner or Deputy Commissioner” shall be substituted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) If the dispute relates to the tax rate of a commodity, the details of the first seller, or the manufacturer of such goods in the State, as the case may be, shall be furnished by the applicant and they shall be made necessary parties to such application.”.

(iii) in sub-section (5), the words and brackets “including Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)”, shall be inserted at the end.;

(21) in the SCHEDULES,—

(a) in the First Schedule,—

(i) after serial number 3 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“3A. Artistic paintings sold through Art Galleries ”;

(ii) in serial number 37, in the entries against it in column (2), the symbols and words “, vibhuti, rosaries, prayer beads, venthingas and kasuroopam not made of gold and robes for holy mass.” shall be added at the end ;

(iii) after serial number 38A and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“38B. Products made from water hyacinth and arecanut palm fronds ”;

(iv) in serial number 49, in the entries in column (2), the words “excluding imported sugar,” shall be omitted ;

(v) in serial number 56, for the entries in column (2), the following entries shall be substituted, namely:—

“Products manufactured by Kudumbasree Units and sold by such units or its marketing agencies approved by the Government ;”

(b) in the Third Schedule,—

(i) after serial number 5 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“5A. Ayurvedic tooth powders ”;

(ii) in serial number 15A, below the entries against it in columns (2) and (3), the following Note shall be inserted, namely:—

“*Note:* This entry shall be deemed to have come into force on the 1st day of April, 2005.”.

(iii) after serial number 33 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“33A. Dahashamini, i.e. barks, herbs, seeds, and other plant parts, its mixtures, powders etc. used to make ayurvedic medicinal drinking water ”;

(iv) after serial number 49 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“49A. Food products like, dry prawns/dry fish roasts, its chutneys and powders, coconut chutney powders and veppilai katti. ”;

(v) after serial number 51A and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“51B. Ghee ”;

(vi) in serial number 55, in the entries against it in column (2), the words “at the point of sale by dealers whose annual turnover of this item does not exceed rupees two crores” shall be omitted;

(vii) after serial number 95 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“95A. Packaged drinking water of and above 20 Litres ”;

(viii) in serial number 124, in the entries against it in column (2), the words and bracket “sugar (imported)” shall be omitted;

(ix) in serial No. 145, in the entries against it in column (2), the words “either prospectively or retrospectively” shall be added at the end;

(c) in List A,—

(i) after serial No. 41 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“41A. Corrugated sheets of polypropylene; ”;

(ii) in serial No. 82, in item (1), for the entries against it in column (2), the following entries shall be substituted, namely:—

“Iron oxide including iron oxide pigments of all colour shades commonly called Red oxide, black oxide, yellow oxide etc.” ;

(iii) after serial No. 135 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“135A. Rubber latex dipped goods namely, industrial gloves, agricultural gloves and finger caps only. ”.

9. *Validation.*—(1) Notwithstanding anything contained in the Kerala Provisional Collection of Revenues Act, 1985 (10 of 1985) or in the Kerala Stamp Act, 1959 (17 of 1959) or in the Kerala Value Added Tax Act, 2003 (30 of 2004) or in any other law for the time being in force, during the period commencing on and from the 1st day of April, 2010 to the date of publication of this Act, during which the declared provision contained in the Kerala Finance Bill, 2010 (Bill No. 330 of the XII Kerala Legislative Assembly) were in force, anything done or any action taken or any tax or duty collected by virtue of the provisions of the said Bill shall be deemed to have been validly done or taken or collected under the said Acts as if the said amendments had been in force on and from the 1st day of April, 2010 to the date of publication of this Act and no action shall lie against any dealer or authority on the ground of short levy or for refund of excess tax or duty and the tax or duty so collected or paid by a dealer or authority, if any, shall be paid over to the Government.

(2) Notwithstanding anything contained in the Kerala Value Added Tax Act, 2003 (Act 30 of 2004) any exemption or reduction of tax granted by virtue of the provisions of the Kerala Finance Bill, 2010 (Bill No. 330 of the XII Kerala Legislative Assembly) in respect of the period with effect on and from the 1st day of April, 2005 to the date of publication of this Act, shall be deemed to have been validly done and any tax collected or paid by a dealer at such higher rates shall be deemed to have been validly collected or paid and the tax so collected shall be paid over to the Government and shall not be refunded.”.

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കേരള സർക്കാർ
2011



Reg. No. രജി. നമ്പർ
KL/TV(N)/12/2009-2011

KERALA GAZETTE

കേരള ഗസറ്റ്

EXTRAORDINARY

അസാധാരണം

PUBLISHED BY AUTHORITY

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GOVERNMENT OF KERALA

Law (Legislation-A) Department

NOTIFICATION

No. 4175/Leg.A2/2011/Law. Dated, Thiruvananthapuram, 8th November, 2011.
17th Karthika, 1933.

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 8th day of November, 2011.

By order of the Governor,
C. K. PADMAKARAN,
Special Secretary (Law).

ACT 16 OF 2011**THE KERALA FINANCE ACT, 2011**

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2011-2012.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the financial Year 2011-2012;

BE, it enacted in the Sixty-second Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2011.

(2) Save as otherwise provided in this Act,—

(i) clause (ii) of sub-section (2) and sub-clause (f) of clause (i) of sub-section (12) of section 8 shall be deemed to have come into force on the 1st day of April, 2005;

(ii) sub-section (7) and sub-clause (g) of clause (ii) of sub-section (12) of section 8 shall be deemed to have come into force on the 1st day of April, 2007;

(iii) sub-clause (e) of clause (ii) of sub-section (3) of section 8 shall be deemed to have come into force on the 1st day of April, 2010;

(iv) section 2, clause (i) of sub-section (3) of section 4, sub-sections (1), (2), (3) and (4) of section 5, sub-sections (1), (2), (3), (4) and (6) of section 6 and sub-section (1), item (ii) of sub-clause (b), sub-clauses (c) and (d) of clause (i), sub-clause (d) of clause (iii) of sub-section (2), sub-clauses (a), (b), (c) and (d) of clause (ii) of sub-section (3), sub-sections (4), (5), (6), (8) and (10), clause (i), of sub-section (11), sub-clauses (b), (c) and (e) of clause (i), sub-clauses (a), (c), (d), (e) and (f) of clause (ii) of sub-section (12) of section 8 shall be deemed to have come into force on the 1st day of April, 2011;

(v) section 3, sub-sections (1), (2), (4) of section 4, sub-section (5) of section 6, section 7, sub-clause (a), item (i) of sub-clause (b) of clause (i) and sub-clauses (a), (b) and (c) of clause (iii) of sub-section (2), sub-section (9), clause (ii) of sub-section (11), sub-clauses (a) and (d) of clause (i), sub-clause (b) of clause (ii) of sub-section (12) of section 8, sections 9, 10 and 11 shall be deemed to have come into force on the 19th day of July, 2011;

(vi) the remaining provisions of this Act shall come into force at once.

2. *Amendment of Act 11 of 1957.*—In the Kerala Surcharge on Taxes Act, 1957 (11 of 1957),—

(1) in section 3A,—

(i) in sub-section (3), for the words and figures “31st December, 2010”, the words and figures “30th September, 2011” shall be substituted;

(ii) in sub-section (4), for the words and figures “31st December, 2010”, the words and figures “30th September, 2011” shall be substituted;

(2) in section 3B,—

(i) in sub-section (2), for the words and figures “31st December, 2010”, the words and figures “30th September, 2011” shall be substituted;

(ii) in sub-section (3), for the words and figures “31st December, 2010”, the words and figures “30th September, 2011” shall be substituted.

3. *Amendment of Act 35 of 1958.*—In the Kerala Money Lenders Act, 1958, after section 11A, the following section shall be inserted, namely:—

“11B. *Electronic filing and payment.*—The Government may require the licensees to file returns, forms and other statements to be submitted by him under this Act and make the payment of fee or other amounts due under this Act, electronically through the official website of the Commercial Taxes Department, in the manner as may be prescribed.”.

4. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959), in the SCHEDULE,—

(1) in serial number 31, for clause (i) and the entries against it in columns (2) and (3), the following clause and entries shall, respectively, be substituted, namely:—

<p>“(i) Where the gift is in favour of father, mother, husband, wife, son, daughter, brother, sister or grand children of a person.</p>	<p>Two rupees for every rupees 100 or part thereof of the fair value of the land and the value of the other properties set forth in the instrument or the value of all the properties set forth in the instrument, whichever is higher, subject to a maximum of rupees 1000.”;</p>
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(2) in serial number 42,—

(i) in clause (i), for the entries in column (3), the following entries shall be substituted, namely:—

“One rupee for every rupees 100 or part thereof of the fair value of the land and the value of all the properties of the separated share or shares or the value of all the share or shares of all properties, whichever is higher, subject to a maximum of rupees 1000.”;

(ii) for the existing Explanation, the following Explanation shall be substituted, namely:—

“*Explanation*:—Family means father, mother, husband, wife, son, daughter, grand children, brother, sister and legal heirs of the deceased children, if any, as the case may be.”;

(3) in serial number 48, in clause (a),—

(i) in the entry in column (2), for the words “brother or sister of a person”, the words “grand children, brother, sister or legal heirs of the deceased children of a person” shall be substituted;

(ii) for the entry in column (3), the following entry shall be substituted;

“One rupee for every rupees 100 or part thereof of the amount of the fair value of the land and the value of other properties or claims or the value of all the properties or claims of which the right is relinquished in proportion to the right relinquished or consideration for the release, whichever is higher, subject to a maximum of rupees 1000.”;

(4) in serial number 51, in clause (a) for sub-clause (i) and the entries against it in columns (2) and (3), the following sub-clause and entries shall, respectively, be substituted, namely:—

<p>“(i) Where the settlement is in favour of father, mother, husband, wife, son, daughter, brother, sister or grand children of a person.</p>	<p>Two rupees for every rupees 100 or part thereof of the fair value of the land and the value of other properties set forth in the instruments or the value of all properties set forth in such instrument, whichever is higher, subject to a maximum of rupees 1000.”.</p>
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5. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) to section 7, the following proviso shall be added, namely :—

“Provided that the rate of tax mentioned under clause (b) of item (i) above shall be one hundred and ten per cent of the tax paid for the previous year for those bar hotels who have paid compounded tax under this Act continuously for the last five years and one hundred and twelve per cent of the tax paid for the previous year for those who have paid compounded tax continuously for the last three years.”.

(2) in section 17,—

(i) in sub-section (6), for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that the assessment relating to the years up to and including the year 2005-06 pending as on 31st March, 2011 shall be completed on or before 31st March, 2012.”;

(ii) in sub-section (8),—

(a) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that all such assessments or reassessments pending as on 31st March, 2011 shall be completed on or before 31st March, 2012.”;

(b) for the third proviso, the following proviso shall be substituted, namely :—

“Provided also that all such modified assessments or modified reassessments or remanded assessments pending as on 31st March, 2011 shall be completed on or before 31st March, 2012.”;

(3) in section 23B,—

(i) in sub-section (3), for the words and figures “31st December, 2010”, the words and figures “30th September, 2011” shall be substituted;

(ii) in sub-section (4), for the words and figures “31st December, 2010”, the words and figures “30th September, 2011” shall be substituted;

(4) in section 23BA,—

(i) in sub-section (2), for the words and figures “31st December, 2010”, the words and figures “30th September, 2011” shall be substituted;

(ii) in sub-section (3), for the words and figures “31st December, 2010”, the words and figures “30th September, 2011” shall be substituted;

6. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976),—

(1) in section 2,—

(i) clause (ca) shall be omitted;

(ii) clause (fa) shall be omitted;

(2) in section 4,—

(i) in sub-section (1),—

(a) in item (ii), the words “by cable operators and” shall be omitted;

(b) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that this sub-section shall not apply to,—

(i) halls and auditoriums located within the premises of places of worship owned by religious institutions;

(ii) to the retiring rooms in the railway stations, managed by Indian Railways; and

(iii) to dormitories.”;

(c) the second proviso shall be omitted;

(ii) in sub-section (2),—

(a) clause (d) shall be omitted;

(b) for the words “and shall be collectable from the person enjoying the luxury:” the words “and shall be collectable from the person enjoying the luxury and the luxury tax, if any, collected shall be paid over to the Government:” shall be substituted;

(c) the provisos after clause (f) shall be omitted;

(3) in section 4D,—

(i) in the marginal heading, the words “cable operators and” shall be omitted;

(ii) in the first sentence, the words “cable operators and” shall be omitted;

(4) in section 5A, in sub-section (1), for the existing items (i) to (iv) and the entries against it, the following items and entries shall be substituted, namely:—

“(i) Non air-conditioned house-boat with one bed room	Eight thousand rupees
(ii) Non air-conditioned house-boat with two bed rooms	Twelve thousand rupees
(iii) Additional compounded tax payable for each additional room in a non air-conditioned house-boat with more than two bed rooms	Four thousand rupees
(iv) Air-conditioned house-boat with one bed room	Fifteen thousand rupees
(v) Air-conditioned house-boat with two bed rooms	Twenty two thousand rupees
(vi) Additional compounded tax payable for each additional room in an air-conditioned house-boat with more than two bed rooms	Seven thousand rupees

- (vii) Non air-conditioned house-boats Thirty thousand rupees
primarily used for conferences
- (viii) Air-conditioned house-boats Fifty thousand rupees”;
primarily used for conferences

(5) after section 5A, the following section shall be inserted, namely:—

“5B. *Electronic filing and payment.*—The Government may require the assesseees to file returns, forms and other statements to be submitted by him under this Act and make the payment of tax, fee or other amounts due under this Act, electronically through the official website of the Commercial Taxes Department, in the manner as may be prescribed.”;

(6) in section 6, in sub-section (4), for the existing proviso, the following proviso shall be substituted, namely:—

“Provided that all assessments relating to the years up to and including the year 2006-07, pending as on 31st day of March, 2011, shall be completed on or before the 31st day of March, 2012.”.

7. *Amendment of Act 15 of 1991.*—In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991), after section 35, the following section shall be inserted, namely:—

“35A. *Electronic filing and payment.*—Government may require the assesseees to file returns, forms and other statements to be submitted by him under this Act and make the payment of tax, fee or other amounts due under this Act, electronically through the official website of the Commercial Taxes Department, in the manner as may be prescribed.”.

8. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 4, in sub-section (6), the following sentence shall be added at the end, namely:—

“The Bench or Benches shall ordinarily sit at such places as the Government may, by notification, specify.”;

(2) in section 6,—

(i) in sub-section (1),—

(a) for clause (a), the following clause shall be substituted, namely:—

“(a) in the case of goods specified in the Second and Third Schedules at the rates specified therein and at all points of sale of such goods within the State and in the case of goods specified below, at the rate of twenty per cent, at all points of sale of such goods within the State, namely:—

<i>Sl. No.</i>	<i>Description of goods</i>	<i>HSN. Code</i>
(1)	(2)	(3)
(1)	Pan masala	2106.90.20
(2)	Churna for pan	2106.90.70
(3)	Pan chutney	x x x
(4)	Other manufactured tobacco and manufactured tobacco substitutes homogenized or reconstituted tobacco; tobacco extracts and essences	2403
(5)	aerated branded soft drinks, excluding soda	x x x

*Explanation:—*The ‘Rules of Interpretation of the Schedules’ appended to the Schedules of this Act shall apply to the interpretation of the HSN codes mentioned in this clause.”;

(b) in the fifth proviso,—

(i) in item (a), after the words “Indian Naval Canteen Service”, the words “Central Police Canteen” shall be inserted;

(ii) in item (b), after the words “Canteen Stores Department”, the words “Indian Naval Canteen Stores or Air Force Canteen, as the case may be,” shall be inserted;

(c) in the eleventh proviso, the words and figures “with effect on and from the 1st day of April, 2005” shall be added at the end;

(d) after the eleventh proviso, the following provisos shall be inserted, namely:—

“Provided also that cooked food and beverages served in a house-boat paying compounded tax under the Kerala Tax on Luxuries Act, 1976 (32 of 1976) shall be exempted from tax:

Provided also that the tax payable on ayurvedic cosmetic products manufactured under a drug license granted under the Drugs and Cosmetics Act, 1940 (Central Act 23 of 1940) containing added medicaments having subsidiary therapeutic or prophylactic uses and those notified under clause (d) of sub-section (1) of section 6, for the period on and from the 1st day of April, 2005 to the 12th day of November, 2009 shall be at four per cent.”;

(ii) in sub-section (1A), in clause (a), the words “and he shall be eligible for input tax credit” shall be added at the end;

(iii) in sub-section (5),—

(a) for the words “fifty lakh rupees”, the words “sixty lakh rupees” shall be substituted;

(b) in the third proviso, for the words “fifty lakh rupees”, the words “sixty lakh rupees” shall be substituted;

(c) for the fifth proviso, the following proviso shall be substituted, namely:—

“Provided also that dealers covered under this sub-section whose total turnover for a year is below rupees twenty lakhs, may pay a lump sum amount of rupees two thousand annually as presumptive tax, and the payment shall be at the rate of rupees five hundred per quarter along with a statement as may be prescribed. Such dealers shall also file an annual declaration as may be prescribed.”;

(d) after the fifth proviso, the following proviso shall be added, namely:—

“Provided also that notwithstanding anything contained in the Act or rules made thereunder, if the turnover of a dealer, who opted for payment of tax under this sub-section, has exceeded the turnover limit during the course of an year, he shall be eligible for input tax credit on the turnover in excess of sixty lakh rupees.”;

(3) in section 8,—

(i) in clause (e), in the Explanation, the following sentence shall be added at the end, namely:—

“This Explanation shall have effect on and from the 1st day of April, 2005.”;

(ii) in clause (f),—

(a) in sub-clause (i),—

(i) in Explanation 6, for the figures “2009-10” and “2010-11”, wherever they occur, the figures “2010-11” and “2011-12” shall, respectively, be substituted;

(ii) after Explanation 8, the following Explanation shall be inserted, namely:—

“*Explanation 9*:—For the removal of doubts, it is clarified that for the purpose of this clause, “articles of gold, silver or platinum group metals” shall also include bullion.”;

(iii) for the existing proviso to clause (f), the following proviso shall be substituted, namely:—

“Provided that dealer who opts for payment of tax under this clause may collect tax at the rate not exceeding 1.25 per cent for the commodity, but where the tax so collected during year is in excess of the tax payable for the year under this clause, the tax collected in excess shall be paid over to the Government in addition to tax payable under this clause.”;

(b) after sub-clause (i), the following sub-clause shall be inserted, namely:—

“(ia) Notwithstanding anything contained in this clause, a dealer shall not be allowed to opt for the payment of tax under this clause unless he has conducted business up to a full year as on the first day of April of the year to which the option relates.”;

(c) in sub-clause (ii), the words “holding of stock exceeding double the quantity held in the previous year” shall be omitted;

(d) for sub-clause (v), the following sub-clause shall be substituted, namely:—

“(v) where a dealer had paid tax under this clause for the previous year, the tax payable for the succeeding year under this clause shall be calculated at the rates mentioned in item (i) or (ii) below, whichever is higher,—

(i) (a) at the same amount of tax paid during the previous year, in case their turnover for the above goods for the preceding year was rupees ten lakh or below;

(b) at one hundred and five per cent of such tax paid during the previous year, in case their turnover for the above goods for the preceding year was above rupees ten lakh and up to rupees forty lakh;

(c) at one hundred and fifteen per cent of such tax paid during the previous year, in case their turnover for the above goods for the preceding year was above rupees forty lakh and up to rupees one crore; and

(d) at one hundred and twenty five per cent of such tax paid during the previous year, in case their turnover for the above goods for the preceding year exceeded rupees one crore:

Provided that the tax payable under this sub-clause by the dealers covered under Explanation 6 of this clause shall be at the appropriate percentage of tax mentioned in (a), (b), (c) or (d) above, of the tax re-determined under the said Explanation.

(ii) 1.25% of the turnover of sales of the goods covered under this clause, for the previous year.”;

(e) sub-clause (vi) shall be omitted;

(4) in section 10,—

(i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Every person making any payment or discharging any liability to any person liable to pay tax under section 6 on account of any amount purporting to be the full or part payment of consideration for the transfer of the right to use any goods for any purpose shall deduct at source an amount calculated at the rate of four per cent from such sum towards full satisfaction of the tax payable under this Act in respect of the transfer of the right to use such goods and remit it to Government, in the prescribed manner, on or before the fifth day of the month succeeding the month in which such deduction is made. Every such person shall also file such return as may be prescribed.”;

(ii) in sub-section (3),—

(a) for the word “awarder”, wherever it occurs, the words “awarder or the person” shall be substituted;

(b) for the words, figure and bracket “under sub-section (1)”, the words, letter, figures and brackets “under sub-section (1) or (1A)” shall be substituted;

(5) in section 24, in sub-section (1), for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that the time limit for the completion of assessments for the years 2005-06 and 2006-07 under this section shall be extended up to 31st March, 2012.”;

(6) in section 25, in sub-section (1), for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that the time limit for the completion of assessments for the years 2005-06 and 2006-07 under this section shall be extended up to 31st March, 2012.”;

(7) in section 40A, sub-section (3) shall be omitted;

(8) in section 52, after the words “railway authorities,”, the words “operators of leased railway wagons,” shall be inserted;

(9) in section 74, in sub-section (1), for the words “four lakh” wherever they occur, the words “eight lakh” shall be substituted;

(10) in section 86, in the Explanation, for the words “Centre for Taxation Studies”, the words “Gulati Institute of Finance and Taxation” shall be substituted;

(11) in section 94,—

(i) in sub-section (2), after the words “hearing the parties”, the words “pass orders within three months or within such time as may be extended by the Commissioner” shall be inserted ;

(ii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) Notwithstanding anything contained in this Act, where a clarification has been issued under this section clarifying the rate of tax of any goods and the registered dealers were paying tax at lower rates on the

sale of those goods before the issuance of such clarification, then if the manufacturer or first seller of the goods within the State, who shall also be a registered dealer, pays the entire tax due on the turnover of such goods sold by him at the Maximum Retail Price, then subsequent registered dealers who had purchased those goods and has sold the same shall not be assessed or penalized for the differential tax payable:

Provided that such payment of tax under this sub-section shall be subject to the conditions and restrictions as may be prescribed.

*Explanation:—*For the purpose of this section, Maximum Retail Price in respect of the goods mentioned means the maximum price printed on the package of any goods at which such goods may be sold to the ultimate consumer and where such price is not so printed on the package, the price charged on the sale to the ultimate consumer.”;

(12) in the SCHEDULES,—

(i) in the First Schedule,—

(a) after serial number 4A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“4B Bio-insecticides *****”;

(aa) after serial number 17A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“17B. Fertilisers, bio-fertilisers, micronutrients and similar products

- | | |
|---|------|
| (1) Animal or vegetable fertilisers whether or not mixed together or chemically treated; Fertilisers produced by the mixing or chemical treatment of animal or vegetable products | 3101 |
| (2) Chemical fertilisers | |
| (a) Mineral or chemical fertilisers, nitrogenous | 3102 |
| (b) Mineral or chemical fertilisers, phosphatic | 3103 |
| (c) Mineral or chemical fertilisers, potassic | 3104 |
| (d) Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; Other fertilisers | 3105 |

(3) Bio-fertilisers, and micronutrients *****;

(b) in serial number 18, after item (3) and the entries against it in columns (2) and (3), the following items and entries shall, respectively, be inserted, namely:—

“(4) Nylon Rope	5607.50.40
(5) Polyester Rope, Polyester twine	5607.50.90”;

(c) after serial number 28 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

28A Laterite stones of all types	*****”;
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(d) after serial number 30 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be inserted, namely:—

30A Machines for milking animals	****
30B Machines for coconut tree climbing	*****”;

(e) in serial number 34, in item (1), after sub-item (g) and the entries against it in columns (2) and (3), the following sub-items and entries shall, respectively, be inserted, namely:—

“(ga) Bone meal including crushed bones	
(1) Bone meal	0506.90
(2) Bones including horn cores, crushed of wild animals	0506.10.11
(3) Others	0506.10.19
(gb) Organic meal and leather meal	*****”;

(f) after serial number 60 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“60A Goods sold inside the places of worship to devotees, to be used as offerings.	*****”;
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(ii) in the Third Schedule,—

(a) serial number 17 and the entries against it in columns (2) and (3) shall be omitted ;

(b) serial number 44 and the entries against it in columns (2) and (3) shall be omitted;

(ba) after serial number 52 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“52A Gypsum 2520.10.10”;

(c) after serial number 82 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“82A Manufactured sand *****” ;

(d) in serial number 90, after item (4) and the entries against it in columns (2) and (3), the following item and entries shall, respectively, be inserted, namely:—

“(4 A) Soil *****”;

(e) serial number 92A and the entries against it in columns (2) and (3) shall be omitted ;

(ea) after serial number 97 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“97A. pesticides, weedicides, insecticides,
fungicides, herbicides, rodenticides,
anti-sprouting products and plant
growth regulators and bio-control
agents and similar products *****”;

(f) serial number 99A and the entries against it in columns (2) and (3) shall be omitted;

(g) in serial number 137, for the entry against item (13) in column (2), the following entry shall be substituted, namely:—

“Choodarapetties of all kinds”.

9. *Amendment of Act 21 of 2008.*—In the Kerala Finance Act, 2008 (21 of 2008), in section 6, to sub-section (1), the following proviso shall be added, namely:—

“Provided that the rate of cess payable under this section shall be six per cent on the tax payable under section 5(1)(b) of the Kerala General Sales Tax Act, 1963 (15 of 1963).”.

10. *Levy and collection of cess on luxury cars.*—(1) There shall be levied and collected, in accordance with the provisions of this section, for the purpose of the State, a cess to be called the *Essential Necessities Cess*, at the rate of two per cent on the output tax due under section 6 of the Kerala Value Added Tax Act, 2003 (30 of 2004) on the sale of cars, the sale price of which exceeds rupees twenty lakh, to fulfill the commitment of the Government to provide and finance a comprehensive scheme for the essential necessities to the general public.

(2) The State Government may, after due appropriation made by the Legislature by law in this behalf, utilise such sums of money of the *Essential Necessities Cess* levied for the purposes specified in sub-section (1) as it may consider necessary.

(3) The provisions regarding the assessment and recovery in the Kerala Value Added Tax Act, 2003 (30 of 2004) shall *mutatis mutandis* apply to cess under this section.

(4) The provisions of section 30 of the Kerala Value Added Tax Act, 2003 (30 of 2004) shall *mutatis mutandis* apply for the collection of cess under sub-section (1).

11. *Levy and collection of cess on residential buildings.*—(1) There shall be levied and collected, in accordance with the provisions of this section, for the purpose of the State, a cess to be called the *Housing Projects Cess*, at the rate of two per cent on the building tax for residential buildings having a plinth area of 4000 sq. ft. and above, to fulfill the commitment of the Government to provide and finance the housing projects for the weaker sections, taken up by the Panchayaths.

(2) The State Government may, after due appropriation made by the Legislature by law in this behalf, utilise such sums of money of the *Housing Projects Cess* levied for the purposes specified in sub-section (1) as it may consider necessary.

(3) The provisions regarding assessment and recovery in the Kerala Building Tax Act, 1975 (7 of 1975) shall *mutatis mutandis* apply to the cess under this section.

(4) The provisions of sections 18 and 19 of the Kerala Building Tax Act, 1975 (Act 7 of 1975) shall *mutatis mutandis* apply for the collection of cess under sub-section (1).

12. *Validation.*—(1) Notwithstanding the lapse of the Kerala Finance Bill, 2011 (Bill No. 426 of the Twelfth Kerala Legislative Assembly) (hereinafter referred to as the said Bill) and the cesser of force of law of the declared provisions of the said Bill, anything done or any action taken, including the levy and collection of tax or duty, during the period from the 1st day of April, 2011 to the 19th day of July, 2011, by virtue of the declared provisions contained in the said Bill, under the Kerala Surcharge on Taxes Act, 1957 (11 of 1957) or under the Kerala Stamp Act, 1959 (17 of 1959) or under the Kerala General Sales Tax Act, 1963 (15 of 1963) or under the Kerala Tax on Luxuries Act, 1976 (32 of 1976) or under the Kerala Value Added Tax Act, 2003 (30 of 2004) (hereinafter referred to as the ‘respective Acts’), as they stand amended by the said Bill, shall be deemed to be and to have always been, for all purposes, validly and effectively done or taken under the provisions of the respective Acts, as if the said amendments had been in force at all material times.

(2) Notwithstanding anything contained in the respective Acts during the period from 1st April, 2011 to the 19th day of July, 2011 during which the declared provisions contained in the said Bill was in force, anything done or any action taken by virtue of the said provisions of the said Bill, shall be deemed to have been validly done or taken under the respective Acts and no action shall lie against any dealer or authority on the ground of short levy or refund of excess tax or duty and tax or duty collected, if any, by a dealer or an authority, as the case may be, shall be paid over to the Government.

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കേരള സർക്കാർ
2012



Reg. No. രജി. നമ്പർ
KL/TV(N)/12/12-14

KERALA GAZETTE
കേരള ഗസറ്റ്
EXTRAORDINARY

അസാധാരണം

PUBLISHED BY AUTHORITY

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GOVERNMENT OF KERALA

Law (Legislation-A) Department

NOTIFICATION

No. 6790/Leg. A2/2012/Law. *Dated, Thiruvananthapuram, 28th July, 2012*
6th Sravana, 1934.

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 27th day of July, 2012.

By order of the Governor,

C. K. PADMAKARAN,
Special Secretary (Law).

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33/3207/2012/DTP.

Act 16 of 2012**THE KERALA FINANCE ACT, 2012**

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2012-2013.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2012-2013;

BE it enacted in the Sixty-third Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2012.

(2) Save as otherwise provided in this Act, sub-section (2) of section 8 shall come into force at once and the remaining provisions of this Act shall be deemed to have come into force on the 1st day of April, 2012.

2. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959), in the SCHEDULE,—

(1) in serial number 31, in clause (i), for the entry in column (2), the following entry shall be substituted, namely:—

“Where the gift is in favour of
father, mother, grandfather,
grandmother, husband, wife,
son, daughter, brother, sister or
grandchildren of a person.”;

(2) in serial number 42,—

(a) in clause (i), for the entry in column (3), the following entry shall be substituted, namely:—

“One rupee for every rupees 100 or part thereof of the fair value of the separated share or shares of land and the value of other properties in such separated share or shares set forth in the instrument or of the value of all the properties of the separated share or shares as set forth in the instrument, whichever is higher, subject to a maximum of rupees 1000.”;

(b) for the Explanation, the following Explanation shall be substituted, namely:—

“*Explanation.*—Family means father, mother, grandfather, grandmother, husband, wife, son, daughter, grandchildren, brother, sister and legal heirs of the deceased children, if any, as the case may be.”;

(3) in serial number 48, for clause (a) and the entries against it in columns (2) and (3), the following clause and entries shall, respectively be substituted, namely:—

<p>“(a) When such release operates in favour of father, mother, grandfather, grandmother, husband, wife, son, daughter, brother, sister, grandchildren or legal heirs of the deceased children of a person.</p>	<p>One rupee for every rupees 100 or part thereof of the amount of the fair value of the land and the value of other properties or claims of which the right is relinquished in proportion to the right relinquished or the value of all the properties or claims of which the right is relinquished in proportion to the right relinquished or consideration for the release, whichever is higher, subject to a maximum of rupees 1000.”;</p>
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(4) in serial number 51, in clause (a), in sub-clause (i), for the entry in column (2), the following entry shall be substituted, namely:—

“Where the settlement is in favour of father, mother, grandfather, grandmother, husband, wife, son, daughter, brother, sister or grandchildren of a person.”.

3. *Amendment of Act 13 of 1961.*—In the Kerala Land Tax Act, 1961 (13 of 1961), in section 6,—

(1) in sub-section (1),—

(a) for the words “one rupee”, “two rupees” and “four rupees”, the words “two rupees”, “four rupees” and “eight rupees” shall, respectively, be substituted;

(b) in the proviso, for the words “fifty paise”, “one rupee” and “two rupees”, the words “one rupee”, “two rupees” and “four rupees” shall, respectively, be substituted;

(2) in sub-section (2), for the words “one-fifth”, the words “two-fifth” shall be substituted.

4. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) in section 17,—

(a) in sub-section (6), for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that all assessments pending as on 31st March, 2011 shall be completed on or before the 31st March, 2013.”;

(b) in sub-section (8),—

(i) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that all such assessments or re-assessments pending as on 31st March, 2011 shall be completed on or before 31st March, 2013.”;

(ii) for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that all such modified assessments or modified re-assessments or remanded assessments pending as on 31st March, 2011 shall be completed on or before 31st March, 2013.”;

(2) after section 58, the following section shall be inserted, namely:—

“58A. *Electronic filing and payment.*—(1) The Government may require the assessee to file returns, forms and other statements to be submitted by him under this Act and make the payment of tax, fee or other amounts due under this Act, electronically through the official website of the Commercial Taxes Department.

(2) Notwithstanding anything contained in section 57, the Commissioner may, for the purpose of implementation of electronic filing of returns, forms and other statements or electronic payment of tax, fee or other amounts, by notification in the Gazette, make suitable modifications in the forms prescribed under this Act and make necessary changes in the manner of submission and authentication of such returns, forms and other statements. The modifications or changes so made shall be published in the website of the Commercial Taxes Department also and in such other manner as the Commissioner may deem fit.”.

5. *Amendment of Act 19 of 1976.*—In the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976), in Annexure I to the Schedule, in serial number A, for items 3, 4, 5 and 6 in column (1) and the entries against them in columns (2) and (3), the following items and entries shall, respectively, be substituted, namely:—

- | | |
|--|--|
| “3. Motor cars and Private Service Vehicles for personal use (NTV) having purchase value up to rupees five lakhs | 6% of the purchase value of the vehicle |
| 4. Motor cars and Private Service Vehicles for personal use (NTV) having purchase value of more than rupees five lakhs and up to rupees ten lakhs | 8% of the purchase value of the vehicle |
| 5. Motor cars and Private Service Vehicles for personal use (NTV) having purchase value of more than rupees ten lakhs and up to rupees fifteen lakhs | 10% of the purchase value of the vehicle |
| 6. Motor cars and Private Service Vehicles for personal use (NTV) having purchase value of more than rupees fifteen lakhs | 15% of the purchase value of th vehicle.”. |

6. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976), in section 4B, to sub-section (1), the following proviso shall be added, namely:—

“Provided that the halls and auditoriums owned by religious institutions and located within the premises of places of worship shall not be liable to get registered under this Act.”.

7. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 2,—

(a) after clause (xviiiia), the following clause shall be inserted, namely:—

“(xviiiib) “Firm” means a firm as defined in the Indian Partnership Act, 1932 (Central Act 9 of 1932) and includes a limited liability partnership as defined in the Limited Liability Partnership Act, 2008 (Central Act 6 of 2009).”;

(b) after clause (xxxi), the following clause shall be inserted, namely:—

“(xxxia) “Partner” and “partnership” shall have the same meaning as defined in the Indian Partnership Act, 1932 (Central Act 9 of 1932) and in the Limited Liability Partnership Act, 2008 (Central Act 6 of 2009).”;

(2) in section 6,—

(a) in sub-section (1),—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) in the case of goods specified in the Second and Third Schedules at the rates specified therein and at all points of sale of such goods within the State and in the case of goods specified below, at the rates mentioned in column (4), at all points of sale of such goods within the State, namely:—

<i>Sl. No.</i>	<i>Description of goods</i>	<i>HSN Code</i>	<i>Rates of tax in percentage</i>
(1)	(2)	(3)	(4)
1	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes	2402	15
2	Aerated branded soft drinks, excluding soda	***	20
3	Carry bags made of plastic which have a self carrying feature, commonly known as vest type bags or any other feature to carry commodities excluding “D” punched bags	***	20
4	Pan masala	2106.90.20	22.5
5	Churna for pan	2106.90.70	22.5
6	Pan chutney	***	22.5
7	Other manufactured tobacco and manufactured tobacco substitutes homogenized or reconstituted tobacco; tobacco extracts and essences	2403	22.5

Explanation:—The ‘Rules of Interpretation of the Schedules’ appended to the Schedules of this Act shall apply to the interpretation of the HSN codes mentioned in this clause.”;

(ii) in clause (c), for the words “four per cent”, the words “five per cent” shall be substituted;

(iii) in clause (d), for the figures and symbol “12.5%”, occurring in both places, the figures and symbol “13.5%” shall be substituted;

(iv) in clause (f), for the figures and words “12.5 per cent”, the figures and words “13.5 per cent” shall be substituted;

(v) in the first proviso, for the words “four per cent”, the words “five per cent” shall be substituted;

(vi) for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that in respect of works contracts executed,—

(i) under the Sampurna Gramin Rosghar Yojana or the Beneficiary Committees using the Member of Parliament/Member of Legislative Assembly Funds or Natural Calamity Relief Funds or Sarva Siksha Abhiyan Funds or Funds of Local Authorities or Command Area Development Authority and OFD Works through Beneficiary Farmers’ Associations or Karshaka Samithy where the total amount in respect of individual contract does not exceed ten lakhs rupees, the tax payable under clause (f) above shall be five per cent;

(ii) under the Jananidhi Project (KRWSA), the tax payable under clause (f) above shall be four per cent irrespective of the total amount in respect of the individual contract;

and the Beneficiary Committees shall be entitled to receive payment even without taking registration under the Act.”;

(vii) in the fifth proviso, in item (a), for the words “Central Police Canteen and Canteen Stores Department”, the words “Canteen Stores Department, Central Police Canteen and one subsidiary canteen each that may be established by the Kerala Police in each District of the State and affiliated to the Central Police Canteen” shall be substituted;

(viii) in the seventh proviso, for the words “four per cent” the words “five per cent” shall be substituted;

(b) in sub-section (2), in clause (b) for the words “four per cent”, the words “five per cent” shall be substituted;

(c) in sub-section (5), to the sixth proviso, the following Note shall be added, namely:—

“*Note*:—The sixth proviso shall be deemed to have come into force on and from the 1st day of April, 2005 irrespective of any amendments made in the turnover limit specified in this sub-section.”;

(3) in section 8,—

(a) in clause (b),—

(i) in sub-clause (ii), for the letters, figures and words “Rs. 1,40,000 per annum”, the letters, figures and words “Rs. 1,60,000 per annum” shall be substituted;

(ii) in sub-clause (iii), for the letters, figures and words “Rs. 2,80,000 per annum”, the letters, figures and words “Rs. 3,20,000 per annum” shall be substituted;

(iii) in sub-clause (iv), for the letters, figures and words “Rs. 15,00,000 per annum”, the letters, figures and words “Rs. 18,00,000 per annum” shall be substituted;

(iv) in the second proviso, for the words “twenty-five thousand” and “one lakh”, the words “thirty thousand” and “one lakh twenty thousand” shall, respectively, be substituted;

(b) in clause (e),—

(i) for the figure and words “4 per cent”, the figure and words “5 per cent” shall be substituted;

(ii) after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that with respect to hospitals which have not taken any registration under this Act, but has purchased any goods,—

(a) from an importer or a manufacturer, who has opted for payment of tax under this clause; or

(b) from another registered dealer where the tax on the maximum retail price of such goods was paid in the State under this clause on an earlier sale; shall not be liable to pay tax on the sale of such goods for the period on and from the 1st April, 2005 to the 31st March, 2012.”;

(c) in clause (g), for the figures and symbol “12.5%”, the figures and symbol “13.5%” shall be substituted;

(4) in section 11, in sub-section (3), in the third proviso, for the words “four per cent” the words “five per cent” shall be substituted;

(5) in section 12,—

(a) in sub-section (1), in the third proviso, for the words “four per cent”, the words “five per cent” shall be substituted;

(b) to sub-section (2), the following proviso shall be added, namely:—

“Provided that notwithstanding anything contained in this Act, a manufacturer of medicines who have opted for payment of compounded tax under clause (e) of section 8 shall be eligible for special rebate of the tax paid under sub-section (2) of section 6 of this Act on the purchase of raw materials with effect on and from the 1st day of April, 2005.”;

(6) in section 13, in sub-section (2), in the second proviso, for the words “four per cent”, the words “five per cent” shall be substituted;

(7) after section 18, the following section shall be inserted, namely:—

“18A. *Special provisions for registration and continuance of business as the legal heir of a deceased dealer.*—(1) Notwithstanding anything contained in section 11, where any dealer who is a sole proprietor registered under this Act dies and his legal heir continues the business, then, if such a legal heir is not a registered dealer, he shall, within four months from the date of death of the dealer, obtain registration under this Act.

(2) The legal heir who continues the business shall apply to the assessing authority with the consent of all other legal heirs, if any, of the deceased dealer for recognition of continuance of the business for the purposes of filing returns, payment of tax, input tax credit, special rebate, payment of tax under section 8 and the continuance of the registration number under this Act.

(3) The assessing authority shall, after making necessary enquiries on an application under sub-section (2), pass orders on the same within fifteen days from the date of receipt of such application.

Explanation:—The expression “the legal heir who continues the business” used in this section shall also include a partnership consisting solely of the legal heirs of the deceased dealer as partners.”;

(8) in section 24, in sub-section (1), for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that the time limit for the completion of assessments for the years up to 2007-08 under this section shall be extended up to 31st March, 2013.”;

(3)	Olive oil	1509.90.10
(4)	Palm oil	
	(a) Refined bleached deodorised palm oil	1511.90.10
	(b) Refined bleached deodorised palmolein	1511.90.20
(5)	Sunflower oil	1512.19.10
(6)	Saffola oil	1512.19.30
(7)	Cottonseed oil	1512.29.10
(8)	Babassu oil	1513.29.20
(9)	Refined colza oil	1514.19.10
(10)	Refined rapeseed oil	1514.19.20
(11)	Refined mustard oil	1514.99.20
(12)	Linseed oil	1515.19.10
(13)	Maize (corn) oil	1515.29.10
(14)	Castor oil	1515.30.10
(15)	Seasam oil	1515.50.91
(16)	Fixed vegetable oils of edible grade namely: mango kernal oil, mahua oil, rice bran oil	1515.90.40
(17)	Other edible oils	1515.90.91
(18)	Other partly or wholly hydrogenated vegetable oils	
	(a) Cottonseed oil	1516.20.11
	(b) Groundnut oil	1516.20.21
	(c) Castor oil	1516.20.31
	(d) Other including Vanaspati	1516.20.91
(19)	Vegetable edible oils excluding HSN heading No. 1516	
	(a) Linseed oil	1518.00.11
	(b) Castor oil dehydrated	1518.00.21
	(c) Other vegetable oils edible grade	1518.00.31

(20)	Palm Kernal oil	1513.21.10
	2C Flour, Atta, Maida, Sooji,—	
	(1) Wheat or Meslin flour	1101.00.00
	(2) Rye flour	1102.10.10
	(3) Maize (corn flour)	1102.20.20
	(4) Rice flour (Puttu podi and the like)	1102.30.00
	(5) Other cereal flour	1102.90.00”;

(ii) after serial number 5 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“5A Pulses 0713”;

(c) in the Third Schedule,—

(i) in the heading, for the figure and symbol “4%”, the figure and symbol “5%” shall be substituted;

(ii) after serial number 30A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“30B. Cradles ****”;

(iii) in serial number 36,—

(a) in the heading, the words, letters and brackets “and those notified under clause (d) of sub-section (1) of section 6” shall be omitted;

(b) after item 26 and the entries against it in columns (2) and (3), the following item and entries shall, respectively be inserted, namely:—

“27. Ayurvedic cosmetics containing added medicaments and manufactured under drug license granted under the Drugs and Cosmetics Act, 1940 (Central Act 23 of 1940) ****”;

(iv) serial number 38 and the entries against it in columns (2) and (3) shall be omitted;

(v) after serial number 39 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“40. Electronic Toilets *****”;

(vi) for serial number 48 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“48. Basen and dough and flours other than those mentioned in Second Schedule

(1) Flour, meal and powder of dried leguminous vegetables 1106

(2) Wet mix *****”;

(vii) in serial number 49A, to the entries in column (2), the words “Chukku Kappi Powder, Fried Chips made from banana, cassava and jack fruit” shall be added at the end;

(viii) serial number 58 and the entries against it in columns (2) and (3) shall be omitted;

(ix) serial number 79 and the entries against it in columns (2) and (3) shall be omitted;

(x) in serial number 83, after item 59 in column (1) and the entries against it in columns (2) and (3), the following item entry and Note shall, respectively, be inserted, namely:—

“60. Machinery for Photography ***

“*Note*:—This entry shall be deemed to have come into force on the 1st day of July, 2006 and ceased to operate on the 23rd day of October, 2006.”;

(xi) in serial number 95, item (7) and the entries against it in columns (2) and (3) shall be omitted;

(xii) after serial number 95A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“95B. Packaged tender coconut water *****”;

(xiii) serial number 102 and the entries against it in columns (2) and (3) shall be omitted;

(xiv) in serial number 120,—

(a) sub-item (b) of item (2) and the entries against it in columns (2) and (3) shall be omitted;

(b) sub-item (b) of item (7) and the entries against it in columns (2) and (3) shall be omitted;

(xv) in serial number 126, in the entries in column (2), the words “tamarind seed and powder” shall be omitted;

(d) in LIST A, in serial number 174, in the heading, the words, figures, letter and brackets “other than those specifically mentioned in serial number (3) of clause (a) of sub-section (1) of section (6)” shall be added at the end.

8. *Amendment of Act 21 of 2008.*—In the Kerala Finance Act, 2008 (21 of 2008), in section 6,—

(1) in sub-section (1),—

(a) the words, figures and bracket “sections 6 and 8 of the Kerala Value Added Tax Act, 2003 (30 of 2004) and” shall be omitted;

(b) in the proviso, for the words “six per cent”, the words “ten per cent” shall be substituted;

(2) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) There shall be levied and collected from the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited, a cess at the rate of one per cent on the tax payable by them under clause (b) of sub-section (1) of section 5 of the Kerala General Sales Tax Act, 1963 (15 of 1963) to be called a *Medical Cess* to fulfill the commitment of the Government to provide generic medicine free of cost to the patients of the Government Hospitals, who are not income tax payers. The cess so collected shall be in addition to the cess collected under sub-section (1).”;

(3) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The Government may after due appropriation made by the Legislature by law in this behalf utilise such sum of money of *Social Security Cess* and the *Medical Cess* for the purposes specified in sub-section (1) or in sub-section (2A), as the case may be.”;

(4) in sub-section (4),—

(i) the words, figures and brackets “section 30 of the Kerala Value Added Tax Act, 2003 (30 of 2004) and” shall be omitted;

(ii) for the words, figure and bracket “sub-section (1)”, the words, figures, letter and bracket “sub-sections (1) and (2A)” shall be substituted;

(5) in sub-section (5), the words and figures “assessment, input tax credit, special rebate and recovery in the Kerala Value Added Tax Act, 2003 and” shall be omitted.

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കേരള സർക്കാർ
2013



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Reg. No. രജി. നമ്പർ
KL/TV(N)/634/2012-14

KERALA GAZETTE

കേരള ഗസറ്റ്

EXTRAORDINARY

അസാധാരണം

PUBLISHED BY AUTHORITY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്

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		1st Sravana 1935 1935 ശ്രാവണം 1		

GOVERNMENT OF KERALA

Law (Legislation-A) Department

NOTIFICATION

No. 7070/Leg. A2/2013/Law. Dated, Thiruvananthapuram, 23rd July, 2013.
1st Sravana, 1935.

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 23rd day of July, 2013.

By order of the Governor,

C. REMANI,
Special Secretary (Law).

ACT 29 OF 2013

THE KERALA FINANCE ACT, 2013

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2013-2014.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2013-2014;

BE it enacted in the Sixty-fourth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2013.

(2) Save as otherwise provided in this Act, clauses (c) and (i) of sub-section (7) of section 4, sub-section (8), sub-clause (iv) of clause (c) of sub-section (9) of section 10 and section 11 shall come into force at once and the remaining provisions of this Act shall be deemed to have come into force on the 1st day of April, 2013.

2. *Amendment of Act XII of 1955.*—In the Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act, 1955 (XII of 1955),—

(1) in section 5, for the words “one hundred rupees”, the words “one thousand rupees” shall be substituted;

(2) in section 6, in sub-section (4), for the words “five rupees”, the words “fifty rupees” shall be substituted;

(3) in section 7, in sub-section (5), for the words “one hundred rupees”, the words “one thousand rupees” shall be substituted;

(4) in section 12, in sub-section (2), for the words “one hundred rupees”, the words “one thousand rupees” shall be substituted;

(5) in section 13, in sub-section (5), for the words “one hundred rupees”, the words “one thousand rupees” shall be substituted;

(6) in section 15, in sub-section (2), for the words “ten rupees”, the words “one hundred rupees” shall be substituted;

(7) in section 22, in sub-section (2), for the words “ten rupees”, the words “one hundred rupees” shall be substituted;

(8) in section 31, for the words “one rupee”, the words “ten rupees” and for the words “two annas”, the words “five rupees” shall, respectively, be substituted.

3. *Amendment of Act 35 of 1958.*—In the Kerala Money Lenders’ Act, 1958 (35 of 1958),—

(1) in section 4, in clause (i) of sub-section (2), for the words “five thousand rupees”, the words “six thousand rupees” shall be substituted;

(2) in section 11B, after the words “returns, forms and other statements”, the words “including revised returns, forms and other statements” shall be inserted.

4. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) in section 4, in sub-section (1), for the words “One hundred rupees”, the words “Five hundred rupees” shall be substituted;

(2) in section 28,—

(a) section 28 shall be renumbered as sub-section (1) thereof and in sub-section (1) so renumbered, for the words “The consideration, if any,” the words “The Consideration, if any, the fair value of the land” shall be substituted;

(b) after sub-section (1), so renumbered, the following sub-section shall be inserted, namely:—

“(2) In the case of instruments relating to immovable property chargeable with an *ad valorem* duty on the fair value of the land and property and not on the value set forth in the instrument or consideration, such instrument shall fully and truly set forth the value of all other properties including building, if any, in the land involved.”;

(3) in section 29,—

(a) in sub-section (1), the following words shall be added at the end, namely:—

“or on the fair value of each such separate part and value of all other properties therein including building, if any, whichever is higher.”;

(b) in sub-section (2), the following words shall be added at the end, namely:—

“or on the fair of such separate part and value of all other properties therein including building, if any, whichever is higher.”;

(c) in sub-section (3), the following words shall be added at the end, namely:—

“or on the fair value of the property and value of all other properties therein including building, if any, whichever is higher.”;

(4) in section 31, in sub-section (1), for the words “such amount not exceeding ten rupees and not less than one rupee as the Collector may in each case direct”, the words “fifty rupees” shall be substituted;

(5) in section 34, in clause (a) to the proviso, for the words “five rupees”, occurring in both places, the words “ten rupees” and for the words “equal to ten times”, the words “equal to twenty times” shall, respectively, be substituted;

(6) in section 39, in clause (b) of sub-section (1), for the words “five rupees”, occurring in both places, the words “ten rupees” shall be substituted;

(7) in the SCHEDULE,—

(a) in serial number 10, for the entry in column (3), the following entry shall be substituted, namely:—

“Ten thousand rupees”;

(b) in serial number 15, for the entry in column (3), the following entry shall be substituted, namely:—

“Five hundred rupees”;

(c) in serial number 17, for the entry in column (3), the following entry shall be substituted, namely:—

“One rupee for every rupees 1000 or part thereof, of the value of the share, scrip or stock, as the case may be.”;

(d) for serial number 21 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

<p>“21. (i) Conveyance as defined in section 2(d) other than a conveyance specified in No. 22, not being a transfer charged or exempted under No. 55</p>	<p>Five rupees for every rupees 100 or part thereof of the fair value of the land or the amount or value of the consideration for such conveyance, whichever is higher.</p>
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- (ii) Conveyance as stated in (i) above in respect of the whole or portion of the property involved in the previous conveyance, when executed within a period of three months from the date of registration of such previous conveyance
- Two times the stamp duty paid in respect of the previous conveyance deed or the stamp duty payable under (i) above, whichever is higher.
- (iii) Conveyance as stated in (i) above in respect of the whole or portion of the property involved in the previous conveyance, when executed after three months and before six months from the date of registration of previous conveyance.
- One and a half times the stamp duty paid in respect of the previous conveyance deed or the stamp duty payable under (i) above, whichever is higher.

Provided that if the conveyance relates to any transfer of undivided share of any land and refers to any agreement relating to the construction of any building or part of building including flat or apartment or room etc., the value of such building or such part of the building shall also be included in such consideration, and the stamp duty if any paid in respect of such agreement shall be deducted from the stamp duty payable for the conveyance.

Explanation:—The amount of two times the stamp duty or one and a half times the stamp duty, as the case may be, payable with respect to a portion or portions of the whole property involved in the previous conveyance shall be calculated proportionate to the stamp duty paid in the previous conveyance deed.”;

(e) for serial number 22, and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“22 Conveyance as defined in section 2(d) not being a transfer charged or exempted under No. 55 of immovable Property situated,—

- (i) Within the Municipalities/ Townships/Cantonments other than Corporations. Six rupees for every rupees 100 or part thereof of the fair value of the land or the amount or value of the consideration for such conveyance, whichever is higher.
- (ii) Conveyance as stated in (i) above, in respect of the whole or portion of the property involved in the previous conveyance, when executed within a period of three months from the date of registration of previous conveyance Two times the stamp duty paid in respect of the previous conveyance deed or the stamp duty payable under (i) above, whichever is higher.
- (iii) Conveyance as stated in (i) above, in respect of the whole or portion of the property involved in the previous conveyance, when executed after three months and before six months from the date of registration of previous conveyance One and a half times the stamp duty paid in respect of the previous conveyance deed or the stamp duty payable under (i) above, whichever is higher.
- (iv) Within the Municipal Corporations Seven rupees for every rupees 100 or part thereof of the fair value of the land or the amount or value of the consideration for such conveyance, whichever is higher.
- (v) Conveyance as stated in (iv) above, in respect of the whole or portion of the property involved in the previous conveyance when executed within the period of three months from the date of registration of previous conveyance Two times the stamp duty paid in respect of the previous conveyance deed or the stamp duty payable under (iv) above, whichever is higher.

- (vi) Conveyance as stated in (iv) above, in respect of the whole or portion of the property involved in the previous conveyance, when executed after three months and before six months from the date of registration of previous conveyance
- One and a half times the stamp duty paid in respect of the previous conveyance deed or the stamp duty payable under (iv) above, whichever is higher.

Provided that if the conveyance relates to any transfer of undivided share of any land and refers to any agreement relating to the construction of any building or part of building, including flat or apartment or room etc., the value of such building or such part of the building shall also be included in such consideration, and the stamp duty if any paid in respect of such agreement shall be deducted from the stamp duty payable for the conveyance.

Explanation:—The amount of two times the stamp duty or one and a half times the stamp duty, as the case may be, payable with respect to a portion or portions of the whole property involved in the previous conveyance shall be calculated proportionate to the stamp duty paid in the previous conveyance deed.”;

(f) in serial number 23,—

(i) in clause (i), for the entry in column (3), the following entry shall be substituted, namely:—

“Twenty rupees”;

(ii) in clause (ii), for the entry in column (3), the following entry shall be substituted, namely:—

“Fifty rupees”;

(g) in serial number 40,—

(i) in clause (b),—

(a) in sub-clause (i), in the entry in column (3), the words, letters and figures “subject to a maximum of Rs. 250” shall be omitted;

(b) in sub-clause (ii), in the entry in column (3), the words, letters and figures “subject to a maximum of Rs. 250” shall be omitted;

(ii) in clause (c), in the entry in column (3), the words, letters and figures “subject to a maximum of Rs. 250” shall be omitted;

(iii) in clause (d), in the entry in column (3), the words, letters and figures “subject to a maximum of Rs. 250” shall be omitted;

(h) in serial number 43,—

(i) in clause A, for the entry in column (3), the following entry shall be substituted, namely:—

“Five thousand rupees”;

(ii) in clause B, for the entry in column (3), the following entry shall be substituted, namely:—

“One thousand rupees”;

(i) in serial number 44, in clause (f), for the entries against it in columns (2) and (3), the following entries shall, respectively, be substituted, namely:—

“When authorising a person other than his father, mother, wife, husband, son, daughter, brother or sister to sell immovable property or giving authority or power to a promoter or a developer, by whatsoever name called, to make constructions or develop, sell or transfer (in any manner whatsoever) any immovable property situated in Kerala.

The same duty as a conveyance (No. 21 or 22, as the case may be) for the fair value of land or for the amount of the consideration, whichever is higher or the estimated cost as certified by a Chartered Engineer of proposed construction or development of such property, as the case may be.”;

(j) in serial number 51, in clause (b), in the entry in column (3), for the words “One hundred rupees”, the words “Five hundred rupees” shall be substituted;

(k) in serial number 54, in clause (b), for the entry in column (3), the following entry shall be substituted, namely:—

“Two hundred and fifty rupees”.

5. *Amendment of Act 10 of 1960.*— In the Kerala Court Fees and Suits Valuation Act, 1959 (10 of 1960),—

(1) for section 52A, the following section shall be substituted, namely:—

“52A. *Fees on Memorandum of Appeal against the order of Income Tax Appellate Tribunal and Wealth Tax Appellate Tribunal.*—Notwithstanding anything contained in section 52, the fee payable on a memorandum of appeal filed before the High Court against the order of Income Tax Appellate Tribunal under the Income Tax Act, 1961 (Central Act 43 of 1961) and of the Wealth Tax Appellate Tribunal under the Wealth Tax Act, 1957 (Central Act 27 of 1957), shall, respectively, be at the rates specified in sub-items (C) and (D) of item (iii) of article 3 of Schedule II.”;

(2) after section 69, the following section shall be inserted, namely:—

“69A. *Refund of court fee in case where the dispute is settled under section 89 of the Code of Civil Procedure.*—Where a suit, appeal or other Proceeding before any court is settled by recourse to section 89 of the Code of Civil Procedure, 1908 (Central Act 5 of 1908), the whole court fee paid on the plaint/Memorandum of Appeal or other Proceedings, except in interlocutory matters, shall be ordered by the court to be refunded to the parties concerned by whom the court fee was paid.”;

(3) in section 76, in sub-section (1), for the words “in respect of appeals or revisions”, the words “in respect of original petitions, original applications, appeals or revisions” and for the words “appeal or revision”, the words “original petition, original application, appeal or revision” shall, respectively, be substituted;

(4) in the SCHEDULE II,—

(a) in article 3, in sub-item (C) of item (iii),—

(i) the words and figures “or the Wealth Tax Act, 1957” in column (2) shall be omitted;

(ii) for the words “Five hundred rupees” in column (3) against clause (d) in column (2), the words “Ten per cent of relief sought for, subject to a minimum of five hundred rupees” shall be substituted;

(iii) after sub-item (C) and the entries against it in column (3), the following sub-item and entries shall, respectively, be inserted, namely:—

“(D) From an order of the Appellate Tribunal under the Wealth Tax Act, 1957,—

- | | |
|---|----------------------|
| (a) Where the total net wealth of the assessee as computed by the Assessing Officer, in the case to which the appeal relates is one lakh rupees or less | Five hundred rupees. |
|---|----------------------|

- | | |
|---|---|
| (b) Where such net wealth exceeds one lakh rupees but does not exceed two lakhs rupees | One thousand and five hundred rupees. |
| (c) Where such net wealth exceeds two lakhs rupees | One per cent of the assessed net wealth, subject to a maximum of ten thousand rupees. |
| (d) Where the subject matter of an appeal relates to any matter, other than those specified in clauses (a) to (c) above | Ten per cent of the relief sought for, subject to minimum of five hundred rupees.”; |

(b) in article 4, for the words and figures “under section 39 of the Arbitration Act, 1940” in column (2), the words and figures “under the Arbitration and Conciliation Act, 1996” shall be substituted;

(c) in article 10, for clause (g) and the entries against it in column (3), the following clause and entries shall, respectively, be substituted, namely:—

“(g) Application for attestation of private documents intended to be used outside India,—

- | | |
|---|-----------------|
| (i) which involves verification of genuineness of the document | Hundred rupees |
| (ii) which requires counter signature after attestation by a Notary | Fifty rupees.”. |

6. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) in section 17,—

(a) in sub-section (6), for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that all assessments pending as on 31st March, 2013 shall be completed on or before 31st March, 2014.”;

(b) in sub-section (8),—

(i) for the first proviso, the following proviso shall be substituted, namely:—

“Provided that all such assessments or re-assessments pending as on 31st March, 2013 shall be completed on or before 31st March, 2014.”;

(ii) for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that all such modified assessments or modified re-assessments or remanded assessments pending as on 31st March, 2013 shall be completed on or before 31st March, 2014.”;

(2) in section 23B,—

(a) in sub-section (3), for the words and figures “30th September, 2011”, the words and figures “31st December, 2013” shall be substituted;

(b) in sub-section (4), for the words and figures “30th September, 2011”, the words and figures “31st December, 2013” shall be substituted;

(c) the proviso shall be omitted;

(d) for sub-section (7), the following sub-section shall be substituted, namely:—

“(7) Notwithstanding anything contained in any order, decree or judgment of any court, tribunal or appellate authority, if an assessee opts to settle his arrears as per this section,—

(i) he shall withdraw all cases pending before any court, tribunal or appellate authority relating to the arrears under option; and

(ii) if an order, decree or judgment is passed by any court, tribunal or appellate authority relating to the arrears already settled under option, giving reduction in liability with regard to such arrears, no refund shall be allowed with respect to such arrears covered under such order, decree or judgment; and

(iii) no appeal shall lie in any court, tribunal or appellate authority, with respect to the amount settled under this section.”;

(3) in section 47, in item (a), for the words “rupees two lakhs”, the words “rupees eight lakhs” shall be substituted;

(4) in the SCHEDULE, in serial number “2. Foreign Liquor”, against item “(ii) Other than Beer and Wine”, under the heading “Rate of tax (per cent)”, for the figure “100”, the figure “105” shall be substituted.

7. *Amendment of Act 7 of 1975.*—In the Kerala Building Tax Act, 1975 (7 of 1975), in the SCHEDULE, under the heading “Other Buildings”, after Note (2), the following Note shall be inserted, namely:—

“(3) In the case of buildings having a plinth area of 185.87 square metres or more and completed on or after the 1st day of April, 2013 in which there are installations for rainwater harvesting, waste treatment at source and solar panels having such measurements and specifications as may be specified by the Government by notification in the Gazette, the rate of building tax shall be reduced by 50 per cent.”.

8. *Amendment of Act 32 of 1976.*— In the Kerala Tax on Luxuries Act, 1976 (32 of 1976),—

(1) after section 4, the following section shall be inserted, namely:—

“4A. *Exemption to United Nations Organization or similar international bodies.*—Notwithstanding anything contained in this Act, no tax under this Act shall be levied in respect of any luxury under this Act provided to the employees, representatives and delegates of United Nations or other similar international bodies and such exemption shall be subject to such conditions as may be prescribed.”;

(2) in section 5B, after the words “returns, forms and other statements”, the words “including revised returns, forms and other statements” shall be inserted;

(3) in section 6,—

(a) in sub-section (4), for the existing proviso, the following provisos shall be substituted, namely:—

“Provided that all assessments relating to the years up to and including the year 2007-08, pending as on 31st March, 2013, shall be completed on or before 31st March, 2014:

Provided further that in cases where any investigation or inquiry is pending under this Act or where any assessment cannot be completed within the period specified under this section, the Deputy Commissioner may, for good and sufficient reasons, extend the period of completion of the assessment including escaped assessment under sub-section (5) beyond the period specified in this section.”;

(b) in sub-section (5), for the words and symble “hotel/house boat”, the word “proprietor” shall be substituted;

(4) in section 17B, in item (a) of sub-section (1), for the words “rupees four lakhs”, the words “rupees eight lakhs” shall be substituted.

9. *Amendment of Act 15 of 1991.*—In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991), in section 3, for the proviso, the following proviso shall be substituted, namely:—

“Provided that no tax shall be charged on any person other than a company registered under the Companies Act, 1956 (Central Act 1 of 1956) with effect from 1st April, 2013.”.

10. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 6, in sub-section (1),—

(a) in the Table,—

(i) in serial number 1, for the figure “15” in column (4), the figure “20” shall be substituted;

(ii) in serial number 3, for the entry in column (2), the following entry shall be substituted, namely:—

“Carry bags made of plastic including polypropylene, which have a vest type self carrying feature to carry commodities”;

(iii) after serial number 3 and the entries against it in columns (2), (3) and (4), the following serial number and entries shall, respectively, be inserted, namely:—

“3A. Disposable plates, cups and

leaves, made of plastic. *** 20”;

(b) in clause (d), for the figures and symbol “13.5%”, occurring in both places, the figures and words “14.5 per cent” shall be substituted;

(c) in clause (f), for the figures and words “13.5 per cent”, the figures and words “14.5 per cent” shall be substituted;

(d) in the twelfth proviso, the words and figures “with effect from 1st April, 2006” shall be added at the end;

(e) after the thirteenth proviso, the following provisos shall be inserted, namely:—

“Provided also that the tax on the sale of cardamom, at the point of auction only, conducted at the auction centre holding a valid license issued by the Spices Board under the Cardamom (Licensing and Marketing) Rules, 1987, shall be at the rate of two per cent:

Provided also that cooked food and beverages sold by Milk Suppliers’ Co-operative Society registered under the Kerala Co-operative Societies Act, 1969 (21 of 1969) through their canteens established at their places of business shall be exempted from tax with effect from 1st April, 2011.”;

(2) in section 8,—

(a) in clause (b), for the letter and word “M-Sand”, the words “Manufactured sand” shall be substituted;

(b) in clause (g), for the figures and symbol “13.5%”, the figures and words “14.5 per cent” shall be substituted;

(c) after clause (g), the following clause shall be inserted, namely:—

“(h) any dealer, who is an importer or a manufacturer of cigarettes and similar products mentioned in serial number 1 of the Table in clause (a) of sub-section (1) of section 6, may, at his option, pay, in such manner and subject to such conditions and restrictions as may be prescribed, in lieu of the tax payable by him on such goods under the said sub-section, tax at the rate of 20 per cent of the maximum retail price of such goods.

Explanation:—For the purpose of this clause, maximum retail price in respect of the goods means the maximum price printed on the package of any goods at which such goods may be sold to the ultimate consumer:

Provided that where a registered dealer has purchased any goods,—

(a) from an importer or a manufacturer who has opted for payment of tax under this clause; or

(b) from another registered dealer where the tax on the maximum retail price of such goods was paid in the State on an earlier sale,

such dealer shall, notwithstanding anything contained in this Act, but subject to such conditions and restrictions as may be prescribed, be exempted from payment of tax under clause (a) of sub-section (1) of section 6 in respect of the sale of such goods and shall be entitled to recover from the buyers the amount of tax paid by him at the time of purchase of such goods and the turnover of such goods shall not be included in the total turnover for the purpose of sub-section (5) of section 6, where the dealer opts for payment of tax in accordance with the said sub-section in respect of goods other than the goods covered under this clause:

Provided further that a dealer who opts payment of tax under this clause shall not allow any trade discount or incentive in terms of quantity of goods in relation to any sale of goods covered under the clause, effected by him, for the purpose of calculating his tax liability.”;

(3) in section 15, in sub-section (1), for the words “five lakh rupees”, the words “ten lakhs rupees” shall be substituted;

(4) after section 18A, the following section shall be inserted, namely:—

“18B. *Special provision for one-time incentive to new registrants.*— Notwithstanding anything contained in this Act, dealers who were liable to take registration under this Act, but had not taken registration, may voluntarily take registration between 1st April, 2013 and 30th September, 2013 and such dealers shall not be liable to tax or penalties with respect to the transactions prior to 1st April, 2013:

Provided that this section shall not be applicable to the transactions of dealers who were,—

- (a) importers;
- (b) works contractors;
- (c) manufacturers, but excluding dealers coming under sub-clause (i) of clause (c) of section 8;
- (d) other dealers referred to in sub-section (1) of section 6;
- (e) companies; and
- (f) dealers against whom penal proceedings were initiated for non-registration and non-payment of tax under this Act, before 1st April, 2013:

Provided further that hospitals run by charitable institutions which avail exemption under the Income Tax Act, 1961 (Central Act 43 of 1961) and purchasing medicines from compounded dealer after paying tax under clause (e) of section 8 shall be exempted from tax on their sale of such medicines and on the sale of laboratory store items and consumables to their patients:

Provided also that, with regard to such hospitals which were liable to take registration under this Act, but had not taken registration till 31st March, 2013 shall get itself registered on or before 30th June, 2013 to avail the concessions as per the foregoing proviso for the period from 1st April, 2005 to 31st March, 2013.”;

(5) in section 24, in sub-section (1), for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that the assessments pending as on 31st March, 2013 under this section shall be completed on or before 31st March, 2014.”;

(6) in section 25, in sub-section (1), for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that the assessments pending as on 31st March, 2013 under this section shall be completed on or before 31st March, 2014.”;

(7) after section 25A, the following section shall be inserted, namely.—

“25B. *Extension of period of limitation for assessments in certain cases.*—Notwithstanding anything contained in section 24 or in section 25, in cases where any investigation or inquiry is pending under this Act or any other law or where any assessment cannot be completed within the period specified under the said sections, the Deputy Commissioner may, for good and sufficient reasons, extend the period of completion of the assessment beyond the period specified in those sections.”;

(8) in section 48, in sub-section (1), the following sentence shall be added at the end, namely:—

“A fee of one hundred rupees shall be payable to Government on each transit pass so issued.”;

(9) in the SCHEDULES,—

(a) in the FIRST SCHEDULE,—

(i) after serial number 42 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“42A. Rice including broken rice, puffed rice, parched rice and beaten rice

(1) Rice other than paddy	1006
(2) Puffed rice, parched and beaten rice	1904.20.00
(3) Broken rice	1006.40.00”;

(ii) after serial number 61 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“62. Products manufactured and sold by *Theeramythri* units approved by the Government under its brand name at the point of sale by them. *****”;

(b) in the SECOND SCHEDULE,—

(i) after serial number 1 and the entries against it in columns (2) and (3) the following serial number and entries shall, respectively, be inserted, namely:—

“2 Ice 2201.90.10”;

(ii) for serial number 6 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“6. Solar energy devices and spare parts

(1) Solar cells	8541.40.11
(2) Solar lanterns and lamps	9405.50.40
(3) Parts of solar lanterns and lamps of—	
(a) glass	9405.91.00
(b) plastic	9405.99.00
(4) Solar energy equipment	*****
(5) Solar water heaters and systems	*****
(6) Solar crop driers and systems	*****
(7) solar refrigerations, solar cold storages and solar air-conditioning systems	*****
(8) Solar stills and desalination systems	*****

- | | |
|--|---------|
| (9) Solar pumps based on solar thermal and solar photovoltaic conversion | **** |
| (10) Solar power generating system | **** |
| (11) Solar cookers | **** |
| (12) Concentrating and pipe type solar collectors | **** |
| (13) Flat plate solar collectors | **** |
| (14) Solar photovoltaic modules and panels for water pumps and other application | **** |
| (15) Black continuously plated solar selective coating sheets, fans and tubes | **** |
| (16) Vacuum tube solar collectors | **** |
| (17) Solar photovoltaic cells, modules, and other systems/devices | **** ”; |

(c) in the THIRD SCHEDULE,—

(i) serial number 62 and the entries against it in columns (2) and (3) shall be omitted;

(ii) after serial number 86A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“86B. Municipal Plastic Waste **** ”;

(iii) in serial number 87, in the entries against item (2), in column (2), for the words, letters and figures “whose M.R.P. does not exceed Rs.200”, the words, letters and figures “its M.R.P. does not exceed Rs.500” shall be substituted;

(iv) In serial number 93, in item (1), after sub-section (b) and the entries against it in columns (2) and (3), the following sub-item and entries shall, respectively, be inserted, namely:—

“(c) Edible soya chunks manufactured **** ”;
from soya been oil cake/meal

(v) in serial number 107, items (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), (24), (25), (31) and the entries against them in columns (2) and (3) shall be omitted;

(vi) after serial number 141 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“141A. Waterbed **** ”;

(d) in LIST A,—

(i) after serial number 84 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“84A. Lead Oxide 2824 ” ;

(ii) in serial number 135A, in the entry in column (2), after the words “agricultural gloves”, the words “household gloves” shall be inserted;

(iii) in serial number 174, after item (10) and the entries against it in columns (2) and (3), the following item and entries shall, respectively, be inserted namely:—

“(11) HDPE woven fabrics commonly called ‘agro-shade net’ *****”.

11. *Levy and collection of cess on wedding celebrations.*—(1) There shall be levied and collected a cess to be called *Mangalya Nidhi Cess* on every wedding and its connected celebrations conducted in hotels having the classification of three star and above or in auditoriums with a seating capacity of above five hundred including that of dining halls, at the rated specified in the Table below, namely:—

TABLE

(i) Hotels of three star and above	Rs. 10,000
(ii) Air conditioned auditorium situated in Municipality area	Rs. 10,000
(iii) Air conditioned auditorium situated in Panchayat area	Rs. 7,500
(iv) Other auditoriums situated in the area of Municipality	Rs. 5,000
(v) Other auditoriums situated in Panchayat area	Rs. 3,000

(2) The cess shall be collected from the person from whom the charges or rent for such celebration are received by the proprietor of such hotel or auditorium, as the case may be, and shall be remitted to Government Treasury in the Head of Account of *Mangalya Nidhi* on or before the 15th day of every month.

(3) The proprietor of such hotel or auditorium shall file a statement in such form as may be prescribed and submit the same along with the proof of remittance of *Mangalya Nidhi Cess* to the assessing authority under the Kerala Tax on Luries Act, 1976 (32 of 1976) having jurisdiction over the area, on or before the 15th day of every month. He shall also keep a register containing the details of remittance of *Mangalya Nidhi Cess* in such manner as may be prescribed.

(4) The statement referred to in sub-section (3) may be filed and the amount of cess may also be paid electronically by the proprietor through the website of the Commercial Taxes Department, Government of Kerala.

(5) The proprietor of the establishment entrusted with the collection of the cess shall apply for obtaining a unique identification number to the assessing authority under the Kerala Tax on Luxuries Act, 1976 (32 of 1976) having jurisdiction over the area where such establishment is situated, in such manner as may be prescribed and the assessing authority shall allot the same to the establishment.

(6) Where any proprietor of a hotel or an auditorium as stated in sub-section (1) permits any person to conduct a wedding celebration without the payment of cess under this section, such proprietor shall be liable to pay such amount of cess as if he had conducted the wedding celebration and such amount shall be recovered from him as if it is arrear due from him under the Kerala Tax on Luxuries Act, 1976 (32 of 1976).

(7) The Government may, after due appropriation made by the Legislature by law in this behalf, utilise such sums of money for the purposes specified in the *Mangalya Nidhi Scheme* framed by the Government.

Explanation.—For the purpose of this section,—

(a) The word “proprietor” shall include the person who at the time being is in-charge of management of such hotels or auditoriums, as the case may be;

(b) The word “auditorium” shall include a *kalyanamandapam* also;

(c) The word “prescribed” means prescribed by rules made by the Government in this behalf.

(8) The provisions regarding the assessment and recovery of tax in the Kerala Tax on Luxuries Act, 1976 shall *mutatis mutandis* apply to the assessment and recovery of cess under this section.

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Government of Kerala
2014



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Reg. No. KL/TV(N)/634/2012-14

കേരള ഗസറ്റ്
KERALA GAZETTE

അസാധാരണം
EXTRAORDINARY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്
PUBLISHED BY AUTHORITY

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GOVERNMENT OF KERALA

Law (Legislation-A) Department

NOTIFICATION

No. 2500/Leg. A2/2014/Law. *Dated, Thiruvananthapuram, 23rd July, 2014*
7th Karkadakam, 1189/1st Sravana, 1936.

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 23rd day of July, 2014.

By order of the Governor,

C. REMANI,

Special Secretary (Law).

ACT 29 OF 2014**THE KERALA FINANCE ACT, 2014**

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2014-2015.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2014-2015;

BE it enacted in the Sixty-fifth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2014.

(2) Save as otherwise provided in this Act,—

(i) sub-section (10) of section 10, sub-clause (iv) of clause (a) and sub-clause (ix) of clause (c) of sub-section (17) of section 10 shall be deemed to have come into force on the 1st day of April, 2005;

(ii) clause (b) of sub-section (1) of section 7 shall be deemed to have come into force on the 1st day of April, 2007;

(iii) sub-clause (iv) of clause (c) of sub-section (17) of section 10 shall be deemed to have come into force on the 13th day of November, 2009;

(iv) clause (e) of sub-section (5) of section 10 shall be deemed to have come into force on the 1st day of April, 2013;

(v) sub-section (2) of section 5 and sub-clause (x) of clause (c) of sub-section (17) of section 10 shall be deemed to have come into force on the 1st day of January, 2014;

(vi) sections 2 to 4, sub-sections (1), (3) and (4) of section 5, section 6, clause (a) of sub-section (1) and sub-sections (2) to (7) of section 7, sections 8, 9, sub-sections (1) to (4), clauses (a) to (d) of sub-section (5), sub-sections (6) to (9), sub-sections (11) to (16), sub-clauses (i) to (iii), (v) and (vi) of clause (a) sub-clause (i) to (iii) of clause (b), sub-clauses (i) to (iii) and (v) to (viii) of clause (c) and clause (d) of sub-section (17) of section 10 and section 11 shall be deemed to have come into force on the 1st day of April, 2014;

(vii) the remaining provisions of this Act shall come in to force at once.

2. *Amendment of Act XII of 1955.*—In the Travancore-Cochin Literary, scientific and charitable societies Registration Act, 1955 (XII of 1955),—

(1) in section 6, in sub-section (4), for the words “fifty rupees for every day during which the non-compliance continues”, the words “ten rupees for every day during which the non-compliance continues, subject to a maximum of fifty rupees” shall be substituted;

(2) in section 7, in sub-section (5), for the words “not exceeding one thousand rupees”, the words “of twenty rupees for every day during which the default continues, subject to a maximum of two hundred rupees” shall be substituted;

(3) in section 12, in sub-section (2), for the words “not exceeding one thousand rupees”, the words “of twenty rupees for every day during which the default continues, subject to a maximum of two hundred rupees” shall be substituted;

(4) in section 13, in sub-section (5), for the words “not exceeding one thousand rupees”, the words “of twenty rupees for every day during which the non-compliance continues, subject to a maximum of two hundred rupees” shall be substituted;

(5) in section 15, in sub-section (2), for the words “One hundred rupees for every day during which the default continues”, the words “twenty rupees for every day during which the default continues, subject to a maximum of two hundred rupees” shall be substituted;

(6) in section 22, in sub-section (2), for the words “One hundred rupees for every day during which the default continues”, the words “twenty rupees for every day during which the default continues, subject to a maximum of two hundred rupees” shall be substituted.

3. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) in section 28A,—

(a) after sub-section (1), the following sub-sections shall be inserted, namely:—

“(1A) Subject to such rules as may be prescribed, the fair value of land fixed under sub-section (1) may be revised by the Revenue Divisional Officer every five years or earlier if so directed by the Government, if in the opinion of the Government any substantial change of the fair value of land has taken place.

(1B) Notwithstanding anything contained in this Act or the Rules made thereunder, the Government may, by notification published in the Official Gazette, make an increase of a fixed percentage in the fair value of land fixed as per sub-section (1), from time to time, before revision is made under sub-section (1A) and the value so increased shall be deemed to be the fair value of the land.”;

(b) in sub-section (3), after the words, brackets and figure “under sub-section (1)”, the words, brackets, figure and letter “and the revised fair value of land fixed under sub-section (1A)” shall be inserted.

(c) in sub-section (4), after the words, brackets and figure “under sub-section (1)”, the words, brackets, figure and letter “or the revision of fair value under sub-section (1A)” shall be inserted.

(2) in the SCHEDULE,—

(a) in serial number 5, the clause (d) shall be renumbered as clause (g) and before clause (g) as so renumbered, the following clauses shall be inserted, namely:—

- | | |
|--|--|
| “(d) If relating to monthly deposit scheme (MDS) similar to that of chitties, of whatever name called, between a co-operative Bank/Society and a depositor | One hundred rupees in respect of each depositor. |
| (e) If relating to installation of ATM machine, between a bank and the land owner or renewal thereof | Two thousand and five hundred rupees per year. |
| (f) If relating to installation of Mobile Tower, between a company and the land owner or renewal thereof | Five thousand rupees per year.”; |

(b) for serial number 10, and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“10. Articles of Association of a Company,—

- | | |
|---|----------------------|
| (a) if relating to companies having authorised capital up to Rs. 10 lakhs | Two thousand rupees. |
|---|----------------------|

(b) if relating to companies having authorised capital above Rs. 10 lakhs and up to Rs. 25 lakhs Five thousand rupees.

(c) if relating to companies having authorised capital above Rs. 25 lakhs 0.5 per cent of the paid up capital.”;

(c) in serial number 19, in the entry in column (3), for the words “Twenty five rupees”, the words “Fifty rupees” shall be substituted;

(d) in serial number 21, in clause (i), in the entry in column (3), for the words “Five rupees”, the words “Six rupees” shall be substituted;

(e) in serial number 22, in clause (II), in the entries in column (3), for the words “Seven rupees”, the words “Six rupees” shall be substituted;

(f) after serial number 36 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“36A. Memorandum of association and rules and regulations of a charitable society under the Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act, 1955 (Act XII of 1955) or under the Societies Registration Act, 1860 (Central Act 21 of 1860) Five hundred rupees.”;

(g) in serial number 37,—

(i) after clause (c) and the entries against it in columns (2) and (3), the following clause and entries shall, respectively, be inserted, namely:—

“(d) When executed in favour of commercial banks for securing loans 0.5 per cent for the amount secured subject to a maximum of rupees 20,000.”;

(ii) the existing Exemption shall be numbered as 1, and after Exemption 1, as so numbered, the following Exemption shall be inserted, namely:—

“2. Instruments executed for securing agricultural and educational loans granted by commercial banks”.

4. *Amendment of Act 17 of 1960.*—In the Kerala Plantation Tax Act, 1960 (17 of 1960), in section 3, to sub-section (1), the following proviso shall be inserted, namely:—

“Provided that no plantation tax shall be charged on any person cultivating coconut, arecanut or pepper and persons other than companies coming under the Plantation Labour Act, 1951 (Central Act 19 of 1951).”.

5. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) in section 7,—

(a) for the words, letters and brackets “clauses (a) or (b) of items (i) and (ii) respectively, whichever is higher”, the words, letters and brackets “in item (i) or (ii), as the case may be” shall be substituted;

(b) for item (i), the following item shall be substituted, namely:—

“(i) in respect of a bar attached hotel of and below two star, at one hundred and sixty per cent of the purchase value of such liquor.”;

(c) in item (ii), after the words “hotel of three stars”, the words, letters and brackets “as per clause (a) or (b) below, whichever is higher” shall be inserted;

(d) the proviso shall be omitted;

(2) in section 23B,—

(a) in sub-section (3), for the words and figures “31st December, 2013”, the words and figures “31st August, 2014”, shall be substituted;

(b) in sub-section (4) for the words and figures “31st December, 2013”, the words and figures “31st December, 2014”, shall be substituted;

(3) in section 23BA,—

(a) the words “and Co-operative Societies” in the marginal heading and the words “or co-operative society”, wherever they occur, shall be omitted;

(aa) for the words, “public sector undertakings”, the words “public sector undertakings excluding oil marketing companies”, wherever they occur, shall be substituted;

(b) in sub-section (2), for the words and figures “before 30th September, 2011”, the words and figures “before 31st July, 2014” shall be substituted;

(c) in sub-section (3), for the words and figures “before 30th September, 2011”, the words and figures “31st December, 2014” shall be substituted;

(d) the Note shall be omitted;

(4) in the SCHEDULE, in serial number “2. Foreign Liquor”, for item (ii) and the entries against it, the following items and entries shall, respectively, be substituted, namely:—

- | | |
|---|------|
| “(ii) other than Beer and Wine, for which purchase value incurred is rupees 400 per case or more; | 115 |
| (iii) other Foreign Liquor, not covered under items (i) and (ii) above | 105. |

Explanation:—For the purpose of this Schedule,—

(i) “case” means, 48 bottles of 180 ml. each, or 24 bottles of 375 ml. each, or 18 bottles of 500 ml. each or 12 bottles of 750 ml. each, or 9 bottles of 1000 ml. each or 6 bottles of 1500 ml. each;

(ii) “purchase value” means the value at which the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited purchases such liquor from the suppliers and in case any liquor is not purchased by the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited, such value as fixed by the Commissioner of Excise, for the purpose of levy of duties as per the Abkari Act, 1077 (1 of 1077).”.

6. *Amendment of Act 7 of 1975.*—In the Kerala Building Tax Act, 1975 (7 of 1975),—

(1) in section 3,—

(a) in clause (b) of sub-section (1), after the word “workshops”, the words and symbols “or cattle/pig/poultry farms or poly houses” shall be inserted;

(b) the existing *Explanation* shall be numbered as “*Explanation I*” and after *Explanation I* as so numbered, the following *Explanations* shall be inserted, namely:—

“*Explanation II:*—For the purpose of this sub-section,—

(i) “cattle/pig/poultry farms” shall have the same meanings as assigned to them in clauses (d), (m) and (n) respectively in rule 2 of the Kerala Panchayat Raj (Licensing of Livestock farms) Rules, 2012, but shall not include the farms exclusively used for the purpose of sale.

(ii) Cattle/pig/poultry farms shall have the minimum number of animals or birds, as the case may be, as provided in sub-rule (1) of rule 3 of the said Rules.

Explanation III:—“poly house” means any building erected for cultivation purposes under controlled climatic conditions.”;

(2) in section 5A, for the words “two thousand rupees”, the words “four thousand rupees” shall be substituted;

(3) in the SCHEDULE, for the existing TABLE except the Notes thereunder, the following Table shall be substituted, namely:—

“TABLE

Rate of Building Tax

<i>Plinth Area</i>	<i>Grama Panchayat other than Special Grade Grama Panchayat (Rupees)</i>	<i>Special Grade</i>	
		<i>Grama Panchayat/ Town Panchayat/ Municipal Council (Rupees)</i>	<i>Municipal Corporation (Rupees)</i>
(1)	(2)	(3)	(4)

Residential Buildings

Not exceeding 100 square metres	Nil	Nil	Nil
Above 100 square metres but not exceeding 150 square metres	1500	2700	4050
Above 150 square metres but not exceeding 200 square metres	3000	5400	8100
Above 200 square metres but not exceeding 250 square metres	6000	10800	16200
Exceeding 250 square metres	6000 plus Rs. 1,200 for every additional 10 square metres	10800 plus Rs. 2,400 for every additional 10 square metres	16200 plus Rs. 3,000 for every additional 10 square metres

(1)	(2)	(3)	(4)
Other Buildings			
Not exceeding 50 square metres	Nil	Nil	Nil
Above 50 square metres but not exceeding 75 square metres	1500	3000	6000
Above 75 square metres but not exceeding 100 square metres	2250	4500	9000
Above 100 square metres but not exceeding 150 square metres	4500	9000	18000
Above 150 square metres but not exceeding 200 square metres	9000	18000	36000
Above 200 square metres but not exceeding 250 square metres	18000	36000	54000
Exceeding 250 square metres	18000 plus Rs. 1,800 for every additional 10 square metres	36000 plus Rs. 3,600 for every additional 10 square metres	54000 plus Rs. 4,500 for every additional 10 square metres.”.

7. *Amendment of Act 19 of 1976.*—In the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976),—

(1) in section 2,—

(a) the existing clause (aa) shall be renumbered as clause (ab) and before clause (ab) as so renumbered, the following clause shall be inserted, namely:—

“(aa) “e-payment” means remittance of tax using e-payment gateway by transfer of the amount to the account of Motor Vehicles Department from the account of a registered owner or any other person in any Bank or by using Credit/Debit Cards.”;

33/3121/2014/S-21.

(b) for clause (e) the following clause shall be substituted, namely:—

“(e) “purchase value” means the value of the vehicle as shown in the purchase invoice and includes value added tax, cess and customs/excise duty chargeable on vehicles:

Provided that the discount or rebate given by the dealer to the registered owner shall not be deducted from the bill amount for computing the purchase value:

Provided further that where the purchase value of any vehicle including a vehicle imported from other countries or a vehicle acquired or obtained otherwise than by way of purchase is not ascertainable on account of non availability of the invoice, the purchase value shall be the value or price of the vehicles of the same specifications which are already registered or available with the manufacturer or as fixed by the Customs and Central Excise Department for the purpose of levying customs duty and includes excise or customs duty levied on the purchase of a motor vehicle, as the case may be.”;

(c) the existing clause (ee) shall be renumbered as clause (eb) and before clause (eb) as so renumbered the following clause shall be inserted, namely:—

“(ea) “push back seat” means the seat, backrest of which can be adjusted or tilted to the comfort of the passenger.”;

(d) after clause (f), the following clause shall be inserted, namely:—

“(fa) “sleeper berth” means a berth or a seat which can be adjusted or converted as a berth for the comfort of the passenger.”;

(2) in section 3,—

(a) in sub-section (1),—

(i) for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that in respect of a new motor vehicle of any of the classes specified in items 1, 2, 6, 7(i) (b), 7(i) (c), 10(iii) and 11(i) of the Schedule, there shall be levied, from the date of purchase of the vehicle, one time tax at the rate specified in Annexure I, at the time of first registration of the vehicle and thereafter tax shall be levied at the time of renewal of registration of such vehicle or on the expiry of the life time tax already paid at the rate specified in the Schedule as per fourth proviso to sub-section (1) of section 4.”;

(ii) the third proviso shall be omitted;

(iii) for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that in respect of old motor cycles specified in item (1), old three wheelers specified in item (2) and old motor cars specified in item 11 (i) of the Schedule, there shall be levied a tax in advance for a period of five years after the expiry of the period in respect of which tax has been paid at the rate specified in Annexure II and for new goods carriages specified in item (3) (i) (a) to (3) (i) (e) and (3) (ii) (a) to (3) (ii) (e), new Autorickshaws specified in item 7 (i) (a), there shall be levied a tax in advance for a period of five years at the rate specified in Annexure II at the time of first registration of the vehicle and thereafter tax shall be levied for five years or for one year at the rate specified in the seventh proviso to sub-section (1) of section 4.” ;

(b) in sub-section (5), in the existing proviso, for the words, brackets and figure “under sub-section (9)”, the words, brackets and figures “under sub-sections (8) and (9)” shall be substituted;

(3) in section 4,—

(a) in sub-section (1),—

(i) in the fourth proviso, for the words, figures, brackets and letters, after the words, brackets and figure “or passengers specified in item 2 of the Schedule”, the following words, figures, brackets and letters, shall be substituted, namely:—

“or new goods carriage specified in items 3(i) (a) to 3(i) (e), 3(ii) (a) to 3(ii)(e), new autorickshaws specified in item 7(i)(a) or old motor cars specified in item 11(i) of the Schedule shall pay tax in respect of those vehicles in advance for a period of five years in lump sum upon a licence for such period.”;

(ii) for the fifth proviso, the following proviso shall be substituted, namely:—

“Provided also that the registered owner or a person liable to pay tax in respect of Private Service Vehicle (Non-Transport Vehicle) for personal use specified in item 6 and Construction equipment vehicles specified in item 10(iii) of the Schedule, shall remit tax in lump sum for 2 years after the expiry of existing tax period at the rate specified in column (3) of the respective items in the Schedule.”;

(iii) for the sixth proviso, the following proviso shall be substituted, namely:—

“Provided also that the registered owner or a person liable to pay tax in respect of vehicle specified in items 1, 2, 3(i) (a) to 3(i) (e), 3(ii) (a) to 3(ii) (e), 6, 7(i) (a) to 7(i) (c), 10(iii) and 11(i) of the Schedule for which one time or lump sum tax has been paid, shall not be liable to pay any periodical increase in tax during the period for which he has paid tax for such vehicle.”;

(iv) for the seventh proviso, the following proviso shall be substituted, namely:—

“Provided also that the owner or a person liable to pay tax in respect of goods vehicles specified in item 3(i)(a) to 3(i)(e) and 3 (ii)(a) to 3(ii)(e), autorickshaws specified in item 7 (i)(a), motor cab specified in item 7(i)(b) and tourist motor cab specified in item 7 (i)(c) of the Schedule shall have an option to remit tax in lump sum for five years at the rate specified in Annexure II or to remit tax for one year at the rate specified in item 3 (i)(a) to 3 (i)(e), 3 (ii)(a) to 3 (ii)(e) and 7 (i) (a) to 7 (i)(c) of the Schedule respectively”;

(b) in sub-section (3), after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that clause (b) of this sub-section shall not be applicable to e-payment of tax.”;

(5) for section 11, the following section shall be substituted, namely:—

“11. *Power to seize, detain and sell motor vehicles.*—(1) Any officer of the Motor Vehicles Department not below the rank of Assistant Motor Vehicles Inspector authorised in this behalf by the Government or any Police Officer not below the rank of Sub-Inspector may, if he has reason to believe that a taxable motor vehicle is used or kept for use in the State without paying tax, seize and detain that vehicle and make necessary arrangements for the safe custody of that vehicle pending production of proof of payment of tax.

(2) Where the tax due, in respect of the vehicle seized and detained under sub-section (1), is not paid within 30 days from the date of such seizure and detention, the officer authorised by the Government in this behalf may serve a notice in such manner as may be prescribed to the registered owner or the person who had the possession or control of the vehicle, immediately before such seizure and detention. After considering the objections, if any, filed by such person, if the authorised officer is satisfied that, the tax due has not been paid so far, he shall recover the tax due by sale of such vehicle in the manner as may be prescribed:

Provided that no such vehicle shall be sold if the tax due is paid at any time before the date of notification of the sale.

(3) Where the registered owner or the person having possession or control of the vehicle does not raise any objection to the notice served in sub-section (2), the authorised officer shall conduct sale of such vehicle as provided in sub-section (2).

(4) Where the tax due in respect of the vehicle seized and detained by the Police Officer under sub-section (1) is not paid within 30 days from the date of such seizure and detention, the Police Officer concerned shall transfer such vehicle to the Motor Vehicles Department along with a report thereon. After the receipt of such report, the authorised officer shall conduct the sale of such vehicle under sub-section (2).”;

(6) after section 12, the following section shall be inserted, namely:—

“12A. *Interest on tax payable when tax is not paid.*—Where any person fails to pay the tax payable under section 3 within a period of six months from the date of expiry of the prescribed period for payment of the same, he shall be liable to pay interest on such tax at the rate of twelve per cent per annum, in addition to the additional tax payable under section 12, until the realisation of the amount:

Provided that the interest payable under this section shall not exceed the amount of tax payable.”;

(7) in the SCHEDULE,—

(a) for serial numbers 1 and 2 and the entries against them in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

- | | |
|--|---------|
| 1. Motor Cycles (including Motor Scooters and cycles with attachment for propelling the same by mechanical power) | 45.00 |
| 2. Three wheeler (including tri-cycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers. | 45.00”; |

(b) in serial number 7, for item (i) and the entries thereunder in columns (2) and (3), the following items and entries shall respectively, be substituted, namely:—

“(i) Vehicles permitted to ply solely as contract carriage

- | | |
|--|--------|
| (a) and to carry not more than 3 passengers (Autotickshaw) | 125.00 |
| (b) and to carry more than 2 passengers but not more than 6 passengers other than tourist motor cabs (motor cab) | 350.00 |

(c) Tourist Motor Cabs	425.00
(d) Vehicles permitted to operate within the State	
(i) Ordinary Contract Carriage permitted to carry more than 6 passengers but not more than 12 passengers— for every passenger	310.00
(ii) Ordinary Contract Carriage permitted to carry more than 12 passengers but not more than 20 passengers— for every passenger	530.00
(iii) Ordinary Contract Carriage permitted to carry more than 20 passengers—for every passenger	750.00
(iv) Contract Carriage fitted with push back seats and permitted to carry more than 6 passengers but not more than 12 passengers—for every passenger	500.00
(v) Contract Carriage fitted with push back seats and permitted to carry more than 12 passengers but not more than 20 passengers—for every passenger	750.00
(vi) Contract Carriage with push back seats and permitted to carry more than 20 passengers—for every passenger	1000.00
(vii) Contract Carriage fitted with sleeper berths and permitted to carry more than 6 passengers but not more than 12 passengers—for every passenger	1000.00
(viii) Contract Carriage fitted with sleeper berths and permitted to carry more than 12 passengers but not more than 20 passengers—for every passenger	1500.00
(ix) Contract Carriage fitted with sleeper berths and permitted to carry more than 20 passengers—for every passenger	2000.00

(e) Vehicles registered in Kerala and operating Inter-State after obtaining permit under sub-section (9) of section 88 of the Motor Vehicles Act, 1988 (Central Act 59 of 1988)	
(i) Ordinary Contract Carriage permitted to carry more than 6 passengers—for every passenger	1540.00
(ii) Contract Carriage with push back seats and permitted to carry more than 6 passengers—for every passenger	2000.00
(iii) Contract Carriage with sleeper berths and permitted to carry more than 6 passengers—for every passenger	3000.00
(f) Vehicles registered in other States and entering Kerala after obtaining permit under sub-sections (8) and (9) of section 88 of the Motor Vehicles Act, 1988 (Central Act 59 of 1988)	
(i) Ordinary Contract Carriage permitted to carry more than 6 passengers—for every passenger	4000.00
(ii) Contract Carriages with push back seats and permitted to carry more than 6 passengers—for every passenger	6000.00
(iii) Contract Carriages with sleeper berths and permitted to carry more than 6 passengers—for every passenger	7000.00
(ii) Motor Vehicles permitted to ply as Contract Carriages and solely used as Educational Institution Bus	
(a) Vehicles with 20 or less seats including driver	500.00
(b) Vehicles with more than 20 seats	1000.00.”;
(c) in serial number 11, after item (ii) and the entries against it, in columns (2) and (3), the following item and entries shall respectively be inserted, namely:—	
“(iii) Caravan/Camping Trailer—for every square metre or part thereof of the floor area	1000.00.”;
(d) in serial number 13, for item “1 Educational Institution Bus”, and the entries thereunder in columns (2) and (3), the following item and entries shall, respectively, be substituted, namely:—	
“1. Generator Van/Compressor/Rig	
(a) Light Motor Vehicle	1000.00

- (b) Medium Motor Vehicle 1500.00
 (c) Heavy Motor Vehicle 2000.00”;

(da) in the proviso to the schedule after paragraph (6) the following paragraph shall be inserted, namely:—

“(7) in the case of Contract Carriage having ordinary seats, push back seats and sleeper berths, tax shall be realised for the vehicle on the basis of actual number of seats of each kind, at the rate prescribed in the schedule.”;

(e) in ANNEXURE 1,—

(i) for serial number A and the entries thereunder, in columns (2) and (3), the following serial number and entries shall respectively be substituted, namely:—

“A. New Motor Cycles (including Motor Scooters and Cycles with attachments for propelling the same by mechanical power) and three wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers and Private Service Vehicle for personal use (NTV), Motor Cars, Motor Cabs, Tourist Motor Cabs and Construction Equipment Vehicles

- | | |
|---|---|
| 1. Motor Cycles (including motor Scooters and cycles with attachments for propelling the same by mechanical power) and bicycles of all categories with or without side car or drawing a trailer having purchase value up to rupees 1 lakh | 6% of the purchase value of the vehicle |
| 2. Motor Cycles (including motor Scooters and cycles with attachments for propelling the same by mechanical power) and bicycles of all categories with or without side car or drawing a trailer having purchase value above rupees 1 lakh | 8% of the purchase value of the vehicle |
| 3. Three Wheelers (including tricycles and cycle rickshaws with attachment for propelling the same by mechanical power) not used for transport of goods or passengers. | 6% of the purchase value of the vehicle |

- | | |
|---|--|
| 4. Motor Cars and Private Service Vehicles for personal use (NTV) having purchase value up to rupees 5 lakhs. | 6% of the purchase value of the vehicle |
| 5. Motor Cars and Private Service Vehicles for personal use (NTV) having purchase value more than rupees 5 lakhs and up to rupees 10 lakhs. | 8% of the purchase value of the vehicle |
| 6. Motor Cars and Private Service Vehicles for personal use (NTV) having purchase value more than rupees 10 lakhs and up to rupees 15 lakhs. | 10% of the purchase value of the vehicle |
| 7. Motor Cars and Private Service Vehicles for personal use (NTV) having purchase value more than rupees 15 lakhs. | 15% of the purchase value of the vehicle |
| 8. Motor Cabs having Cubic Capacity below 1500 cc. | 6% of the purchase value of the vehicle |
| 9. Tourist Motor Cabs having Cubic Capacity below 1500 cc and having purchase value up to rupees 10 lakhs. | 6% of the purchase value of the vehicle |
| 10. Tourist Motor Cabs having cubic capacity below 1500 cc and having purchase value above rupees 10 lakhs. | 10% of the purchase value of the vehicle |
| 11. Motor Cabs and Tourist Motor Cabs having Cubic Capacity 1500 cc and above and having purchase value up to rupees 15 lakhs. | 10% of the purchase value of the vehicle |
| 12. Motor Cabs and Tourist Motor Cabs having Cubic Capacity 1500 cc and above and having purchase value above rupees 15 lakhs. | 15% of the purchase value of the vehicle |
| 13. Construction Equipment Vehicles such as excavators, loaders, backhoe, compactor rollers, road rollers, dumpers, motor graders, mobile cranes, dozers, fork lift trucks, self loading concrete mixers etc. | 6% of the purchase value of the vehicle |

(ii) after serial number D and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“E. Motor cabs and Tourist motor cabs which which are originally registered in other State on or after 1st April, 2014 and migrated to the Kerala State.

F. Motor cabs and Tourist Motor Cabs which were registered on or after 1st April, 2014 and reclassified from the category of Non-Transport Vehicle.

(f) for ANNEXURE II, the following ANNEXURE shall be substituted, namely:—

“ANNEXURE II

Lump sum Tax

[See proviso to section 3(1) and section 4(1)]

<i>Sl. No.</i>	<i>Class of Vehicle</i>	<i>Rates of tax for 5 years (in Rupees)</i>
(1)	(2)	(3)
A.	Old Motor cycles (including motor scooters and cycles with attachments for propelling the same by mechanical power) and bicycles of all categories with or without side car or drawing a trailer	900
B.	Three Wheelers (including tricycles and cycle rickshaws with attachments for propelling the same by mechanical power) not used for transport of goods or passengers	900
C.	New autorickshaws and autorickshaws which were originally registered in other States on or after 1st April, 2010 and migrated to the State of Kerala	2,000
D.	Motor cabs	7,000
E.	Tourist Motor cabs	8,500

(1)	(2)	(3)
F.	Motor cars having ULW not exceeding 750 Kg.	6,400
G.	Motor cars having ULW more than 750 Kg. but not more than 1500 Kg.	8,600
H.	Motor cars having ULW more than 1500 Kg.	10,600
1.	Goods carriages having GVW up to 3000 Kg.	
	(i) Motor Cycle trucks not exceeding 300 Kg.	2,700
	(ii) Goods Carriages with GVW not exceeding 1000 Kg.	4,400
	(iii) Goods Carriages with GVW exceeding 1000 Kg. but not exceeding 1500 Kg.	8,400
	(iv) Goods Carriages with GVW exceeding 1500 Kg. but not exceeding 2000 Kg.	11,000
	(v) Goods Carriages with GVW exceeding 2000 Kg. but not exceeding 3000 Kg.	14,100.”.

8. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976),—

(1) in section 2, after clause (i), the following clause shall be inserted, namely:—

“(ia) “Serviced apartment” means a furnished apartment available for short-term stay for guests, which provides amenities and services for daily use for monetary consideration as an alternative for hotel accommodation.”;

(2) in section 4,—

(a) in sub-section (1), after item (ii), the following item shall be inserted, namely:—

“(iia) in a serviced apartment”;

(b) in sub-section (2),—

(i) in clause (a), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that for the charge of accommodation for residence and other amenities and services provided made in the months of June, July and August of every year, the rate of tax mentioned in items (i) and (ii) shall be five per cent.”;

(ii) to clause (c), the following provisos shall be inserted, namely:—

“Provided that any amount paid to the proprietor along with the charges for accommodation, by whatever name called, shall not be excluded from levy of tax under this clause:

Provided further that the rate of tax mentioned in item (iii) shall be ten per cent with respect to National and International Conventions, seminars and exhibitions approved by the Tourism Department of the Government of Kerala as per the scheme formulated by them for this purpose. Such approval shall be filed in the format specified in such scheme, before the assessing authority along with the returns filed under this Act.”;

(iii) after clause (c), the following clause shall be inserted, namely:—

“(d) in respect of serviced apartment, for the charges of accommodation and other amenities and services provided at the rate of twelve and a half per cent.”;

(3) after section 4F, the following section shall be inserted, namely:—

“4G. *Registration of serviced apartments.*—Every proprietor of a serviced apartment in a district shall get his serviced apartment registered with the authority under this Act along with a registration fee of one thousand rupees per apartment. Other procedures relating to registration of hotels shall be applicable in this case. The registration shall be for a period of one year and shall be renewed annually”.

9. *Amendment of Act 15 of 1991.*—In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991), in section 37C,—

(1) in sub-section (3), for the figures and words “31st December, 2010”, the figures and words “31st August, 2014” shall be substituted;

(2) in sub-section (4),—

(a) for the figures and words “31st December, 2010”, the figures and words “31st December, 2014” shall be substituted;

(b) the proviso shall be omitted.

10. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 4, in sub-section (4), after clause (iii), the following clauses shall be inserted, namely:—

“(iv) The Chairman or any other member of the Appellate Tribunal nominated by him, may, sitting singly, dispose of any case where the amount of tax or penalty disputed in appeal does not exceed fifty thousand rupees and the order of assessment or penalty appealed against is issued by an officer of and below the rank of a commercial tax officer.

(v) A Bench constituting of two or more members other than the Chairman may dispose of any case where the amount of tax or penalty disputed in appeal does not exceed five lakhs rupees.”;

(2) after section 4, the following section shall be inserted, namely:—

“4A. *Appellate Tribunals appointed under the Kerala General Sales Tax Act, 1963.*—Notwithstanding anything contained in this Act, the Appellate Tribunals appointed under the Kerala General Sales Tax Act, 1963 (Act 15 of 1963) shall have the power to hear and dispose of appeals filed under this Act, in such manner as may be prescribed, as if they are appointed under this Act;

(3) in section 6,—

(a) in sub-section (1),—

(i) in the Table, in serial number 1, for the figure “20” in column (4), the figure “22” shall be substituted;

(ii) for the fifth proviso, the following proviso shall be substituted, namely:—

“Provided also that, where,—

(a) the sale is to or by Canteen Stores Department, Central Police Canteen, Indian Naval Canteen Service and National Cadet Corps Canteen; or

(b) the sale is by Military, Naval, Air force or by the one subsidiary canteen each that may be established by the Kerala Police in each District of the State and affiliated to the Central Police Canteen, of the goods purchased from Canteen Stores Department, Central Police Canteen or from direct suppliers authorised by them, as the case may be; and

(c) in case of motor vehicles, the sale is to Defence personnel or ex-servicemen on production of authorization duly issued by the authorized officer of the Canteen Stores Department, Indian Naval Canteen Stores or Air Force Canteen, as the case may be;

the tax payable under (a), (b) or (c) above shall, subject to such conditions and restrictions as may be prescribed, be half the rate applicable to such goods.”;

(iii) after the fifteenth proviso, the following provisos shall be inserted, namely:—

“Provided also that the rate of tax for the sale of furnace oil to Coastal Cargo Vessel as fuel, shall, subject to such conditions and restrictions as may be prescribed, be 5 per cent.

(b) in sub-section (5), the existing Explanation shall be numbered as Explanation I and after Explanation I as so numbered, the following Explanation shall be inserted, namely:—

“*Explanation II*:—For the purpose of this sub-section, total turnover of a dealer shall not include the turnover of sale of medicines sold under first proviso to clause (e) of section 8 and the turnover of sale of goods covered under the Schedule to the Kerala General Sales Tax Act, 1963 (15 of 1963).”;

(c) in sub-section (7), to clause (b), the following proviso shall be inserted, namely:—

“Provided that the exemption covered by this clause shall be applicable to a deemed sale involved in a works contract executed through a sub-contractor also.”;

(4) after section 6, the following section shall be inserted, namely:—

“6A. *Payment of turnover tax of textile articles*.—Notwithstanding anything contained in section 6, every dealer shall pay turnover tax at the rate of two per cent on the turnover of sale of textile articles, included in serial numbers 17A, 46A and 51 of the First Schedule:

Provided that a dealer whose turnover of sale of such textiles in the State for the previous year is below rupees one crore, shall not be liable to pay turnover tax under this section:

Provided further that this levy would be applicable even if, the constitution of the business has been changed in the current year to proprietorship, firm or association of persons consisting of the proprietor, partner, director or persons of the dealer for the previous year.”;

(5) in section 8,—

(a) for clause (a), the following clause shall be substituted, namely:—

“(a) (i) any works contractor who imports any goods into the State from other States or Country for incorporation in the works contracts and/or who is registered under the provisions of the Central Sales Tax Act, 1956 (Central Act 74 of 1956), may, at his option, instead of paying tax in accordance with the provisions of section 6, pay tax at the rate of six per cent of the whole contract amount along with tax under sub-section (2) of section 6:

Provided that the compounded tax payable under this sub-clause by such works contractor in respect of works contract awarded by Government of Kerala, Kerala Water Authority or Local Authorities shall be four per cent of the whole contract amount, along with tax under sub-section (2) of section 6:

(ii) any works contractor not falling under the description in clause (i) above may, at his option, instead of paying tax in accordance with the provisions of the said section, pay tax at three per cent of the whole contract amount along with tax under sub-section (2) of section 6:

Provided that the provisions of this clause shall not apply to any works contract in which the transfer of material is in the form of goods:

Provided further that notwithstanding anything contained in this Act, a works contractor who intends to pay tax at compounded rate in accordance with this clause in respect of all works undertaken by him during an year, may, instead of filing separate application for compounding for individual works, file a single option for payment of tax under this clause before 30th day of April of the year to which the option relates, subject to eligibility:

Provided also that in the case of any work compounded under this clause, and which remains unexecuted fully or partly as on 31st March, 2014, the contractor may continue to pay tax in respect of such works in accordance with the provisions of this clause as existed when he had opted for compounding up to 31st March, 2015:

Provided also that with respect to works contract awarded by Government of Kerala, Kerala Water Authority or local authorities, the contractor shall not be liable to pay tax under sub-section (2) of section 6 in respect of the purchase of soil, sand or rocks.

Explanation 1:—For the purpose of this clause “whole contract amount” shall not include the amount paid to sub-contractors for execution of the portion of works contracted if the sub-contractor is a registered dealer liable to pay tax under sub-section (1) or sub-section (IA) of section 6, and the contractor claiming deduction in respect of such amount furnishes certificates in such form as may be prescribed.

Explanation 2:—Notwithstanding anything contained in any other Act, a dealer surrenders his registration and unused declaration forms under the Central Sales Tax Act, 1956 (Central Act 74 of 1956), before the assessing authority on or before 31st March of an year (including 31st March 2014) and who does not have any closing stock of materials purchased interstate as on that date or who pays tax on such closing stock at scheduled rates, shall be eligible for paying compounded tax under sub-clause (ii) of this clause, for the next year.

“(b) for clause (b), the following clause shall be substituted, namely:—

(b) Any dealer producing granite metals and/or manufactured sand with the aid of mechanised machines may, at his option, instead of paying tax in accordance with the provisions of the said sections, pay tax at the following rates, namely:—

<i>Machine description</i>	<i>Compounded tax</i>
(1)	(2)
(i) for each crushing machine of jaw size not exceeding 30.48 cm. × 22.86 cm.	Rs. 80,000 per annum
(ii) for each crushing machine of jaw size exceeding 30.48 cm. × 22.86 cm. but not exceeding 40.64 cm. × 25.40 cm.	Rs. 3.20 lakhs per annum
(iii) for each crushing machine of jaw size exceeding 40.64 cm. × 25.40 cm.	Rs. 6.40 lakhs per annum
(iv) for each cone crusher	Rs. 36 lakhs per annum
(v) for each Vertical/Horizontal shaft Impactor machines with output production capacity up to 25 metric tonne per hour	Rs. 6.25 lakhs per annum
(vi) for each Vertical/Horizontal shaft Impactor machines or similar machines with output production capacity of above 25 metric tonne up to 50 metric tonne per hour	Rs. 12.50 lakhs per annum
(vii) for each Vertical/Horizontal shaft Impactor machines or similar machines with output production capacity of above 50 metric tonne up to 100 metric tonne per hour	Rs. 22.50 lakhs per annum

(1)	(2)
(viii) for each Vertical/Horizontal shaft Impactor machines or similar machines with output production capacity of above 100 metric tonne up to 150 metric tonne per hour	Rs. 32.50 lakhs per annum
(ix) for each Vertical/Horizontal shaft Impactor machines or similar machines with output production capacity of above 150 metric tonne up to 200 metric tonne per hour	Rs. 45 lakhs per annum
(x) for each Vertical/Horizontal Shaft Impactor machines or similar machines with output production capacity of above 200 metric tonne per hour	Rs. 60 lakhs per annum

Explanation:—For the purpose of this clause, primary crushers falling under the description of item (i), (ii) or (iii) above, shall also be reckoned for the purpose of computation of compounded tax, and the rate applicable to primary crushers shall be at fifty per cent of the aggregate of the tax payable on secondary crushers:

Provided that notwithstanding anything contained in this clause, dealers with a single crushing machine of size not exceeding 30.48 cm. x 22.86 cm. shall pay rupees thirty thousand only per annum and those with a single crushing machine of size above 30.48 cm. x 22.86 cm. but not exceeding 40.64 cm. x 25.40 cm. shall pay rupees one lakh twenty thousand only per annum as tax under this clause:

Provided further that notwithstanding anything contained in this clause, dealers having Vertical/Horizontal Shaft Impactor machines or similar machines along with jaw crushers/cone crushers shall pay only sixty per cent of the relevant rate of compounded tax for each of such Vertical/Horizontal Shaft Impactor machines or similar machines, in addition to the tax on crushing machines, as compounded tax under this clause:

Provided also that the compounded tax payable shall be determined for an year and shall be payable in 12 equal monthly instalments.”.”;

(c) in clause (c), for sub-clause (i), the following sub-clause shall be substituted, namely:—

(i) any dealer in cooked food and beverages, including fresh fruit juices and sweets prepared by him, other than,—

(a) a dealer supplying cooked food or beverages to any airline service company or institution or shipping company for serving in aircraft, ships or steamer or served in aircraft, ship, steamer;

(b) a bar attached hotel or a dealer for serving cooked food in a bar attached hotel;

(c) a star hotel or a dealer serving cooked food in a star hotel;

(d) a dealer making interstate purchase of goods, other than capital goods or packing materials; or

(e) hotels or restaurants using a brand name or a trade mark registered under the Trade Marks Act, 1999 (Central Act 47 of 1999);

may, at his option, instead of paying tax in accordance with the provisions of sub-section (1) of section 6 but subject to payment of tax, if any, payable under sub-section (2) thereof, pay tax at half per cent of the turnover of cooked food and beverages prepared by him and also on the turnover of other goods in respect of which he is not the dealer effecting first taxable sale, as provided in the Explanation under sub-section (5) of section 6.”;

(d) in clause (e), the third proviso shall be omitted;

(e) for clause (f), the following clause shall be substituted, namely:—

“(f) (i) any dealer in bullion or ornaments or wares or articles of gold, silver or platinum group metals including diamond may at his option, instead of paying tax on their sale in the State in respect of such goods in accordance with the provisions of section 6, may pay tax at the rate of,—

(a) one hundred and fifteen per cent, in case the total turnover of the dealer opting to pay tax under this clause, for the preceding year was rupees ten lakhs or below;

(b) one hundred and twenty per cent, in case the total turnover of the dealer opting to pay tax under this clause, for the preceding year was above rupees ten lakhs and up to rupees forty lakhs;

(c) one hundred and thirty five per cent, in case the total turnover of the dealer opting to pay tax under this clause, for the preceding year was above rupees forty lakhs and up to rupees one crore;

(d) one hundred and fifty per cent, in case the total turnover of the dealer opting to pay tax under this clause, for the preceding year was above rupees one crore and above;

of the highest tax payable by him as conceded in the return or accounts, or tax paid by him under this Act, whichever is higher, for an year during any of the three consecutive years preceding that to which such option relates.

Explanation 1.—A dealer shall not be allowed to opt for the payment of tax under this clause unless he has conducted business up to a full year as on the first day of April of the year to which the option relates. Where a dealer had not transacted any business for the last three years consecutively, the highest tax paid or payable for the year during the year or years he transacted business shall be considered for the above purpose and where during any such preceding year, the dealer had not transacted business for any period in that financial year, the tax payable for the twelve months shall be calculated proportionately on the basis of the tax payable or the total turnover conceded, as applicable, for the period during which such dealer had transacted business.

Explanation 2.—Dealers opting for payment of tax under this clause shall pay compounded tax in respect of all their branches existing in the year to which the option relates, except the newly started branch or branches started during the year under option. Such branch or branches will be treated as a separate place of business for the purpose of this clause, for that year:

Provided that this explanation shall not be applicable to dealers who had paid compounded tax in respect of their branches started in the year 2013-2014 on the basis of average tax paid for the principal place of business and other branches for the year 2014-2015.

Explanation 3.—Where a dealer paying tax under this clause, closes a branch during the year under option, proportionate reduction considering the number of business places, in the payment shall be granted in the next monthly instalment onwards, for the remaining months of the year.

Explanation 4.—Where a dealer is opting for payment of tax under this clause for the first time and had only business in the previous year and the tax payable as per return or accounts during such previous year is less than the output tax payable, then the tax payable for the year under option shall be notionally re-determined on the basis of output tax, for determining the tax liability for the year under option.

Explanation 5.— Tax payable as conceded in the accounts includes the tax payable on suppressed or assessed turn over also.

Explanation 6.—For the purpose of this clause, “branch” does not include any place of business which is exclusively engaged in job work, manufacturing of ornaments/articles or polishing, and where there is no buying and/or selling of goods,

(ii) save as otherwise provided in this clause, the compounded tax payable under this clause shall be determined for an year and shall be payable in 12 monthly instalments.

(iii) a dealer who opts for payment of tax under this clause may collect tax at the rate as shown in the Table below, but where the tax so collected during the year is in excess of the tax payable for the year under this clause, the tax collected in excess shall be paid over to Government in addition to the tax payable under this clause:

Provided that the tax collected by dealers at the rate not exceeding 1.25 % during the year 2013-14 shall be deemed to be validly collected

TABLE

<i>Compounded tax payable for the year under option of the tax paid or payable under this clause for the previous year/ years in percentage</i>	<i>Percentage of tax permitted to be collected on the sale of goods covered under this clause for the year under option</i>
103	1.03
104	1.04
105	1.05
109	1.09
112	1.12
115	1.15
120	1.20
125	1.25
135	1.35
150	1.50

(iv) The assessing authority, for valid and sufficient reasons, such as shifting of place of business, furnishing of false information, suppression of relevant information, failure to furnish such information demanded, may refuse permission to pay tax under this section and cancel the permission, if any, granted:

Provided that no orders under this sub-clause shall be issued without giving the dealer an opportunity of being heard and without prior approval of the District Deputy Commissioner.

(v) Notwithstanding anything contained in section 55 or section 60 of this Act, orders under sub-clause (ii) shall be appealable only to the Appellate Tribunals.

(vi) In case where permission has been cancelled, the amount, if any paid based on the permission, shall be apportioned against the output tax due from the dealer.

(vii) Where a dealer had paid tax under this clause for the previous year, the tax payable,—

(a) by a dealer whose total turnover for the previous year was rupees ten lakhs or below, shall be at the rate of one per cent on the turnover of sales in the State, during the year under option; and,

(b) by the class of dealers mentioned in column (1) of the Table below for the succeeding year under this clause shall be calculated at the appropriate rates mentioned in column (2) or column (3) of the Table below, whichever is higher.

TABLE

(1)	(2)			(3)		
<i>Total turn over of the dealer opting to pay tax under this clause, for the previous year</i>	<i>Compounded tax payable for the year under option of the tax paid or payable under this clause for the previous year (in per cent)</i>			<i>Percentage of the turnover of sale of goods covered under option within the State, for the previous year, payable as compounded tax</i>		
	<i>If a dealer had paid compounded tax under this clause continuously for last five years</i>	<i>If a dealer had paid compounded tax under this clause continuously for last three years</i>	<i>Others</i>	<i>If a dealer had paid compounded tax under this clause continuously for last five years</i>	<i>If a dealer had paid compounded tax under this clause continuously for last three years</i>	<i>Others</i>
Above rupees ten lakhs and up to rupees forty lakhs	103	104	105	1.03	1.04	1.05
Above rupees forty lakhs and up to rupees One Crore	109	112	115	1.09	1.12	1.15
Rupees One Crore and above	115	120	125	1.15	1.20	1.25.”;

(5A) in section 10, in sub-section (1) for the words “the fifth day of the month”, the words “the twentieth day of the month”, shall be substituted;

(6) in section 12, in the second proviso before the word “plywood”, the words “rubber latex, rubber wood” shall be inserted.

(7) in section 18B,—

(a) for the figures and words “30th September, 2013”, the figures and words “31st August, 2014” shall be substituted;

(b) in the first proviso, for the figures and words “1st April, 2013”, the figures and words “1st April, 2014” shall be substituted;

(c) the second and third provisos shall be omitted;

(8) after section 18B, the following section shall be inserted, namely:—

“18C. *Special provisions for hospitals.*—(1) Notwithstanding anything contained in section 6 and section 18B, hospitals run by charitable institutions shall be exempted from tax on the sale of medicines, laboratory store items and consumables to their patients during the course of treatment, subject to the following conditions, namely:—

(a) they shall, on payment of a fee of ten thousand rupees, obtain a certificate from the Commissioner for an year, based on the orders of exemption applicable to charitable institutions under the Income Tax Act, 1961 (Central Act 43 of 1961).

(b) the hospitals availing exemption as per this sub-section shall purchase only medicines which had suffered tax on the maximum retail price as per clause (e) of section 8 of this Act and with regard to other laboratory store items and consumables, only from dealers registered under this Act:

Provided that for the period up to 31st March, 2013, the exemption would be made operative only based on the certificate issued by the Commissioner considering the orders of income tax exemption:

Provided further that such charitable hospitals shall not be liable to take registration or file returns under this Act.

(2) Notwithstanding anything contained in section 6 and section 18B, hospitals not covered under sub-section (1), shall be exempted from further tax liability on their sale of medicines and other consumables subject to the following conditions:—

(i) all the purchases of medicines shall be from dealers paying compounded tax as per clause (e) of section 8;

(ii) all the purchases of other consumables are made from dealers registered under this Act at the maximum retail price; and

(iii) they shall file option for availing this exemption before 30th April of every year:

Provided that if such hospitals pay the entire tax assessed/determined on or before 31st March, 2014, they shall not be liable to pay any penalty and/or interest under this Act.”;

(9) in section 20A, the existing provision shall be numbered as sub-section (1) and after sub-section (1), as so numbered, the following sub-section shall be inserted, namely:—

“(2) With respect to works contracts awarded by Government of Kerala, Kerala Water Authority or Local Authorities, the Commissioner may, for valid and sufficient reasons to be recorded in writing, condone delay for filing of option under section 8 up to the date of filing of annual returns as prescribed under this Act. The application for condonation of delay shall be submitted along with the order of rejection of the option citing the reasons, of the assessing authority.”;

(10) after section 25B, the following section shall be inserted, namely:—

“25C. *Special provision regarding assessment of dealers paying presumptive tax.*—Notwithstanding anything contained in sub-section (4) of section 11 or sub-section (2) of section 12, if any assessment or other proceeding is initiated by the assessing authority denying the eligibility of a dealer to pay presumptive tax for the violation of conditions enumerated in sub-section (5) of section 6, such dealer shall be granted input tax credit or special rebate, as the case may be.”;

(11) in section 30, to sub-section (1), the following proviso shall be inserted, namely:—

“Provided that notwithstanding anything contained in this section, no dealer shall collect any sum by way of turnover tax leviable under section 6A.”.

(12) in section 31, in sub-section (5), after the words “twelve per cent per annum” the words “and in the case of tax collected by dealers from persons who had purchased goods from him, at the rate of thirty six per cent per annum shall be inserted;

(13) in section 42, in sub-section (1), after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that the Khadi and Village Industries Units shall, in lieu of the Statement and Certificate mentioned above, submit copy of the audited statement of accounts and certificate issued by the Kerala Khadi and Village Industries Board.”;

(14) in section 55,—

(a) in sub-section (1),—

(i) for the words, brackets and figures “other than those under sub-section (3), sub-section (8) or sub-section (9) of section 16, sub-section (8) of section 19;” the words, brackets and figures “other than those under section 16, section 19, sub-sections (8) and (9) of section 44, section 49, section 67, section 68, section 69 and section 70” shall be substituted;

(ii) in the first proviso, for the figures and words “48, 49, 67, 69, 70, 70A and 72”, the figures and words “48, 70A and 72” shall be substituted;

(iii) after, the second proviso, the following proviso shall be inserted, namely:—

“Provided also that where an order of the assessing authority which has become not appealable with effect from 1st April, 2014 by virtue of the Kerala Finance Bill, 2014, is pending in appeal under this section, such appeal shall stand transferred to the appropriate authority under this Act and such authority shall consider the same as if it is an appeal filed before it.”;

(b) in sub-section (5), after the existing proviso, the following proviso shall be inserted, namely:—

Provided that the power of the Deputy Commissioner (Appeals) to remand a case is limited to ex-parte orders only.”;

(15) in section 57, to sub-section (3), the following proviso shall be inserted, namely:—

Provided that the power of the Deputy Commissioner to remand a case is limited to ex-parte orders only.”;

(16) in section 67, for the existing proviso, the following proviso shall be substituted, namely:—

Provided that in the case of item (c) above, a minimum penalty of rupees One Thousand shall directed to be paid.”;

(17) in the SCHEDULES,—

(a) in the First Schedule,—

(i) in serial number 4A, item number (2) and the entries against it in columns (2) and (3) shall be omitted;

(ii) after serial number 18 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“18A. Flour, Sooji

(1) Wheat or meslin flour	1101.00.00
(2) Maida	****;
(3) Sooji	****”

(iii) in serial number 35A, in the entry in column (2), the words “paper cups” shall be added at the end;

(iv) in serial number 42, for the entry against it in column (2), the following entry and Note shall be substituted, namely:—

“Rice issued from Central/State
Government depots or sold by
Food Corporation of India for
sale by authorized ration dealers

Note:—This entry shall be deemed to have come into force on the 1st day of April, 2005”;

(v) after serial number 42A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“42B. Rice bran oil

****”;

(vi) after serial number 54 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively, be inserted, namely:—

“54A Wheat including broken Wheat 1001”.

(b) in the Second Schedule,—

(i) for serial number 2B and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“2B. Chillies dried 0904.20.10 ”;

(ii) for serial number 2C and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“2C. Flour other than those specifically mentioned in the First Schedule

(1) Rye flour 1102.10.00

(2) Maize (corn flour) 1102.20.00

(3) Rice flour (puttupodi and the like) 1102.30.00

(4) Other cereal flour 1102.90.00.”;

(ia) after serial number 2C and the entries against it in columns (2) and (3) the following serial numbers and entries shall, respectively, be inserted, namely:—

“2D. Washing soap bars and cakes
manufactured using coconut oil; *****”;

(iii) after serial number 5A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“5B. Orid dhal powder *****”;

(iv) serial number 7 and the entries against it in columns (2) and (3) shall be omitted;

(c) in the Third Schedule,—

(i) in serial number 3, sub-item (j) of item (1) and the entries against it in columns (2) and (3) shall be omitted;

(ii) after serial number 7 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“8. Bakery products like cakes, halwa, mixture,
laddu and jelabi ***”;

(iii) in serial number 30A, in the entry in column (2), for the words “bar attached hotels and star hotels”, the words “and five star hotels” shall be substituted;

(iv) in serial number 36, to item (27), the following Note and proviso shall be inserted, namely:—

Note:—This entry shall be deemed to have come into force on the 13th day of November, 2009.”;

Provided that the tax, if any, collected during the period from the 13th day of November, 2009 to the 31st day of March, 2012 shall not be refunded”;

(v) after serial number 37 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“38. Edible oils

(1)	Soyabean oil	1507.90.10
(2)	Groundnut oil	1508.90.91
(3)	Olive oil	1509.90.10
(4)	Palm oil	
	(a) Refined bleached deodorized palm oil	1511.90.10
	(b) Refined bleached deodorized palmolein	1511.90.20
(5)	Sunflower oil	1512.19.10
(6)	Saffola oil	1512.19.30
(7)	Cottonseed oil	1512.29.10
(8)	Babassu oil	1513.29.20
(9)	Refined coiza oil	1514.19.10
(10)	Refined rapeseed oil	1514.19.20

(x) to entry 98A, the following Notes shall be inserted, namely:—

Note 1.—For the sale of Domestic LPG by Indian Oil Corporation Limited, Hindustan Petroleum Corporation Limited, Bharat Petroleum Corporation Limited and their agencies, no tax shall be levied on the amount of subsidy granted by the Central Government to such Corporations and passed on to the consumers during the sale of the same by the said Corporations and agencies;

Note 2.—This shall be deemed to have come into force on the 1st day of January, 2014.”;

(d) in the List A, after serial number 135A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“135B. Rubber spray oil ***”.

11. *Amendment of Act 29 of 2013.*— In the Kerala Finance Act, 2013 (29 of 2013), in section 11,—

(1) in sub-section (1), the words “including that of dining halls” shall be omitted;

(2) to sub-section (2), the following proviso shall be inserted, namely:—

“Provided that cess shall be levied only once for wedding and connected celebrations in respect of the same bride and bridegroom.”.

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Government of Kerala
2015



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Reg. No. KL/TV(N)/634/2015-17

കേരള ഗസറ്റ്
KERALA GAZETTE

അസാധാരണം
EXTRAORDINARY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്
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GOVERNMENT OF KERALA
Law (Legislation-A) Department

NOTIFICATION

No. 20478/Leg. A2/2014/Law. Dated, *Thiruvananthapuram,* 1st January, 2015
17th Dhanu, 1190
11th Pousha 1936.

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 1st day of January, 2015.

By order of the Governor,

C. REMANI,
Special Secretary (Law).

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33/1/2015/S-8.

ACT 1 OF 2015

THE KERALA TAXATION LAWS (AMENDMENT) ACT, 2014

An Act further to amend the Kerala Stamp Act, 1959, the Kerala Plantation Tax Act, 1960, the Kerala Land Tax Act, 1961, the Kerala General Sales Tax Act, 1963, the Kerala Motor Vehicles Taxation Act, 1976, the Kerala Tolls Act, 1976, the Kerala Value Added Tax Act, 2003 and the Kerala Finance Act, 2008.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Stamp Act, 1959, the Kerala Plantation Tax Act, 1960, the Kerala Land Tax Act, 1961, the Kerala General Sales Tax Act, 1963, the Kerala Motor Vehicles Taxation Act, 1976, the Kerala Tolls Act, 1976, the Kerala Value Added Tax Act, 2003 and the Kerala Finance Act, 2008, for the purposes hereinafter appearing;

BE it enacted in the Sixty-fifth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Taxation Laws (Amendment) Act, 2014.

(2) Clause (a) of sub-section (2) of section 8 shall be deemed to have come into force on the 3rd day of September, 2014, sections 3 and 4 shall be deemed to have come into force on the 30th day of September, 2014, section 5, sub-section (1) and clause (b) of sub-section (2) of section 8 and section 9 shall be deemed to have come into force on the 8th day of October, 2014, section 7 shall be deemed to have come into force on the 30th day of October, 2014, sub-section (1) of section 2 and section 6 shall be deemed to have come into force on the 13th day of November, 2014 and the remaining sections shall come into force at once.

2. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) in section 28A, after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) After the publication of the increased fair value of land under sub-section (1B), any person aggrieved by the fixation of fair value of land in an appeal under sub-section (4) may, within a period of one year from the date of publication of the notification under sub-section (1B), file an application to the Collector to review the order passed in appeal and the Collector shall dispose of the same in such manner and within such period as may be prescribed.”;

3

(2) in section 45B, in sub-section (3), for the words "two years" the words "five years" shall be substituted.

3. *Amendment of Act 17 of 1960.*—In the Kerala Plantation Tax Act, 1960 (17 of 1960),—

(1) in section 3, the proviso to sub-section (1) shall be omitted;

(2) for Schedule I, the following Schedule shall be substituted, namely:—

"SCHEDULE I

[See section 3 (1)]

	<i>Rate</i>
1. Where the aggregate extent of plantations held by a person does not exceed two hectares	Nil
2. Where the aggregate extent of plantations held by a person is,—	
(a) above two hectares and up to four hectares	two hundred rupees for each one hectare above two hectares
(b) above four hectares and up to eight hectares	three hundred rupees for each one hectare above two hectares
(c) above eight hectares and up to fifteen hectares	four hundred rupees for each one hectare above two hectares
(d) above fifteen hectares and up to twenty five hectares	five hundred rupees for each one hectare above two hectares
(e) above twenty five hectares	seven hundred rupees for each one hectare above two hectares."

4. *Amendment of Act 13 of 1961.*—In the Kerala Land Tax Act, 1961 (13 of 1961), in section 6, for sub-section (1) and its proviso, the following sub-section and proviso shall be substituted, namely:—

4

“(1) Subject to the provisions of sub-section (2) of section 7, the basic tax charged and levied under section 5 shall be at the rate of five rupees in Panchayat areas, ten rupees in Town Panchayat and Municipal Council areas and twenty rupees in Municipal Corporation areas, per Are per annum:

Provided that, where the aggregate extent of land held by a land holder does not exceed 8.1 Ares in a Panchayat area, 2.43 Ares in Town Panchayat and Municipal Council Area and 1.62 Ares in Municipal Corporation area, the basic tax charged and levied on such land shall be at the rate of two rupees and fifty paise in the Panchayat area, five rupees in the Town Panchayat and Municipal Council area and ten rupees in the Municipal Corporation area, per Are per annum.”.

5. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963), in the SCHEDULE, in serial number “2. Foreign Liquor”,—

(i) against item “(i) Beer and Wine”, under the heading “Rate of tax (per cent)”, for the figure “50”, the figure “70” shall be substituted;

(ii) against item “(ii) other than Beer and Wine, for which purchase value incurred is rupees 400 per case or more,” under the heading “Rate of tax (per cent)”, for the figure “115”, the figure “135” shall be substituted;

(iii) against item “(iii) other Foreign Liquor, not covered under items (i) and (ii) above”, under the heading “Rate of tax (per cent)”, for the figure “105”, the figure “125” shall be substituted.

6. *Amendment of Act 19 of 1976.*—In the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976),—

(1) in section 4, after sub-section (8), the following proviso shall be added, namely:—

“Provided that the provisions of clause (b) of sub-section (3) and sub-section (7) and sub-section (8) shall not be applicable for remitting the tax at the reduced or modified rate allowed by the Government under section 22 of this Act in cases where the tax due was not paid within the prescribed period.”;

(2) in ANNEXURE I, in serial number A,—

(a) for serial number 7 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

5

"7. Motor Cars and Private Service Vehicles for Personal Use (Non Transport Vehicles) having purchase value of more than rupees fifteen lakh and up to rupees twenty lakh. 15% of the purchase value of the vehicle

7 A. Motor Cars and Private Service Vehicles for Personal Use (Non Transport Vehicles) having purchase value of more than rupees twenty lakh. 20% of the purchase value of the vehicle";

(b) for serial number 8 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

"8. Motor Cabs having cubic capacity below 1500cc and having purchase value up to rupees twenty lakh. 6% of the purchase value of the vehicle

8A. Motor Cabs having cubic capacity below 1500cc and having purchase value more than rupees twenty lakh. 20% of the purchase value of the vehicle";

(c) for serial number 10, and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

"10. Tourist Motor Cabs having cubic capacity below 1500cc and having purchase value above rupees ten lakh and up to rupees twenty lakh. 10% of the purchase value of the vehicle

10A. Tourist Motor Cabs having cubic capacity below 1500cc and having purchase value more than rupees twenty lakh. 20% of the purchase value of the vehicle";

(d) for serial number 12 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

"12. Motor Cabs and Tourist Motor Cabs, having cubic capacity 1500cc and above and having purchase value of more than rupees fifteen lakh and up to rupees twenty lakh. 15% of the purchase value of the vehicle

12A. Motor Cabs and Tourist Motor Cabs having cubic capacity 1500cc and above and having purchase value of more than rupees twenty lakh.	20% of the purchase value of the vehicle.”.
--	---

7. *Amendment of Act 6 of 1977.*—In the Kerala Tolls Act, 1976 (6 of 1977), in section 2, for clause (a), the following clause shall be substituted, namely:—

“(a) “bridge” means any bridge on a highway, but does not include a bridge the cost of construction of which (including the cost of land acquisition and construction of approach roads necessary for connecting the bridge to the highway) is less than ten crore rupees;”.

8. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in clause (a) of sub-section (1) of section 6, in the Table, against serial number 1, under the heading “Rates of tax in percentage” in column (4), for the figure “22”, the figure “30” shall be substituted;

(2) in section 8,—

(a) in clause (a),—

(i) in sub-clause (i), for the words, figures and brackets “six per cent of the whole contract amount along with tax under sub-section (2) of section 6”, the words “seven per cent of the whole contract amount” shall be substituted;

(ii) in the proviso to sub-clause (i), for the words, figures and brackets “four per cent of the whole contract amount along with tax under sub-section (2) of section 6”, the words “five per cent of the whole contract amount” shall be substituted;

(iii) in sub-clause (ii), for the words figures and brackets “at three per cent of the whole contract amount along with tax under sub-section (2) of section 6”, the words “at the rate of four per cent of the whole contract amount” shall be substituted;

(iv) the fourth proviso to sub-clause (ii) shall be omitted.

(b) in clause (h), for the figure “20”, the figure “30” shall be substituted.

9. *Amendment of Act 21 of 2008.*—In the Kerala Finance Act, 2008 (21 of 2008), in section 6,—

(a) for sub-section (2A), the following sub-section shall be substituted, namely:—

“(2A) (a) There shall be levied and collected from the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited, a cess, on the tax payable by them under clause (b) of sub-section (1) of section 5 of the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(i) at the rate of One per cent, to be called a *Medical Cess* to fulfil the commitment of the Government to provide generic medicine free of cost to the patients of the Government Hospitals, who are not income tax payers;

(ii) at the rate of five per cent, to be called a *Rehabilitation Cess* to fulfil the commitment of the Government to provide for rehabilitation of bar hotel workers who had lost employment pursuant to the closure of bar hotels in the State as per Abkari policy;

(b) The cess so collected shall be in addition to the cess collected under sub-section (1).”.

(b) in sub-Section (3), for the words “*Social Security Cess* and the *Medical Cess*”, the words “*Social Security Cess*, *Medical Cess* and the *Rehabilitation Cess*” shall be substituted.

10. *Repeal and saving.*—(1) The Kerala Value Added Tax (Amendment) Ordinance, 2014 (21 of 2014), the Kerala Land Tax (Amendment) Ordinance, 2014 (22 of 2014), the Kerala Plantation Tax (Amendment) Ordinance, 2014 (23 of 2014), the Kerala Taxation Laws (Amendment) Ordinance, 2014 (24 of 2014), the Kerala Tolls (Amendment) Ordinance, 2014 (26 of 2014), the Kerala Stamp (Amendment) Ordinance, 2014 (29 of 2014) and the Kerala Motor Vehicles Taxation (Amendment) Ordinance, 2014 (30 of 2014) are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Kerala Stamp Act, 1959 (17 of 1959), the Kerala Plantation Tax Act, 1960 (17 of 1960), the Kerala Land Tax Act, 1961 (13 of 1961), the Kerala General Sales Tax Act, 1963 (15 of 1963), the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976), the Kerala Tolls Act, 1976 (6 of 1977), the Kerala Value Added Tax Act, 2003 (30 of 2004) and the Kerala Finance Act, 2008 (21 of 2008) as amended by the said Ordinances shall be deemed to have been done or taken under the said Acts respectively as amended by this Act.

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Government of Kerala
2015



Regn. No. KERBIL/2012/45073
dated 5-9-2012 with RNJ

Reg. No. KL/TV(N)/634/2015-17

കേരള ഗസറ്റ്
KERALA GAZETTE

അസാധാരണം
EXTRAORDINARY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്
PUBLISHED BY AUTHORITY

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GOVERNMENT OF KERALA
Law (Legislation-A) Department
NOTIFICATION

No. 5959/Leg. A2/2015/Law. Dated, Thiruvananthapuram, 29th July, 2015
13th Karkadakam, 1190
7th Sravana, 1937.

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor of Kerala on the 29th day of July, 2015.

By order of the Governor,
S. KUMARI SUDHA,
Special Secretary (Law).

ACT 11 OF 2015

THE KERALA FINANCE ACT, 2015

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2015-2016.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the financial year 2015-2016;

BE it enacted in the Sixty-sixth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2015.

(2) Save as otherwise provided in this Act,—

(i) clause (b) of sub-section (1), clause (b) of sub-section (2), sub-clauses (vii) and (xiii) of clause (a) of sub-section (19) and sub-clause (i) of clause (d) of sub-section (19) of section 9 shall be deemed to have come into force on the 1st day of April, 2005.

(ii) sub-section (18) and sub-clause (iv) of clause (c) of sub-section (19) of section 9 shall be deemed to have come into force on the 19th day of July, 2011.

(iii) clause (a) of sub-section (2) of section 4 and item (c) of sub-clause (v) of clause (a) of sub-section (19) of section 9 shall come into force at once.

(iv) the remaining provisions of this Act shall be deemed to have come into force on the 1st day of April, 2015.

2. *Amendment of Act XII of 1955.*—In the Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act, 1955 (XII of 1955), after section 31, the following sections shall be inserted, namely:—

“31A. *One time settlement of arrears of fees due under the Act.*—Any delay in filing of returns, forms, annual statements, accounts and other statements of a society may be condoned and the filing of the said documents may be regularised on payment of a fine of five hundred rupees in respect of each year of delay in filing any or all of the same. Application for regularisation shall be filed on or before 31st December, 2015. However the Government may extend the period of filing the application to such further period as may be specified from time to time.

31B. Electronic filing of returns etc.—Government may require the societies registered under this Act to file returns, forms and other statements to be submitted by it under this Act, electronically in such manner as may be specified.”.

3. *Amendment of Act 35 of 1958.*—In the Kerala Money Lenders’ Act 1958 (35 of 1958),—

(1) In section 4,—

(a) in sub-section (2A), for the existing table, the following table shall be substituted, namely:—

“ TABLE

(1)	(2)	(3)
1	A licensee who lends less than five lakh rupees in an year	Ten thousand rupees
2	A licensee who lends five lakh rupees or above but less than ten lakh rupees in an year	Seventy five thousand rupees
3	A licensee who lends ten lakh rupees or above but less than twenty five lakh rupees in an year	One lakh fifty thousand rupees
4	A licensee who lends twenty five lakh rupees or above but less than fifty lakh rupees in an year	Two lakh twenty five thousand rupees
5	A licensee who lends fifty lakh rupees or above in an year	Three lakh rupees.”;

(b) for sub-section (2B), the following sub-section shall be substituted, namely:—

“(2B) For the purposes of sub-section (2A), the amount lent by a licensee for the year for which the security is to be paid shall be deemed to be the aggregate amount lent by him during the previous year:

Provided that in the case of a new licensee or a person who was a licensee only for a portion of the preceding year, the amount of security shall be determined on the basis of a declaration in the prescribed form as to the amount which he is likely to lend during the year, filed before the licensing authority in the prescribed manner.”;

(2) in section 11, in clause (b) of sub-section (1), for the words “one thousand rupees”, the words “ten thousand rupees” shall be substituted;

(3) in section 13, for the words “one thousand rupees”, the words “ten thousand rupees” shall be substituted;

(4) in section 17, for the words “fifty thousand rupees”, the words “five lakh rupees” shall be substituted;

(5) in section 18, in sub-section (1), for the words “one thousand rupees”, the words “twenty five thousand rupees” shall be substituted;

(6) in section 18A, for the words “five hundred rupees”, the words “five thousand rupees” shall be substituted;

(7) in section 18B, in sub-section (1), for the words “five hundred rupees”, the words “five thousand rupees” shall be substituted;

(8) in section 18C, in sub-section (1), for the words “twenty five thousand rupees”, the words “fifty thousand rupees” shall be substituted.

4. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959), in the SCHEDULE,—

(1) in serial number 5,—

(a) in clause (e), for the entry in column (3), the following entry shall be substituted, namely:—

“One thousand two hundred and fifty rupees per year in panchayat areas and two thousand and five hundred rupees per year in other areas.”;

(b) in clause (g), for the entry in column (3), the following entry shall be substituted, namely:—

“Two hundred rupees.”;

(2) in serial number 24,—

(a) in clause (i), in column (2), for the words, “One hundred rupees” the words “Five hundred rupees” shall be substituted;

(b) in clause (ii), in column (3), for the words, “One hundred rupees” the words “Five hundred rupees” shall be substituted;

(3) in serial number 25, in clause (b), for the entry in column (3), the following entry shall be substituted, namely:—

“Five hundred rupees.”;

(4) in serial number 28, for the entry in column (3), the following entry shall be substituted, namely:—

“One thousand rupees.”;

(5) after serial number 35 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“35A. Licence to let—

including any agreement to let or sublet for rent or fee	The same duty as a lease (No. 33).”;
---	---

(6) in serial number 36,—

(a) in clause (a), for the entry in column (3), the following entry shall be substituted, namely:—

“One thousand rupees.”;

(b) in clause (b), for the entry in column (3), the following entry shall be substituted, namely:—

“The same duty as Articles of Association (No. 10) according to the authorised capital of the company.”;

(7) in serial number 50, in clause (b), for the entry in column (3), the following entry shall be substituted, namely:—

“Five hundred rupees.”.

6

5. *Amendment of Act 17 of 1960.*—In the Kerala Plantation Tax Act, 1960 (17 of 1960), in section 3, to sub-section (1), the following proviso shall be inserted, namely:—

“Provided that no plantation tax shall be charged on the land comprised in a plantation held by an individual coming within the definition of “person” in clause (5) of section 2, for himself or for any other individual.”.

6. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963), for section 5D, the following section shall be substituted, namely:—

“5D. *Levy of Additional Sales Tax.*—The tax payable under section 5 and section 5A shall be increased by an additional sales tax at the rate of—

(i) one rupee per litre on High Speed Diesel Oil, Petrol falling under sub-entries (ii) and (iv) of serial number 1 of the Schedule; and

(ii) fifteen per cent of the tax payable under the said sections with respect to other commodities:

Provided that no additional sales tax under this section shall be levied on the tax payable on Foreign Liquor falling under serial number 2 of the Schedule:

Provided further that the Government may, by notification in the Official Gazette, vary the rate specified in item (i) above.”.

7. *Amendment of Act 19 of 1976.*—In the Kerala Motor Vehicles Taxation Act, 1976 (Act 19 of 1976),—

(1) in section 3, the existing sub-section (6) shall be renumbered as sub-section (8) and before sub-section (8) so renumbered, the following sub-sections shall be inserted, namely:—

“(6) In the case of non-transport vehicles registered in any State other than the State of Kerala and entering into the State of Kerala and staying therein for a period exceeding 30 days, the levy of tax shall be at the rate specified in Annexure III of the Schedule.

(7) In the case of Motor Vehicles brought to the State from any other country for temporary use in the State, a short-term tax shall be levied at the rate specified in the Schedule.”;

(2) In the SCHEDULE, after serial number 13 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively be inserted, namely:—

“14. Motor Vehicles brought to the State from any other country for temporary use in the State,—

- | | |
|--|-----------|
| (a) For the first month of stay or part thereof | 10000.00 |
| (b) for every subsequent month of stay or part thereof | 5000.00”; |

(3) in ANNEXURE I, in serial number A, for items 1 and 2 and the entries against them in columns (2) and (3), the following items and entries shall, respectively, be substituted, namely:—

- | | |
|--|---|
| “1. Motor Cycles (including motor scooters and cycles with attachments for propelling the same by mechanical power) and bicycles of all categories with or without side car or drawing a trailer having purchase value up to rupees one lakh | 8% of the purchase value of the vehicle. |
| 2. Motor Cycles (including motor scooters and cycles with attachments for propelling the same by mechanical power) and bicycles of all categories with or without side car or drawing a trailer having purchase value above rupees one lakh and up to rupees two lakh. | 10% of the purchase value of the vehicle. |
| 2A. Motor Cycles (including motor scooters and cycles with attachments for propelling the same by mechanical power) and bicycles of all categories with or without side car or drawing a trailer having purchase value above rupees two lakhs | 20% of the purchase value of the vehicle.”; |

(4) after ANNEXURE II, the following Annexure shall be inserted, namely:—

“ANNEXURE III

[See section 3(6)]

<i>Sl. No.</i>	<i>Class of Vehicle</i>	<i>Amount of Tax</i>
(1)	(2)	(3)
	<i>Period of stay exceeding 30 days and up to one year</i>	<i>Period of stay exceeding one year</i>
1	Motor Cycle and three wheelers	200
2	Motor Cars	1500
3	Private Service Vehicle for personal use	
	A. Passenger capacity up to 10 seats—for every passenger	300
	B. Passenger capacity more than 10—for every passenger	500
4	Construction Equipment Vehicles and other non-transport vehicles	1000

8. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976),—

(1) in section 2, in clause (ia), for the word “apartment” occurring in both the places, the words “apartment or villa” shall be substituted;

(2) in section 4,—

(a) in sub-section (1), in item (iia), the words “or villa” shall be added at the end;

(b) in sub-section (2),—

(i) in clause (d), after the word “apartment”, the words “or villa” shall be inserted;

(ii) after clause (e), the following clause shall be inserted, namely:—

“(ea) In respect of charitable hospitals exempted under sub-section (1) of section 18C of the Kerala Value Added Tax Act, 2003 (30 of 2004), for charges of accommodation for residence for use of amenities and services, at the rate of ten per cent per room where the gross charges, excluding charges of food, medicine and the professional services is two thousand rupees per day or more.”;

(3) in section 4B, in sub-section (2), for items (a), (b) and (c) the following items shall respectively be substituted, namely:—

“(a) Star hotels	Nine thousand three hundred and seventy five rupees.
------------------	--

(b) Hotels other than star hotels,—

(i) Within the local area of a Municipal Corporation	One thousand eight hundred and seventy five rupees.
--	---

(ii) Within the local area of a Municipal Council or Town Panchayat	One thousand five hundred rupees.
---	-----------------------------------

(iii) Within the local area of a Village Panchayat	One thousand one hundred and twenty five rupees.
--	--

(c) Hall, Auditorium, Kalyanamandapam etc.,—

- | | |
|---|--|
| (i) Within the local area of a Municipal Corporation | One thousand five hundred rupees. |
| (ii) Within the local area of a Municipal Council or Town Panchayat | One thousand One hundred and twenty five rupees. |
| (iii) Within the local area of a Village Panchayat | Seven hundred and fifty rupees.”; |

(4) in section 4C, in sub-section (2), for the words “one thousand” and “five hundred”, the words “one thousand five hundred” and “seven hundred and fifty” shall, respectively, be substituted;

(5) in section 4E, for the words “registration fee of rupees one thousand”, the words “registration fee of rupees one thousand five hundred” shall be substituted;

(6) in section 4F, for the words “registration fee of rupees one thousand”, the words “registration fee of rupees one thousand five hundred” shall be substituted;

(7) in section 4G, for the word “apartment” wherever it occurs, the words “apartment or villa” and for the words “one thousand” the words “one thousand five hundred” shall respectively, be substituted;

(8) after section 7A, the following section shall be inserted, namely:—

“7B. *Powers of revision of the Deputy Commissioner suo motu.*—(1) The Deputy Commissioner may, of his own motion, call for and examine any order passed or proceedings recorded under this Act by any officer or authority subordinate to him which in his opinion is prejudicial to the interest of revenue and may make such enquiry or cause such enquiry to be made and, subject to the provisions of this Act, may pass such order thereon as he thinks fit.

Explanation.—For the purpose of this section an order passed or proceedings recorded shall be deemed to be prejudicial to the interest of revenue where the tax or other amount assessed or demanded is lower than what is actually due.

(2) The Deputy Commissioner shall not pass any order under sub-section (1) if,—

(a) the time for appeal against the order has not expired;

(b) the order has been made the subject matter of an appeal to the Appellate Authority or the Appellate Tribunal or of a revision in the High Court; or

(c) more than four years have expired from the year in which the order referred to therein was passed.

(3) Notwithstanding anything contained in sub-section (2), the Deputy Commissioner may pass an order under sub-section (1) on any point which has not been decided in an appeal or revision referred to in clause (b) of sub-section (2), before the expiry of a period of one year from the date of the order in such appeal or revision or before the expiry of the period of four years referred to in clause (c) of that sub-section, whichever is later.

(4) No order under this section adversely affecting a person shall be passed unless that person has had a reasonable opportunity of being heard.”.

9. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 2,—

(a) after clause (xxvii), the following clauses shall be inserted, namely:—

“(xxviiA) “multi-level marketing” means marketing and sale of goods of a multi-level marketing entity through direct sellers or through direct sellers and distributors, otherwise than through shops, to the customers or consumers, generally in their houses or at their workplace or through demonstration of such goods at a particular place or by mail order sale;

(xxviiB) “multi-level marketing entity” means a company registered under the Companies Act, 2013 (Central Act 18 of 2013) or any partnership firm registered under the Partnership Act, 1932 (Central Act IX of 1932) or under the Limited Liability Partnership Act, 2008 (Central Act 6 of 2009) engaged in multi-level marketing;”;

(b) in clause (li), the following Explanation shall be inserted, namely:—

“*Explanation:*—Notwithstanding anything contained in any judgment, decree or order of any court or tribunal or any authority, the balance of contract amount received or receivable by a principal contractor in his account, after deducting the amount paid to registered sub-contractors in accordance with the rules prescribed in this behalf, shall form the total turnover of the principal contractor for determining the balance transfer value of the materials involved in the execution of such works contract.”;

12

(2) in section 6,—

(a) in sub-section (1),—

(i) after the words “any autonomous body” the words “or any multi-level marketing entity, their distributor and/or agent engaged in multi-level marketing” shall be inserted;

(ii) in clause (a), in the Table,—

(a) in serial number 3A, in the entry in column (2), the following words shall be added at the end, namely:—

“including styrofoam and styrofoam sheets”;

(b) after serial number 3A and the entries against it in columns (2), (3) and (4), the following serial number and entries shall, respectively, be inserted, namely:—

“3B. Printed banners, hoardings and *** 20.”;
leaflets of Poly Vinyl Chloride/
Polyethylene and other plastic
sheets

(iii) for the eleventh proviso, the following proviso shall be substituted, namely:—

“Provided also that the turnover relating to the sale of Natural Gas in any form shall be exempted from tax, for the period from 4th February, 2015 to 31st March, 2016.”;

(b) in sub-section (5), in Explanation II, the following Note shall be inserted, namely:—

“*Note*:—It shall be deemed to have come into force on the 1st day of April, 2005.”;

(3) section 6A shall be omitted;

(4) in section 8,—

(a) in clause (a), in sub-clause (i),—

(i) after the words “any works contractor”, the words and brackets “other than those who undertake interior decoration and furnishing contracts, electrical, refrigeration or air conditioning contracts or contracts relating to supply and installation of plant, machinery, rolling shutters, cranes, hoists, elevators (lifts), escalators, generators, generating sets, transformers, weighing machines, air conditioners and air coolers, deep freezers, laying of all kinds of tiles (except brick tiles), slabs and stones (including marble)” shall be inserted;

(ii) after Explanation 2, the following Explanation shall be inserted, namely:—

“Explanation 3:—A composite contract for the construction of building shall not be treated as a contract of the nature specified under this sub-clause merely for the reason that the contract also involves works which are excluded from the said sub-clause.”;

(b) in clause (c), to sub-clause (i), the following proviso shall be inserted, namely:—

“Provided that notwithstanding anything contained in this Act or rules made thereunder, a dealer may opt to pay tax under this sub-clause, subject to eligibility, for the periods prior to 2015-2016, whether such dealer has registered under this Act or not.”;

(c) after clause (h), the following clause shall be inserted, namely:—

“(i) any dealer who is a multi-level marketing entity may, at his option, pay, in such manner and subject to such conditions and restrictions as may be prescribed, in lieu of the tax payable by him on such goods under sub-section (1) of section 6, the tax at the schedule rate applicable to goods, of the maximum retail price of such goods:

Provided that the provision of this clause shall not apply to such goods sold by multi-level marketing entities otherwise than by way of multi-level marketing:

Provided further that notwithstanding anything contained in section 6 and section 15, if multi-level marketing entities pay tax on maximum retail price under this provision, subsequent dealers in the chain shall not be liable to take registration and shall be exempted from payment of tax on such goods.”.

(5) in section 10, in sub-section (1), in the proviso, for the words “four per cent” the words “five per cent” shall be substituted;

(6) in section 15, in sub-section (2), after item (xi), the following items shall be inserted, namely:—

“(xii) any multi-level marketing entity, their distributor and/or agent engaged in multi-level marketing;

(xiii) any job-worker receiving goods from outside the State for job-works.”;

(7) in section 16, in sub-section (7), for items (a) and (b), the following items shall, respectively, be substituted, namely:—

“(a) in the case of a dealer who is not an importer,—

(i) having a total turnover of up to rupees twenty five lakh in the previous year Five hundred rupees

(ii) having a total turnover of above twenty five lakh rupees in the previous year One thousand rupees

(b) in the case of others Three thousand rupees.”;

(8) in section 18C, in sub-section (1),—

(a) in clause (a), for the words, brackets and figures “orders of exemptions applicable to charitable institutions under the Income Tax Act, 1961 (Central Act 43 of 1961)” the words, brackets and figures “the registration of such institutions under section 12AA of the Income Tax Act, 1961 (Central Act 43 of 1961)” shall be substituted;

(b) in the first proviso, for the words “orders of income tax exemption:” the words, brackets and figures “registration of such institutions under section 12AA under the Income Tax Act, 1961 (Central Act 43 of 1961)” shall be substituted.

Note:—Item (a) and (b) shall be deemed to have come into force on the 1st day of April, 2014.”;

(9) in section 21, the existing provision shall be numbered as sub-section (1), and after sub-section (1) so numbered the following sub-section shall be inserted, namely:—

“(2) Where the dealer detects any omission or mistake in the monthly return submitted under sub-section (1), he shall file a revised return rectifying the mistake or omission within two months from the last day of the return period to which the return relates. As a result of such revised return, if the tax payable by the dealer increases, the dealer shall furnish along with such revised return, proof of payment of tax, interest due thereon at the rates specified in section 31 and penal interest calculated at twice the said rate. Subject to the provisions of sections 22, 24 and 25, the assessment relating to the return period shall be deemed to have been completed on the receipt of such revised return.”;

(10) in section 24, in sub-section (1), for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that the period for the completion of assessments including those subjected to extension under section 25B which expires on 31st March, 2015 shall be extended up to 31st March, 2016.”;

(11) in section 25, in sub-section (1), for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that the period for the completion of assessments including those subjected to extension under section 25B which expires on 31st March, 2015, shall be extended up to 31st March, 2016.”;

(12) in section 30, the proviso to sub-section (1) shall be omitted;

(13) in section 52, the following sentence shall be added at the end, namely:—

“For this purpose such agencies or authorities shall take registration following such procedure as may be prescribed.”;

(14) in section 54,—

(a) after the words “any proceedings” the words “or for the purpose of general inquiry or survey” shall be inserted;

(b) the following proviso shall be inserted, namely:—

“Provided that in the case of general inquiry or survey the power shall be exercised only with the prior approval of an officer of and above the rank of Deputy Commissioner”.;

(15) after section 54, the following section shall be inserted, namely:—

“54A. *Entities engaged in electronic commerce to furnish certain details.*—All companies and entities maintaining an electronic commerce website shall file monthly, the details of goods sold through such sites in such form as may be prescribed, which are transported into or outside the State as a result of such sale. For this purpose they shall take registration under this Act, in such manner as may be prescribed.”;

(16) in section 58, in sub-section (1), the words, figures and brackets “sub-section (8) or sub-section (9) of section 44, section 49, section 67, section 68, section 69 or section 70” shall be omitted;

(17) in section 82,—

(a) after the words “assessing authority”, the words “may collect information through general inquiry or survey and for that purpose” shall be inserted;

(b) the following proviso shall be inserted, namely:—

“Provided that in the case of general inquiry or survey the power shall be exercised only with the prior approval of an officer of and above the rank of Deputy Commissioner”;

(18) in section 94, in sub-section (2A), after the words “entire tax due” the words “with interest thereon till the date of such payment”, shall be inserted;

(19) in the SCHEDULES,—

(a) in the First Schedule,—

(i) in serial number 3, in the heading, the words “poultry feed” shall be omitted;

(ii) serial number 4A and the entries against it in columns (2) and (3) shall be omitted;

(iii) in serial number 7, in the entry against it in column (2), the words “other than those specifically mentioned in the Third Schedule” shall be added at the end;

(iv) For serial number 17A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“17A. Fabricated wall panels made of
glass fibre reinforced gypsum ***”;

(v) in serial number 18,—

(a) item (4) and the entries against it in columns (2) and (3) shall be omitted; ~

(b) for item (5) and the entries against it in columns (2) and (3), the following item and entries shall, respectively, be substituted, namely:—

“(5) Nylon ropes, polyester ropes, polyester twines, ~~other Plastic ropes and twines~~ sold by Matsyafed, Theeramythri units approved by Government and Fishermen Co-operative Societies ****”;

(c) item (6) and the entries against it in columns (2) and (3) shall be omitted;

(vi) Serial number 23A and the entries against it in columns (2) and (3) shall be omitted;

(vii) in serial number 24B, the following Note shall be inserted, namely:—

“*Note.*—This entry shall be deemed to have come into force on the 1st day of April, 2005.”;

(viii) after serial number 39 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be inserted, namely:—

“39A. Plastic recycling plant and machinery ***

39B. Pyrolysis oil obtained from recycling of plastics, at the point of sale by such recycling units ****”;

(ix) after serial number 42B and the entries against it in columns (2) and (3), the following serial number and entries, shall respectively, be inserted, namely:—

“42C. Rubber wood ****”;

(x) serial number 46A and the entries against it in columns (2) and (3) shall be omitted;

(xi) serial number 51 and the entries against it in columns (2) and (3) shall be omitted;

(xii) in serial number 55, in the heading in column (2), the words “and Khadi and Village Industries Commission”, shall be added at the end;

(xiii) after serial number 62 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“63. Used plastic and electronic waste ***”

(b) in the Second Schedule,—

(i) in serial number 1,—

(a) for item (2) and the entries against it in columns (2) and (3), the following item and entries shall respectively, be substituted, namely:—

“(2) Gold or gold bullion sold by agencies notified by Director General of Foreign Trade and those authorised by Reserve Bank of India for import of gold into the country, at the point of sale by those agencies and its subsequent sale by dealers within the State.”; ***”;

(b) items (7) to (12) and the entries against them in columns (2) and (3) shall be omitted;

(ii) after serial number 6 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be inserted, namely:—

“7A. Embroidery or Zari articles, that is to say, imi, zari, kasab, saima, dabka, chumki, gota, sitara, naqsi, kora, glass bead, badial

(1) Embroidery without visible groud 5810.10.00

(2) Other embroidery of cotton 5810.91.00

(3) Embroidery or man-made fibres

(a) Embroidered badges motifs and the like 5810.92.10

(b) Other embroidered articles 5810.92.90

(4) Embroidery of other textile materials 5810.99.00

(5) Zari articles *****”

8. Handloom cloth, Handloom Bedsheet and Pillow cover ***”

- | | | |
|-----|--|------|
| 9. | Silk fabrics and sarees made of natural silk | 5007 |
| 10. | Textile fabric | |
| | (1) Wool | |
| | (a) Woven fabrics of carded wool or of carded fine animal hair | 5111 |
| | (b) Woven fabrics of combed wool or of combed fine animal hair | 5112 |
| | (c) Woven fabrics of coarse animal hair or of horse hair | 5113 |
| | (2) Cotton | |
| | (a) Woven fabrics of cotton containing 85% or more by weight of cotton weighing not more than 200gm/m ² | 5208 |
| | (b) Woven fabrics of cotton containing 85% or more by weight of cotton weighing more than 200gm/m ² | 5209 |
| | (c) Woven fabrics of cotton containing less than 85% by weight of cotton, mixed mainly or solely with man made fibres, weighing not more than 200gm/m ² | 5210 |
| | (d) Woven fabrics of cotton containing less than 85% by weight of cotton, mixed mainly or solely with man made fibres, weighing more than 200gm/m ² | 5211 |
| | (e) Other woven fabrics of cotton | 5212 |
| | (3) Woven fabrics of Flax | 5309 |
| | (4) Woven fabrics of jute or of other textile base fibres | 5310 |
| | (5) Woven fabrics of other vegetable textile fibres; woven fabrics of paper yarn | 5311 |

- (6) Man made filaments
- (a) Woven fabrics of synthetic filament yarn, including woven fabrics obtained from materials of HSN heading 5404 5407
 - (b) Woven fabrics of artificial filament yarn, including woven fabrics obtained from materials of HSN heading 5405 5408
- (7) Man-made Staple Fibres
- (a) Woven fabrics of synthetic staple fibres, containing 85% or more by weight of synthetic staple fibres 5512
 - (b) Woven fabrics of synthetic staple fibres, containing less than 85% by weight of such fibres, mixed mainly or solely with cotton, of a weight not exceeding 170m² 5513
 - (c) Woven fabrics of synthetic staple fibres, containing less than 85% by weight of such fibres, mixed mainly or solely with cotton, of a weight exceeding 170m² 5514
 - (d) Other woven fabrics of synthetic staple fibres 5515
 - (e) Woven fabrics of artificial staple fibres 5516
- (8) Special Woven fabrics; Tufted textile fabrics; Lace, Tapestries, Trimmings; Embroidery
- (a) Woven pile fabrics and chennile fabrics other than HSN heading Nos. 5802 or 5806 5801
 - (b) Terry toweling and similar woven terry fabrics other than narrow fabrics of HSN heading No. 5806; tufted textile fabrics other than HSN heading No. 5703 5802

- | | | |
|------|--|------|
| (c) | Gauze other than narrow fabrics of HSN heading No. 5806 | 5803 |
| (d) | Tullies and other net fabrics not including woven, knitted or crocheted fabrics, lace in the piece, in strips or in motifs, other than fabrics of HSN heading Nos. 6002 to 6006 | 5804 |
| (e) | Hand woven tapestries of the type gobelins, flanders, aubusson, beauvals and the like and needle worked tapestries (for example petit point, cross stitch), whether or not made up | 5805 |
| (f) | Narrow woven fabrics other than goods HSN heading No. 5807; narrow fabrics consisting warp without weft assembled by means of an adhesive (bolducs) | 5806 |
| (g) | Woven fabrics of metal thread and woven fabrics of metalized yarn of HSN heading No. 5605 of a kind used in apparel as furnishing fabrics of a similar purpose, not elsewhere specified or included | 5809 |
| (9) | Textiles fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of the books or the like; Tracing cloth; Prepared painting canvas; Buckram and similar stiffened textile fabrics of a kind used for hat foundations | 5901 |
| (10) | Tyre cord fabric of high tenacity yarn or other polymers, polyesters or viscose rayon | 5902 |
| (11) | Textile wall coverings | 5905 |

- | | | |
|------|--|------|
| (12) | Rubberised textile fabrics, other than tyre cord fabrics of high tenacity yarn or nylon or other polyamides polyesters or viscose rayon | 5906 |
| (13) | Textile fabrics, otherwise impregnated, coated or covered; painted canvas being theatrical scenery, studio back-cloths or the like | 5907 |
| (14) | Knitted or chrocheted fabrics | |
| (a) | Pile fabrics, including 'long pile' fabrics and terry fabrics, knitted or chrocheted | 6001 |
| (b) | Knitted or chrocheted fabrics of a width not exceeding 30 cm., containing by weight 5% or more of elasto meric yarn of rubber thread, other than those of HSN heading No. 6001 | 6002 |
| (c) | Knitted or chrocheted fabrics of a width not exceeding 30 cm., other than those of HSN heading Nos. 6001 or 6002 | 6003 |
| (d) | Knitted or chrocheted fabrics of a width exceeding 30 cm., containing by weight 5% or more of elasto meric yarn of rubber thread, other than those of HSN heading No. 6001 | 6004 |
| (e) | Wrap knit fabrics (including those made on gallon knitting machines), other than those of HSN heading Nos. 6001 to 6004 | 6005 |
| (f) | Other knitted or chrocheted fabrics | 6006 |

11. Prepared poultry feed ***”;

(c) in the Third Schedule,—

(i) after serial number 18 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“18A. Brooms, brushes and mops made of ***”;
plastic used for floor cleaning and
toilet cleaning

(ii) in serial number 51A, after item (8) and the entries against it in columns (2) and (3), the following items and entries shall, respectively, be inserted, namely:—

(9) Articles of ‘goldsmiths’ or ‘silversmiths’ 7114
wares and parts thereof of precious
metals or of metal clad with precious
metal

(10) Other articles of precious metal or of 7115
metal clad with precious metals

(11) Silver, semi-manufactured 7106.92

(12) Gold, semi-manufactured 7108.13.00

(13) Waste and scrap of precious metals 7112

(14) Gold coins ***

(15) Gold bullion other than those specified ***”.
in Second Schedule

(iii) after serial number 92 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“92A. Nylon Rope not included in the first ***”;
Schedule

(iv) in serial number 97A, the following Note shall be inserted, namely:—

“*Note.*—This entry shall be deemed to have come into force on the 19th day of July, 2011.”;

(v) after serial number 99 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“99A. Polyester rope, Polyester twine and other plastic ropes and twines not included in the First Schedule *****”;

(vi) in serial number 100, in the heading, the words “but excluding those mentioned in serial number 3B of the table in clause (a) of sub-section (1) of section 6” shall be added at the end;

(vii) for serial number 130 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“130. Toys excluding electronic and plastic toys *****”;

(viii) after serial number 146 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“147. Electronic goods and systems for defence purposes notified by the Government, and manufactured by units situated in the State *****”;

(d) in List A,—

(i) in serial number 84A, the following Note shall be inserted, namely:—

“*Note.*—This entry shall be deemed to have come into force on the 1st day of April, 2005.”;

(ii) serial number 136A and the entries against it in columns (2) and (3) shall be omitted.

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കേരള സർക്കാർ
Government of Kerala
2015



Regn. No. KERBIL/2012/45073
dated 5-9-2012 with RNI

Reg. No. KL/TV(N)/634/2015-17

കേരള ഗസറ്റ്
KERALA GAZETTE

അസാധാരണം
EXTRAORDINARY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്

PUBLISHED BY AUTHORITY

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GOVERNMENT OF KERALA

Law (Legislation-A) Department

ERRATUM

No. 5959/Leg. A2/2015/Law.

Dated, Thiruvananthapuram, 7th August, 2015
22nd Karkadakam, 1190
16th Sravana, 1937.

S. R. O. No. 504/2015.—In the Kerala Finance Act, 2015 (Act No. 11 of 2015) issued under Notification No. 5959/Leg. A2/2015/Law dated 29th July, 2015 and published in the Kerala Gazette Extraordinary No. 1784 dated 29th July, 2015, in section 1, in sub-section (2), in sub-clause (i) for “(xiii)” read “(xii)” .

By order of the Governor,

S. KUMARI SUDHA,
Special Secretary (Law).

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AT THE GOVERNMENT CENTRAL PRESS, THIRUVANANTHAPURAM, 2015.

33/3169/2015/S-3.

Explanatory Note

(This does not form part of the erratum, but is intended to indicate its general purport.)

In the Kerala Finance Act, 2015, in section 1, in sub-section (2), in clause (i) a typographical error has crept in. The Government have decided to correct the mistake through an erratum.

The erratum is intended to achieve the above object.

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2016



Regn. No. KERBIL/2012/45073
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Reg. No. KL/TV(N)/634/2015-17

കേരള ഗസറ്റ്
KERALA GAZETTE

അസാധാരണം
EXTRAORDINARY

ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്
PUBLISHED BY AUTHORITY

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		1192 തുലാം 28 28th Thulam 1192	
		1938 കാർത്തികം 22 22nd Karthika 1938	

GOVERNMENT OF KERALA
Law (Legislation-A) Department
NOTIFICATION

No. 4000/Leg. A2/2016/Law. 13th November, 2016
Dated, Thiruvananthapuram, 28th Thulam, 1192
22nd Karthika, 1938.

The following Act of the Kerala State Legislature is hereby published for general information. The Bill as passed by the Legislative Assembly received the assent of the Governor on the 13th day of November, 2016.

By order of the Governor,
B. G. HARINDRANATH,
Law Secretary.

ACT 18 OF 2016**THE KERALA FINANCE ACT, 2016**

An Act to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2016-2017.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2016-2017;

BE it enacted in the Sixty-seventh Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance Act, 2016.

(2) Save as otherwise provided in this Act,—

(i) Clause (b) of sub-section (8) of section 9 shall be deemed to have come into force on the 1st day of April, 2005;

(ii) Clause (b) of sub-section (2) of section 9 shall be deemed to have come into force on the 1st day of April, 2013;

(iii) Sub-clause (i) of clause (a) of sub-section (2) and item (d) of sub-clause (ii) of clause (a) of sub-section (2) of section 9 shall be deemed to have come into force on the 1st day of April, 2015;

(iv) Clause (a) of section 7, section 8, item (a) of sub-clause (i) of clause (a) of sub-section (1) of section 9, item (a) of sub-clause (ii) of clause (a) of sub-section (2) of section 9, sub-section (4) of section 9, sub-clauses (i), (ii), (iii) and (v) of clause (a) of sub-section (16) of section 9 shall be deemed to have come into force on the 1st day of April, 2016;

(v) Sub-clause (i) and sub-clause (ii) of clause (b) of section 7, item (b) and (c) of sub-clause (i) of clause (a) of sub-section (1) of section 9, sub-clause (ii) of clause (a) of sub-section (1) of section 9,

clause (b) of sub-section (1) of section 9, items (b) and (c) of sub-clause (ii) of clause (a) of sub-section (2) of section 9, sub-section (3) and sub-sections (5) to (7), clause (a) of sub-section (8) and sub-section (9) to (15) of section 9, sub-clause (iv), sub-clauses (vi), (vii), (viii) and (ix) of clause (a) of sub-section (16) of section 9 and clause (b) and sub-clauses (i), (ii), (iii), (v), (vi), (vii) and (viii) of clause (c) of sub-section (16) of section 9 shall be deemed to have come into force on the 18th day of July, 2016;

(vi) The remaining provisions of this Act shall come into force at once.

2. *Amendment of Act 11 of 1957.*—In the Kerala Surcharge on Taxes Act, 1957 (11 of 1957), in section 3,—

(a) after sub-section (1A), the following sub-section shall be inserted, namely:—

“(1AA) The tax payable under section 6 of the Kerala Value Added Tax Act, 2003 (30 of 2004), shall, with respect to the sale of water, soda, soft drinks, fruit juices and other beverages whether aerated or not, intended for human consumption and sold in containers of plastic but excluding those sold in such containers of and above 20 litres, be increased by a surcharge at the rate of five per cent and the same shall be paid over to the Government and further, the provisions of the Kerala Value Added Tax Act, 2003 (30 of 2004) excluding those related to input tax credit and special rebate shall apply in relation to the said surcharge as they apply in relation to the tax payable under the said Act.”;

(b) in sub-section (2), for the word, brackets, figure and letter “sub-sections (1) and (1A)” the word, brackets, figure and letter “sub-sections (1), (1A) and (1AA)” shall be substituted;

(c) in sub-section (3), for the word, brackets, figure and letter “sub-sections (1) and (1A)” the word, brackets, figure and letter “sub-sections (1), (1A) and (1AA)” shall be substituted;

3. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) in section 2,—

(a) for clause (d), the following clause shall be substituted, namely:—

“(d) “Conveyance” includes,—

(i) a conveyance on sale;

(ii) deed of amalgamation of two or more companies whether in pursuance of an order of the National Company Law Tribunal or not;

(iii) deed of amalgamation in pursuance of the order under section 44A of Banking Regulation Act, 1949; and

(iv) every other instrument, by which property, whether movable or immovable or any interest in any property is transferred inter vivos and which is not otherwise specifically provided in the Schedule.”;

(b) in clause (1), after item (vii), following items shall be inserted, namely:—

“(viii) an agreement relating to installation of ATM/CDM or both of them between banks and the land owner or renewal of such an agreement;

(ix) an agreement relating to installation of Mobile Tower, between a company and the land owner or renewal of such an agreement.”;

(2) after section 28A, a new section 28B shall be inserted, namely:—

“28B. *Valuation of Flat/Apartment.*—Notwithstanding anything contained in this Act,—

(i) an instrument transferring land including flat/apartment, chargeable with duty, shall fully and truly set forth the value of the flat/apartment therein. For this purpose, the party executing the instrument shall furnish a valuation certificate of the flat/apartment conforming to the criteria approved by the Central Public Works Department for determining value of flat/apartment, issued by a competent authority, to be authorised by the Government, by notification in the Official Gazette, to perform such functions as may be specified by Government in that behalf;

(ii) the registering officer shall, before registering an instrument mentioned in clause (i) shall verify that it is accompanied by the valuation certificate issued by the competent authority and ensure that the value of such flat/apartment set forth in the instrument is not less than the value assessed by the competent authority.”;

(3) in the SCHEDULE,—

(a) in serial number 4, in column (3), for the words “Twenty Five rupees”, the words “Fifty rupees” shall be substituted;

(b) in serial number 5,—

(i) clauses (e) and (f) and the entries against it in column (3), shall be omitted;

(ii) clause (g) shall be re-lettered as clause (e);

(c) in serial number 21, in clause (i), in column (3), for the words “Six rupees” the words “Eight rupees” shall be substituted;

(d) in serial number 22, in clauses (i) and (iv), in column (3), for the words “Six rupees” the words “Eight rupees” shall be substituted;

(e) after serial number 22 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“22 A. Conveyance as defined in item (ii) and (iii) of section 2 (d) not being a transfer charged or exempted under No.55.

Five rupees for every 100 rupees or part thereof of the fair value of the land and the value of other immovable properties of the transferor company, which is the subject matter of the conveyance; or the aggregate of the market value of shares or other marketable securities, which is the subject matter of the conveyance issued or allotted in exchange or otherwise; or the amount of consideration paid for such amalgamation whichever is higher”.

(f) in serial number 23, for the existing entries in columns (2) and (3), the following entries shall be substituted, namely:—

“Copy or extract, certified to be a true copy or extract by or by order of any public officer and not chargeable under the law for the time being in force relating to court fees Fifty rupees

Exemptions

Copy of any paper which a public officer is expressly required by law to make or furnish for record in any public office or for any public purpose.”;

(g) in serial number 31, for the entries in columns (2) and (3), the following entries shall be substituted, namely:—

“*Gift*—instrument not being a settlement or will or transfer,

(a) Where the gift is in favour of father, mother, grandfather, grandmother, husband, wife, son, daughter, brother, sister or grandchildren of a person and if—

(i) the extent of land involved in the property transferred by the instrument is five acres or less

Two rupees for every rupees 100 or part thereof of the fair value of the property and the value of the other properties set forth in the instrument or the value of all the properties set forth in the instrument whichever is higher, subject to a maximum of Rupees 1,000.

(ii) the extent of land involved in the property transferred by the instrument is above five acres

Two rupees for every rupees 100 or part thereof of the fair value of the property and the value of the other properties set forth in the instrument or the value of all the properties set forth in the instrument whichever is higher.

(b) in any other case

The same duty as a conveyance (No.21 or 22 as the case may be).”;

(h) in serial number 39, in column (3), for the words “Fifty rupees”, the words “One hundred rupees” shall be substituted;

(i) in serial number 42, for the entries in columns (2) and (3), the following entries shall be substituted, namely:—

“Partition-Instrument of [as defined by section 2 (k)]:

(a) Where the partition is among all or some of the members of the family and if—

(i) the extent of land involved in the property divided by the instrument is five acres or less

One rupee for every rupees 100 or part thereof of the fair value of the separated share or shares of property and the value of other properties in such separated share or shares set forth in the instrument, or of the value of all the properties of the separated share or shares as set forth in the instrument, whichever is higher, subject to the maximum of rupees 1,000.

- | | |
|---|--|
| (ii) the extent of land involved in the property divided by the instrument is above five acres. | One rupee for every rupees 100 or part thereof of the fair value of the separated share or shares of property and the value of other properties in such separated share or shares set forth in the instrument, or of the value of all the properties of the separated share or shares as set forth in the instrument, whichever is higher. |
| (b) in any other case | Six rupees for every rupees 100 or part thereof of the amount of the value or fair value of the separated share or shares of the property whichever is higher.”; |

(j) in serial number 48, for the entries in columns (2) and (3), the following entries shall be substituted, namely:—

“Release, that is to say, any instrument (not being such a release as is provided in section 24), whereby a person renounces a claim upon another person or against any specified property—

(a) When such release operates in favour of father, mother, grandfather, grandmother, husband, wife, son, daughter, brother, sister, grandchildren or legal heirs of the deceased children of a person and if—

- (i) the extent of land involved in the property in which right relinquished by the instrument is five acres or less
- One rupee for every rupees 100 or part thereof of the amount of the fair value of other properties or claims of which the right is relinquished in proportion to right relinquished or value of all the properties or claims of which the right is relinquished in proportion to the right relinquished or consideration for the release, whichever is higher, subject to a maximum of Rupees 1,000.
- (ii) the extent of land involved in the property in which right relinquished by the instrument is above five acres
- One rupee for every rupees 100 or part thereof of the amount of the fair value of other properties or claims of which the right is relinquished in proportion to right relinquished or value of all the properties or claims of which the right is relinquished in proportion to the right relinquished or consideration for the release, whichever is higher.
- (b) in any other case
- The same duty as a conveyance (No. 21 or 22 as the case may be) for such amount or value of the property or claim or fair value of the property of which the right is relinquished in proportion to right relinquished or consideration for the release, whichever is higher.”;

(k) in serial number 51, clause (a), for the entries in columns (2) and (3), the following entries shall be substituted, namely:—

“*Settlement*—

A. instrument of (including a deed of dower),

(a) Where the settlement is in favour of father, mother, grandfather, grandmother, husband, wife, son, daughter, brother, sister or grandchildren of a person and if—

(i) the extent of land involved in the property settled by the instrument is five acres or less

Two rupees for every rupees 100 or part thereof of the amount of the fair value of other properties set forth in the instruments or the value of all properties set forth in such instrument, whichever is higher, subject to a maximum of Rupees 1,000.

(ii) the extent of land involved in the property settled by the instrument is above five acres

Two rupees for every rupees 100 or part thereof of the fair value of the land and the value of other properties set forth in the instrument or the value of all properties set forth in such instrument, whichever is higher.

(b) in any other case

The same duty as Bottomry Bond (No. 14) for a sum equal to amount or value of the property settled as set-forth in such instrument or fair value of land, whichever is higher.”.

4. *Amendment of Act 10 of 1960.*—In the Kerala Court Fees and Suits Valuation Act, 1959 (10 of 1960),—

(1) in section 76, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Notwithstanding anything contained in this Act or any other law for the time being in force and subject to section 4A of the Act and sub-rule (1) of rule 397 of the Kerala Motor Vehicle Rules, 1989 it shall be competent for the Government to levy an additional court fee by notification in the Gazette, in respect of original petitions, original applications, appeals or revisions to tribunals, appellate authorities and original suits in Civil Courts other than in Family Court at a rate not exceeding one percent of the amount involved in the dispute and in other cases at a rate not exceeding one hundred rupees for each original suit, original petition, original application, appeal or revision.

Explanation:—The term “amount involved in the dispute” as specified in sub-section (1), where it is capable of valuation, does not include the amount of valuation for the purpose of court fee, in suits for recovery of possession, partition and suits of similar nature and where fixed court fee is specified under this Act.”;

(2) in the SCHEDULE II, in item (iii) of Article 3,—

(a) in sub-item (C), for the entry “one percent of the assessed income, subject to a maximum of ten thousand rupees” in column (3) against clause (c) in column (2), the entry “five percent of the relief sought for, shall be substituted;

(b) in sub-item (D), for the entry “one percent of the assessed net wealth, subject to a maximum of ten thousand rupees” in column (3) against clause (c) in column (2), the entry “five percent of the relief sought for”, shall be substituted.

5. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963), in section 23B,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Notwithstanding anything contained in this Act or in any judgment, decree or order of any Court, Tribunal, or Appellate Authority, an assessee who is in arrears of tax or any other amount due under this Act or the Central Sales Tax Act, 1956 (Central Act 74 of 1956) relating to the period ending on 31st March, 2005, may opt for settling the arrears by availing a complete reduction of the interest on the tax amount and for the amount of penalty and interest thereon:

Provided that nothing in this section shall apply to a public sector undertaking under the control of Government of India.”;

(b) in sub-section (3), for the words and figures “31st August, 2014”, the words and figures “28th February, 2017” shall be substituted;

(c) in sub-section (4), for the words and figures “31st December, 2014”, the words and figures “28th February, 2017” shall be substituted;

(d) after sub-section (7), the following sub-section shall be inserted, namely:—

“(8) If a dealer is continuing business even after the commencement of the Kerala Value Added Tax Act, 2003 (30 of 2004) he shall get himself registered thereunder before filing option for payment of arrears under sub-section (1).”.

6. *Amendment of Act 19 of 1976.*—In the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976),—

(1) in section 2, after clause (ab), the following clause shall be inserted, namely:—

“(ac) ‘Floor area’ of a motor vehicle means the area of the vehicle obtained by multiplying the overall length with the overall width of the vehicle and for a double decked bus it shall be twice the floor area.

Explanation:—For the purpose of this clause, ‘Overall length’ of a motor vehicle is the length of the vehicle measured between parallel planes passing the extreme projection points of the vehicle exclusive of a starting handle, any hood when down, any fire-escape fixed to a vehicle, any post office letter box, any ladder used for loading or unloading from

the roof of the vehicle or any tail or indicator lamp or number plate fixed to a vehicle, any spare wheel or spare wheel bracket or bumper fixed to a vehicle or any towing hook or other fitment and ‘Overall width’ of a motor vehicle is the width of a motor vehicle measured at right angle to the axis of the motor vehicle between perpendicular planes enclosing the extreme points exclusive of a rear-view mirror or guard rail or a direction indicator.”;

(2) in section 3,—

(a) in sub-section (1), after the third proviso, the following proviso shall be inserted, namely:—

“Provided also that in respect of new Stage Carriages registered or assigned a new registration mark or altered from any category other than Stage Carriage, there shall be levied a tax based on the floor area of the vehicle at the rate specified in item (iv) of serial number 7 of the Schedule.”;

Note:—This shall be deemed to have come into force on and from 18th day of July, 2016.;

(b) in sub-section (5), for the existing proviso, the following proviso shall be substituted, namely:—

“Provided that in the case of vehicle covered with permit under sub-section (8) of section 88 of the Motor Vehicles Act, 1988 (Central Act 59 of 1988), and registered in any State other than the State of Kerala and entering the State of Kerala and staying therein, the tax payable for such vehicle shall be—

(i) if such stay does not exceed seven days, one tenth of the quarterly tax for one round trip; and

(ii) if such stay exceeds seven days but does not exceed thirty days, one third of the quarterly tax for one round trip.”;

(c) after the proviso, as so substituted, the following provisos shall be inserted, namely:—

“Provided further that in the case of vehicles covered with permit under sub-section (9) of section 88 of the Motor Vehicles Act, 1988 (Central Act 59 of 1988) and registered in any State other than in

the State of Kerala and entering the State of Kerala and staying therein, the tax shall be payable from the date of entry till the end of the quarter at the rate specified for such vehicles in the Schedule.”.

(3) after section 3, the following section shall be inserted, namely:—

“3A. *Levy of Green Tax.*—There shall be levied and collected a tax called ‘Green Tax’ in addition to the tax levied under this Act on the motor vehicles specified in column (2) of the table below at the rate specified in column (3) thereof, for the purpose of implementation of various measures to control air pollution, namely:—

TABLE

Sl. No.	Class and age of vehicle	Rate of Green Tax (in Rupees)	Incidence of levy
(1)	(2)	(3)	(4)
1	Non Transport Vehicles having four or more wheels and completed 15 years from the date of its registration.	400 for every five years	At the time of renewal of registration
2	Light Transport Vehicles having four or more wheels and have completed 10 years from the date of its registration.	200 for every year	At the time of renewal of fitness certificate
3	Medium Transport Vehicles which have completed 10 years from the date of its registration.	300 for every year	At the time of renewal of fitness certificate
4	Heavy Transport Vehicles which have completed 10 years from the date of its registration.	400 for every year	At the time of renewal of fitness certificate

Provided that no additional tax, fine or interest shall be levied for any belated payment of Green Tax:

Provided further that nothing in this section shall apply in case of remitting tax at the reduced or modified rate allowed by the Government under section 22 of the Act:

Provided also that the provisions for payment of tax and issue of licence under sub-section (3) of section 4 shall '*mutatis mutandis*' apply to Green Tax to be levied under section 3A.”.

(4) in section 4,—

(a) in sub-section (1),—

(i) before the first proviso, the following proviso shall be inserted, namely:—

“Provided that Green Tax levied under section 3A shall be paid in advance in such manner, as may be prescribed, on completion of 10 years in the case of Transport Vehicles and 15 years in the case of Non Transport Vehicles, upon a licence for the purpose, for one year or five years, as the case may be:”;

(ii) in the first proviso, after the word “provided”, the word “further” shall be inserted;

(iii) in the second proviso, for the word “further”, the word “also” shall be substituted;

(b) in sub-section (4), after the words and figure “under section 3”, the words, figure and letter “and section 3A” shall be inserted;

(c) in sub-section (5), after the words and figure “under section 3” the words, figure and letter “and section 3A” shall be inserted;

(5) in section 5, for sub-section (1) and sub-section (2), the following sub-sections shall be substituted, namely:—

“(1) In the case of a motor vehicle which is not intended to be used or kept for use during any calendar month of a quarter or two successive calendar months of a quarter, or the whole of a quarter or a year beginning with the 1st day of a quarter, as the case may be, the Registered Owner or the person having possession or control of such vehicle shall give previous intimation in such form, manner and fee, as

may be prescribed, in this behalf, to the Regional Transport Officer or the Joint Regional Transport Officer concerned under whose jurisdiction the vehicle is registered or endorsement of tax has been obtained, that such vehicle will not be used for such period and thereupon, the Registered Owner or the person having possession or control of the vehicle shall not be deemed to have used or kept for use of the vehicle for such period, and no tax shall be payable in respect of such vehicle for such period.

(2) Notwithstanding anything contained in sub-section (1), twice the amount of tax shall be levied from the Registered Owner or the person having possession or control of the vehicle if on verification it is found that the vehicle has been used during any such period of non-use without remitting tax.”;

(6) in section 6, after sub-section (2), the following proviso shall be inserted, namely:—

“Provided that no Green Tax paid shall be refunded under this section.”;

(7) in section 28, in clause (d) of sub-section (2), after the word “claimed” the following words and figure shall be inserted, namely:—

“and the form and fee payable for filing such exemption of tax under section 5.”;

(8) in the SCHEDULE,—

(a) for serial number 3 and 4 and the entries thereunder in columns (1), (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

“3	Goods Carriages					
(i)	Goods Carriages other than those fitted with tipping mechanism					
(a)	Motor Cycles trucks not exceeding			300 Kg.	in gross vehicle weight	150.00
(b)	Vehicles not exceeding			1000 Kg.	do.	250.00

(c)	Vehicles exceeding	1000 Kg.	but not exceeding	1500 Kg.	in gross vehicle weight	470.00
(d)	do.	1500 Kg.	do.	2000 Kg.	do.	610.00
(e)	do.	2000 Kg.	do.	3000 Kg.	do.	780.00
(f)	do.	3000 Kg.	do.	4000 Kg.	do.	930.00
(g)	do.	4000 Kg.	do.	5500 Kg.	do.	1340.00
(h)	do.	5500 Kg.	do.	7000 Kg.	do.	1580.00
(i)	do.	7000 Kg.	do.	9000 Kg.	do.	1940.00
(j)	do.	9000 Kg.	do.	9500 Kg.	do.	2060.00
(k)	do.	9500 Kg.	do.	10500 Kg.	do.	2300.00
(l)	do.	10500 Kg.	do.	11000 Kg.	do.	2550.00
(m)	do.	11000 Kg.	do.	12000 Kg.	do.	2790.00
(n)	do.	12000 Kg.	do.	13000 Kg.	do.	3030.00
(o)	do.	13000 Kg.	do.	14000 Kg.	do.	3270.00
(p)	do.	14000 Kg.	do.	15000 Kg.	do.	3390.00
(q)	do.	15000 Kg.	do.	20000 Kg.	do.	3390.00+ ₹ 130 for every 250 Kg. or part thereof in excess of 15000 Kg.
(r)	do.	20000 Kg.			do.	5990.00+ ₹ 250 for every 250 Kg. or part thereof in excess of 20000 Kg.

(ii)	Goods Carriages fitted with tipping mechanism (Tipper Goods Carriages)					
(a)	Motor Cycles trucks not exceeding			300 Kg.	in gross vehicle weight	190.00
(b)	Vehicles not exceeding			1000 Kg.	do.	310.00
(c)	Vehicles exceeding	1000 Kg.	but not exceeding	1500 Kg.	do.	590.00
(d)	do.	1500 Kg.	do.	2000 Kg.	do.	760.00
(e)	do.	2000 Kg.	do.	3000 Kg.	do.	970.00
(f)	do.	3000 Kg.	do.	4000 Kg.	do.	1160.00
(g)	do.	4000 Kg.	do.	5500 Kg.	do.	1670.00
(h)	do.	5500 Kg.	do.	7000 Kg.	do.	1970.00
(i)	do.	7000 Kg.	do.	9000 Kg.	do.	2420.00
(j)	do.	9000 Kg.	do.	9500 Kg.	do.	2590.00
(k)	do.	9500 Kg.	do.	10500 Kg.	do.	2880.00
(l)	do.	10500 Kg.	do.	11000 Kg.	do.	3190.00
(m)	do.	11000 Kg.	do.	12000 Kg.	do.	3480.00
(n)	do.	12000 Kg.	do.	13000 Kg.	do.	3790.00
(o)	do.	13000 Kg.	do.	14000 Kg.	do.	4090.00
(p)	do.	14000 Kg.	do.	15000 Kg.	do.	4240.00

(q)	Vehicles exceeding	15000 Kg.			in gross vehicle weight	4240.00+ ₹ 160 for every 250 Kg. or part thereof in excess of 15000 Kg.
4	Trailers used for carrying goods					
(a)	For each Trailer not exceeding			1000 Kg.	in gross vehicle weight	180.00
(b)	For each Trailer exceeding	1000 Kg.	but not exceeding	1500 Kg.	in laden weight	360.00
(c)	do.	1500 Kg.	do.	2000 Kg.	do.	480.00
(d)	do.	2000 Kg.	do.	3000 Kg.	do.	650.00
(e)	do.	3000 Kg.	do.	4000 Kg.	do.	870.00
(f)	do.	4000 Kg.	do.	5500 Kg.	do.	1100.00
(g)	do.	5500 Kg.	do.	7000 Kg.	do.	1460.00
(h)	do.	7000 Kg.	do.	9000 Kg.	do.	1700.00
(i)	do.	9000 Kg.	do.	9500 Kg.	do.	1820.00
(j)	do.	9500 Kg.	do.	10500 Kg.	do.	1940.00
(k)	do.	10500 Kg.	do.	12000 Kg.	do.	2180.00
(l)	do.	12000 Kg.	do.	13000 Kg.	do.	2300.00
(m)	do.	13000 Kg.	do.	14000 Kg.	do.	2420.00
(n)	do.	14000 Kg.	do.	15000 Kg.	do.	2550.00

(o)	For each Trailer exceeding	15000 Kg.	but not exceeding	20000 Kg.	in laden weight	2550.00+ ₹ 130 for every 250 Kg. or part thereof in excess of 15000 Kg.
(p)	do.	20000 Kg.			do.	5150.00+ ₹ 250 for every 250 Kg. or part thereof in excess of 20000 Kg.”

(b) in serial number 7,—

(i) in item (i),—

(a) for sub-item (e) and the entries thereunder in columns (1), (2) and (3), the following sub-item and entries shall, respectively, be substituted, namely:—

“(e)	Vehicles registered in Kerala and operating Interstate after obtaining permit under sub-section (9) of section 88 of the Motor Vehicles Act, 1988 (Central Act 59 of 1988)	
	(i) Ordinary Contract Carriage permitted to carry more than 6 passengers—for every passenger.	2250.00
	(ii) Contract Carriage with push back seats and permitted to carry more than 6 passengers—for every passenger.	3000.00
	(iii) Contract Carriage with sleeper berths and permitted to carry more than 6 passengers—for every passenger.	4000.00.”

(b) for sub-item (f) and the entries thereunder in columns (1), (2) and (3), the following sub-item and entries shall, respectively, be substituted, namely:—

“(f)	Vehicles registered in other States and entering Kerala after obtaining permit under sub-sections (8) and (9) of Section 88 of the Motor Vehicles Act, 1988 (Central Act 59 of 1988)	
	(i) Ordinary Contract Carriage permitted to carry more than 6 passengers—for every passenger	2250.00
	(ii) Contract Carriages with push back seats and permitted to carry more than 6 passengers—for every passenger	3000.00
	(iii) Contract Carriages with sleeper berths and permitted to carry more than 6 passengers—for every passenger	4000.00.”

(ii) in item (iii) for the heading, the following heading shall be substituted, namely:—

“(iii) vehicles to ply solely as Stage Carriages based on passenger capacity”,

(iii) after item (iii), and the entry against it, the following item and entries shall, respectively, be inserted in columns (1), (2) and (3), namely:—

“(iv) Vehicles to ply solely as stage carriages—based on floor area

(a)	Ordinary service other than city/town services	₹ 1,300 per square metre or part thereof
(b)	Ordinary city/town services	₹ 1,100 per square metre or part thereof
(c)	Fast passenger and other higher class services	₹ 1,400 per square metre or part thereof. ”

(c) for serial No. 9 and the entries thereunder in columns (1), (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

9.	Double-axle trailers drawn by the vehicles in clause (8) above and articulated vehicles with or without additional or alternative trailers, for each trailer or articulated vehicle, subject to the proviso of this schedule—					
(a)	not exceeding	1000 Kg.			in gross vehicle weight	180.00
(b)	exceeding	1000 Kg.	but not exceeding	1500 Kg.	„	290.00
(c)	„	1500 Kg.	„	2000 Kg.	„	390
(d)	„	2000 Kg.	„	3000 Kg.	„	510
(e)	„	3000 Kg.	„	4000 Kg.	„	700
(f)	„	4000 Kg.	„	5500 Kg.	„	890
(g)	„	5500 Kg.	„	7000 Kg.	„	1090
(h)	„	7000 Kg.	„	9000 Kg.	„	1340
(i)	„	9000 Kg.	„	9500 Kg.	„	1460
(j)	„	9500 Kg.	„	10500 Kg.	„	1580
(k)	„	10500 Kg.	„	12000 Kg.	„	1700
(l)	„	12000 Kg.	„	13000 Kg.	„	1820
(m)	„	13000 Kg.	„	14000 Kg.	„	1940
(n)	„	14000 Kg.	„	15000 Kg.	„	2060

(o)	exceeding	15000 Kg.			in gross vehicle weight	2060.00+ ₹ 130 for every 250 Kg. or part thereof in excess of 15000 Kg.
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(d) for serial number 12 and the entries thereunder in columns (1), (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“12	Specially designed vehicles such as Mobile Restaurant, Mobile Canteen, Mobile Theatre, Mobile Workshop, Mobile Book Stall, Mobile ATM, Mobile Shop, Mobile Exhibition Van, Mobile Office Vehicles, Mobile Digitization Unit and Cash Van for every square meter or part thereof of the floor area	₹ 300 ”
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(e) after serial number 14 and the entries against it in columns (1), (2) and (3) the following serial number and entries shall be inserted, namely:—

“15	Motor vehicles other than those liable to tax under the foregoing provisions of this Schedule— for every square metre or part thereof of the floor area	₹ 150”
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(f) in Annexure II, for serial number I and the entries thereunder in columns (1), (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

“I	Goods Carriages having GVW up to 3000 Kg.	
(i)	Motor Cycle trucks not exceeding 300 Kg.	3000
(ii)	Goods Carriages with GVW not exceeding 1000 Kg.	5000
(iii)	Goods Carriages with GVW exceeding 1000 Kg. but not exceeding 1500 Kg.	9400
(iv)	Goods Carriages with GVW exceeding 1500 Kg. but not exceeding 2000 Kg.	12200
(v)	Goods Carriages with GVW exceeding 2000 Kg. but not exceeding 3000 Kg.	15600.”.

7. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976), in section 4,—

(a) in sub-section (1), after the first proviso, the following proviso shall be inserted, namely:—

“Provided further that no tax under this Act shall be levied on hostels run directly by the educational institutions and working woman’s hostels run by religious or charitable institutions, registered under The Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act, 1955.”;

(b) in sub-section (2),—

(i) in clause (a), for sub-clause (i) and (ii), the following sub-clauses shall be substituted, namely:—

“(i) at the rate of six percent per room for hotels, in respect of rooms where the gross charges of accommodation for residence and other amenities and services provided is above rupees four hundred and up to one thousand rupees per day;

(ii) at the rate of ten percent for hotels in respect of rooms where the gross charges of accommodation for residence and other amenities and services provided is above rupees One thousand per day.”;

(ii) the third proviso shall be omitted;

(iii) the second proviso to clause (c) shall be omitted.

(c) after section 10AA, the following section shall be inserted, namely:—

“10AB. *Liability of Directors of a Private company.*—Where any tax or other amount recoverable under this Act from any proprietor being a private company, whether existing or wound up or under liquidation, cannot be recovered for any reason whatsoever, every person who was a director of such company at any time during the period for which the tax or other amount is due under this Act shall be jointly and severally liable for the payment of such tax or other amount unless he proves that the non-recovery cannot be attributed to any negligence, misfeasance or breach of duty on his part in relation to the affairs of the company.”.

8. *Amendment of Act 15 of 1991.*—In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991), in the SCHEDULE,—

(a) in item (3), the words “domestic company or” shall be omitted;

(b) for item (4), the following item shall be substituted, namely:—

“(4) In the case of domestic company or foreign company thirty percent of the total agricultural income.”;

9. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 6,—

(a) in sub-section (1),—

(i) in clause (a), in the table,—

(a) in serial number (3), for the entry in column (2), the following entry shall be substituted, namely:—

“all types of plastic carry bags including non-woven poly propylene bags.”;

(b) in serial number (3A), in the entry against it in column (2), after the words “disposable plates”, the words “tumblers” shall be inserted;

(c) after serial number (7) and the entries against it in columns (2), (3) and (4), the following serial number and entries shall, respectively, be inserted, namely:—

“8	Embroidery or zari articles, that is to say, imi, zari, kasab saima dabka, chumki, gota sitara, naqsi, kora, glass bead, badia	2%
(1)	Embroidery without visible ground	5810.10.00
(2)	Other embroidery of cotton	5810.91.00
(3)	Embroidery of man-made fibres	
	(a) Embroidered badges, motifs and the like	5810.92.00

(b) Other embroidered articles	5810.92.00	
(4) Embroidery of other textile materials	5810.99.00	
(5) Zari articles	****	
9. Handloom cloth, Handloom bed sheet and Pillow cover	****	2%
10. Silk fabrics and sarees made of natural silk	5007	2%
11. Textiles fabric		2%
(1) Wool		
(a) Woven fabrics of carded wool or of carded fine animal hair	5111	
(b) Woven fabrics of combed wool or of combed fine animal hair	5112	
(c) Woven fabrics of coarse animal hair or of horse hair	5113	
(2) Cotton		
(a) Woven fabrics of cotton containing 85% or more by weight of cotton weighing not more than 200 gm./m ²	5208	
(b) Woven fabrics of cotton containing 85% or more by weight of cotton weighing more than 200 gm./m ²	5209	
(c) Woven fabrics of cotton containing less than 85% by weight of cotton, mixed mainly or solely with man-made fibres, weighing not more than 200 gm./m ²	5210	
(d) Woven fabrics of cotton containing less than 85% by weight of cotton, mixed mainly or solely with man-made fibres, weighing more than 200 gm./m ²	5211	

(e) Other woven fabrics of cotton	5212
(3) Woven fabrics of Flax	5309
(4) Woven fabrics of jute or of other textile base fibres	5310
(5) Woven fabrics of other vegetable textile fibres; woven fabrics of paper yarn	5311
(6) Man-made filaments	
(a) Woven fabrics of synthetic filament yarn, including woven fabrics obtained from materials of HSN heading 5404	5407
(b) Woven fabrics of artificial filament yarn, including woven fabrics obtained from materials of HSN heading 5405	5408
(7) Man-made Staple Fibres	
(a) Woven fabrics of synthetic staple fibres, containing 85% or more by weight of synthetic staple fibres	5512
(b) Woven fabrics of synthetic staple fibres, containing less than 85% by weight of such fibres, mixed mainly or solely with cotton, of a weight not exceeding 170 m ²	5513
(c) Woven fabrics of synthetic staple fibres, containing less than 85% by weight of such fibres, mixed mainly or solely with cotton, of a weight exceeding 170 m ²	5514
(d) Other woven fabrics of synthetic staple fibres	5515

- | | |
|---|------|
| (e) Woven fabrics of artificial staple fibres | 5516 |
| (8) Special Woven fabrics; Tufted textile fabrics; Lace, Tapestries, Trimmings; Embroidery | |
| (a) Woven pile fabrics and chenille fabrics other than HSN heading Nos. 5802 or 5806 | 5801 |
| (b) Terry toweling and similar woven terry fabrics other than narrow fabrics of HSN heading Nos. 5806; tufted textile fabrics other than HSN heading No. 5703 | 5802 |
| (c) Gauze other than narrow fabrics of HSN heading No. 5806 | 5803 |
| (d) Tullies and other net fabrics not including woven, knitted or crocheted fabrics, lace in the piece, in strips or in motifs, other than fabrics of HSN heading Nos. 6002 to 6006 | 5804 |
| (e) Hand woven tapestries of the type gobelins, flanders, aubusson, beauvals and the like and needle worked tapestries (for example petit point, cross stitch), whether or not made-up | 5805 |
| (f) Narrow woven fabrics other than goods HSN heading No. 5807; narrow fabrics consisting warp without weft assembled by means of an adhesive (bolducs) | 5806 |
| (g) Woven fabrics of metal thread and woven fabrics of metalized yarn of HSN heading no. 5605 of a kind used in apparel as furnishing fabrics of a similar purpose, not elsewhere specified or included | 5809 |

- (9) Textiles fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of the books or the like; Tracing cloth; Prepared painting canvas; Buckram and similar stiffened textile fabrics of a kind used for hat foundations 5901
- (10) Tyre cord fabric of high tenacity yarn or other polymers, polyesters or viscose rayon 5902
- (11) Textile wall coverings 5905
- (12) Rubberised textile fabrics, other than tyre cord fabrics of high tenacity yarn or nylon or other polyamides polyesters or viscose rayon 5906
- (13) Textile fabrics, otherwise impregnated, coated or covered; painted canvas being theatrical scenery, studio back-cloths or the like 5907
- (14) Knitted or crocheted fabrics
- (a) Pile fabrics, including 'long pile' fabrics and terry fabrics, knitted or crocheted 6001
- (b) Knitted or crocheted fabrics of a width not exceeding 30 cm., containing by weight 5% or more of elastomeric yarn of rubber thread, other than those of HSN heading No. 6001 6002
- (c) Knitted or crocheted fabrics of a width not exceeding 30 cm., other than those of HSN heading Nos. 6001 or 6002 6003

- (d) Knitted or chrocheted fabrics of a width exceeding 30 cm., containing by weight 5% or more of elasto meric yarn of rubber thread, other than those of HSN heading No. 6001 6004
- (e) Wrap knit fabrics (including those made on gallon knitting machines), other than those of HSN heading nos. 6001 to 6004 6005
- (f) Other knitted or chrocheted fabrics 6006”;

(ii) after the sixteenth proviso, the following provisos shall be inserted, namely:—

“Provided further that cooked food, sweets, beverages and fruit juices manufactured by the prisoners and sold by the Kerala Prison and Correctional Services Department shall be exempted from tax with effect from 1st day of April, 2011:

Provided further that in respect of cinematographic films, turnover relating to sale of ‘Copyright’ under clause (a) and transfer of right to use under clause (c) shall be exempted:

Provided also that the rate of tax on the sale of disposable plates and cups made of styrofoam for the financial years 2013-14 and 2014-15 shall be at five percent.”;

(b) in sub-section (7), in clause (b), the following explanation shall be inserted, namely:—

“*Explanation.*—Building materials referred to in this clause shall include basic building materials and other goods essentially required to make the building effectively functional and capable of being used by the unit, depending on the activity carried out by the said unit.”;

(2) in section 8,—

(a) in clause (a),—

(i) for sub-clause (i), the following sub-clause shall be substituted, namely:—

“(i) any works contractor who imports any goods into the State from other States or Country for incorporation in the works contracts and or who is registered under the provisions of the Central Sales Tax Act, 1956 (Central Act 74 of 1956), may at his option, instead of paying tax in accordance with the provisions of section 6, pay tax at the rate of seven percent of the whole contract amount for all works contracts undertaken by him except works contracts of interior decoration and furnishing contracts, electrical, refrigeration or air conditioning contracts or contracts relating to supply and installation of plant, machinery, rolling shutters, cranes, hoists, elevators or lifts, escalators, generators, generating sets, transformers, weighing machines, air conditioners and air coolers, deep freezers, laying of all kinds of tiles other than brick tiles, slabs and stones including marble:

Provided that the compounded tax payable under this sub-clause by such works contractor in respect of works contract awarded by Government of Kerala, Kerala Water Authority or Local Authorities shall be five percent of the whole contract amount.”;

(ii) in sub-clause (ii),—

(a) for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that a contractor who intends to pay tax at compounded rate in accordance with this clause in respect of all works awarded by Government of Kerala, Kerala Water Authority or Local Authorities undertaken by him during an year, may, instead of filing separate application for compounding for such individual works, file a single option for payment of tax under this clause for such works before 30th day of April of the year to which the option relates, subject to eligibility.”;

(b) in the third proviso, the following words shall be added at the end, namely:—

“and with respect to works contract awarded by Government of Kerala, Kerala Water Authority or Local Authorities up to 31st March, 2016.”;

(c) after the third proviso, the following proviso shall be inserted, namely:—

“Provided also that subject to eligibility, a work once compounded under this clause, shall remain compounded till the completion of such work.”;

(d) in Explanation 3, for the word “this sub-clause”, the words and figure “sub-clause (i)” shall be substituted;

(b) in clause (f), in sub-section (v), for the words and figure “under sub-clause; (ii)”, the words and figure “under sub-clause (iv)” shall be substituted;

(3) in section 9, the existing provision shall be numbered as sub-section (1) and after the sub-section as so numbered, the following sub-section shall be inserted, namely:—

“(2) The burden of proving the denial of any transaction or the correctness in the returns, applications, payments, declarations, delivery notes and other records furnished by the dealer under this Act, through the website or portal of the Commercial Taxes Department, by using the user identification name and password allotted to him by the assessing authority or the Commissioner, shall be on such dealer.”;

(4) in section 11, in the proviso to sub-section (5), the words, letters and figures,

“for the period up to 30th September, 2010”, shall be omitted;

(5) in section 20A, in sub-section (2), for the words “the Commissioner”, the words “the District Deputy Commissioner” shall be substituted;

(6) after Section 25C, the following sections shall be inserted, namely:—

“25D. *Special provision for bakery dealers to settle arrears.*—Notwithstanding anything contained in this Act, a dealer in bakery products, sweets, confectionary and other food products sold under brand name registered under the Trade Marks Act, 1999, who had not remitted the tax as per the prescribed rate, for the period up to the

financial year 2013-14, and have opted for remitting the differential amount of tax from 1st April, 2016 to 31st March, 2017 and shall pay the amount within a period of two years in equal quarterly instalments and those who opt for payment of tax under this Scheme shall be exempted from payment of interest and penalty due thereon subject to such conditions and restrictions, as may be prescribed.

25E. *Special provision for assessment and payment of tax for presumptive dealers.*—(1) Notwithstanding anything contained in this Act or rules made thereunder or in any judgment, decree or order of any court, tribunal or appellate or revisional authority or any assessment orders or penalty orders issued under this Act, the dealers who have opted to pay tax under sub-section (5) of section 6 and with regard to whom unaccounted purchases have been detected by the assessing authority for the period up to 31st March, 2016, may opt to settle their cases by paying tax at the scheduled rates on such unaccounted purchases with an addition of 5% gross profit and on payment of such tax, all penalties and interest including penalty under sub-section (7) of section 22, shall stand waived and it shall be subject to the following conditions, namely:—

(a) Any dealer who opt for this scheme shall obtain Tax payers Identification Number (TIN) under this Act with effect from 1st April, 2016;

(b) All pending cases in any Forum shall be withdrawn and evidence to that effect shall be produced before the assessing authority;

(c) Such option and settlement shall cover all the financial years, in which unaccounted purchases have been detected; and

(d) such further condition, if any, as may be specified:

Provided that dealers who have opted to pay tax under sub-section (5) of section 6 and with regard to whom unaccounted purchases have not been detected by the assessing authority for the period up to 31st March, 2016, may also voluntarily declare their unaccounted purchases, and opt for the scheme mentioned in sub-section (1), and on doing so, no further action under this Act shall be initiated against such dealers with regard to the same.

(2) For settling the cases under sub-section (1), the assessee shall file option before the assessing authority within three months from the date of declaring the scheme:

Provided that in cases where no notice or orders has been issued by the assessing authority, regarding the unaccounted purchases detected by such authority mentioned in sub-section (1), the assessing authority shall intimate the dealer regarding the cases pending against him, to enable him to file option under the scheme.

(3) On receipt of the option, the assessing authority shall intimate by order, the details of the evidence before him and the amount of tax to be paid, calculated in accordance with sub-section (1).

(4) Thirty percent of the amount shall be paid within fourteen days from the receipt of the order under sub-section (2) and the balance in twelve equal monthly instalments or in lump sum at his option, and the last date for fulfilment of payment under this section shall be the date of payment of the twelfth instalment.

(5) Without prejudice to the provisions of this section or notice made thereunder, the Commissioner may issue such instructions to the assessing authorities and the dealers for the effective implementation of the scheme.

(6) No further action under any of the provisions of this Act shall be invoked by the assessing authority with regard to the unaccounted purchases settled by the dealer under this section or other irregularities in accounts, which resulted from such unaccounted purchases, and no appeal or revision shall lie against the amount so settled under this section.”;

(7) in section 40, after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that every dealer whose total turnover for the previous year had exceeded rupees five crores shall get the bill or invoice or cash memorandum in respect of every sale, uploaded on a real time basis through the portal of the dealer in the Kerala Value Added Tax Information System in the manner and subject to such restrictions and conditions as may be prescribed.”;

(8) in section 42,—

(a) in sub-section (1), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that with respect to units of Kerala State Electricity Board Ltd. which obtained separate registration as per sub-section (3) of section 20 shall file trial balance for each such units, along with audited statement of accounts and certificate of the company.”;

(b) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) Notwithstanding anything to the contrary contained in this Act, if a dealer,

(i) fails to file audited accounts referred to in sub-section (1), or

(ii) fails to file revised annual return rectifying the mistake or omission, along with the audited statement of accounts and certificate or if the variance in the audited statement of accounts with the returns is not satisfactorily explained in the reconciliation statement prescribed, or

(iii) fails to file the annexures, statements, certificates, declarations, including the statutory declarations to be filed under the Central Sales Tax Act, 1956 which are required to be filed along with the returns to prove the correctness of the concessional rate of tax, exemptions and exports claimed in the returns, or

(iv) fails to declare any sale, purchase or interstate stock transfer as evidenced from the documents prescribed under section 46 available with the assessing authority in the sales and purchase lists filed along with the returns, the assessment of such dealer for the relevant year for the purpose of section 25 shall be treated as pending and the time limit mentioned thereunder shall not be applicable in such cases.”;

(9) in section 46, in sub-section (3), after clause (e), the following clause shall be inserted, namely:—

“(f) when goods are transported out of the State through coastal cargo, air or railways, such dealer or person or his agents by whatever name called, shall furnish a declaration to such authority in such manner as may be prescribed.”;

(10) in section 47, in sub-section (11), after the words, figure and symbol “sub-section (9) shall be” the words “confiscated and” shall be inserted;

(11) in section 48, in sub-section (1), for the words “one hundred rupees”, the words “two hundred and fifty rupees” shall be substituted;

(12) in section 55, in sub-section (4), after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that where the appellant remits 20% of the disputed amount of tax along with collected tax, if any, further proceedings against recovery shall stand stayed till disposal of the appeal.”;

(13) after section 58, the following section shall be inserted, namely:—

“58A. Powers of revision of the Commissioner suo-motu on the orders passed by Deputy Commissioner (Appeals) under section 55 of the Act.—(1) Notwithstanding anything contained in sub-section (4) of section 3, the Commissioner or any Joint Commissioner authorized by him in this behalf, may suo-motu call for and examine any order passed by Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals) under section 55, along with records thereof, which in his opinion is prejudicial to the interest of revenue and may make such enquiry or cause such enquiry to be made and subject to the provisions of this Act may pass such orders as he deems fit.

(2) The Commissioner or Joint Commissioner shall not pass any order under sub-section (1), if,—

- (a) the order has been made on subject matter of an appeal before the Appellate Tribunal or of a revision before the High Court; or
- (b) more than one year have expired from the year in which the order referred to therein has been passed.

(3) Notwithstanding anything contained in sub-section (2), the Commissioner may pass an order under sub-section (1) on any point which has not been decided in an appeal or revision referred to in clause (a) of sub-section (2), before the expiry of a period of one year from the date of the order in such appeal or revision.

(4) No order under this section adversely affecting a person shall be passed unless that person has been given a reasonable opportunity of being heard.”;

(14) in section 62, in sub-section (1), for the word and figure “section 58”, the words, figure, letter and symbol “section 58, section 58A” shall be substituted.;

(15) in section 88, in item (e), the following shall be added, namely:—

“by sending it through the portal of the registered dealer in the Kerala Value Added Tax Information System (KVATIS) along with an alert through short message service (SMS) in the phone number declared by the dealer with the department.”;

(16) in the SCHEDULES,—

- (a) in the First Schedule,—

(i) in serial number 2, after sub-item (9), the following items shall be inserted, namely:—

- “(10) Braille Printer *****
 (11) Assistive devices for visually challenged persons like white cane and electronic cane. *****”;

(ii) in serial number 9A,—

(a) in the entry against it in column (2), the following words shall be added at the end, namely:—

“with or without MS-rod and MS-flat”;

(b) the following Note shall be inserted, namely:—

“*Note:* This entry shall be deemed to have come into force on and from the 1st day of April, 2005.”;

(iii) after serial number 11A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“11B. Cleaning liquids for removing pesticides residue from vegetables manufactured by units using the technology developed by Kerala Agricultural University or other recognized institution.”;

(iv) serial number 12B and the entries against it in columns (2) and (3) shall be omitted;

(v) for serial number 16 and the entries against it in columns (2) and (3), the following serial number and entries shall respectively, be substituted, namely:—

“16. Earthen pots made from earth clay including flowerpots, receptacles, statues and earthen oven. *****”;

(vi) in serial number 18A,—

(a) in the heading, the following words shall be inserted at the end, namely:—

“other than those specifically mentioned in the Third Schedule”;

(b) the entries in column (3) against sub-item (1) shall be omitted;

(vii) after serial number 31 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“31A. Municipal Plastic Waste. ****.”;

(viii) in serial number 42A,—

(a) in the heading in column (2), the following words shall be added at the end, namely:—

“other than those specifically mentioned in Third Schedule.”;

(b) the entry in column (3) of sub-item (1), shall be omitted.

(ix) serial number 42B in column (1) and the entries against it in columns (2) and (3) shall be omitted;

(x) in serial number 63, in the entry in column (2) after the words, “used plastic” the words “plastic scrap, waste chips, parings” shall be inserted;

(b) in the Second Schedule,—

(i) serial number 2D and the entries against it in columns (2) and (3) shall be omitted;

(ii) serial numbers 7A, 8, 9 and 10 and the entries against it in columns (2) and (3) shall be omitted;

(c) in the Third Schedule,—

(i) after serial number 5A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“5B. Atta, maida, sooji and rava sold in packages with MRP printed on such packages.”;

(ii) after serial number 8, the entry against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“8A. Basmati Rice sold in packages with MRP printed on such packages.”;

(iii) after serial number 24 and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“24A Coconut Oil ****.”;

(iv) for serial number 30A and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

30A. Cooked Food, other than,—

(i) those served to any airline service company or institution or shipping company for serving in aircraftship or steamer or served in aircraft, ship, steamer and five star hotels and ****

(ii) burgers, pizzas, tacos, doughnuts, sandwiches, burger-pattys, pasta, bread-fillings sold by restaurants having a brand name or trade mark registered under the Trade Marks Act, 1999; ****

(v) in serial number 33, in the heading in column (2), the following words shall be added at the end, namely:—

“other than those specifically mentioned in the table in clause (a) of sub-section (1) of section 6.”;

(vi) serial number 86B and the entries against it in columns (2) and (3) shall be omitted;

(vii) After serial number 109A, and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be inserted, namely:—

“109B Rice bran oil ****.”;

(viii) after serial number 141A and the entries against in columns (2) and (3), the following serial numbers and entries shall, respectively, be inserted, namely:—

“141B. Washing soap bars and cakes
manufactured using coconut oil ****

141C. Waste and scrap of primary cells,
primary batteries and electric
accumulators; spent primary
cells, spent primary batteries
and spent electric accumulators;
electrical parts of machinery
or apparatus. 8548.”;

(d) in List A,—

(i) in serial number 118, in item 15 for entries against it in columns (2) and (3) the following entries shall, respectively, be substituted, namely:—

“recycled plastic. ****.”.

10. *Validation.*—(1) Notwithstanding the lapse of the Kerala Finance Bill, 2016 (Bill No. 396 of Thirteenth Kerala Legislative Assembly) (hereinafter referred to as the said Bill) and the cesser of force of law of the declared provisions of said Bill anything done or any action taken, including levy and collection of tax or duty, during the period from the 1st day of April, 2016 to the 17th day of July, 2016, by virtue of the declared provisions contained in the said bill, under the Kerala Surcharge on Taxes Act, 1957 (11 of 1957) or under the Kerala Stamp Act, 1959 (17 of 1959) or under the Kerala Court Fees and Suits Valuation Act, 1959 (10 of 1960) or under the Kerala Tax on Luxuries Act, 1976 (32 of 1976) or under the Kerala Agricultural Income Tax Act, 1991 (15 of 1991) or under the Kerala Value Added Tax Act, 2003 (30 of 2004) (hereinafter

referred to as the respective Acts) as they stand amended by the said Bill, shall be deemed to be and to have always been for all purposes, validly and effectively done or taken under the provisions of the respective Acts, as if the said amendments had been in force at all material times.

(2) Notwithstanding anything contained in the respective Acts during the period from 1st April, 2016 to 17th day of July, 2016 during which the declared provisions contained in the said Bill was in force, anything done or any action taken by virtue of the said provisions of the said Bill shall be deemed to have been validly done or taken under the respective Acts and no action shall lie against any dealer or authority on the ground of short levy or refund of excess tax or duty and tax or duty collected, if any, by a dealer or an authority, as the case may be, shall be paid over to the Government.

(3) Notwithstanding anything contained in the Kerala Value Added Tax Act, 2003 (30 of 2004) any tax collected or paid at higher rate by virtue of the provisions of the Kerala Finance Bill, 2016 (Bill No. 16 of the XIV Kerala Legislative Assembly) in respect of the period with effect on and from the 18th day of July, 2016 to the date of publication of this Act, shall be deemed to have been validly done and any tax collected or paid by a dealer or authority at such higher rates shall be deemed to have been validly collected or paid and the tax so collected shall be paid over to the Government and shall not be refunded.

Fourteenth Kerala Legislative Assembly
Bill No. 48

THE KERALA FINANCE BILL, 2017

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Bill No. 48

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Bill No. 48

THE KERALA FINANCE BILL, 2017

A

BILL

to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2017-2018.

Preamble.—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2017-2018;

BE it enacted in the Sixty-eighth Year of the Republic of India as follows:—

1. *Short title.*—This Act may be called the Kerala Finance Act, 2017.

2. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) in section 2,

(a) in clause (e), for the words “an adhesive or impressed stamp”, the words and symbols “an adhesive, impressed or e-stamp” shall be substituted;

(b) after clause (e), the following clause shall be inserted, namely:—

“(ea) “e-stamp” means an electronically generated impression issued by the Government of Kerala for this purpose to denote the payment of stamp duty;”;

(c) after clause (p), the following clause shall be inserted, namely:—

“(pa) “Registering Officer” means the officer appointed under section 6 of the Registration Act, 1908 (Central Act XVI of 1908);”;

(d) in clause (qq),—

(i) for the words “mark, seal or endorsement”, the words and symbols “mark, seal, endorsement, impression or e-stamping” shall be substituted;

(ii) for the words “adhesive or impressed stamp” the words and symbols “adhesive, impressed or e-stamp” shall be substituted.

(2) in section 10, in clause (b) of sub-section (2), after the words "impressed stamps", the words and symbol "or e-stamps" shall be inserted.

(3) after section 10A, the following section shall be inserted, namely:—

"10B. *Appointment of Central Record Keeping Agency.*—The Government may, by notification in the Official Gazette, appoint the Department of Treasuries as Central Record Keeping Agency which shall have such duties and functions as may be prescribed, regarding issue of e-stamps.

(4) after section 12, the following section shall be inserted, namely:—

"12A. *Defacement of e-stamp.*—(1) Any e-stamp in an instrument shall be defaced through online computer verification system by the Registering Officer or any other officer authorized by the Government, in such manner as may be prescribed, so that the same cannot be used again.

(2) Any instrument bearing an e-stamp which has not been defaced, so far as such stamp is concerned be deemed to be unstamped.”;

(5) in section 13,—

(a) in the marginal heading, after the words "impressed stamps", the words and symbol "or e-stamps" shall be inserted;

(b) in the existing provision, after the words "impressed stamp", the words and symbol "or e-stamp" shall be inserted;

(6) in section 47, after the words "impressed stamps" the words and symbol "or e-stamps" shall be inserted;

(7) after clause (a) of sub-section (2) of section 69, a new clause (aa) shall be inserted, namely:—

“(aa) the manner of payment of stamp duty and refund thereof by e-payment”.

3. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963), in section 23B,—

(a) in sub-section (3), for the words and figures "28th February, 2017", the words and figures "31st December, 2017" shall be substituted;

(b) in sub-section (4), for the words and figures "28th February, 2017", the words and figures "31st December, 2017" shall be substituted;

(c) after sub-section (8), the following sub-section shall be inserted namely:—

"(9) If the applicant had filed option in 2016-17 but failed to remit the entire amount as per this section, the amount paid under the earlier option shall be treated as amount paid under the new option."

4. *Amendment of Act 32 of 1976.*—In the Kerala Tax on Luxuries Act, 1976 (32 of 1976), for section 10B, the following section shall be substituted, namely:—

"10B. *Reduction of arrears in certain cases.*—(1) Notwithstanding anything contained in this Act or rules made thereunder or in any judgment, decree or order of any court, tribunal or appellate authority, an assessee who is in arrears of tax or any other amount due under this Act relating to the period up to and including 31st March 2011, may opt for settling the arrears on payment of the principal amount of tax in arrears and thirty per cent of penalty amount, by availing a complete reduction of the interest on the tax amount and interest on the penalty amount.

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968, (15 of 1968) reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have been initiated and the assessing authorities shall have the power to collect such amounts on settlement under sub-section (1) and where the amount is settled under sub-section (1), the assessing authorities shall withdraw the revenue recovery proceedings against such assesseees which will then be binding on the revenue authorities and such assesseees shall not be liable for payment of any collection charges.

(3) The assessee shall withdraw all the cases pending before any appellate or revisional authority, tribunal or courts for opting for settling the arrears under this section.

(4) All arrears including tax and penalties pertaining to a year shall be settled together under this section.

(5) An assessee who intends to opt for payment of arrears under sub-section (1) shall submit an application to the assessing authority on or before 30th June, 2017.

(6) The arrears for the purpose of settlement under this section shall be calculated as on the date of submission of application.

(7) On receipt of an application under sub-section (5), the assessing authority shall determine the amount of tax and other amounts due from the assessee under sub-section (1) and shall intimate the same to the assessee, and thereupon the assessee shall remit the amount in equal monthly instalments on or before 31st December, 2017:

Provided that an assessee who opts to settle his arrears under sub-section (1) has remitted any amount relating to the arrears for obtaining a stay voluntarily or by way of an order or decree or judgment passed by any court or tribunal or appellate authority and if the case is pending before such authority, the amount so paid shall be treated as that paid under this option.

(8) There shall not be any refund subsequently for the amount settled under this scheme, under any circumstances.

5. *Amendment of Act 15 of 1991.*—In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991) for section 37C, the following section shall be substituted, namely:—

“37C. *Reduction of arrears in certain cases.*—(1) Notwithstanding anything contained in this Act or rules made thereunder or in any judgment, decree or order of any court, tribunal or appellate authority, an assessee who is in arrears of tax or any other amount due under this Act relating to the period up to and including 31st March 2011, may opt for settling the arrears on payment of the principal amount of tax in arrears and thirty per cent of the penalty amount by availing a complete reduction of the interest on the tax amount and on the penalty amount;

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968 (15 of 1968), reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have been initiated and the assessing authorities shall have the power to collect such amounts on settlement under sub-section (1) and where the amount is settled under sub-section (1), the assessing authorities shall withdraw the revenue recovery proceedings against such assessee which will then be binding on the revenue authorities and such assessee shall not be liable for payment of any collection charges.

(3) The assessee shall withdraw all the cases pending before any appellate or revisional authority, tribunal or courts for opting under this section.

(4) All arrears including tax and penalties pertaining to a year shall be settled together under this section.

(5) An assessee who intends to opt for payment of arrears under sub-section (1) shall submit an application to the assessing authority on or before 30th June, 2017.

(6) The arrears for the purpose of settlement under this section shall be calculated as on the date of submission of the application.

(7) On receipt of an application under sub-section (5), the assessing authority shall determine the amount of tax and other amounts due from the assessee under sub-section (1) and shall intimate the same to the assessee, and thereupon the assessee shall remit the amount in equal monthly instalments on or before 31st December, 2017:

Provided that an assessee who opts to settle his arrears under sub-section (1) has remitted any amount relating to the arrears for obtaining a stay voluntarily or by way of an order or decree or judgment passed by any court or tribunal or appellate authority and if the case is pending before such authority, the amount so paid shall be treated as that paid under this option.

(8) There shall not be any refund subsequently for the amount settled under this scheme, under any circumstances.”.

6. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 6, in sub-section (1), after the nineteenth proviso, the following provisos shall be inserted, namely:—

“Provided also that the sale of packing materials by a registered dealer to an exporter for the purpose of use in the packing of exported goods shall be exempted from tax for the period up to 31st March, 2016, subject to the condition that the sale has been supported by ‘H’ Forms issued under the Central Sales Tax Act, 1956 (Central Act 74 of 1956), by such exporting dealer and tax, if any, paid shall not be refunded:

Provided also that the rate of tax on works contract of supply and installation of solar energy devices, equipments and plants shall be one per cent from 1st April, 2013 and tax, if any, paid at higher rate shall not be refunded.

Provided also that the goods specified in item (1) of serial number 134 of List A of the Third Schedule shall be exempted from tax for the period from 20th December, 2014 to 31st March, 2015.”;

(2) in section 24, in sub-section (1).

- (i) in clause (c), for the words “three years” the words “four years” shall be substituted;
- (ii) for the fourth proviso, the following proviso shall be substituted, namely:—

“Provided also that the period for rejection of return and completion of assessments including those subjected to extension under section 25B which expires on 31st March, 2017, shall be extended up to 31st March, 2018.”;

(3) in section 25, in sub-section (1).—

- (i) for the words “five years”, the words “six years” shall be substituted;
- (ii) for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that the period for proceeding to determine any assessment including those subjected to extension under section 25B which expires on 31st March, 2017, shall be extended up to 31st March, 2018.”;

(4) for section 25E, the following section shall be substituted, namely:—

25E. Special provision for assessment and payment of tax for presumptive dealers.—(1) Notwithstanding anything contained in this Act or rules made thereunder or in any judgment, decree or order of any court, tribunal or appellate or revisional authority or any assessment orders or penalty orders issued under this Act, the dealers who have opted to pay tax under sub-section (5) of section 6 and with regard to whom unaccounted purchases have been detected by the assessing authority for the period up to 31st March, 2016, may opt to settle their cases by paying tax at,—

- (i) half per cent on the turnover of taxable goods, if the total turnover determined is, within the total turn over limit specified under sub-section (5) of section 6;
- (ii) one per cent on the turnover of taxable goods, for the total turnover determined in excess of the total turnover limit specified under sub-section (5) of section 6 and up to rupees one crore, in addition to the tax due under clause (i) above;

- (iii) two per cent on the turnover of taxable goods, for the total turnover determined above rupees one crore, in addition to the tax due under clauses (i) and (ii) above,

and on payment of such tax, all penalties and interest including penalty under sub-section (7) of section 22, shall stand waived.

Explanation:—Notwithstanding anything contained in clause (li) of section 2 of the Act, for the purpose of this section, 'total turnover determined' shall be the total turnover obtained by adding unaccounted purchases detected or declared with five per cent gross profit to the total turnover declared as per the returns filed.

(2) For settling the cases under sub-section (1), the dealer shall file option before the assessing authority on or before 30th June, 2017, along with the evidence regarding withdrawal of cases, if any, pending before any court, tribunal or appellate or revisional authority.

(3) Such option and settlement shall cover all the financial years in which unaccounted purchases have been detected.

(4) The assessing authority shall intimate the dealer, the amount to be paid under sub-section (1), within fifteen days from the date of receipt of the option.

(5) Thirty per cent of the amount due under this scheme shall be paid within fifteen days from the date of receipt of the intimation under sub-section (4) and the balance amount shall be paid on or before 31st December, 2017 in equal instalments.

(6) Without prejudice to the provisions of this section, the Commissioner may issue such instructions to the assessing authorities and the dealers for the effective implementation of the scheme.

(7) Any dealer who opts for this scheme shall obtain Tax payers Identification Number (TIN) under this Act with effect from 1st April, 2016.

(8) No further action under any of the provisions of this Act shall be initiated by the assessing authority with regard to the unaccounted purchases settled by the dealer under this section or other irregularities in accounts which resulted from such unaccounted purchases, and no appeal or revision shall lie against the amount so settled under this section.

(9) Dealers who have opted to pay tax under sub-section (5) of section 6 and with regard to whom unaccounted purchases have not been detected by the assessing authority for the period up to 31st March, 2016, may also voluntarily declare such unaccounted purchases, and opt for the scheme mentioned in sub-section (1), and on doing so, no further action under this Act shall be initiated against such dealers with regard to the same.

(10) Dealers who opted to settle their cases under this section in 2016-17, but had failed to make payments may also opt to settle their cases under this section, and the amounts, if any, paid earlier shall be adjusted towards the amount to be paid under this section, provided that no refunds shall be allowed.

(11) There shall not be any refund subsequently for the amount settled under this Scheme, under any circumstance”;

(5) after section 25E, the following section shall be inserted, namely:—

“25F. *Special provisions for assessment and payment of tax for certain work contractors.*—Notwithstanding anything contained in this Act or rules made thereunder or in any judgment, decree or order of any court, tribunal or appellate authority, works contractors who have opted for and paid compounded tax under clause (a) of section 8 of the Act for the years up to 2014-15 in respect of works relating to installation of kitchen cabinet, aluminium fabrication and air conditioning plants in which the transfer of materials is in the form of goods and if all the purchases for executing such contracts are from within the State, may pay an additional tax of two per cent on the whole contract amount, and on payment of such tax, no further proceedings under this Act, including any assessment or penalties shall lie against such contractors.”;

(6) after section 31, the following section shall be inserted, namely:—

“31A. *Reduction of arrears in certain cases.*- (1) Notwithstanding anything contained in this Act or rules made thereunder or in any judgment, decree or order of any court, tribunal or appellate authority, any assessee who is in arrears of tax or any other amount due under this Act or under the Central Sales Tax Act, 1956 (Central Act 74 of 1956) relating to the period up to and including 31st March, 2011, may opt for settling the arrears on payment of the principal amount of the tax in arrears and thirty per cent of the penalty amount by availing a complete reduction of the interest on the tax amount and on the penalty amount.

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968, (15 of 1968) reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have

been initiated and the assessing authorities shall have the power to collect such amounts on settlement under sub-section (1) and where the amount is settled under sub-section (1) the assessing authorities shall withdraw the revenue recovery proceedings against such assesseees which will then be binding on the revenue authorities and such assesseees shall not be liable for payment of any collection charges.

(3) The assessee shall withdraw all the cases pending before any appellate or revisional authority, tribunal or courts for opting under this section.

(4) All arrears including tax and penalties pertaining to a year shall be settled together under this section.

(5) An assessee who intends to opt for payment of arrears under sub-section (1) shall submit an application to the assessing authority on or before 30th June, 2017.

(6) The arrears for the purpose of settlement under this section shall be calculated as on the date of submission of application.

(7) On receipt of an application under sub-section (5), the assessing authority shall determine the amount of tax and other amounts due from the dealer under sub-section (1) and shall intimate the same to the dealer, and thereupon the dealer shall remit the amount in equal monthly instalments on or before 31st December, 2017:

Provided that an assessee who opts to settle his arrears under sub-section (1) has remitted any amount relating to the arrears for obtaining a stay voluntarily or by way of an order or decree or judgment passed by any court or tribunal or appellate authority and, if the case is pending before such authority, the amount so paid shall be treated as that paid under this option.

(8) There shall not be any refund subsequently for the amount settled under this scheme, under any circumstances.”;

(7) in section 55, in sub-section (1),—

- (i) for the words, brackets and figures “other than those under section 16, section 19, sub-sections (8) and (9) of section 44, section 49, section 67, section 68, section 69 and section 70” the words, brackets and figures “other than those under sub-section (3), sub-section (8) or sub-section (9) of section 16 and sub-section (8) of section 19” shall be substituted;

10

- (ii) in the first proviso, for the figures and words “48, 70A and 72”, the figures and words “48, 49, 67, 69, 70, 70A and 72” shall be substituted;

(8) in section 57, in sub-section (1), after the first proviso, the following proviso shall be inserted, namely:—

“Provided further that where an order of the assessing authority which has become appealable under section 55 with effect from 1st April, 2017 by virtue of the Kerala Finance Bill, 2017, is pending as revision under this section, such revision shall stand transferred to the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals) as the case may be, and such authority shall consider the same as if it is an appeal filed before it.”;

(9) in section 60, in sub-section (1), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that where an order of the assessing authority which has become appealable under section 55 with effect from 1st April, 2017 by virtue of the Kerala Finance Bill, 2017, and on which the Deputy Commissioner had passed orders under section 57 and revision against such orders are pending under section 59, such revision shall stand transferred to the appellate tribunal and the tribunal shall consider the same as if it is an appeal filed before it.”;

(10) after section 96, the following section shall be inserted, namely:—

“96A. Framing Special schemes for speedy disposal of assessment and reassessment.—For the speedy disposal of assessments and re-assessments, the Government may by notification in the Official Gazette, frame special scheme outlining the structure, functions, procedure and the manner to initiate and complete assessments under this Act under a fast-track mode.”.

DECLARATION UNDER THE KERALA PROVISIONAL COLLECTION OF REVENUES ACT, 1985 (10 OF 1985)

It is hereby declared that it is expedient in the public interest that all the provisions of this Bill shall have effect on and from the 1st day of April, 2017 under the Kerala Provisional Collection of Revenues Act, 1985 (10 of 1985).

STATEMENT OF OBJECTS AND REASONS

The Bill seeks to amend the following enactments to give effect to the financial proposals of the Government of Kerala for the financial year 2017-2018 as announced in paras 241, 269 to 280 of the Budget Speech 2017 - 2018, namely:—

1. The Kerala Stamp Act, 1959 (17 of 1959);
2. The Kerala General Sales Tax Act, 1963 (15 of 1963);
3. The Kerala Tax on Luxuries Act, 1976 (32 of 1976);
4. The Kerala Agricultural Income Tax Act, 1991 (15 of 1991)
5. The Kerala Value Added Tax Act, 2003 (30 of 2004).

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, would not involve any additional expenditure from the Consolidated Fund of the State.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (3) of clause 2 of the Bill which proposes to insert a new section 10B in the Kerala Stamp Act, 1959 (17 of 1959) seeks to empower the Government to appoint the Department of Treasuries as the Central Record Keeping Agency by notification in the Official Gazette and to prescribe the duties and functions of the same with regard to issue of e-stamps.

2. Sub-clause (4) of clause 2 of the Bill which proposes to insert a new section in the Kerala Stamp Act, 1959 (17 of 1959), seeks to empower the Government to prescribe the manner in which any e-stamp in an instrument shall be defaced through online computer verification system by the Registering Officer or any other Officer authorised by the Government.

3. Sub-clause (7) of clause 2, which proposes to insert a new clause after clause (a) of sub-section (2) of section 69 in the Kerala Stamp Act, 1959 (17 of 1959), seeks to empower the Government to prescribe the manner of payment of stamp duty, and refund thereof by e-payment.

4. Sub-clause (10) of clause 6 of the Bill which proposes to insert a new section 96A in the Kerala Value Added Tax Act, 2003, (30 of 2004) seeks to empower the Government to frame special scheme, outlining the structure functions, procedure and the manner to initiate and complete assessment under the Act for the speedy disposal of assessments and re-assessment.

5. The matters in respect of which notifications are to be issued or rules are to be made are either administrative in nature or matters of procedure and are of routine nature. Further, the rules after they are made, will be subject to the scrutiny of the Legislative Assembly. The delegation of legislative power is, thus, of a normal character.

DR.T. M. THOMAS ISAAC.

EXTRACT FROM THE RELEVANT PORTIONS OF
THE KERALA STAMP ACT, 1959

(17 OF 1959)

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2. *Definitions.*—In this Act, unless the context otherwise requires,—

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(c) “duly stamped” as applied to an instrument means that the instrument bears an adhesive or impressed stamp of not less than the proper amount and that such stamp has been affixed or used in accordance with the law for the time being in force in the territories of the State of Kerala.

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(p) “Power-of-attorney” includes any instrument (not chargeable with a fee under the law relating to Court fees for the time being in force) empowering a specified person to act for and in the name of the person executing it;

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³[(qq) “Stamp” means any mark, seal or endorsement by any agency or person duly authorised by the State Government and includes an adhesive or impressed stamp for the purposes of duty chargeable under this Act.]

10. *Duties how to be paid.*—(1) Except as otherwise expressly provided in this Act, all duties with which any instruments are chargeable shall be paid and such payment shall be indicated on such instruments, by means of stamps—

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(a) according to the provisions herein contained; or

(b) when no such provision is applicable thereto, as the Government may by rules direct.

(2) The rules made under sub-section (1) may, among other matters, regulate,—

(a) in the case of each kind of instrument- the description of stamps which may be used;

(b) in the case of instruments stamped with impressed stamps the number of stamps which may be used.

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¹¹[10A. *Deduction of stamp duty by a member of a stock exchange or commodity exchange or intermediary thereof.*—(1) A member of a stock exchange or commodity exchange or intermediary thereof who issues a contract note or memorandum in respect of purchase or sale of goods or stock or security in this State at first instance of any such transaction which is ultimately concluded in the State shall deduct the stamp duty payable thereon.

(2) The stamp duty deducted for any calendar month under sub-section (1) shall be remitted into the Government treasury on or before the seventh day of succeeding month and if the stamp duty so deducted is not remitted in time, it shall be remitted with interest at the rate of twelve per cent per annum from the date of default.

(3) Any default in the deduction of stamp duty under sub-section (1) or failure to remit the stamp duty under sub-section (2) shall be punishable with fine which may extend to fifty thousand rupees.]

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12. *Cancellation of adhesive stamps.*—(1) (a) Who even affixes any adhesive stamp to an instrument chargeable with duty which has been executed by any person shall when affixing such stamp, cancel the same so that it cannot be used again; and

(b) whoever executes any instrument on any paper bearing an adhesive stamp shall, at the time of execution unless such stamp has been already cancelled in manner aforesaid, cancel the same so that it cannot be used again.

(2) Any instrument bearing an adhesive stamp which has not been cancelled so that it cannot be used again shall, so far as such stamp is concerned, be deemed to be unstamped.

(3) The person required by sub-section (1) to cancel an adhesive stamp may cancel it by writing on or across the stamp his name or initial or the name or initials of his firm with the true date of his so writing or in any other effectual manner.

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13. *Instruments stamped with impressed stamps how to be written.*—Every instrument written upon paper stamped with an impressed stamp shall be written in such manner that the stamp may appear on the face of the instrument and cannot be used for or applied to any other instrument.

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47. *Allowance for spoiled stamps.*—Subject to such rules as may be made by the Government as to the evidence to be required, or the enquiry to be made, the Collector may, on application made, within the period prescribed in section 48, and if he is satisfied as to the facts, make allowance for impressed stamps spoiled in the cases hereinafter mentioned namely:—

(a) the stamp on any paper inadvertently and undesignedly spoiled, obliterated or by error in writing or any other means rendered unfit for the purpose intended before any instrument written thereon is executed by any person;

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69. *Power to make rules.*—The Government may, by notification in the Gazette, make rules to carry out generally the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power such rules may be made for regulating—

(a) the supply and the sale of stamps and stamped papers.

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**EXTRACT FROM THE RELEVANT PORTIONS OF THE
KERALA TAX ON LUXURIES ACT, 1976
(32 OF 1976)**

“10B. *Reduction of arrears in certain cases.*—(1) Notwithstanding anything contained in this Act, or in any judgment, decree or order of any court, tribunal or appellate authority, an assessee who is in arrears of tax or any other amount due under the Act relating to the period ending on 31st March, 2005, may opt for settling the arrears by availing reduction at the following rates:

(a) in the case of demands relating to the periods up to and including 31st March, 1991, a reduction of twenty-five per cent for the principal tax amount, and complete reduction of the interest on the tax amount and for the amount of penalty and interest thereon,

(b) in the case of demands relating to the period from 1st April, 1991 to 31st March, 1996, a complete reduction of the interest on the tax amount, and for the amount of penalty and interest thereon,

(c) in the case of demands relating to the period from 1st April, 1996 to 31st March, 2000, a reduction of ninety-five per cent of the interest on the tax amount, and for the amount of penalty and interest thereon,

(d) in the case of demands relating to the period from 1st April, 2000 to 31st March, 2005, a reduction of ninety per cent of the interest on the tax amount, and for the amount of penalty and interest thereon.

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968 reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have been initiated and the assessing authorities shall have the power to collect such amounts on settlement

under sub-section (1) and where the amount is settled under sub-section (1) the assessing authorities shall withdraw the revenue recovery proceedings against such assesseees which will then be binding on the revenue authorities and such assesseees shall not be liable for payment of any collection charges

(3) An assessee who wishes to opt for payment of arrears under this section shall make an application to the assessing authority in the prescribed form before 30th September, 2008, or on such date as may be notified by Government.

(4) On receipt of an application under sub-section (3) the assessing authority shall workout the actual amount of tax and other amounts due from the assessee under sub-section (1) and shall intimate the amount to the assessee, and thereupon the assessee shall remit twenty-five per cent of the amount within 15 days of receipt of the intimation, and the balance amount in three equal monthly instalments from the subsequent month.

(5) If the assessee commits any default in payment of the instalments the reduction granted under sub-section (1) is liable to be revoked.

(6) No action under sub-section (5) shall be taken without giving notice to the assessee.

(7) If the arrears settled under this provision is already a subject matter of appeal or revision, such appeal and revision may be continued and if the final orders of such appeal or revision results in the reduction of tax payable under this Act, the amount so reduced shall be refunded. But if, as the result of such appeal or revision, the tax payable under this Act is enhanced, the dealer shall pay such enhanced amount, with interest thereon, in accordance with the provisions of this Act.”

(3) An assessee who wishes to opt for payment of arrears under this section shall make an application to the assessing authority in the prescribed form before 30th June, 2009, or on such date as may be notified by the Government

(4) On receipt of an application under sub-section (3), the assessing authority shall verify the same and shall intimate the amount to the assessee, and thereupon the assessee shall remit twenty-five per cent of the amount within 15 days of receipt of the intimation, and the balance amount in three equal monthly instalments from the subsequent month

(5) If the assessee commits any default in payment of the instalments the reduction granted under sub-section (1) is liable to be revoked

(6) No action under sub-section (5) shall be taken without giving notice to the assessee

(7) If the amount settled under this provision has been the subject matter of an appeal or revision, such appeal or revision may be continued and if the final orders of such appeal or revision results in the reduction of tax payable under this Act, the amount so reduced shall be refunded. But if, as the result of such appeal or revision, the tax payable under this Act is enhanced, the dealer shall pay such enhanced amount with interest thereon, in accordance with the provisions of this Act",

**EXTRACT FROM THE RELEVANT PORTIONS OF THE
KERALA VALUE ADDED TAX ACT, 2003**

(30 OF 2004)

6. *Levy of tax on sale or purchase of goods.*—(1) Every dealer whose total turnover for a year is not less than ten lakh rupees] and every importer or casual trader or agent of a non-resident dealer, or dealer in jewellery of gold, silver and platinum group metals or silver articles or contractor or any State Government, Central Government or Government of any Union Territory or any department thereof or any local authority or any autonomous body, [or any multi-level marketing entity, their distributor and/or agent engaged in multi-level marketing] whatever be his total turnover for the year, shall be liable to pay tax on his sales or purchases of goods as provided in this Act. The liability to pay tax shall be on the taxable turnover,—

(a)	**	**	**	**
	**	**	**	**
(f)	**	**	**	**

Provided that where the sale is to the Administrator, Union Territory of Lakshadweep, Laccadive Co-operative Marketing Federation, Kozhikode or the Lakshadweep Harbour Works and registered dealers certified by the Administrator, Union Territory of Lakshadweep, the tax payable under clause (d) shall be at the rate of Five per cent, subject to such conditions as may be prescribed:

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Provided also that the rate of tax on the sale of disposable plates and cups made of styrofoam for the financial years 2013-14 and 2014-15 shall be at five per cent.”;

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24. *Audit assessment.* (1) Notwithstanding anything contained in any other provision of this Act, if any dealer:

(a) is found on audit of his books of accounts other records or otherwise, to have submitted incorrect or incomplete return for any return period; or

(b) fails to make available any accounts or other records required by the audit officer for audit in the business place of the dealer; or

(c) fails to prove the claim of input tax credit, special rebate or refund claimed, the audit officer may, at any time within three years from the last date of the year to which the return relates, after, conducting such enquiry as he may deem necessary, reject the returns of such return periods and complete the assessments to the best of judgement:

Provided also that the period for the completion of assessments including those subjected to extension under section 25B which expires on 31st March, 2015 shall be extended up to 31st March, 2016.

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25. *Assessment of escaped turnover*.—(1) Where for any reason the whole or any part of the turnover of business of a dealer has escaped assessment to tax in any year or return period or has been under-assessed or has been assessed at a rate lower than the rate at which it is assessable or any deduction has been wrongly made there from, or where any input tax or special rebate credit has been wrongly availed of, the assessig authority may, at any time within five years from the last date of the year to which the return relates, proceed to determine, to the best of its judgement, the turnover which has escaped assessment to tax or has been under assessed or has been assessed at a rate lower than the rate at which it is assessable or the deduction in respect of which has been wrongly made or input tax or special rebate credit that has been wrongly availed of and assess the tax payable on such turnover or disallow the input tax or special rebate credit wrongly availed of, after issuing a notice on the dealer and after making such enquiry as it may consider necessary:

Provided that before making an assessment under this sub-section the dealer shall be given a reasonable opportunity of being heard.

Provided further that where the escapement is due to the applicable of incorrect rate of tax, no assessment under this sub-section shall be made where the dealer files revised return and pays the tax which has escaped assessment along with interest under sub-section (5) of section 31 and thrice the interest as settlement fee:

Provided also that the period for the completion of assessments including those subjected to extension under section 25B which expires on 31st March, 2015, shall be extended up to 31st March, 2016.

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25E. *Special provision for assessment and payment of tax for presumptive dealers.*— (1) Notwithstanding anything contained in this Act or rules made thereunder or in any judgement, decree or order of any court, tribunal or appellate or revisional authority or any assessment orders or penalty orders issued under this Act, the dealers who have opted to pay tax under sub-section (5) of section 6 and with regard to whom unaccounted purchases have been detected by the assessing authority for the period up to 31st March, 2016, may opt to settle their cases by paying tax at the scheduled rates on such unaccounted purchases with an addition of 5% gross profit and on payment of such tax, all penalties and interest including penalty under sub-section (7) of section 22, shall stand waived and it shall be subject to the following conditions, namely:—

(a) Any dealer who opt for this scheme shall obtain Tax payers Identification Number (TIN) under this Act with effect from 1st April, 2016;

(b) All pending cases in any Forum shall be withdrawn and evidence to that effect shall be produced before the assessing authority;

(c) Such option and settlement shall cover all the financial years, in which unaccounted purchases have been detected; and

(d) such further condition, if any, as may be specified:

Provided that dealers who have opted to pay tax under sub-section (5) of section 6 and with regard to whom unaccounted purchases have not been detected by the assessing authority for the period up to 31st March, 2016, may also voluntarily declare their unaccounted purchases, and opt for the scheme mentioned in sub-section (1), and on doing so, no further action under this Act shall be initiated against such dealers with regard to the same.

(2) For settling the cases under sub-section (1) , the assessee shall file option before the assessing authority within three months from the date of declaring the scheme:

Provided that in cases where no notice or orders has been issued by the assessing authority, regarding the unaccounted purchases detected by such authority mentioned in sub-section (1), the assessing authority shall intimate the dealer regarding the cases pending against him, to enable him to file option under the scheme.

(3) On receipt of the option, the assessing authority shall intimate by order, the details of the evidence before him and the amount of tax to be paid, calculated in accordance with sub-section (1).

(4) Thirty per cent of the amount shall be paid within fourteen days from the receipt of the order under sub-section (2) and the balance in twelve equal monthly instalments or in lump sum at his option, and the last date for fulfilment of payment under this section shall be the date of payment of the twelfth instalment.

(5) Without prejudice to the provisions of this section or notice made thereunder, the Commissioner may issue such instructions to the assessing authorities and the dealers for the effective implementation of the scheme.

(6) No further action under any of the provisions of this Act shall be invoked by the assessing authority with regard to the unaccounted purchases settled by the dealer under this section or other irregularities in accounts, which resulted from such unaccounted purchases, and no appeal or revision shall lie against the amount so settled under this section.

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31. *Payment and recovery of tax.*—(1) Every dealer liable to pay tax under this Act for any return period shall pay tax within such period, as may be prescribed.

(2) In the case of a dealer from whom any tax or other amount is demanded shall pay tax in such manner and in such instalments, if any, and within such time, as may be specified in the notice of demand, not being less than fifteen days from the date of service of the notice:

Provided that the time limit of fifteen days for a notice under this sub-section shall not apply to casual traders.

(3) If default is made in payment under sub-section (2), the whole of the amount outstanding on the date of default shall become immediately due and shall be a charge on the properties of the person or persons liable to pay the tax or other amount under this Act.

(4) Any tax or any other amount due under this Act from a dealer or any other person may, without prejudice to any other mode of recovery, be recovered,

(a) as if it were an arrear of land revenue;

(b) on application to any Magistrate, by such Magistrate as if it were a fine imposed by him:

Provided that no proceedings for such recovery shall be taken or continued as long as such dealer or other person has, in regard to the payment of such tax or other amount, as the case may be, complied with an order by any of the authorities to whom he has appealed or applied for revision, under the provisions of this Act.

[(5) If the tax or any other amount assessed or due under this Act is not paid by any dealer or any other person within the time prescribed therefore in this Act or in any rule made thereunder and in other cases within the time specified therefore in the notice of demand, the dealer or the other person, shall pay simple interest at the rate of twelve per cent per annum and in the case of tax collected by dealers from persons who had purchased goods from him, at the rate of thirty six per cent per annum} on the tax or other amount defaulted.

(6) Where any dealer has failed to include any turnover of his business in any return filed or where any turnover or tax has escaped assessment, interest under sub-section (5) shall accrue on the tax due on such turnover or tax with effect from such date on which the tax would have fallen due for payment, had the dealer included the turnover or tax in the return relating to the period to which such turnover relates.

(7) WHEREAS, a result of any order in appeal or revision or in any other proceedings, the tax or any other amount due under this Act is finally settled, the interest leviable under sub-section (5) shall be on the amount as finally settled and the period during which the collection of tax or other amount is stayed by any Court or any other authority shall not be excluded in computing the period for calculating interest under the said sub-section.

(8) WHEREAS, a result of any order in appeal or revision or any rectification under section 66 any dealer or other person is not liable to pay the tax or any other amount, the levy of interest for the non-payment of such tax or other amount shall be cancelled and if any amount of such interest has been collected, it shall be refunded to the dealer or other person as the case may be, in such manner as may be prescribed.

(9) WHEREAS, a result of any order in appeal or revision or any rectification under section 66, any tax or any other amount due from any dealer or other person, has been reduced, the interest levied for the non-payment of such tax or other amount shall be proportionately reduced and if any amount of interest in excess of such reduced interest has been collected, such excess shall be refunded to the dealer or other person, as the case may be.

(10) The provisions of the Kerala Taxation Laws (Continuation and Validation of Recovery Proceedings) Act, 1967 (23 of 1967), shall apply for all proceedings in relation to the recovery of any amount due under this Act.

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55. *Appeals to the Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals).*—(1) Any person aggrieved by any order issued or proceedings recorded " other than those under section 16, section 19, sub-sections (8) and (9) of section 44, section 49, section 67, section 68, section 69 and section 70" passed by an authority empowered to do so under this Act not being an authority above the rank or an Assistant Commissioner may, within a period of thirty days from the date on which the order was served on him, appeal against such order.

(i) to the Deputy Commissioner (Appeals) , if the order was passed by an authority of the rank of an Assistant Commissioner; and

(ii) to the Assistant Commissioner (Appeals), if the order was passed by an authority of the rank of a Commercial Tax Officer:

Provided that orders passed under sections 48, 70A and 72 shall be appealable only to the Deputy Commissioner (Appeals):

