

ORDINANCE No.39 OF 2008

THE KERALA AGRICULTURAL INCOME TAX ACT (AMENDMENT) ORDINANCE, 2008

Promulgated by the Governor of Kerala in the Fifty- ninth Year of the
Republic of India

AN ORDINANCE

further to amend the Kerala Agricultural Income Tax Act,1991.

Preamble—WHEREAS, it is expedient further to amend the Kerala Agricultural Income Tax Act,1991 for the purpose herein after appearing:

AND WHEREAS, the Legislative Assembly of the State of Kerala is not in session, and the Governor of Kerala is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW THEREFORE, in exercise of powers conferred by clause (1) of article 213 of the Constitution of India the Governor of Kerala is pleased to promulgate the following ordinance:-

1. *Short title and commencement* – (1) This ordinance may be called the Kerala Agricultural Income Tax (Amendment) Ordinance,2008.

(2) It shall be deemed to have come into force on the 1st day of April,2008.

2. *Act 15 of 1991 to be temporarily amended-* During the period of operation of this ordinance, The Kerala Agricultural Income Tax Act,1991(Act 15of 1991)(hereinafter referred to as the principal Act),shall have effect subject to amendment specified in section 3.

3. *Insertion of a new Section 37C-* In the principal Act, 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 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 percent 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 percent 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 percent 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 assesses which will then be binding on the revenue authorities and such assesses 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 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 percent of the amount within 15 days of receipt of the intimation, and the balance amount in three equal monthly installments from the subsequent month.

(5) If the assessee commits any default in payment of the installments 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 have been the 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.

GOVERNOR.

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