

Confidential

Bill No. 5 of 2006

(Authorized English Version)

THE RAJASTHAN FINANCE BILL, 2006

(to be introduced in the Rajasthan Legislative Assembly)

A

Bill

further to amend the Rajasthan Sales Tax Act, 1994, the Rajasthan Value Added Sales Tax Act, 2003, the Rajasthan Motor Vehicles Taxation Act, 1951, the Rajasthan Stamp Act, 1998, to repeal the Rajasthan Video Films (Regulation of Exhibition) Act, 1990 and to provide for levy of tax on land in the State of Rajasthan, in order to give effect to the financial proposals of the State Government for financial year 2006-07 and to make certain other provisions.

Be it enacted by the Rajasthan State Legislature in the Fifty-seventh Year of the Republic of India, as follows:-

CHAPTER I

PRELIMINARY

1. Short title.- (1) This Act may be called the Rajasthan Finance Act, 2006.

2. Declaration under section 3, Rajasthan Act No. 23 of 1958.- In pursuance of section 3 of the Rajasthan Provisional Collection of Taxes Act, 1958 (Act No. 23 of 1958) it is hereby declared that it is expedient in the public interest that provisions of clauses 3 to 36 of this Bill shall have immediate effect under the said Act.

CHAPTER II

AMENDMENT IN THE RAJASTHAN SALES TAX ACT, 1994

3. Amendment of section 17, Rajasthan Act No. 22 of 1995.-For the existing sub-section (4) of section 17 of the Rajasthan Sales Tax Act, 1994 (Act No. 22 of 1995), the following shall be substituted, namely:-

“(4) The certificate of registration so granted shall not be transferable and it shall remain in force unless it is cancelled in accordance with the provisions of this Act.”.

CHAPTER III

AMENDMENT OF THE RAJASTHAN VALUE ADDED SALES TAX ACT, 2003

4. Amendment of the title, Rajasthan Act No. 4 of 2003. - For the existing title “THE RAJASTHAN VALUE ADDED SALES TAX ACT, 2003” of the Rajasthan Value Added Sales Tax Act, 2003 (Act No. 4 of 2003), hereinafter in the Chapter referred to as the principal Act, the title “THE RAJASTHAN VALUE ADDED TAX ACT, 2003” shall be substituted.

5. Amendment of section 1, Rajasthan Act No. 4 of 2003. - In sub-section (1) of section 1 of the principal Act, for the existing expression “The Rajasthan Value Added Sales Tax Act, 2003”, the expression “The Rajasthan Value Added Tax Act, 2003” shall be substituted.

6. Amendment of section 2, Rajasthan Act No. 4 of 2003. - In section 2 of the principal Act,-

(i) for the existing clause (7), the following clause shall be substituted, namely:-

“(7) "capital goods" means plant and machinery including parts and accessories thereof, meant for use in manufacture unless otherwise notified by the State Government from time to time in the Official Gazette;”;

(ii) after the existing clause (36) and before clause (37), the following new clauses shall be inserted, namely.-

“(36A) "Schedule" means a Schedule appended to this Act;

(36B) "Special Economic Zone" shall have the same meaning as has been assigned to it in clause (za) of section 2 of the Special Economic Zones Act, 2005 (Central Act No. 28 of 2005);" and

(iii) in the existing clause (41), after the existing expression “sub-section (2) of section 4” and before the punctuation mark “;”, the expression “but shall exclude the sale price or part of sale price, if any, in respect of sales of goods which were purchased in the State by the dealer upon payment of tax on the maximum retail price of such goods or, where tax on maximum retail price of such goods were paid in the State on an earlier occasion” shall be inserted.

7. Amendment of section 3, Rajasthan Act No. 4 of 2003. - In sub-section (2) of section 3 of the principal Act, for the existing expression “enumerated in clause (b) of sub-section (1), whose turnover in a year does not exceed rupees twenty five lacs and who purchases goods from a registered dealer may opt for”, the expression “enumerated in clause (b) of sub-section (1), whose turnover in a year does not exceed rupees fifty lacs and who purchases goods from a registered dealer of the State may opt for” shall be substituted.

8. Amendment of section 4, Rajasthan Act No. 4 of 2003. - For the existing section 4 of the principal Act, the following shall be substituted, namely. -

"4. Levy of tax and its rate. - (1) Subject to the other provisions of this Act and the provisions of the Central Sales Tax Act, 1956 (Central Act No. 74 of 1956), the tax payable by a dealer under this Act, shall be at such point or points, as may be prescribed, in the series of sales by successive dealers and shall be levied on the taxable

turnover of sale of goods specified in Schedule III to Schedule VI at the rate mentioned against each of such goods in the said Schedules.

(2) Every dealer who in the course of his business purchases any good other than exempted goods in the circumstances in which no tax under sub-section (1) is payable on the sale price of such goods and the goods are disposed off for the purpose other than those specified in clause (a) to (g) of sub-section (1) of section 18, shall be liable to pay tax on the purchase price of such goods at the rate mentioned against each of such goods in Schedule-III to Schedule VI of the Act.

(3) Notwithstanding anything contained in sub-section (1), the tax payable by the dealer covered by sub-section (2) of section 3, shall be levied at the rate not exceeding two percent on the turnover, as may be notified by the State Government.

(4) Where any goods are sold packed in some material, whether charged for separately or not, notwithstanding anything contained in sub-section (1), the tax liability of and the rate of tax on the packing material shall be according to the tax liability of and the rate of tax on the goods packed therein.

(5) Subject to such conditions as it may impose, the State Government may, if it considers necessary so to do in the public interest, by notification in the Official Gazette, add to or omit from, or otherwise amend or modify the Schedules, prospectively or retrospectively, or reduce the rate of tax payable in respect of any goods and thereupon the Schedule shall be deemed to have been amended accordingly.

(6) Every notification issued under sub-section (5) shall be laid, as soon as may be after it is so issued, before the House of the State Legislature, while it is in session for period of not less than thirty days which may comprised in one session or in two successive sessions and is before the expiry of the sessions in which it is so laid or of the session immediately following the House of the State Legislature makes any modification in such notification or resolves

that any such notification should not be issued, such notification thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of any thing previously done thereunder.

(7) Notwithstanding anything contained in this Act, any registered dealer, who imports into, or manufactures in, the State such goods as may be notified by the State Government, may, at his option, pay, in lieu of the tax payable by him on sale price of such goods under this Act, a tax at full rate on the maximum retail price of such goods in the manner as may be prescribed:

Provided that where a dealer has purchased any goods -

- (a) from aforesaid importer or manufacturer upon payment of tax on the maximum retail price of such goods; or
- (b) from another registered dealer where tax on the maximum retail price of such goods was paid in the State on an earlier occasion,

the purchasing dealer, irrespective of whether he is registered or not, while making resale of such goods in the State, shall, notwithstanding anything contained elsewhere in the Act, be entitled to recover from the buyer the amount of tax paid by him at the time of purchase of such goods under such conditions and restrictions, and in such manner, and within such time, as may be prescribed."

9. Amendment of section 8, Rajasthan Act No. 4 of 2003. - For the existing section 8 of the principal Act, the following shall be substituted, namely: -

"8. Exemption of tax. - (1) The goods specified in the **Schedule-I** shall be exempt from tax, subject to such conditions as may be specified therein.

(2) Subject to such conditions as it may impose, the State Government may, if it considers necessary so to do in the public interest, by notification in the Official Gazette, add to or omit from, or otherwise

amend or modify the Schedule-I, prospectively or retrospectively, and thereupon the Schedule shall be deemed to have been amended accordingly.

(3) The State Government in the public interest, by notification in the Official Gazette, may exempt whether prospectively or retrospectively from tax the sale or purchase by any person or class of persons as mentioned in Schedule-II, without any condition or with such condition as may be specified in the notification.

(4) The State Government may, if it considers necessary in the public interest so to do, notify grant of exemption from payment of whole of tax payable under this Act in respect of any class of sales or purchases for the purpose of promoting the scheme of Special Economic Zones or promoting exports, subject to such conditions as may be laid down in the notification.

(5) Every notification issued under sub-section (4) shall be laid, as soon as may be after it is so issued, before the House of the State Legislature, while it is in session for a period of not less than thirty days, which may be comprised in one session or in two successive sessions and is before the expiry of the sessions in which it is so laid or of the session immediately following the House of the State Legislature makes any modification in such notification or resolves that any such notification should not be issued, such notification thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of any thing previously done thereunder."

10. Amendment of section 13, Rajasthan Act No. 4 of 2003. - In the existing sub-section (3) of section 13 of the principal Act, after the existing expression, "the assessing authority of such dealer.", appearing at the end, the expression "Where a decision on the grant of permission is not accorded within a period of sixty days from the date of the application seeking change of assessing authority, such permission shall be deemed to have been granted." shall be added.

11. Amendment of section 15, Rajasthan Act No. 4 of 2003. - In section 15 of the principal Act, -

(i) in sub-section (2) for the existing expression “security in the form of National Savings Certificate or in cash,”, the expression “security in the form of National Saving Certificate or in cash or in the form of three years bank guarantee of a nationalized bank,” shall be substituted;

(ii) in sub-section (2), for the existing clauses (a) and (b), the following shall be substituted, namely: -

"(a) Rs. 10,000/- in case of a small scale manufacturing unit, Rs. 15,000/- in case of a medium scale manufacturing unit and Rs. 25,000/- in case of a large scale manufacturing unit; and

(b) Rs. 10,000/- in cases not covered by clause (a)."; and

(iii)) in sub-section (3) of section 15, for the existing expression “in the form of National Saving Certificate or in cash, of the amount of Rs. 25,000/-.”, the expression “in the form of National Saving Certificate or in cash or in the form of three years bank guarantee of a nationalized bank, of the amount of Rs. 10,000/-.” shall be substituted.

12. Amendment of Section 17, Rajasthan Act No. 4 of 2003.- In sub-section (2) of section 17 of the principal Act, for the existing expression “ however, the Commissioner, in particular cases, may after recording reasons, grant such refunds earlier also.”, the expression “however, the Commissioner after recording reasons for doing so may, by a general or specific order, direct to grant such refunds even earlier.”, shall be substituted.

13. Amendment of Section 18, Rajasthan Act No. 4 of 2003.- In clause (v) of sub-section (3) of section 18 of the principal Act, the existing expression “by producing the selling dealer or otherwise” shall be deleted.

14. Substitution of Section 19, Rajasthan Act No. 4 of 2003.- For the existing section 19 of the principal Act, the following shall be substituted, namely.-

“19. Input tax credit for stock on the date of commencement of this Act.- Input tax credit shall be allowed on the goods other than capital goods, which had suffered tax under the repealed Act, and are lying in stock of the dealer on the date of commencement of this Act, provided that such dealer has submitted the details of such stock, as required by the Commissioner under section 93 of the repealed Act or section 91 of this Act, and such goods in stock are used for the purposes specified in clauses (a) to (f) of sub-section (1) of section 18. However, the input tax credit under this section shall be allowed to the extent of the tax paid under the repealed Act or the amount of tax payable on such goods under this Act, whichever is less.”.

15. Amendment of section 23, Rajasthan Act No. 4 of 2003. – In section 23 of the principal Act, after the expression "to which it relates" and before the punctuation mark "." the expression "and a list of such registered dealers so assessed may be published through electronic or print media and such publication shall be deemed to be due intimation to such dealers wherever required" shall be inserted.

16. Amendment of section 53, Rajasthan Act No. 4 of 2003. - In section 53 of the principal Act, -

(i) in sub-section (4), for the existing expression “carry interest with effect from the date it becomes due”, the expression “carry interest with effect from the date of its deposit” shall be substituted; and

(ii) after the existing sub-section (5), the following new sub-section shall be added, namely.-

“(6) Where tax is collected on any official or personal purchase by Foreign Diplomatic Missions or their Diplomats or by UN Bodies or their Diplomats, it shall be refunded to such person or Mission or Bodies, as the case may be, within thirty days of the receipt of the application, by such officer as may be authorised by the State Government in this behalf by notification.”.

17. Amendment of section 56, Rajasthan Act No. 4 of 2003. - In section 56 of the principal Act, for the existing expression "a sum of rupees two thousand for first thirty days and thereafter in case of continued default a further penalty of rupees twenty for every day of such default.", the expression "a sum not exceeding one thousand rupees." shall be substituted.

18. Amendment of section 57, Rajasthan Act No. 4 of 2003. - In section 57 of the principal Act, for the existing expression "a sum of rupees two thousand and further penalty of rupees fifty for every day", the expression "a sum not exceeding rupees two thousand and a further penalty of rupees twenty five for every day" shall be substituted.

19. Amendment of section 58, Rajasthan Act No. 4 of 2003.- In section 58 of the Principal Act, for the existing clause (i) and (ii), the following shall be substituted, namely:-

- "(i) in case the dealer is required to pay tax every month under section 20, a sum equal to rupees ten per day for the period during which the default in furnishing such return continues, but not exceeding in the aggregate twenty percent of the tax so assessed; and
- (ii) in all other cases, a sum equal to rupees five per day subject to a maximum limit of rupees five hundred, for the period during which the default in furnishing of such return continues."

20. Amendment of section 59, Rajasthan Act No. 4 of 2003. - In section 59 of the principal act, for the existing expression "a sum of rupees five thousand and in case of continuing default a further penalty of one hundred rupees for every day of such continuance.", the expression "a sum not exceeding rupees five thousand and in case of continuing default a further penalty of rupees fifty for every day of such continuance." shall be substituted.

21. Amendment of section 62, Rajasthan Act No. 4 of 2003.- In section 62 of the principal Act, for the existing expression "shall pay by way of penalty, a sum of rupees one thousand.", the expression "shall pay by way of penalty, a sum not exceeding rupees one thousand." shall be substituted.

22. Amendment of section 63, Rajasthan Act No. 4 of 2003. - In sub section (1) of section 63 of the principal Act, for the existing expression "which shall be twenty percent of the amount of tax required to be deducted in case of non-deduction, and a penalty at the rate of three percent per month on the amount so deducted", the expression "which may extend upto rupees one thousand in the case of non-deduction, and a penalty at the rate of two percent per month on the amount so deducted" shall be substituted.

23. Amendment of Section 64, Rajasthan Act No. 4 of 2003.- In section 64 of the principal Act, for the existing expression "shall pay by way of penalty a sum of rupees two thousand, and in case of a continuing default, a further penalty of rupees fifty for every day of such continuance.", the expression "shall pay by way of penalty a sum not exceeding rupees two thousand, and in case of a continuing default, a further penalty of rupees twenty five for every day of such continuance." shall be substituted.

24. Amendment of Section 67, Rajasthan Act No. 4 of 2003.- In sub-section (1) of section 67 of the principal Act, for the existing expression "sanction from the Deputy Commissioner (Administration) having jurisdiction, he shall, on conviction by a Judicial Magistrate having jurisdiction, be punishable with simple imprisonment which may extend to three years or with fine which may extend to rupees ten thousand or both. However, for the offences covered under clauses (b), (c), (f), (g), and (i) he shall on conviction be punishable with a minimum sentence of simple imprisonment of twelve months but in appropriate cases the court may award a sentence less than twelve months.", the expression "sanction from the Commissioner, he shall, on conviction by a Judicial Magistrate having jurisdiction, be punishable with simple imprisonment for a term which may extend to six months and with fine not exceeding rupees five thousand, and for the offences covered under clauses (b), (c), (f), (g), and (i) with a minimum sentence of simple imprisonment of three months." shall be substituted.

25. Amendment of section 68, Rajasthan Act No. 4 of 2003. -In section 68 of the principal Act, -

(i) in sub-section (2), for the existing expression “a sum equal to one and a half times of”, the expression “a sum equal to” shall be substituted; and

(ii) for the existing sub-section (3), the following shall be substituted, namely:-

"(3) Notwithstanding anything contained in sub-sections (1) and (2), on an application by a person admitting the offence committed by him under sub-section (8) of section 75 or under sub-section (6) or (9) or (11) of section 76, the officer empowered under sub-section (4) of section 75 or Incharge of a check-post, as the case may be, may accept composition money from such person in lieu of penalty or prosecution, which shall be,-

- (a) in case of offence committed under sub-section (8) of section 75 or sub-section (6) of section 76, equal to the amount of four times of the tax leviable on the goods involved or twenty five percent of the value of such goods, whichever is less;
- (b) in case of offence committed by him under sub-section (9) of section 76, equal to fifteen percent of the value of the goods;
- (c) in case of offence committed under sub-section (11) of section 76, equal to twenty five percent of the value of such goods."

26. Amendment of section 75, Rajasthan Act No. 4 of 2003. - In sub-section (8) of section 75 of the principal Act, for the existing expression “a penalty equal to thirty percent of the value of such goods”, the expression “a penalty equal to the amount of five times of the tax leviable on such goods or thirty percent of the value of such goods, whichever is less” shall be substituted.

27. Amendment of section 76, Rajasthan Act No. 4 of 2003. - In section 76 of the principal Act, -

(i) in sub-section (4), for the existing expression “an officer empowered by the State Government”, the expression “an officer authorized by the Commissioner, shall be substituted;

(ii) the existing sub-section (11) and (12) shall be re- numbered as sub-section (12) and (13);

(iii) after the existing sub-section (10) and before the re-numbered sub-section (12), the following new sub-section shall be inserted, namely.-

"(11) Notwithstanding anything contained in this section, where the driver or the person Incharge of the vehicle or the carrier abstains from bringing or stopping the vehicle or carrier at the nearest check-post as provided under clause (a) of sub-section (2), the Incharge of the check-post or the officer empowered under sub-section (4) may detain such vehicle or carrier and, after affording an opportunity of being heard to the owner or a person duly authorised by such owner or the driver or the person Incharge of the vehicle or carrier, may impose a penalty equal to fifty percent of the value of such goods."; and

(iv) in the re-numbered sub-section (12), for the existing expression "with forged documents," the expression "with false or forged documents," shall be substituted.

28. Amendment of section 77, Rajasthan Act No. 4 of 2003. - For the existing section 77 of the principal Act, the following shall be substituted, namely:-

"77. Establishment of check-post on contract basis.-

(1) Where the State Government is of the opinion that without establishing a departmental check-post, it is in the public interest to collect tax on contract basis in respect of all kinds of building stones marble and granite in all their forms, *gitti*, *bazari*, all other goods specified under clause (8) of section 2 and livestock at a particular check-post or for a specified area, it may direct the Commissioner to collect such tax through a contract at such check-post or for such area, at the rates as may be notified under the Act from time to time in the manner and on such terms and conditions as may be prescribed, for a period not exceeding two years at a time.

Explanation.- For the purposes of this section any transaction involving buying, supplying, distributing, carrying or otherwise disposal of the goods or the livestock referred to above, shall be construed to be sale.

(2) A contractor covered by sub-section (1), shall deposit the entire amount of tax collected subject to revision on account of any increase or decrease in the rate of tax or grant of exemption from tax, in such manner and within such time as may be prescribed, and all the provisions of this Act including the provisions of recovery and interest shall, so far as may be, apply to such contractor.

(3) Where the period of a contract entered into sub-section (1) expires and no further contract is awarded, the same contract may be extended by the Commissioner, for a further period of three months or up to the date of the award of the next contract, whichever is earlier, and the extended period shall be governed by the terms and conditions of the original contract.

(4) The contractor shall not collect tax on the goods under sub-section (1) exceeding the amount of tax leviable thereon under the provisions of this Act.

(5) Where a contractor violates the provisions of sub-section (4), the Commissioner or any officer not below the rank of Assistant Commercial Taxes Officer authorized by the Commissioner, shall, after affording an opportunity of being heard, direct that such contractor shall pay by way of penalty, in addition to the amount of excess tax collected, a sum equal to double the amount of excess tax collected by him or any other person on his behalf.

(6) Where a contractor violates any of the terms or conditions of the contract, the Commissioner may after affording opportunity of being heard and recording reasons in writing, terminate the contract at any time and shall be

empowered to recover the full amount of tax as stipulated under the contract from such contractor, as if such amount was a demand of tax under this Act.”.

29. Amendment of Section 80, Rajasthan Act No. 4 of 2003. - In section 80 of the principal Act,-

(i) in the marginal heading, for the existing expression “**obtain licence**”, the expression “**obtain certificate**” shall be substituted; and

(ii) in sub-section (1), for the existing expression “shall obtain a licence”, the expression “shall obtain a certificate” shall be substituted.

30. Amendment of section 83, Rajasthan Act No. 4 of 2003.-In sub-section (1) of section 83 of the principal Act,-

(i) for the existing clause (a), the following shall be substituted, namely,-

“(a) an order passed by the Commissioner under sub-section (2) of section 26, section 36, section 77 or section 85;”;

(ii) for the existing clause (b), the following shall be substituted, namely,-

“(b) an order passed under the Act by the Deputy Commissioner (Administration);”;

(iii) in the existing clause (c), for the existing expression “appellate authority.” the expression “appellate authority; and” shall be substituted; and

(iv) after clause (c), so amended, the following new clause shall be inserted.-

“(d) an order of the State Level Screening Committee or the District Level Screening Committee passed under the

Incentive, Exemption or Deferment Schemes notified under section 8 or under sub-section (3) of section 20 of the Act."

31. Insertion of Schedule I, II, III, IV, V and VI, Rajasthan Act No. 4 of 2003.- After the existing section 100 of the principal Act,, the following Schedules shall be inserted, namely:-

"SCHEDULE I

[See sub-section (1) of section 8]

Goods, the Sales or Purchase of which are Exempt From Tax

S.No.	Description of Goods	Conditions, if any
1	2	3
1.	<p>Agricultural implements manually operated or animal driven, spare parts and accessories thereof , namely;</p> <p>(a) Ordinary Agricultural implements 1. Hand Hoe (Khurpa or Khurpi); 2. Spade; 3. Gandasa; 4. Pick i.e. khudali; 5. Axe; 6. Khanta; 7. Belcha; 8. Patela; 9. Hand-driven chaff cutters and their parts (except bolts, nuts and springs); 10. Sickle; 11. Beguri; 12. Hand-wheel hoe; 13. Horticultural tools like budding, grafting knife, secateur, pruning shear or hook, hedge shear; 14. Sprayer, duster and sprayer-cum-duster; 15. Soil injector; 16. Jandra; 17. Wheel barrow; 18. Winnowing fan or winnower; 19. Dibbler; 20. Puddler; 21. Fertilizer seed broadcaster; 22. Maize Sheller; 23. Groundnut decorticator; 24. Manure or seed screen; 25. Flame gun; 26. Seed grader; 27. Tasla (includes Ghamela, Tagari and Parat, made of ferrous metal; 28. Tangli.; 29. Sprayer and drip irrigation equipment</p>	

(b) Animal driven agricultural implements

1. Plough including disc-plough; 2. Teeth of the plough; 3. Harrow; 4. Cultivator; 5. Seed drill, fertilizer drill, seed-cum-fertilizer drill; 6. Tiller with or without seeding attachment; 7. Land-leveller or scoop; 8. Chaff cutters and their parts (except bolts, nuts and springs); 9. Axles and rims of animal-driven vehicles; 10. Persian wheel and spare parts; 11. Roller; 12. Yoke; 13. Planter; 14. Plank or float; 15. Ridger; 16. Ditcher; 17. Bund former; 18. Thrasher or palla; 19. Transplanter; 20. Reaper; 21. Mower; 22. Sugar cane crusher; 23. Cane juice boiling pan and grating; 24. Cart.
2. Aids & implements used by handicapped persons/ Artificial Hearing Aids, Artificial Limbs, Audiometer, Braille writer, Braille Typewriter, Braille Shorthand Writer, Braille frame, Braille Instrument, Braille Thermometer, Braille Lactometer, Braille Barometer, Braille printing machine, Braille paper, Braille books, Braille slate and Braille watch, Crutches and calipers for disabled persons, Speech trainer, Tricycle used by disabled persons, Wheeled chair used by disabled persons.
3. Aquatic feed, poultry feed & cattle feed, including grass, hay and straw, supplement and husk of pulses, concentrates and additives and de-oiled cake.
4. Betal leaves
5. Books and periodicals & journals including maps charts and globe
6. Charcoal
7. Coarse grains other than paddy, rice and wheat
8. Condoms and contraceptives
9. Cotton & silk yarn in hank
10. Charkha, Amber Charkha, Handlooms and their

- parts and accessories Handloom fabrics and Gandhi Topi, All kahdi garments/ goods and made ups.
11. Curd, Lussi, butter milk & separated milk.
 12. Electrical energy
 13. Earthen pot
 14. Fire wood except Casuarina and Eucalyptus timber, gobar ke kande
 15. Fresh milk and pasteurized milk other than UHT milk and skimmed milk powder
 16. Fresh plants, saplings and fresh flowers
 17. Fishnet & Fishnet fabrics, fish seeds, prawn/shrimp seeds
 18. Fresh vegetables & fruits
 19. Garlic & ginger
 20. All bangles (except those made from precious metals).
 21. Human Blood & blood plasma
 22. Indigenous handmade musical instruments, components and parts thereof
 23. Kumkum, Bindi, Alta & Sindur, mahawar, kajal, surma, hair pins, hair band, hair clip (other than that of precious metals), rubber band, safety pin, Chutla
 24. Meat, fish, prawn & other aquatic products when not cured or frozen, eggs, livestock and animal hair
 25. National flag
 26. Organic manure
 27. Non-judicial stamp paper sold by Govt. Treasuries, postal items like envelope, postcard etc. sold by Govt. rupee note & cheques.
 28. Raw wool
 29. Semen including frozen semen
 30. Slate and slate pencils
 31. Silk worm laying cocoon & raw silk.
 32. Tender green coconut
 33. Toddy, Neera and Arak

34. Bread (branded or otherwise) Excluding pizza bread
 35. Salt (branded or otherwise)
 36. Water other than aerated, mineral, distilled, medicinal, ionic, battery, de-mineralized water and water sold in container.
 37. Pappad, Bari and Mangori
 38. Goods taken under customs bond for re-export after manufacturing or otherwise
 39. Textile (AED)
 40. Tobacco (AED)
 41. Sugar (AED)
 42. Kirpan
 43. Prasad by religious institutions including mishri, batasha as part of prasad, panchamritam, namakatti and vibhuti.
 44. Rakhi and Sacred thread commonly known as yagyopavit
 45. Religious pictures not for use as calendar and Panchang
 46. Chalk stick and Takhti
 47. Idols made of clay or plaster of paris and Clay lamps
 48. Muddhas made of sarkanda, phool bahari jhadoo and Unbranded broomsticks
 49. Puffed rice, commonly known as Muri, flattened or beaten rice, commonly known as Chira, parched rice, commonly known as khoi, kheel, murmura, poha and parched gram
 50. Husk including groundnut husk
 51. Leaf plates and cups-pressed or stitched
 52. Kites
 53. Kuttu and singhada Atta
 54. Loban, dhoop, handmade agarbatti, deepak, puja ki ghanti shankh, roli and moli
 55. Handicrafts including blue pottery and puppets
 56. Seeds of grass, vegetables and flowers
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SCHEDULE II

[See sub-section (3) of section 8]

Exemption to Persons or Class of Person

S.No.	Person or Class of persons	Conditions
1	2	3
1.	United Nations Organisation and its constituent agencies	
2.	Foreign Diplomatic Missions and their diplomats	

SCHEDULE III

[See section 4]

Goods Taxable at 1%

S.No.	Description of Goods
1	2
1.	Bullions
2.	Gold and silver & platinum ornaments
3.	Precious and semi precious gems & stones, synthetic gems and stones (including kharad), pearls (whether real or cultured), agate and diamond.

SCHEDULE IV

[See section 4]

Goods Taxable at 4%)

S.No.	Description of Goods
1	2
1.	Agricultural implements not operated manually or not driven by animal

2. All equipments for communications such as, private branch exchange (PBX) & Electronic Private Automatic Branch Exchange (EPABX) and components and part thereof
3. All intangible goods like copyright, patent, REP license etc.
4. All kinds of bricks including fly ash bricks, refractory bricks & asphaltic roofing earthen tiles and refractory monolithic.
5. All metal castings
6. All types of yarn other than cotton & silk yarn in hank & sewing thread and waste.
7. All utensils including pressure cookers/ pans except utensils made of precious metals.
8. Animal shoe nails
9. Appalam, vadam and vathal
10. Arecanut powder and betel nut
11. Article made of rolled gold and imitation jewellery
12. Atukulu
13. Bamboo
14. Bamboo matting
15. Bearings
16. Bed sheet, pillow cover and other textile made-ups
17. Beedi leaves and Tendu leaves
18. Beehive
19. Beltings
20. Bicycles, tricycles, cycle rickshaws and parts, components, accessories, tyres and tubes thereof
21. Bio-fertilizers and Micronutrients also plant growth promoters and regulators, herbicides, rodenticide, insecticide, weedicide etc.
22. Bitumen
23. Bone meal
24. Buckets made of iron & steel, aluminium, plastic or other materials (except precious materials)
25. Bukhari
26. Candles
27. Capital goods

28. Centrifugal & mono-block & submersible pump sets for water handling & parts thereof.
29. Chemical fertilizers and pesticides.
30. Chikon Products.
31. Clay including fireclay, fine china clay, ball clay
32. Coal tar
33. Coconut fibre
34. Coconut in shell & separated kernel of coconut other than kopra
35. Coffee beans & seeds, cocoa pod and beans, green tea leaf & chicory
36. Coir & Coir products excluding coir mattresses
37. Combs
38. Computer stationery
39. Cotton & cotton waste
40. Crucibles
41. Cups and glasses of paper and plastics
42. Declared goods as specified in Section 14 of the Central Sales Tax Act., 1956
43. Drugs and medicines including vaccines, syringe and dressings medicated ointment produced under drugs licence, light liquid paraffin of IP grade.
44. Edible oils and oil cake
45. Electrodes
46. Embroidery or zari articles, that it to say, imi, zari, kasab, saima, dabka, chumki, gota sitara, naqsi, kora, glass bead, badla,.
47. Exercise book, graph book, & laboratory note book
48. Feeding bottles, nipples
49. Ferrous & non-ferrous metals & alloys, non-metals, such as aluminum, copper, zinc & extrusions of those.
50. Fibres of all types and fibre waste.
51. Flour, Atta, Maida, Suji, Besan etc.
52. Fly ash
53. Fried and roasted grams
54. Gabba

55. Gur, jaggery & edible variety of rub gur
56. Gypsum
57. Hand pumps & spare parts and fittings
58. Handmade safety matches
59. Hawan samagri including dhoop, agarbatti, sambrani and lobhana
60. Herb, bark, dry plant, dry root, commonly known as jari booti and dry flower,
61. Honey
62. Hose pipe and fittings thereof
63. Hosiery goods
64. Husk and bran of cereals
65. I.T. products including computers, telephones & parts thereof, cell phones, DVD, CD, teleprinter & wireless equipment and parts thereof,
66. Ice
67. Incence sticks commonly known as agarbati, dhupkathi or dhupbati.
68. Industrial cables (High voltage cables, XLPE Cables, jelly filled cables, optical fibre cable)
69. Industrial Inputs as notified by State Govt.
70. Insulators
71. Kangri
72. Kattha
73. Kerosene oil sold through PDS
74. Kerosine lamp/ lantern, petromax, glass chimney
75. Khandasari
76. Khoya/ Khoa
77. Knitting wool
78. Lai
79. Leaf plates and cups
80. Lignite
81. Lime, Lime stone, clinker & dolomite.
82. Linear Alkyl benzene, L.A.B. Sulphonic Acid, Alfa Olefin Sulphonate
83. Loi

84. Mat locally known as madur, made wholly or principally of cypercus corymlosus known as gola mathi, madurkathi or cyperus.
85. Mat sticks & reed obtainable from Cyperus Kathi, mutha or Cyperus Malaccensis.
86. Medical equipment / devices and implants.
87. Mekhla Chaddar
88. Moulded plastic footwear, hawai chappals and straps thereof
89. Murmuralu, pelalu
90. Napa Slabs (Rough flooring stones) and Shahbad stones
91. Newars
92. Non-mechanised boats
93. Nuts, bolts, screws and fasteners
94. Oil seeds
95. Ores and minerals
96. Packing Material
97. Paddy, rice, wheat and pulses in whole grain, split or broken form
98. Paper, newsprint, paper board and waste thereof
99. Pattu
100. Pipes of all varieties including G.I. pipes, C.I. pipes, ductile pipes, PVC etc. and fittings
101. Pizza bread
102. Plantain leaves
103. Plastic granules, plastic powder, master batches and scrap
104. Porridge
105. Printed materials including diary, calendar etc.
106. Printing ink excluding toner and cartridges.
107. Processed meat, poultry & fish
108. Processed or preserved vegetables & fruits including fruit jam, jelly, pickle, fruit squash, paste, fruit drink and fruit juice (whether in sealed containers or otherwise)
109. Pulp of bamboo, wood and paper
110. Quandakari
111. Rail coaches, engines & wagons and parts thereof.

112. Rattan, reed (in Malayalam)
113. Readymade garments
114. Renewable energy devices & spare parts
115. Rice bran
116. River sand
117. Sabai grass and rope
118. Safety matches
119. Sattu
120. Sewing machines, its parts and accessories
121. Ship & other water vessels
122. Silk fabrics excluding handloom silks unless covered by AED
123. Sirali, bageshi, barroo, date leaves, baskets, handmade sooma & germa, made only of bamboo
124. Skimmed milk powder and UHT milk.
125. Solvent oils other than organic solvent oil.
126. Spectacles, parts and components thereof, contact lens and lens cleaner
127. Spices of all varieties and forms including cumin seed, aniseed, turmeric, dry chillies and hing (Asafoetida).
128. Sports goods excluding apparels and footwear
129. Stainless Steel sheets
130. Starch and sago
131. Sugar unless covered by AED and Khandsari
132. Sweatmeat
133. Tamarind, tamarind seed and powder
134. Tapioca
135. Tea
136. Tobacco unless covered by AED
137. Tools
138. Toys excluding electronic toys
139. Tractors, Threshers, harvesters & attachments & parts thereof.
140. Transformers
141. Transmission towers
142. Umbrella, garden umbrella and parts thereof
143. Unprocessed green leaves of tea

- 144. Used cars.
 - 145. Vanaspati (Hydrogenated Vegetable Oil)
 - 146. Vegetable oil including gingili oil and bran oil
 - 147. Wet dates
 - 148. Willow vicker
 - 149. Wooden crates
 - 150. Writing Ink
 - 151. Writing Instruments, geometry boxes, colour boxes , crayons and pencil sharpeners
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SCHEDULE V

[See section 4]

Goods Taxable at 12.5%

S.No.	Description of Goods
1	2
1.	Goods not covered in any other Schedule under the Act or under any notification issued under section 4 of the Act.

SCHEDULE VI

[See section 4]

Goods Taxable at 20% and above

S.No.	Description of Goods	Rate of Tax %
1	2	3
1.	Aviation spirit	20
2.	Foreign Liquor	20
3.	High and light speed diesel oil	20
4.	Molasses	20
5.	Rectified spirit	20
6.	Petrol	28
7.	Bhang	50
8.	Opium	50''

CHAPTER IV

AMENDMENT IN THE RAJASTHAN MOTOR VEHICLES TAXATION ACT, 1951

32. Insertion of section 4-D, Rajasthan Act No. 11 of 1951.- After the existing section 4-C and before section 5 of the Rajasthan Motor Vehicles Taxation Act, 1951 (Act No. 11 of 1951), the following new section shall be inserted, namely:-

"4-D Levy of Green Tax .- (1) There shall be levied and collected a cess called "green tax" in addition to the tax levied under section 4, 4-B and 4-C of the Act, on such vehicles suitable for use on road as specified in column (2) of the table below at the rates fixed by the State Government by notification in the Official Gazette not exceeding the maximum rates specified in column (3) of the said table, for the purpose of implementation of various measures to control air pollution.

TABLE

S. No. 1	Class and age of the vehicle 2	Maximum rate of cess (in Rupees) 3
1.	Non-transport vehicle completed 15 years from the date of its registration, at the time of renewal of certificate of registration as per sub-section (10) of section 41 of the Motor Vehicles Act, 1988 (Central Act No. 59 of 1988) (a) two wheelers (b) other than two wheelers	750.00 1500.00
2.	Transport vehicle completed 7 years from the date of its registration, at the time of renewal of fitness certificate as per section 56 of the Motor Vehicles Act, 1988 (Central Act No. 59 of 1988)	600.00 per annum.

(2) The provisions of the Act and the rules made thereunder excluding those relating to refund of tax shall, so far as may be, apply in relation to the imposition, payment, computation and recovery of the cess payable under sub-section (1), as they apply to the imposition, payment, computation and recovery of tax payable under this Act."

CHAPTER V

AMENDMENT IN THE RAJASTHAN STAMP ACT, 1998

33. Amendment of section 2, of the Rajasthan Act No. 14 of 1999.- In section 2 of the Rajasthan Stamp Act 1998 (Act No. 14 of 1999), hereinafter in this Chapter referred to as the principal Act,-

- (i) after the existing clause (i) and before the existing clause (ii), the following shall be inserted namely:-

"(ia) 'association' means any association of person, exchange broker, or any other organisation or body of persons, whether incorporated or not, and regulating or controlling or conducting business of the sale or purchase of, or other transaction relating to, any goods or marketable securities.";

- (ii) in existing clause (xiii), the following explanation shall be added, namely:-

"Explanation.- The terms "signed" and "signature" also include attribution of electronic record as per section 11 of the Information Technology Act, 2000.";

- (iii) in existing clause (xix), the following explanation shall be added, namely:-

"Explanation.- The term "document" also includes any electronic record as defined in clause (t) of sub section (1) of section 2 of the Information Technology Act, 2000."; and

- (iv) after the existing clause (xxxv) the following shall be inserted namely:-

"(xxxvi) 'stock exchange' means any body of individuals, whether incorporated or not, constituted for the purpose of assisting, regulating or controlling the business of buying, selling or dealing in securities."

34. Amendment of section 85, Rajasthan Act No. 14 of 1999.- In sub section (1) of section 85 of the principal Act, after the expression "public officer" and before the expression "having in his custody", the expression, "or the association or stock exchange referred to in section 2, clause (ia) and (xxxvi)", shall be inserted.

35. Amendment of the Schedule, Rajasthan Act No. 14 of 1999.- After article 5 before article 6 of the Schedule of the principal Act, the new article 5-A shall be added, namely:-

"5A Record of Transaction (Electronics or Otherwise) effected by a trading member through the association or stock exchange referred to in section 2, clause (ia) and (xxxvi)",

- | | |
|--|---|
| (a) if relating to sale and purchase of Government securities. | Fifty rupees for every rupees one crore or part thereof of the value of security. |
| (b) if relating to purchase or sale of securities, other than those falling under item (a) above.- | |
| (i) in case of delivery | One rupee of every rupees 10,000 or part thereof. |
| (ii) in case of non delivery | Twenty paise for every rupees 10,000 or part thereof. |

- | | |
|---|---|
| (c) if relating to futures and options trading. | Twenty paise for every rupees 10,000 or part thereof. |
| (d) if relating to forward contracts of commodities traded through an association or otherwise. | One rupee of every rupees 1,00,000 or part thereof. |

Explanation-I Any duty paid under this article shall be adjusted towards the duty chargeable if any under article 5, 18, 34, 40, 52, as the case may be.

Explanation-II For the purpose of clause (b), securities shall have the same meaning as defined by the Securities Contract (Regulation) Act, 1956."

CHAPTER VI

REPEAL OF THE RAJASTHAN VIDEO FILMS (REGULATION OF EXHIBITION) ACT, 1990

36. **Repeal of Rajasthan Act No. 11 of 1991.** - The Rajasthan Video Films (Regulation of Exhibition) Act, 1990 (Act No. 11 of 1991) is hereby repealed.

CHAPTER VII

LAND TAX

37. **Extent and commencement.-** (1) This Chapter shall extend to the whole of the State of Rajasthan.

(2) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

38. Definitions.- In this Chapter, unless the context otherwise requires,-

- (a) “Appellate Authority” means the officer appointed as such by the State Government for any area by notification in the Official Gazette;
- (b) “Assessing Authority” means the officer appointed as such by the State Government for any area by notification in the Official Gazette;
- (c) “land” shall not include the land held or used exclusively for agricultural or residential purposes or an urban land as defined in the Rajasthan Land and Building Tax Act, 1964 (Act No. 18 of 1964) or an abadi land as defined in clause (b) of section 103 of the Rajasthan Land Revenue Act, 1956 (Act No. 15 of 1956);
- (d) “land holder” means a person who holds or uses the land as its owner, tenant, lessee, licensee, grantee or under any right or contract or in any other capacity;
- (e) “prescribed” means prescribed by the rules made under this Chapter;
- (f) “tax” means the tax on land payable under this Chapter;
- (g) “year” means the year commencing on 1st April and ending on 31st March next following.

39. Levy of tax and its rate.- Subject to the other provisions of this Chapter, there shall be levied and collected for each year a tax on such classes of lands at such rates, as may be specified by the State Government from time to time by notification in the official Gazette:

Provided that the rate of tax under this section shall not exceed ten percent of the market value of the land:

Provided further that no tax shall be levied or collected on the land-

- (a) owned by –
 - (i) the Central Government; or

- (ii) the State Government or a local authority except where such land or a right connected therewith is leased out or otherwise given for its use to any person, institution or corporation etc. on payment or without payment; or
- (b) held or used –
- (i) as a wakf property;
 - (ii) by the Devasthan Department of the State Government;
 - (iii) for public worship or public purpose;
 - (iv) for purposes connected with the disposal of dead bodies;
 - (v) by an educational institution solely for purposes of education; or
 - (vi) for public parks, public libraries or public museums.

40. Preparation of the provisional assessment list.- (1) The Assessing Authority shall prepare or cause to be prepared, in such manner and containing such particulars as may be prescribed, a provisional assessment list of all lands liable to pay the tax.

(2) The Assessing Authority shall, in preparing the list, determine the taxable value of, and the amount of the tax to be assessed on, all lands liable to pay the tax and same shall be duly shown in the list.

(3) When the provisional assessment list has been prepared the Assessing Authority shall give public notice, of the same in such manner and containing such particulars as may be prescribed, and every persons claiming to be the land holder of the land mentioned in the list shall be at liberty to inspect the same and to take extracts therefrom without payment of any charge.

41. Objection to the entries in the list.- Any person aggrieved by any entry in the provisional assessment list, or by the insertion therein or omission therefrom of any matter, or otherwise with respect to the list, may within a period of thirty days from the date on which the list is made available for inspection under sub-section (3) of section 4, file objections in respect thereof before the Assessing Authority:

Provided that the Assessing Authority may, where he is satisfied that the objector was prevented for sufficient cause from filing the objection within the aforesaid period, entertain an objection filed beyond the said period, but not beyond thirty days of the date of receipt of demand notice under sub-section (2) of section 47.

42. Finalisation of the assessment list.- (1) Where no objection in respect of the land mentioned in the provisional assessment list, is filed in accordance with the provisions of section 41, the entries in respect of such land in the list shall be taken as final.

(2) Where an objection in respect of the land mentioned in the provisional assessment list is filed in accordance with the provisions of section 5, the Assessing Authority shall, after affording an opportunity of being heard and producing evidence to the objector, decide the objections and confirm, revise or modified the entries in the provisional assessment list in respect of such land.

(3) The provisional assessment list shall thereupon be duly authenticated by the Assessing Authority and, subject to any amendment, addition, correction or modification made under section 43 or section 44 or as a result of any appeal under section 48, for any revision under section 51, as the case may be, taken as final. The list as finalized shall be published and made available for public inspection, in such manner as may be prescribed.

(4) The list so finalized shall, subject to any amendment, addition, correction or modification made under section 43 or section 44, or as a result of any appeal under section 48, or of any revision under section 51, as the case may be, take effect and come into force with effect from the 1st day of April following the date on which it has been finalized and shall remain in force till such time as a new list has been prepared and has come into force:

Provided that the list finalized for the first time after the enforcement of this Chapter shall take effect and be deemed to have come into force with effect from such date as may be notified by the State Government in the Official Gazette.

(5) The Assessing Authority may, in the manner laid down in sections 40, 41 and sub-sections (1) to (4) of this section, prepare a new list in every five year or even earlier provided that the State Government so desires.

43. Amendment of the list finalized under section 42.- (1) The Assessing Authority may, at any time subject to such conditions as may be prescribed, amend the list where it appears to it that it is necessary so to do in order to bring the list into accord with the existing circumstances, and in particular may-

- (i) correct any clerical, arithmetical or other apparent error in the list,
- (ii) correct any erroneous insertion, omission or mis-description;
- (iii) make such additions to, or corrections in, the list as appear it to be necessary by reason of –
 - (a) the rate of tax having been altered under the provisions of this Chapter; or
 - (b) any change having taken place in the right of land, or because of the same having become, or ceased to be, liable to pay the tax; or
 - (c) the market value, or the tax assessed, in respect of any land having been found to have been incorrectly valued or assessed for any reason whatsoever:

Provided that in case covered by clause (iii) no amendment in the list for the time being in force shall be made unless the land holder of the land has been afforded reasonable opportunity of being heard and producing evidence, and the Assessing Authority has considered and decided any objection that may be filed by the land holder in respect of the proposed amendment.

(2) The Assessing Authority may also, at any time, but after complying with the provisions of sections 40, 41 and 42, make corrections, modifications or additions in the assessment list, as appears to its to be necessary by reason of acquisition by the land holder any land, which is taxable under this Chapter, after finalization of the assessment list.

44. Escaped Assessment.- (1) Where the tax in respect of any land or any portion thereof has, for any reason, escaped assessment, the Assessing Authority may, after complying with the provisions of sections 40, 41, and 42, assess the tax in respect thereof:

Provided that no assessment of the tax for any period beyond three years preceding the year of assessment shall be made by the Assessing Authority.

(2) Where the tax in respect of any land has been assessed under subsection (1), the assessment list shall be modified accordingly.

45. Conclusiveness of entries in the list.- An entry in an assessment list, in respect of any land mentioned therein, shall, for the period the list is or has been in force, the conclusive proof for any purpose connected with the tax.

46. Obligation to supply information regarding transfer of land.- (1) Whenever the title or right in a land liable to pay the tax under this Chapter, is transferred, the land holder shall, within ninety days from the date of transfer, give notice of such transfer to the Assessing Authority in such form and manner as may be prescribed.

(2) In the event of death of the land holder, the legal representative of the deceased shall, within ninety days of such death, give notice of such death to the Assessing Authority in such form and manner as may be prescribed.

47. Realization of tax.- (1) The tax in respect of land shall be payable at such place and in such installments as may be prescribed and shall be realized by the Assessing Authority, or such other authority, as may be appointed by the State Government in this behalf.

(2) The authority empowered to realize the tax shall, as soon as, the tax, or any installment thereof, becomes payable cause a notice of demand, containing such particulars, as may be prescribed, to be served on the owner calling upon him to pay the tax which has fallen due within the period of thirty days from the date of service of the notice.

(3) Where the tax, or any installment thereof, payable by an assessee is not paid within the period prescribed, the assessee shall on the expiry of the said period be deemed to be defaulter from that date, and tax, together with the amount of penalty imposed under section 53, if any, shall be realizable from the assessee, or his legal representative, as the case may be, as arrears of land revenue.

48. Appeals.- (1) Any person aggrieved by an order under sections 42, 43 or 44, may at any time before the expiry of thirty days from the date of the order prefer an appeal to the Appellate Authority.

Provided that no appeal shall be entertained unless it is accompanied by satisfactory proof of payment of not less than one half of the tax assessed and payable by the person preferring the appeal.

(2) The Appellate Authority may admit an appeal after the expiry of the period referred to in sub-section (1), if he is satisfied that there was sufficient cause for not preferring the appeal within that period.

(3) Every appeal under this section shall be presented and verified in the manner prescribed.

(4) The Appellate Authority shall, after affording an opportunity of being heard to the Appellant, pass such order on the appeal as it thinks fit and shall send a copy of the order to the Assessing Authority and such other persons as may be prescribed.

(5) The assessment list shall, where necessary, be modified in accordance with the decision of the Appellate Authority.

49. Penalty for default of payment of tax.- (1) When an assessee is in default in making payment of any installment of the tax payable, he shall pay, in addition to the amount of arrears of tax, an amount equal to the amount of tax by way of penalty:

Provided that where an appeal against the order of assessment is pending, the assessee shall not be liable to pay the penalty, if the arrears of

tax are paid during the pendency of that appeal or within thirty days of the decision thereof.

- (2) Where any person fails to-
 - (a) give the notice required to be sent to the Assessing Authority under section 46, within the period provided therefor; or
 - (b) produce the record, document or particular required to be produced before the Assessing Authority under section 53,

the Assessing Authority may, in his discretion, impose on him a sum, not exceeding rupees two hundred, by way of penalty which shall be recoverable from such person in addition to the tax, if any, due from him.

(3) A notice of demand showing the amount of penalty payable under sub-section (1) or imposed under sub-section (2) shall be served on the assessee in the manner prescribed.

50. Appeals against penalty.- An assessee objecting to the amount of penalty shown in the notice of demand under sub-section (3) of section 49 or denying liability for such penalty, may, within thirty days of the receipt of the said notice, prefer an appeal to the Appellate Authority who shall, after affording opportunity of being heard to the appellant, pass such orders on the appeal as it thinks fit and shall send a copy of the order to the Assessing Authority and such other authority as may be prescribed. The decision of the Appellate Authority shall be final.

51. Revision.- The State Government or such other Authority, as may be appointed by it in this behalf, may, on its own motion or on application made, call for the record of any proceedings or order of any authority under this Chapter for the purpose of satisfying itself as to the legality or propriety of such proceeding or order, and may pass such order in reference thereto as appears to it necessary for the ends of justice.

52. Refunds of excess payments.- Any sum paid in excess of the amount due from an assessee shall, on application to the Assessing Authority, be refunded to the assessee.

53. Power of Government to exempt, reduce or remit tax.- The State Government may, if it considers it necessary in the public interest, by notification in the Official Gazette, exempt, reduce or remit, whether prospectively or retrospectively, the tax payable in respect of any class of lands or by any class of land holders.

54. Production of documents, record, account or other particulars in respect of any land.- Where the Assessing Authority or Appellate Authority or the State Government is of the opinion that it is necessary or expedient to do for carrying out the purposes of this Chapter, it may by notice in writing, call upon the holder of any land, in respect of which the tax is likely to be assessed, or has been assessed, to produce before it any record, document, account, or other necessary particulars in respect of such land, and thereupon the land holder shall, within thirty days of the service of the notice, produce the same before the Assessing Authority, Appellate Authority or the State Government, as the case may be.

55. Power of entry and inspection.- The Assessing Authority or such other officer as may be appointed in writing by him in this behalf, may for the purpose of carrying out the purposes of this Chapter, after reasonable notice to the occupier of the land in respect of which the tax is likely to be assessed, enter upon such land:

Provided that no such entry shall be made –

- (i) within the hours of sunset and sunrise ;
- (ii) in a human dwelling, except with the consent of the occupier or after giving him not less than four hours previous notice in writing of the proposed entry; and
- (iii) without due regard to the social and religious usages of the occupier, including necessary precautions for the observance of purdah.

56. Proceeding and list under this Chapter not to be rendered invalid because of some noncompliance and omissions.- The non-compliance of any proceedings within the time provided therefor, or the omission of any entry, not being a material one, in any of the lists prepared under this Chapter, shall not by itself render invalid the proceedings or the list, as the case may be.

57. Power to take evidence on oath.- The Assessing Authority and the Appellate Authority shall, for the purpose of this Chapter, have the same powers as are vested in a court under the Code of Civil Procedure, 1908 (Central Act No.5 of 1908), while trying a suit in respect of the following matters, namely:-

- (a) enforcing attendance of any person and examining him on oath or affirmation;
- (b) compelling the production of any documents;
- (c) issuing commission for the examination of any witness; and
- (d) passing such interim orders as may be necessary in the ends of justice;

and any proceedings before such authority under this Chapter shall be deemed to be a Judicial proceedings within the meaning of sections 193 and 228 of the India Penal Code, 1860 (Central Act No. 45 of 1860) and also for the purpose of section 96 of the said Code.

58. Assessing Authorities, officers and servants to be deemed public servants.- Every Assessing Authority and every officer working under the orders of such authority for the purpose of this Chapter, shall be deemed to be a public servant within the meaning of section 21 of Indian Penal Code, 1860 (Central Act No. 45 of 1860).

59. Indemnity.- No suit prosecution or other legal proceeding shall lie against the State Government, Assessing Authority, Appellate Authority or any other officer empowered under this Chapter for anything which is in good faith done or intended to be done in pursuance of this Chapter or any rule or order made thereunder.

60. Bar of suits in civil courts.- No suit shall lie in any civil court in respect of any matter which by or under this Chapter is required to be decided or dealt with by the authorities or officers under this Chapter.

61. Power to make rules.- (1) The State Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Chapter.

(2) All rules made under this Chapter shall be laid, as soon as may be after they are so made, before the House of the State Legislature while it is in session for a period of not less than fourteen days which may be comprised in one session or in two successive sessions and if, before the expiry of the session in which they are so laid or of the session immediately following, the House of the State Legislature makes any modification in any of such rules or resolves that such rules should not be made, such rules shall thereafter have effect only in such modified form or be of no effect, so however that any such modification or annulment shall, be without prejudice to the validity of anything previously done thereunder.

62. Power to remove difficulties.- (1) If any difficulty arises in giving effect to the provisions of this Chapter, the State Government may, by notification in the Official Gazette make such orders not in consistent with the provisions of this Chapter as occasion may require, as appear to it necessary for the purpose of removing the difficulty:

Provided that no such orders shall be made after the expiry of two years from the commencement of this Chapter.

(2) Every order made under the section shall, as soon as may be after it is so made, be laid before the House of the State Legislature.

63. Repeal .- The Rajasthan Land Tax Act, 1985 (Act No. 6 of 1985) is hereby repealed.

STATEMENT OF OBJECTS AND REASONS

I. THE RAJASTHAN SALES TAX ACT, 1994

The existing provisions of sub-section (4) of section 17 of the Act provides that certificate of registration granted under the Act, shall remain in force for five assessment years from the year in which registration takes place. Thus the registration certificates issued up to 31.03.2001 shall remain in effect only up to 31.03.2006, unless such registration certificate is renewed for a further period of five years on payment of fee to be prescribed. With coverage of almost all the dealers in the ambit of self-assessment, and the issuance of new registration numbers in the year 2003, the renewal of all the registration certificate would not be of any significance at present. In the changed scenario, it is proposed to restore the earlier position so that the registration certificate once granted shall remain in force unless it is cancelled in accordance with the provisions of the Act.

II. RAJASTHAN VALUE ADDED SALES TAX ACT, 2003

As per the recommendations of the Empowered Committee of the State Finance Ministers, the name of the Act should not contain reference of 'Sales', therefore, it is proposed to rename the Act under the title as the Rajasthan Value Added Tax Act, 2003.

In section 1 of the Act, it is proposed to delete 'Sales' and the Act is to be renamed as the Rajasthan Value Added Tax Act, 2003.

At the time of the passage of the Act, 'capital goods' was defined with reference to the Central Excise definition. Most of the VAT administering States have defined capital goods as per their requirements. In view of this the term capital goods are proposed to be defined in a manner so that plants and machinery including their parts and accessories would be treated as capital goods with the power to the State Government to notify otherwise.

Special Economic Zone was not defined in the Act. Since most of the States have incorporated the definition of SEZ, it is proposed to adopt of

definition Special Economic Zone as has been defined in the Special Economic Zones Act, 2005.

To provide option to the dealers while levying tax on the basis of Maximum Retail Price under section 4 of the Act, the turnover related to such levy has to be excluded from the turnover of the purchasing dealer therefore, the definition of turnover in clause (41) of section 2 is proposed to be amended accordingly.

The option for deposit of composition fee in lieu of VAT has been given to small traders under sub-section (2) of section 3 of the Act. As per the recommendations of the Empowered Committee, the annual turnover limit for exercise of such option is proposed to be raised from Rs. 25 lac to Rs. 50 lac of the annual turnover. This will enlarge the ambit of the small traders.

The Empowered Committee has directed that tax rates must be included in the schedule appended to the Act itself. Keeping this in view, section 4 of the Act is proposed to be substituted to provide for enlisting the goods to be taxable under the Act. Moreover, it is also proposed to reduce the maximum permissible rate of tax from 5% to 2% as may be notified by the State Government for the dealers opting for tax composition.

The concept of tax on maximum retail price in respect of the goods notified by the State Government is being retained on the pattern of West Bengal by providing an option to the dealers. This will help in levy of tax at maximum retail price without requiring the purchasing dealers to be registered.

The exempted goods are also to be included in the schedule appended to the Act, as per the recommendations of the Empowered Committee. In view of this, section 8 of the Act is proposed to be substituted in a manner to provide for Schedule-I containing the goods exempted under the Act. In addition to this, the exemption to any person or class of persons would be included in the proposed Schedule-II. The schedules can be modified by the State Government but subject to recession or modification by the State Legislature.

In case, a dealer changes his principle place of business to the territorial jurisdiction of other assessing authority, approval of the Commissioner for such change is required under sub-section (3) of section 13 of the Act. With a view to avoid delay in granting of such permission in the interest of the dealers, a provision is proposed to be made for deemed acceptance of such request of the dealer, if permission is not accorded within period of sixty days of submission of application. This amendment is proposed on the basis of the existing provisions of Sales Tax Act.

The security for registration amount has been agitated to be on higher side in comparison to the existing security required under the Rajasthan Sales Tax Act. This amendment is proposed with a view to ask for the security of the similar amount as was required under the Rajasthan Sales Tax Act. For this, sub-section (2) and (3) of section 15 of the Act is proposed to be amended. Moreover, the security in the form of bank guarantee is also being proposed to be allowed under this section.

Sub-section (2) of section 17 empowers the Commissioner to grant early refunds in particular cases. In cases where the tax rate on raw material is higher than the tax rate of its manufactured product, the dealer will get refund. To provide relief to such category of dealers, the scope of the power of Commissioner is proposed to be widen so that he may direct for early refunds in general or in specific case depending upon the exigencies of the situation.

When a dealer intend to claim input tax credit under the Act, Clause (v) of sub-section (3) of section 18 of the Act casts onus of proof on the purchasing dealer to prove the genuineness of the purchase transaction, In such a case the dealer may be asked to produce the selling dealer. In view of the provisions of section 92 of the Act, such verification can be made by summoning such selling dealer by the authorized Departmental authorities. Therefore, it is proposed to amend clause (v) accordingly.

With a view to provide credit of the tax paid under the Rajasthan Sales Tax Act by a dealer in respect of the goods other than capital goods lying in stock of the dealer on the date of introduction of VAT, section 19 of the Act is proposed to be substituted.

Amendment is proposed in section 23, so that requirement of service of the self assessment orders may be dispensed with in the interest of the dealers. The list of such dealers against whom no demand is created would be published through electronic or print media and such publication shall be deemed to be due intimation to the dealers.

As per the existing provisions of sub-section (4) of section 53, the interest has to be granted in case of refund from the date it becomes due, whereas, the Rajasthan Sales Tax Act, 1994, provides to grant interest from the date of deposit of the refundable amount. With a view to streamline the system, the provision is proposed to be amended on the basis of time tested provision of interest under section 56 of the Rajasthan Sales Tax Act, 1994, so that interest on refunds may be granted to the dealer from the date of deposit of such amount.

The Empowered Committee has also recommended to include provisions relating to refund of tax to the foreign diplomatic missions in the Act itself. Keeping this in view, sub-section (6) is proposed to be inserted in section 53 of the Act.

Section 56, 57, 58, 59, 62, 63 and 64 contains penal provisions under the Act wherein the penalty is higher than the sales tax law. As per the recommendations of the Empowered Committee, the penal provisions are to be kept at par with the existing penal provisions of the Sales Tax Law. Keeping this in view, amendments in the above sections are proposed so that the penalty be made equal to the existing penalties provided for in the Rajasthan Sales Tax Act, 1994.

The provisions relating to punishment and fine on prosecution of offences under the Act, are more severe in comparison to the existing sales tax provisions. It is proposed to amend sub-section (1) of section 67 of the Act in a manner so that the punishment and fine provisions may be same as exists in the Rajasthan Sales Tax Act, 1994.

With a view to reduce litigation, the scope of composition of offence was enlarged and made more realistic under the Rajasthan Sales Tax Act, 1994, in March, 2005. It is proposed to incorporate similar composition provisions in section 68 of the Act to avoid further litigation.

To correct the typing error in section 71, the reference of sub-rule (1) is being substituted by reference to sub-section (1), in sub-section (2) of section 71.

Section 75 provides for entry, inspection and seizure of goods and accounts. Sub-section (8) of the section provides for a penalty equal to 30% of the value of the goods. In the existing sales tax provisions, this penalty is equal to the amount of 5 items of the tax leviable on such goods or 30% of the value of the goods, whichever is less. To provide relief to the lower tax rate items, the provisions similar to that of the RST Act, 1994 is proposed to be incorporated in the Act.

To check the tendency of driver or person in-charge of the vehicle or carrier to avoid check post, an amendment was made in the Rajasthan Sales Tax Act providing for imposition of penalty equal to 50% of the value of such goods in case of such avoidance. This has deterrent effect, as such it is proposed to be incorporated similar provision in sub-section (11) of section 76. In addition to the forged documents, the provisions of sub-section (12) is also proposed to be made applicable when the documents are false. In sub-section (4), the authorization by the State Government is proposed to be delegated to Commissioner.

The provision relating to establishment of check post on contract basis were reframed in view of the observations of the Hon'ble Rajasthan High Court. This has been done in the Rajasthan Sales Tax Act in 2004 after the enactment of the Act. It is proposed to substitute section 77 of the Act with the amended parallel provisions of the Rajasthan Sales Tax Act, 1994.

Section 80 provides for licence to the clearing and forwarding agents. The term licence is proposed to be changed to certificate.

Provision relating to appeal to the Tax Board under section 83 is proposed to be amended in a manner so that all the orders of Dy. Commissioner (Adm.) may be made appellable subject to the provisions of section 86 of the Act. Moreover, aggrieved against the orders of the Commissioner under section 77 related to collection of tax through contractors, the only remedy is to invoke writ jurisdiction of the Hon'ble High Court. To provide expeditious remedy in such cases, it is proposed to

provide an appeal to the Tax Board against the orders passed by Commissioner under section 37 or section 77 of the Act.

Sub-section (3) of section 91 is proposed to be recommended as sub-section (2) in view of the fact that there is no sub-section (2) exists in this section.

III. RAJASTHAN MOTOR VEHICLES TAXATION ACT, 1951

Pollution has become a worldwide problem and is highly hazardous for health of the generations present and future. All the informed and awakened societies are under an obligation to check this menace to the humanity.

It is quite evident that old vehicles are largely responsible for causing air pollution, therefore, it is considered appropriate that tax imposing powers of the State regarding motor vehicles should be used so as not only to discourage the use of the old vehicles but also to augment resources for development and maintenance of infrastructure and purchase of equipments for checking air pollution. Accordingly it is proposed that a cess be levied on the renewal of registration of non-transport vehicles, which have been used for 15 years and a cess on annual basis on the transport vehicles which have completed 7 years.

IV. RAJASTHAN STAMP ACT, 1998

Certain instruments relating to sale, transfer etc. of securities and stocks are being executed online in electronic format. To bring these instrument in the preview of stamp duties, it is proposed to amend.

Two new clauses (ia) and (xxxvi) in section 2 are sought to be added to define the expression "associations" and "stock exchange" respectively and two new explanations in existing clause (xiii) and (xix) of section 2 are also sought to be added as per section 11 and clause (t) of sub section 2 of the section of the Information Technology Act, 2000.

Similarly section 85 of the Act is proposed to be amended and the expression "or the association or stock exchange" shall be inserted.

Article 5A of the schedule is being added to impose stamp duty on record of transaction (electronics or otherwise) effected by a trading member through the associations or stock exchange.

V. RAJASTHAN VIDEO FILMS (REGULATION OF EXHIBITION) ACT, 1990

The Video Film Parlors are posing unwanted competition for the entertainment sector which already facing acute competition from electronic media. Video Films and Parlors instead of doing any good to the society, frequently engage in cheap entertainment.

Therefore it is considered proper to repeal the Rajasthan Video Films (Regulation of Exhibition) Act, 1990.

VI. LAND TAX

It is considered that the holders of lands being used for commercial, industrial and similar other purposes are in the position to pay for development and welfare of the society. Therefore, it is proposed to levy a tax on such lands.

At the same time it has also been considered proper that the holders/ user of agricultural and residential lands should be kept out of the preview of the proposed tax and accordingly the provisions to this effect have also been made in the Bill.

The Bill seeks to achieve the aforesaid objectives.

Hence the Bill.

(वसुन्धरा राजे)
Minister Incharge

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 8 of the Bill, which seeks to amend section 4 of the Rajasthan Value Added Sales Tax Act, 2003, if enacted, shall empower the State Government to prescribe the point or points at which tax shall be payable by a dealer; to prescribe the manner in which the dealers opting for payment of tax on the maximum retail price shall pay tax; and to prescribe conditions and restrictions under which the dealer opting for payment of tax on the maximum retail price may recover the amount of tax.

Clause 28 of the Bill, which seeks to amend section 77 of the Rajasthan Value Added Sales Tax Act, 2003, if enacted, shall empower the State Government to prescribe the manner in which and the terms and conditions under which tax may be collected through a contractor and to prescribe the manner in which and the time within which a contractor shall pay tax.

Clause 40 of the Bill, if enacted, shall empower the State Government to prescribe the manner in which the provisional assessment list shall be prepared and the particulars which shall contain in such list.

Clause 42 of the Bill, if enacted, shall empower the State Government to prescribe the manner in which the provisional assessment list shall be published and made available for inspection.

Clause 46 of the Bill, if enacted, shall empower the State Government to prescribe the form and manner in which notice of the transfer of land and the death of the holder of the land shall be given.

Clause 47 of the Bill, if enacted, shall empower the State Government to prescribe the place at which and the installments in which the tax shall be payable and the particulars which shall contain in a notice of demand.

Clause 48 of the Bill, if enacted, shall empower the State Government to prescribe the manner in which the appeal shall be presented and verified; and the person to which the copy of the order of the Appellate Authority shall be sent.

Clause 49 of the Bill, if enacted, shall empower the State Government to prescribe the manner in which notice of demand shall be served on the assessee;

Clause 50 of the Bill, if enacted, shall empower the State Government to prescribe the person to which the copy of the order of the Appellate Authority under section 50 shall be sent;

Clause 61 of the Bill, if enacted, shall empower the State Government to make rules generally for carrying out the purposes of Chapter VII .

The propose delegation is of normal character and mainly relates to the matters of detail.

(वसुन्धरा राजे)
Minister Incharge

FINANCIAL MEMORANDUM

The clause 38 of the Bill makes provisions for appointment of Assessing Authority and the Appellate Authority. At present, it has been decided that the existing officers of the State government shall be designated as the Assessing Authorities and the Appellate Authorities. As such no new expenditure shall be incurred.

(वसुन्धरा राजे)

Minister Incharge

**EXTRACTS TAKEN FROM THE RAJASTHAN SALES TAX ACT,
1994 (ACT NO. 22 OF 1995)**

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17. Obligatory registration.- (1) to (3)

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(4)(a) the certificate of registration so granted shall not be transferable and shall remain in force, for a period of five assessment year from the year in which registration takes place. However, where the dealer has already been registered prior to the commencement of the Rajasthan Finance Act, 2001 (Act No. 5 of 2001), his registration certificate shall remain in force up to 31.3.2006 unless it is cancelled in accordance with the provisions of this Act.

(b) The registration may be renewed for a further period of five assessment years on payment of such fee as the Government may prescribe from time to time. the dealer shall deposit the prescribed fee before the expiry of the period of registration certificate, failing which the registration shall terminate.

(c) The registration authority may, on being satisfied that there were sufficient reasons for the delay in depositing the renewal fee, renew the registration on payment of a late fee of rupees on hundred for each year or part thereof of delay.

(d) Notwithstanding anything contained in this section, the registration granted under sub-section (3) or renewed under this sub-section may be cancelled at any time in accordance with the provisions of this Act.

(5) to (7)

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(vii) storage tank,
only if these are integrally connected to manufacturing of goods for sale, unless otherwise notified by the State Government;

Explanation.- For removal of doubts, it is hereby clarified that "capital goods" do not include any equipments or appliances used in an office of a dealer or used in execution of works contract;

(8) to (40) XX XX XX

(41) "turnover" means the aggregate amount of sale price received or receivable by a dealer including purchase price of the goods which are subject to tax under sub-section (2) of section 4;

(42) to (45) XX XX XX

 XX XX XX

3. Incidence of tax. – (1) XX XX XX

(2) Notwithstanding anything contained in sub-section (1), a dealer, other than that enumerated in clause (b) of sub-section(i), whose turnover in a year does not exceed rupees twenty five lacs and who purchases goods from a registered dealer, may opt for payment of tax as may be notified under sub-section (3) of section 4.

(3) to (6) XX XX XX

4. Levy of tax and its rate. - (1) Subject to the other provisions of this Act and the provisions of the Central Sales Tax Act, 1956 (Central Act No. 74 of 1956), the tax payable by a dealer under this Act, shall be at such point or points as may be prescribed in the series of sales by successive dealers, and shall be levied at such rates not exceeding fifty percent on the taxable turnover, as may be notified by the State Government in the Official Gazette.

(2) Every dealer who in the course of his business purchases any goods other than exempted goods, in the circumstances in which no tax under sub-section (1) is payable on the sale price of such goods and the

goods are disposed of for the purpose other than those specified in clause (a) to (g) of sub-section (1) of section 18, shall be liable to pay tax on the purchase price of such goods at the same rate at which it would have been leviable on the sale price of such goods under sub-section (1).

(3) Notwithstanding anything contained in sub-section (1), the tax payable by the dealer covered by sub-section (2) of section 3, shall be levied at such rates not exceeding five percent on the turnover, as may be notified by the State Government.

(4) Where any goods are sold packed in some material, whether charged for separately or not, notwithstanding anything contained in sub-section (1), the tax liability of and the rate of tax on the packing material shall be according to the tax liability of and the rate of tax on the goods packed therein.

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8. Exemption of tax .- Notwithstanding anything contained in this Act, where the State Government is of the opinion that it is necessary or expedient in the public interest so to do, it may, by notification in the Official Gazette, exempt fully or partially, whether prospectively or retrospectively from tax the sale or purchase of any goods or class of goods or any person or class of persons, without any condition or with such condition as may be specified in the notification.

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13. Authority competent to grant registration .- (1) to (2) XX

(3) Where a dealer, after having been granted registration, changes his principal place of business outside the territorial jurisdiction of the present assessing authority he shall seek the permission in writing for such change of the assessing authority from the Commissioner or any other officer authorised by the Commissioner in this behalf, and unless such permission is accorded, the present assessing authority shall continue to be the assessing authority of such dealer.

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15. Furnishing of security for registration .- (1) XX

(2) At the time of grant of obligatory registration to the dealers covered under sub-section (1) or (5) of section 3, the initial security shall be in the form of surety of two dealers registered under this Act, and where the dealer is not in a position to furnish such surety, he shall submit security in the form of National Savings Certificate or in cash, of the amount of-

(a) Rs. 25,000 /- in case of a small scale manufacturing unit, Rs. 50,000/- in case of a medium scale manufacturing unit and Rs. 2,00,000 /- in case of a large scale manufacturing unit; and

(b) Rs. 25,000 /- in cases not covered by clause (a).

Explanation.- The small scale or medium scale or large scale manufacturing unit shall have the same meaning as assigned to them by the Government of India from time to time.

(3) At the time of grant of voluntary registration under section 12, the initial security shall be in the form of National Savings Certificate or in cash, of the amount of Rs. 25,000/-.

(4) to (8)

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17. Tax payable by a dealer. – (1) XX XX

(2) Where the net tax payable under sub-section (1) has a negative value, the same shall be first adjusted against any tax payable or amount outstanding under the Central Sales Tax Act, 1956 (Central Act No. 74 of 1956) or under this Act or the repealed Act, shall be carried forward to the next tax period or periods of the year and refund of the remaining amount, if any, shall be granted only after the end of the immediately succeeding year however, the Commissioner, in particular cases, may, after recording reasons, grant such refunds earlier also.

(3) to (4) XX XX XX

18. Input Tax Credit .- (1) to (2) XX XX

(3) Notwithstanding anything contained in this Act, no input tax credit shall be allowed on the purchases-

(i) to (iv) XX XX XX

(v) where the purchasing dealer fails to prove the genuineness of the purchase transaction by producing the selling dealer or otherwise, on being asked to do so by an officer not below the rank of Assistant Commercial Taxes Officer authorised by the Commissioner.

(4) XX XX XX

19. Input tax credit for stock on the date of commencement of this Act .- No input tax credit shall be allowed on the goods in stock on the date of commencement of this Act. However, such credit on stock which was purchased on or after 1st April, 2002 and had suffered tax under the repealed Act, shall be allowed in the manner as may be notified, only to the dealers who have submitted the details of the stock, as required by the Commissioner under section 93 of the repealed Act or under this Act, on the condition that such goods in stock are used for the purposes specified in clauses (a) to (f) of sub-section (1) of section 18.

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23. Self Assessment.- Every registered dealer who has filed return within the prescribed time shall, subject to the provisions of section 24, be deemed to have been assessed on the basis of the return filed under section 21, for the period to which it relates.

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53. **Refund** .- (1) to (3) XX XX XX

(4) The refund amount under this section shall carry interest with effect from the date it becomes due at such rate as may be notified by the State Government from time to time.

(5) XX XX XX
XX XX XX

56. **Penalty for not making application for registration.** - Where any person has, without reasonable cause, failed to make an application to get himself registered as required under the provisions of this Act within the time specified in the Act or prescribed in the rules, the assessing authority or the authority competent to grant him registration may direct that such person shall pay by way of penalty a sum of rupees two thousand for first thirty days and thereafter in case of continued default a further penalty of rupees twenty for every day of such default.

57. **Penalty for failure to furnish security or additional security** .- Where a dealer fails to furnish the initial security or the additional security as directed to be furnished under section 15 within the time specified therein, the authority competent to grant him registration or the assessing authority, as the case may be, may direct that such person shall pay by way of penalty a sum of rupees two thousand and a further penalty of rupees fifty for every day till the requisite security or additional security is furnished.

58. **Penalty for failure to furnish return.** – Where the assessing authority or any other officer not below the rank of Assistant Commercial Taxes Officer as authorised by the Commissioner is satisfied that any dealer has, without reasonable cause, failed to furnish prescribed returns within the time allowed, he may direct that such dealer shall pay by way of penalty-

(i) a sum equal to rupees two thousand for the first thirty days of delay and thereafter, rupees **fifty** for every day of such default subject to a maximum of five percent of the tax liability of the tax period, in case where due tax as per books has been deposited in the notified period;

(ii) a sum equal to rupees two thousand or five percent of the tax liability for the first thirty days of delay whichever is higher and thereafter, rupees fifty for every day of such default subject to a maximum of ten percent of the tax liability of the tax period, in case where the due tax has not been deposited in the notified period.

59. Penalty for not maintaining or keeping accounts .- Where any dealer does not maintain accounts, registers and documents as required under the provisions of sub-sections (1) and (2) of section 71, or does not keep his accounts, registers and documents at a place in accordance with the provisions of sub-sections (3) and (4) of section 71, the assessing authority or any other officer not below the rank of Assistant Commercial Taxes Officer as authorised by the Commissioner may direct that such person shall pay by way of penalty a sum of rupees five thousand and in case of continuing default a further penalty of one hundred rupees for every day of such continuance.

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62. Penalty for not furnishing statistics .- Where any person or a dealer, has without reasonable cause failed to furnish within the time allowed, statistics or other information required to be furnished in pursuance of any direction given by any officer or authority appointed or constituted under this Act, the assessing authority or any officer not below the rank of an Assistant Commercial Taxes Officer as may be authorised by the Commissioner, may direct that such person or dealer shall pay by way of penalty, a sum of rupees **one** thousand.

63. Penalty on awarders .- (1) Where an awardee of a works contract fails to deduct the amount in lieu of tax from the bill of a contractor as prescribed, or after having deducted such amount from such bill does not deposit the same in the prescribed manner and time, he shall be liable to pay tax deducted by him and a penalty for each violation, which shall be twenty per cent of the amount of tax required to be deducted in case of non-deduction, and a penalty at the rate of three per cent per month on the amount so deducted but not deposited for the period during which such default continues.

(2)

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64. **Penalty for other violations .-** Where any person or a dealer-
- (i) fails to comply with a direction given by any officer or authority appointed or authorised or constituted under this Act; or
 - (ii) violates any of the provisions of this Act or the rules made thereunder for which no specific penalty has been provided elsewhere under this Act or the rules,

the assessing authority or any other officer not below the rank of an Assistant Commercial Taxes Officer as authorised by the Commissioner, may direct that such person or dealer shall pay by way of penalty a sum of rupees two thousand, and in the case of a continuing default, a further penalty of rupees **fifty** for every day of such continuance.

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67. **Prosecution for offences .-** (1) Where any person -
- (a) though not registered under this Act, yet falsely represents that he is a registered dealer at the time of any sale or purchase made by him or at the time of making any statement or declaration before any officer or authority appointed or constituted under this Act; or
 - (b) knowingly prepares or produces false accounts, sales and purchase invoices, VAT invoices, registers or documents; or knowingly furnishes false returns in relation to his business or makes a false disclosure or averment in any statement required to be recorded or in any declaration required to be filed under this Act or the rules or notifications; or
 - (c) fraudulently avoids or evades tax or deliberately conceals his tax liability in any manner; or
 - (d) fails to pay the amount of any demand notice and a period of not less than six months has elapsed since the receipt of the demand notice by him;

Explanation.- An offence under this clause shall be deemed to be a continuing offence until full payment is made; or

- (e) deliberately disregards a notice issued under sections 50 and 91; or

from the person who made the application under sub-section (1), by way of composition of the offence in lieu of penalty or prosecution, a sum equal to one and a half times of the amount of tax avoided or evaded.

(3) Notwithstanding anything contained in sub-sections (1) and (2), on an application by a person admitting the offence committed by him under sub-section (8) of section 75 or sub-section (7) or (8) of section 76, the assessing authority, the officer authorised under sub-section (4) of section 75 or the officer empowered under sub-section (4) of section 76 or the Incharge of a check-post or barrier, as the case may be, may accept composition money from such person in lieu of penalty or prosecution, which shall be equal to the amount of four times of the tax leviable on the goods involved or twenty five per cent of the value of such goods, whichever is less.

(4) to (7)	XX	XX	XX
XX		XX	XX

75. Power of entry, inspection and seizure of accounts and goods.

(1) to (7)	XX	XX	XX
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(8) The assessing authority or the officer referred to in sub-section (6) may, after having given the dealer an opportunity of being heard and after having held such further enquiry as it may consider fit, impose on him, for the possession of goods not accounted for, whether seized or not under sub-section (6), a penalty equal to thirty percent of the value of such goods, and such authority or officer may release the goods, if seized, on payment of the penalty imposed or on furnishing such security for the payment thereof as it may consider necessary.

(9)	XX	XX	XX
(a)	XX	XX	XX
(b)	XX	XX	XX

76. Establishment of check-post or barrier and inspection of goods while in movement .- (1) to (3) XX XX

(4) Where any goods are in movement within the territory of the State of Rajasthan, the assessing authority or an officer empowered by the State Government in this behalf may stop the vehicle or the carrier or the person carrying such goods, for inspection, at any place within his jurisdiction and the provisions of sub-section (2) shall mutatis mutandis apply.

(5) to (12) XX XX XX

77. Establishment of check-post on contract basis .- (1) Where the Commissioner is of the view that without establishment of a departmental check-post, it is in the interest of the State to collect a fixed sum of tax on contract basis, in respect of goods notified under clause (8) of section 2 and livestock at a particular point or for a specified area, he may, through a contract, permit a contractor to collect such tax at such point or for such area, on such terms and conditions as may be specified by him, for a period not exceeding two years at a time.

(2) A contractor covered by sub-section (1), shall deposit the fixed amount of tax subject to revision on account of any increase or decrease in the rate of tax or grant of exemption from tax, in such manner and within such time as may be fixed by the Commissioner, and all the provisions of this Act including the provisions of recovery and interest shall, so far as may be, apply to such contractor.

(3) Where the period of a contract entered into under sub-section (1) expires and no further contract is awarded, the same contract may be extended for a further period of three months or upto the date of the award of the next contract, whichever is earlier, and the contractor shall accordingly deposit the proportionate amount of tax for such extended period, as directed by the Commissioner.

(4) The contractor shall not collect tax on the goods under sub-section (1) exceeding the amount of tax leviable thereon under the provisions of this Act.

(5) Where a contractor violates the provisions of sub-section (4), the Commissioner or any officer not below the rank of Assistant Commercial Taxes Officer authorised by the Commissioner, shall after affording an

opportunity of being heard, direct that such contractor shall pay by way of penalty, in addition to the amount of excess tax collected a sum equal to double the amount of excess tax collected by him or any other person on his behalf.

(6) Where a contractor violates any of the terms or conditions of the contract, the Deputy Commissioner (Administration) with the prior approval of the Commissioner may, after recording reasons in writing, terminate the contract at any time and the full amount of contract, after adjusting the amount already deposited as stipulated under the contract, shall be recoverable from such contractor, as if such amount was a demand of tax under this Act and the provisions of recovery of demand shall *mutatis mutandis* apply.

(7) Notwithstanding anything contained in this Act, the Commissioner may by notification direct that no registered dealer shall collect tax in such area and in respect of such goods as are referred to in sub-section (1).

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80. Liability to obtain licence and furnish information by certain agents .- (1) A clearing or forwarding agent who in the course of his business renders his service for booking or taking delivery of any consignment of goods liable to tax or handles any document of title relating to goods liable to tax, shall obtain a licence from the Assistant Commissioner or the Commercial Taxes Officer, as the case may be, in whose territorial jurisdiction he conducts his business, in such form and manner and subject to such conditions as may be prescribed.

(2) to (3)

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83. Appeal to the Tax Board. - (1) An appeal shall lie to the Tax Board against –

(a) an order passed by the Commissioner under sub-section (2) of section 26 or 36 or section 85;

- (b) an order passed by the Deputy Commissioner (Administration) under sub-section (2) of section 26 or sub-section (1) of section 33 ; and
- (c) an order passed by an appellate authority.

(2) to (10) XX XX XX
 XX XX XX

**EXTRACTS TAKEN FROM THE RAJASTHAN STAMP ACT, 1998
 (ACT No. 14 of 99)**

XX XX XX

2. **Definitions**-In this Act, unless there is something repugnant in the subject or context,

(i) to (xii) XX XX XX

(xiii) "executed" and "execution" used with reference to instruments, mean "signed" and "signature";

(xiv) to (xviii) XX XX XX

(xix) "instrument" includes every document by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished, or recorded;

XX XX XX

3 to 84 XX XX XX

85. Books, etc., to be open to inspection-(1) Every public officer having in his custody any registers, books, records, papers, documents or proceedings, the inspection whereof may tend to secure any duty, or to prove or lead to the discovery of any fraud or omission in relation to any duty,

shall at all reasonable times, permit any officer whose duty it is to see that proper duty has been paid or any other officer not below the rank of Sub Divisional Officer authorized in writing by the Collector to inspect for such purpose the registers, books, papers, documents and proceeding and to take such notes and extracts as he may deem necessary, without fee or charge.

(2) Every such public officer shall also provide such registers, books, records, papers, documents or proceedings in original or authenticated copy to the Collector or any person authorized by the Collector on demand.

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