



The Himachal Pradesh General Sales Tax Act, 1968

Act 24 of 1968

Keyword(s):

Business, Brand Name, Casual Trader, Dealer, Declared Goods, Notified Goods

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THE HIMACHAL PRADESH GENERAL SALES TAX ACT, 1968

(ACT NO. 24 OF 1968)¹

(Received the assent of the President of India on the 13th December, 1968, and was published in the R.H.P.Extra., dated the 1st April, 1969 at p. 265-292 read with corrigendum published in R.H.P. dated the 6th June, 1970, at page 397).

Amended, repealed or otherwise affected by,-

- (i) H.P. Ordinance No.9 of 1971, replaced by H.P. Act No. 5 of 1972.
- (ii) H.P. Act No. 5 of 1972 published in R.H.P. Extra., dated the 1st April, 1972 at p. 400-401 (Repealed by H.P. Act No. 11 of 1973).
- (iii) A.O. 1973, published in R.H.P.Extra., dated 20th January, 1973, at p. 91-112.

1. For Statement of Objects and Reasons see R.H.P.Extra., dated the 1st August, 1968 p. 788.

- (iv) H.P. Act No. 11 of 1973 published in R.H.P.Extra., dated 24th May, 1973 at p. 770-771.
- (v) H.P. Act No. 13 of 1973¹, published in R.H.P. Extra., dated the 6th June, 1973 at p. 831-832.
- (vi) H.P. Act No. 2 of 1974², published in R.H.P. Extra., dated the 22nd January, 1974 at p. 44.
- (vii) H.P. Act No. 14 of 1974³, published in R.H.P.Extra., dated the 22nd May, 1974 at p. 857-860.
- (viii) H.P. Ordinance No. 3 of 1975⁴, published in R.H.P. Extra., dated the 22nd September, 1975, at p. 1115-1120.
- (ix) H.P. Act No. 10 of 1976⁵, published in R.H.P.Extra., dated 23rd April, 1976, p. 1122-1126.
- (x) H.P. Ordinance No. 8 of 1976⁶, replaced by H.P. Act No. 1 of 1977, published in R.H.P.Extra., dated the 8th January, 1977, p. 12.
- (xi) H.P. Act No. 7 of 1977, published in R.H.P.Extra., dated the 2nd May, 1977, p. 409-411.

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1. For Statement of Objects and Reasons see R.H.P.Extra., dated the 5th May, 1973, p. 690.
 2. For Statement of Objects and Reasons see R.H.P.Extra., dated the 5th May, 1973, p. 690. This Act shall be deemed to have come into force on the 12th April, 1971, vide sec. 1(2).
 3. For Statement of Objects and Reasons see R.H.P.Extra., dated the 1st May, 1974, p. 743. This Act enforced w.e.f. the 1st June, 1974, vide Not. No. 1-15/73-Extra.(Sectt.), dated the 29th May, 1974, published in R.H.P. Extra., dated 30-5-1974, p. 909.
 4. This Ord. enforced w.e.f. the 24th January, 1976, vide Not. No. 1-16/73-E&T (Sectt.) dated the 22nd January, 1976, published in R.H.P.Extra., dated the 23rd January, 1976, p. 413.
 5. For Statement of Objects and Reasons see R.H.P.Extra., dated 21st February, 1976, p. 611. This Act came into force with immediate effect vide Not. No. 1-16/73-E&T (Sectt.), dated the 28th April, 1974, published in R.H.P.Extra., dated the 29th April, 1976, p. 1170.
 6. Ord. came into force with immediate effect vide Not. No. 1-2/73-E&T(Sectt.) dated 5.9.1976, published in R.H.P.Extra., dated the 25th September, 1976, p. 1757.

- (xii) H.P. Act No. 17 of 1978¹, published in R.H.P. Extra., dated the 29th April, 1978, p. 401.
- (xiii) H.P. Act No. 32 of 1978², published in R.H.P. Extra., dated the 13th October, 1978, p. 1355-1356.
- (xiv) H.P. Act No. 7 of 1979³, published in R.H.P. Extra., dated 10th May, 1979, p. 1719-1720.
- (xv) H.P. Act No. 12 of 1979⁴, published in R.H.P. Extra., dated the 16th June, 1979, p. 1931-1934.
- (xvi) H.P. Ord. No. 5 of 1980, replaced by H.P. Act No. 4 of 1981⁵, published in R.H.P. Extra., dated the 2nd May, 1981, p. 315.
- (xvii) H.P. Act No. 8 of 1985⁶, published in R.H.P. Extra., dated the 13th August, 1985, p. 1252-1253.
- (xviii) H.P. Act No. 15 of 1986⁷, published in R.H.P. Extra., dated the 28th May, 1986, p. 933-935.
- (xix) H.P. Act No. 15 of 1987⁸, published in R.H.P. Extra., dated the 25th May, 1987, p. 881-883.
- (xx) H.P. Act No. 5 of 1991⁹, published in Hindi and English in R.H.P. Extra., dated the 20th April, 1991, p. 833-836 and 837-839, effective w.e.f. 1st April, 1991.

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1. For Statement of Objects and Reasons see R.H.P. Extra., dated 6.4.1978, p. 296.
 2. For Statement of Objects and Reasons see R.H.P., Extra., dated 16.9.1978, p. 1193.
 3. For Statement of Objects and Reasons see R.H.P. Extra., date 24.3.1979, p. 1000.
 4. For Statement of Objects and Reasons see R.H.P., Extra., dated 21.4.1979, p. 1538.
 5. For Statement of Objects and Reasons see R.H.P., Extra., dated 24.3.1981, p. 136.
 6. For Statement of Objects and Reasons see R.H.P., Extra., dated 9.7.1985, p. 1053.
 7. For Statement of Objects and Reasons see R.H.P., Extra., dated 25.3.1986, p. 491.
 8. For Statement of Objects and Reasons see R.H.P., Extra., dated 16.5.1987, p. 838.
 9. Passed in Hindi by the Himachal Pradesh Vidian Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 14.3.1991, p. 336 and 339.

- (xxi) H.P. Act No. 18 of 1991¹, published in Hindi and English in R.H.P. Extra., dated the 2nd November, 1991, p. 2495-2503 and 2504-2512.
- (xxii) H.P. Act No. 12 of 1992², published in Hindi and English in R.H.P. Extra., dated 12th May, 1992, p. 1949-1950 and 1951-1952.
- (xxiii) H.P. Act No. 14 of 1994³, published in R.H.P. Extra., dated 21.10.1994, p. 3849-3856 and 3857-3864.
- (xxiv) H.P. Act No. 2 of 1995⁴, published in R.H.P. Extra., dated 4.2.1995 p. 527-530 and 531-534.
- (xxv) H.P. Act No. 2 of 1996⁵, published in R.H.P. Extra., dated 24.2.1996, p. 661 and 662.

An Act to provide for the levy of a general tax on the sale or purchase of goods in Himachal Pradesh and for the repeal of the corresponding Acts as at present in force.

BE it enacted by the Legislative Assembly of the Union territory of Himachal Pradesh in the Nineteenth Year of the Republic of India as follows:-

1. Short title, extent and commencement.-(1) This Act may be called the Himachal Pradesh General Sales Tax Act, 1968.

(2) It extends to the whole of Himachal Pradesh.

(3) It shall come into force at once.

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

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1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 12.9.1991, p. 1975 and 1985.
 2. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., date 28.3.1992, p. 1661-1665, and the Act came into force w.e.f. 1.8.1992, vide Not. No. EXN-F(11)1/92, dated 28.7.1992, published in R.H.P. Extra., dated 31.7.1992, p. 2712.
 3. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 13.9.1994, p. 2395-2405.
 4. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 19.12.1994, p. 5251 and 5256.
 5. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 15.1.1996, p. 200 and 202.

(a) "Assessing Authority" means any person authorised by the State Government to make any assessment under this Act;

¹[(aa) "business" includes, -

- (i) any trade, commerce or manufacture, or any adventure or concern in the nature of trade, commerce, or manufacture, whether or not such trade, commerce, manufacture, adventure or concern is carried on with a motive to make gain or profit and whether or not any gain or profit accrues from such trade, commerce, manufacture, adventure or concern; and
- (ii) any transaction in connection with, or incidental or ancillary to, such trade, commerce, manufacture, adventure or concern;]

(b) "Commissioner" means the Excise and Taxation Commissioner appointed under sub-section (1) of section 3;

²[(c) "dealer" means any person who carries on (whether regularly or otherwise) the business of buying, selling, supplying or distributing goods, directly) or indirectly, for cash, or for deferred payment, or for commission, remuneration or other valuable consideration and includes:-

- (i) a local authority, a body corporate, a company, a co-operative society or other society, club, firm, Hindu Undivided Family or other association of persons which carries on such business:
- (ii) a factor, broker, commission agent, a dealer's agent or any other mercantile agent, by whatever name called, and whether of the same description as hereinbefore mentioned or not, who carries on the business of buying, selling, supplying or distributing goods belonging to any principal, whether disclosed or not; ³[XXXX]
- (iii) an auctioneer who carries on the business of selling or auctioning goods belonging to any principal, whether

1. New clause(aa) added by H.P.Act No.7 of 1977-Sec.2(a).

2. Clause '(C)' subs. vide Act No. 7 of 1977 -Sec.2(b).

3. The word "and" at the end of sub-clause (ii) of clause(c) omitted vide H.P. Act No.14 of 1994 (Sec. 2).

disclosed or not, and whether the offer of the indenting purchaser is accepted by him or by the principal or a nominee of the principal ¹[; and]

²[(iv) every person engaged in the business of,-

- (a) transfer, otherwise than in pursuance of a contract, of property in any goods for cash, deferred payment or other valuable consideration;
- (b) transfer of property in goods(which as goods or in some other form) involved in the execution of a works contract;
- (c) delivery of goods on hire-purchase or any system of payment by instalments;
- (d) transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;
- (e) supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration ; and
- (f) supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating) where such supply or service, is for cash, deferred payment or other valuable consideration.]

Explanations.-(1) Every person who acts as an agent in Himachal Pradesh of a dealer residing outside this State and buys, sells, supplies or distributes goods in the State or acts on behalf of such dealer as-

- (i) a mercantile agent as defined in the Sale of Goods Act, 1930(3 of 1930); or
- (ii) an agent for handling of goods or documents of title relating to goods; or

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1. The sign "." at the end of sub-clause (iii) of clause(c) subs by "; and" vide H.P. Act No.14 of 1994 (Sec. 2).
 2. Sub-clause (iv) added vide *ibid.* Part (a) of Sub-clause (iv) shall be deemed to be added w.e.f. 2.2.1983 and the remaining provisions deemed to be added w.e.f. 13.8.1985.

- (iii) an agent for the collection of the payment of the sale price of goods or as a guarantor for such collection or payment;

and every local branch or office in Himachal Pradesh of a firm registered outside this State or a company or other body corporate, the principal office or headquarters whereof is outside this State, shall be deemed to be a dealer for the purpose of this Act.

(2) ¹[Every department or its subordinate offices, of a Government] which whether or not in the course of business, buys, sells, supplies or distributes goods, directly or otherwise, for cash or for deferred payment or for commission, remuneration or other valuable consideration, shall, except in relation to any sale, supply or distribution of surplus, unserviceable or old stores or materials or waste products or obsolete or discarded machinery or parts or accessories thereof, be deemed to be a dealer for the purpose of this Act.

(3) For the purpose of this clause "Government" shall include the Central Government or the Government of any other State or Union Territory;]

(d) "declared goods" shall have the meaning assigned to that expression in clause(c) of section 2 of the Central Sales Tax Act, 1956(Act No. 74 of 1956);

²[(dd) Deputy Excise and Taxation Commissioner, appointed under sub-section(1) of section 3 of this Act, to assist the Commissioner and shall also include the Joint Excise and Taxation Commissioner;

(ddd) "Financial Commissioner" means the Financial Commissioner appointed or empowered to exercise the powers of the Financial Commissioner under this Act;]

³[(e) "goods" means every kind of movable ⁴[property other than newspapers, actionable] claims, stocks, shares or securities, and, includes growing crops, grass, trees and things attached to or

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1. Subs. for the words " A Government" vide Act No. 14 of 1994 (Sec. 2) w.e.f. 13.8.85.
 2. Clause(dd) of section 2 ins. vide Act No. 15 of 1986, and further renumbered as clause "(ddd)" and new clause (dd) added vide Act No.15 of 1987 (Sec.2).
 3. Clause "(e)" subs. vide Act No. 7 of 1977 (Sec.2) and shall always be deemed to have been substituted.
 4. The words "property other than newspapers, actionable" Ins. vide Act No. 32 of 1978 (Sec. 2).

fastened to anything permanently attached to the earth but which under the contract of sale, are agreed to be severed, and includes any class of goods;]

(f) "notification" means notification published under proper authority in the Rajpatra, Himachal Pradesh ;

(g) "prescribed" means prescribed by rules made under this Act;

¹[(h) "purchase" with all its grammatical or cognate expressions, means the acquisition of goods for cash or deferred payment or other valuable consideration otherwise than under a mortgage, hypothecation, charge or pledge and includes-

- (i) the transfer, otherwise than in pursuance of a contract, of property in any goods for cash, deferred payment or other valuable consideration;
- (ii) the transfer of property in goods(whether as goods or in some other form) involved in the execution of works contract;
- (iii) the delivery of goods on hire-purchase or any system of payment by instalments;
- (iv) the transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;
- (v) the supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration;
- (vi) the supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption, or any drink (whether or not intoxicating), where such supply or service, is for cash, deferred payment or other valuable consideration, and such transfer, delivery or supply of any goods shall be deemed to be a sale of those goods by the persons making the transfer, delivery or supply and a purchase of those goods by the person to whom such transfer, delivery or supply is made;]

1. Clause (h) subs. vide H.P. Act No. 8 of 1985 (Sec.2).

- (i) "registered " means registered under this Act;
- ¹[(j) "sale" means any transfer of property of goods for cash or for deferred payment or for any other valuable consideration other than a mortgage, hypothecation, charge or pledge, and includes-
 - (i) the transfer, otherwise than in pursuance of a contract, of property in any goods for cash, deferred payment or other valuable consideration;
 - (ii) the transfer of property in goods(whether as goods or in some other form) involved in the execution of a works contract;
 - (iii) the delivery of goods on hire-purchase or any system of payment by instalments;
 - (iv) the transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;
 - (v) the supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration;
 - (vi) the supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating) where such supply or service, is for cash, deferred payment or other valuable consideration;

and such transfer, delivery or supply of any goods shall be deemed to be a sale of those goods by the person making the transfer, delivery or supply and a purchase of those goods by the person to whom such transfer, delivery or supply is made;]

- (k) "Schedule" means a Schedule to this Act;
- (l) "State Government" or "Government" means the Government of Himachal Pradesh;

1. New clause(j) subs. vide Act No. 8 of 1985 (Sec. 2).

- ¹[(11) "timber" includes trees when they have fallen, or have been felled or agreed to be felled and all wood whether cut up or fashioned or hollowed out for any purpose or not;]
- (m) "turnover" includes, the aggregate of the amounts of sales and purchases and parts of sales and purchases actually made by any dealer during the given period less any sum allowed as cash discount according to ordinary trade practice, but including any sum charged for anything done by the dealer in respect of the goods at the time of, or before, delivery thereof ;

Explanations.-(1) The proceeds of any sale made outside the Himachal Pradesh by a dealer, who carries on business both inside and outside Himachal Pradesh, shall not be included in the turnover..

- (2) The turnover of any dealer in respect of transactions of forward contracts, in which goods are actually not delivered, shall not be included in the turnover.
- (3) The proceeds of sale of any goods on the purchase of which tax is leviable under this Act, or the purchase value of any goods on the sale of which tax is leviable under this Act; shall not be included in the turnover of a dealer;
- ²[(4) in respect of transactions covered under sub-clause (iii) of clause (h) and sub-clause (iii) of clause (j) of this section the amount to be included in the turnover shall be the total sum payable by the hirer under a hire-purchase agreement in order to complete the purchase agreement in order to complete the purchase of, or the acquisitions of property in the goods to which the agreement relates and includes any sum as payable by the hirer under the hire purchase agreement by way of deposit or other initial payment, or credited or to be credited to him under such agreement on account of any such deposit or payment whether that sum is to be or has been paid to owner or to any person or is to be or has been discharged by payment of money or by transfer or delivery of goods or by any other means, but does not include any sum payable as a penalty or as compensation or damages for breach of the agreement.

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1. Clause (11) added vide Act No.7 of 1977 {Sec.2(d)} and shall always be deemed to have been added..
2. Explanations (4) and (5) added vide H.P.Act No. 14 of 1994 (Sec. 2),w.e.f. 13.8.1985.

- (5) The amount to be included in the turnover in respect of transfer of property in goods (whether as goods or in some other form) involved in the execution of work contract shall be its sale price;]
- (n) "year" means the financial year;
- (o) "import" means the bringing of goods into Himachal Pradesh from any place outside its limits ¹[;]
- ²[(p) "small scale industries" means all industrial units with³ [a capital investment as may be prescribed] irrespective of the number of persons employed;]

Explanation.- In this clause "capital investment" means investment in plant and machinery only ⁴[.]

⁵[(q) XXX]

3. Taxing authorities .- (1) For carrying out the purposes of this Act, the State Government may appoint a person to be Excise and Taxation Commissioner, and such other persons to assist him as it thinks fit.

(2) Persons appointed under sub-section(1) shall exercise such powers as may be conferred, and perform such duties as may be required, by or under this Act.

(3) All persons appointed under sub-section(1) shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860).

4. Incidence of taxation.-(1) Subject to the provisions of section 6, section 7 and sub-section(2) of section 12, every dealer(except one dealing exclusively in goods declared tax free under section 7) whose gross turnover during the year immediately preceding the commencement of this Act exceeded

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1. Subs. for "." vide H.P. Act No. 2 of 1974.
 2. Clause (p) added vide H.P. Act No. 5 of 1972 repealed by H.P. Act No. 11 of 1973 and again new clause (p) added vide Act No. 2 of 1974 effective w.e.f. 12.4.1971.
 3. Figure "35" subs. for figure "7.5" by H.P. Act No. 15 of 1987 (Sec. 2) and subsequently subs. for the words and figure "a capital investment of not more than rupees 35 lacks" vide H.P. Act No. 14 of 1994 (Sec. 2) w.e.f. 2.11.1991.
 4. Subs. for ";" vide H.P. Act No. 5 of 1991 w.e.f. 1.4.1991.
 5. Clause (q) added vide Act No. 12 of 1979 w.e.f. 1.4.1979, subsequently omitted by Act No. 5 of 1991 w.e.f. 1.4.1991.

the taxable quantum shall be liable to pay tax under this Act on all sales effected and purchases made after the coming into force of this Act.

(2) Every dealer to whom sub-section (1) does not apply or who does not deal exclusively in goods declared to be tax free under section 7 shall be liable to pay tax under this Act on the expiry of 30 days after the date on which his gross turnover during any year first exceeds the taxable quantum:

Provided that in the case of a dealer who imports any goods for sale or use in manufacturing or processing, or who manufactures or processes any goods for sale, the liability to pay tax shall commence with effect from the date on which his gross turnover during any year first exceeds the taxable quantum.

(3) Notwithstanding anything contained in sub-sections (1) and (2) no tax on the sale of any goods shall be levied if a tax on their purchase is payable under this Act.

(4) Every dealer who has become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years during each of which his gross turnover has failed to exceed the taxable quantum and such further period after the date of such expiry as may be prescribed, and on the expiry of this later period his liability to pay tax shall cease.

(5) Every dealer, whose liability to pay tax has ceased under the provisions of sub-section (4), shall again be liable to pay tax under this Act with effect from the date on which his gross turnover first exceeds the taxable quantum.

(6) In this Act, the expression "taxable quantum" means :-

- (a) in relation to any dealer who imports for sale or use in manufacturing or processing any goods in Himachal Pradesh, nil;
- (b) in relation to any dealer, who himself manufactures or produces any goods for sale,¹[40,000] rupees;
- (c) in relation to any dealer who runs a ²[XXXXXXXXXX] hotel, restaurant, ³[XXXXXXXXXX] bakery or other similar

1. Subs. for the figure '10,000' vide Act No. 15 of 1987.

2. The words 'tandoor', 'loh', 'dhaba', 'halwai shop' and 'Indian' deleted from clause (c) of sub-section (4) w.e.f. 2.11.1991 vide Act No.18 of 1991 (Sec. 3).

3. The words 'tandoor', 'loh', 'dhaba', 'halwai shop' and 'Indian' deleted from clause (c) of section (4) w.e.f. 2.11.1991 vide *ibid* (Sec. 3).

establishment wherein ¹[XXXXXX] food preparations including tea, are served, ²[1,00,000] rupees;

- (d) in relation to any particular classes of dealers not falling within clause (a), (b) and/or (c), such sum as may be prescribed; or
- (e) in relation to any other dealer, ³[3,00,000] rupees:

Provided that the registration of dealers already registered under this clause shall not be cancelled until their turnover in each of three consecutive years does not entitle them to cancellation under clause (b) of sub-section (6) of section 8.

5. Liability of a dealer registered under Parliament Act No 74 of 1956 to pay tax .- A dealer registered under the Central Sales Tax Act, 1956 who is not liable to pay tax under section 4 shall nevertheless be liable to pay tax under this Act on any sale or purchase made by him inside the ⁴[State of Himachal Pradesh:]

Provided that nothing herein shall apply to a dealer who deals exclusively in goods declared tax free under section 7.

⁵[5-A .- Levy of purchase tax on certain goods .-Where a dealer who is liable to pay tax under this Act purchases any goods other than those specified in Schedule "B" from any source, and-

- (i) uses them within the State in the manufacture of goods specified in Schedule "B", or
- (ii) uses them within the State in the manufacture of goods, other than those specified in Schedule "B", and sends the goods so manufactured outside the state in any manner otherwise than by way of sale in the course of inter-State trade or commerce or in the course of export out of the territory of India, or

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1. The word "Indian" deleted vide Act No.18 of 1991(Sec. 3).
 2. Figures of '25,000' subs. by '40,000' w.e.f. 29.4.1978 vide Act No. 17 of 1978, further subs. by '1,00,000' vide Act No.15 of 1986.
 3. Figures '40,000' subs. by '1,00,000' w.e.f. 15.11.1980 vide Act No.4 of 1981 and further by '3,00,000' vide Act No.5 of 1991 w.e.f. 1.4.1991.
 4. Sub. for the words " Union Territory of Himachal Pradesh" vide A.O. 1973.
 5. Section 5-A added vide Act No.15 of 1987-Sec. 4, amended vide Act No. 12 of 1992, w.e.f. 1.8.1992 and subsequently subs. vide Act No. 14 of 1994- Sec.3.

- (iii) uses such goods for a purpose other than that of resale within the State or sale in the course of inter-State trade or commerce or in the course of export out of the territory of India, or
- (iv) sends them outside the State in any manner otherwise than by way of sale in the course of inter-State trade or commerce or in the course of export out of the territory of India,

and no tax is payable on the purchase of such goods under any other provisions of this Act, there shall be levied a tax on the purchase of such goods equal to the rate as notified, under sub-section (1) of section 6, by the State Government.]

6. Rate of tax .- (1) subject to the provisions of this Act, there shall be levied on taxable turnover of a dealer a tax at such rates not exceeding ¹[ten] paise in a rupee as the Government may, by notification, direct:

Provided that a tax at such rate not exceeding ²[15] paise in a rupee, as may be so notified, may be levied on the sale of ³[XXXXXXXXXX] goods as specified in Schedule 'A' ⁴[except on ⁵[items 25, 34 and 36] thereof on which a tax at the rate of ⁶[not exceeding 30 paise in a rupee shall be levied]. The Government, after giving by notification not less than thirty days notice of its intention so to do, may, by like notification, add to or delete from this Schedule, and thereupon this Schedule shall be deemed to have been amended accordingly:

Provided further that the rate of tax in respect of all declared goods, shall, unless a lower rate is fixed by the Government, by notification, be the

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1. The word "seven" subs. for "six" w.e.f. 1.6.1974 vide Act No. 14 of 1974 and further word "ten" subs. for the word "seven" vide Act No. 5 of 1991 w.e.f. 1.4.1991.
 2. The figure "15" subs. for "10" vide Act No. 15 of 1991 w.e.f. 1.4.1991.
 3. The word "luxury" deleted vide Act No.1 of 1977 w.e.f. 25.9.1976.
 4. The words "except on item 25 thereof on which a tax at the rate of 20 paise in a rupee shall be levied" inserted vide Act No. 17 of 1978 and further subs. by the words "except on items 25 and 34 thereof on which a tax at the rate of 25 paise in a rupee shall be levied" vide Sec. 3(c) of Act No.12 of 1979, the amendment made in relation to item 34 of Schedule "A" of the Principal Act deemed to have been made w.e.f. 1st day of February, 1979 vide Sec. 3(2) of H.P. Act No. 12 of 1979.
 5. Subs. for the words and figures "items No. 25 and 34" vide Act No. 2 of 1996, w.e.f. 15.11.1995.
 6. The words and figures "not exceeding 30 paise" subs. for "25 paise" w.e.f. 1.4.1991 vide Act No. 5 of 1991-Sec. 4.

maximum rate specified in clause (a) of section 15 of the Central Sales Tax Act, 1956 ¹[XXXX]:

Provided further that in the case of goods specified in Schedule 'C', the tax shall be leviable and payable on the purchase thereof.

(2) The Government may, by notification, direct that in respect of such goods, other than the goods specified in ²[Schedule "C"], and with effect from such date as may be specified in the notification, the tax under sub-section (1) shall be levied at the first stage of the sale thereof and on the issue of such notification, the tax on such goods shall be levied accordingly:

Provided that no sale of such goods at a subsequent stage shall be exempt from tax under this Act unless the dealer effecting the sale at such subsequent stage furnishes to the assessing authority in the prescribed form and manner a certificate duly filled in and signed by the registered dealer from whom the goods were purchased to the effect that the tax on such goods has been paid at the first stage.

Explanation.- For the purposes of this sub-section, the first stage of sale in respect of any goods and in relation to any class of dealers shall be such as may be specified by the Government in the notification.

(3) In this Act, the expression "taxable turnover" means that part of dealer's gross turnover during any period which remains after deducting therefrom-

(a) his turnover during that period on-

(i) the sale of goods declared tax free under section 7;

³(ii) sale to a registered dealer of goods, liable to tax at the last stage of sale in Himachal Pradesh, other than (a) the sale of goods specified in schedule 'C' or (b) the sale of goods liable to tax at the first stage of sale under sub-section (2), and the same is declared by him in a prescribed form as being intended for resale in the State of Himachal Pradesh or

1. The sign and words, ", and such tax shall be leviable and payable at the stage of sale or purchase, as the case may be, and under the circumstances specified against such goods in Schedule 'D' omitted w.e.f. 13.10.1978 vide Act No 32 of 1978, Sec.3.

2. Subs. for "Schedule 'C' and 'D'" w.e.f. 13.10.1978 by Act No.32 of 1978- Sec.3.

3. Sub-clause (ii) subs. vide Act No. 14 of 1994 (Sec.4) w.e.f. 1.1.1991.

in the course of inter-State trade or commerce or sale in the course of export of goods out of the territory of India:

Provided that, in the case of such sales, a declaration duly filled and signed by the registered dealer to whom the goods are sold, containing the prescribed particulars and inscribed on the bill or cash memorandum referred to in sub-section (2) of section 19 is furnished to the assessing authority by the dealer who sells the goods:

Provided further that no dealer shall be entitled to make any deduction from his turnover in respect of a sale made by him to a registered dealer with whom composition under sub-section (2) of section 12 has been made and is in force;]

¹[XXXXXXXXXXXXXXXXXXXXXXXXXXXX]

(iii) sales to any undertaking supplying electrical energy to the public under a licence or sanction granted or deemed to have been granted under the Indian Electricity Act, 1910 (Act No. 9 of 1910), of goods for use by it in the generation or distribution of such energy:

²[Provided that in the case of such sales, a declaration in such form and in such manner as may be prescribed, duly filled and signed by the authorised officer of such undertaking to whom the goods are sold is furnished to the Assessing Authority by the dealer who sells the goods;]

(iv) sales or purchases of goods falling under section 41;

(v) the purchase of goods,-

(a) which are specified in Schedule 'C' and are sold during the year to a registered dealer, or in the course of inter-State trade or commerce or in the course of export out of the territory of India; or

³[(b) which are referred to under section 14 of the Central Sales Tax Act, 1956, and are sold during the year in the course of inter-State trade or commerce or in the course of export out of the territory of India:

Provided that in the case of a sale referred to in sub-paragraph (a) to a registered dealer, a declaration in the prescribed format duly filled and signed

1. Third proviso omitted vide Act No. 15 of 1987 w.e.f. 25.5.1987.

2. Proviso added at the end of Sub-clause (iii) vide Act No. 14 of 1994.

3. Paragraph (b) subs. vide Act No. 32 of 1978 (Sec.3).

by the registered dealer, to whom the goods are sold is furnished by the dealer claiming deduction:

Provided further that the purchase of goods referred to in sub-paragraph (b) remaining unsold within the period specified in that paragraph shall be deemed to be the purchase of the dealer claiming deduction during the year following; and

(vi) such other sales or purchases as may be prescribed; ¹[XXXX]

²[Explanation.- For the purposes of sub-clause (ii) 'the last stage of sale in Himachal Pradesh in respect of any goods means a stage of sale other than the first stage of sale' specified by the Government in the notification issued under sub-section (2) of section 6; and]

(b) the amount of sales tax included in the gross turnover.

³[(4) XX]

⁴[6-A. Declaration and certificates to be filed alongwith returns .- Every dealer claiming,-

- (i) any deduction from his gross turnover, or
- (ii) any part of his taxable turnover to be a sale to Government, or
- (iii) any part of the taxable turnover to be liable to tax at concessional rate of tax or to an exemption under section 42-B of this Act, ~

shall furnish, alongwith return to be furnished under sub-section (3) of section 12, to the assessing authority, the declaration or the certificate as required under this Act.]

7. Tax free goods .- (1) No tax shall be payable on the sale of goods specified in the first column of Schedule 'B', subject to the conditions and exceptions, if any, set out in the corresponding entry in the second column

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- 1 The word "and" at the end of sub-clause (vi) omitted vide Act No. 14 of 1994
 - 2. Explanation added vide ibid.
 - 3. Sub-section (4) omitted vide Act No. 15 of 1986.
 - 4. Section 6-A added vide Act No. 5 of 1972, repealed by Act No. 11 of 1973, again inserted vide Act No. 12 of 1979, amended by Act No. 15 of 1987 and omitted by Act No. 5 of 1991, effective w.e.f. 1.4.1991(Sec.5), and subsequently inserted vide Act No.2 of 1995 (Sec.2).

thereof and no dealer shall charge sales tax on the sale of goods which are declared tax free from time to time under this section.

(2) The Government, after giving by notification not less than thirty days notice of its intention so to do, may, by like notification, add to or delete from Schedule 'B' and thereupon Schedule 'B' shall be deemed to be amended accordingly.

8. Registration of dealers .- (1) No dealer shall, while being liable to pay tax under this Act, carry on business as a dealer unless he has been registered and possesses a registration certificate ¹[.]

²[Provided that nothing herein shall apply to a dealer who deals exclusively in such goods on which tax has been proved to have been levied at the first stage of the sale thereof under sub-section (2) of section 6 and that such a dealer is not the first selling dealer in respect of those goods in the State of Himachal Pradesh:

Provided further that the dealer referred to in the preceding proviso maintains proper accounts in respect of his business and possesses and furnishes to the Assessing Authority, the certificate referred to in sub-section (2) of section 6, in the prescribed manner, to the effect that the tax on the sales of such goods has been paid at the first stage of sale thereof.]

(2) Every dealer required by sub-section(1) to be registered shall make application in this behalf in the prescribed manner to the prescribed authority.

(3) If the said authority is satisfied that an application for registration is in order, he shall, in accordance with such rules and on payment of such fees as may be prescribed, register the applicant and grant him a certificate of registration in the prescribed form which may specify the class or classes of goods for the purposes of sub-clause (ii) of clause (a) of sub-section (3) of section 6.

(4) The Commissioner ³[or the prescribed authority] may, from time to time, by order, amend ³[,suspend] or cancel any certificate of registration on-

- (a) information furnished under section 25; or
- (b) information received that the dealer has violated any provision of this Act or rules made thereunder; or

1. The sign "." subs. for "." vide Act No. 5 of 1991 (Sec. 6) w.e.f. 1.4.1991.

2. Proviso added vide Act No. 5 of 1991 (Sec. 6) w.e.f. 1.4.1991.

3. The words "or the prescribed authority" and ",suspend" ins. vide Act No.2 of 1995 (Sec.3).

- (c) any other sufficient clause including misuse of the certificate or cessation of liability to payment of tax under this Act:

Provided that no order affecting any person adversely shall be made under this sub-section without affording him a reasonable opportunity of being heard.

(5) When any dealer has paid the amount of penalty imposed under section 35 in respect of any contravention of sub-section (1) of this section, the Commissioner ¹[or the prescribed authority] shall register such dealer and grant him a certificate of registration and such registration shall take effect as if it had been made under sub-section (3) of this section on the dealer's application.

(6) When-

- (a) any business in respect of which certificate has been granted upon application made under sub-section (2) has been discontinued or transferred; or
- (b) the gross turnover of any such business has during each three consecutive years failed to exceed the taxable quantum; or
- (c) the certificate of registration granted under the Central Sales Tax Act, 1956, to a dealer liable to pay tax by virtue of the provisions of section 5 but who is not otherwise liable to pay tax under section 4 has been cancelled,

the Commissioner ²[or the prescribed authority] shall cancel the registration and the cancellation shall come into force after the expiry of such period as may be prescribed.

9. Voluntary registration.-(1) Any dealer except one dealing exclusively in goods declared tax free under section 7 whose gross turnover during a year exceeds 15,000 rupees may, notwithstanding that he may not be liable to pay tax under section 4, apply in the prescribed manner to the prescribed authority for registration under this Act.

(2) The provisions of sub-section (3) and (4) and clause (a) of sub-section (6) of section 8 shall apply in respect of applications for registration under this section.

(3) Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay

1. Ins. vide Act No.2 of 1995 (Sec.3).

2. Ins. vide Act No. 2 of 1995 (Sec.3).

tax under this Act whether his gross turnover exceeds the taxable quantum or not.

(4) The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(5) Subject to the provisions of sub-section (4), a dealer registered upon application made under this section may apply in the prescribed manner not less than six months before the end of a year to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made; and the said authority shall, unless the dealer is liable to pay tax under section 4, cancel the registration accordingly.

10. Provisional registration.-(1) Any person intending to establish a business in the ¹[State of Himachal Pradesh] for the purpose of manufacturing goods of a value exceeding ten thousand rupees a year for sale may, notwithstanding that he is not liable to registration under section 8, apply to the assessing authority in the prescribed form for provisional registration under this Act.

(2) If the assessing authority, after making such inquiry as it may consider necessary, is satisfied as to the bona fide intention of the person making the application, it may grant a provisional certificate of registration in the prescribed form and under such conditions as may be prescribed.

(3) Every person who has been granted a provisional certificate of registration under this section shall, for so long as such certificate is in force, be liable to pay tax under this Act ²[:]

³[Provided that the assessing authority may, on application made in this behalf accompanied by a fee, not exceeding fifty rupees, as may be prescribed, for reasons to be recorded in writing, extend the period specified in the certificate of registration.]

(4) A provisional certificate of registration granted under this section shall be in force for such period as may be specified therein or until a certificate under section 8 is granted and the provisions of sub-section (4) of section 8 shall, so far as may be, apply to any such provisional certificate of registration.

1 Subs. for the words "Union Territory of Himachal Pradesh" by A.O. 1973.

2 The sign "." at the end of sub-section (3) subs. by ":" vide H.P. Act No. 15 of 1986 (Sec.5)

3. Proviso added vide H.P. Act No. 15 of 1986 (Sec. 5).

(5) If a person who has been granted a provisional certificate of registration under this section fails to establish the business within the period specified in the provisional certificate of registration or fails to comply with any of the conditions specified therein, he shall be liable, by order of the assessing authority, to pay a penalty equivalent to one half of the amount of tax which would have been payable by him in respect of all the purchases of goods made by him within the period specified in the certificate as if he had not been registered under this section.

¹[11. Security from certain class of dealers.-(1) The Commissioner or any other person appointed to assist him under sub-section (1) of section 3, if it appears to him to be necessary so to do for the proper realisation of the tax levied under this Act, may, for reasons to be recorded in writing, impose as a condition of the issue of a certificate of registration to a dealer, or of the continuance in effect of such certificate issued to any dealer, a requirement that the dealer shall give security in the manner prescribed for such amount as may be specified in the order.

(2) No dealer shall be required to furnish security under sub-section (1), unless he has been given an opportunity of being heard and the security that may be required to be furnished by any dealer under the aforesaid sub-section shall be to the satisfaction of the authority prescribed in sub-section (1).

(3) Where the security furnished by a dealer under sub-section (1) is in the form of a surety bond and the surety becomes insolvent or is otherwise incapacitated or dies or withdraws, the dealer shall, within fifteen days of the occurrence of any of the aforesaid events, inform the authority granting the certificate of registration and shall within thirty days of such occurrence furnish a fresh surety bond.

(4) The authority granting the certificate of registration may, by an order in writing, for good and sufficient cause, forfeit the whole or any part of the security furnished by a dealer for realising any amount of tax or penalty payable by a dealer:

Provided that no order shall be passed under this sub-section without giving the dealer and the surety a reasonable opportunity of being heard.

(5) where by reason of an order under sub-section (4), the security furnished by any dealer is rendered insufficient, he shall make up the deficiency in such manner and within such time as may be prescribed.

1. Section 11 subs. vide Act No. 15 of 1986.

(6) The authority granting a certificate of registration may, on application by the dealer, order the refund of security furnished by him or any part thereof, if the same is not required for the purposes of this Act.]

12. Payment of tax and returns.- (1) Tax payable under the Act shall be paid in the manner hereinafter provided at such intervals as may be prescribed.

(2) The Commissioner may, in the public interest and subject to such conditions as he may deem fit, accept from any class of dealers, in lieu of the amount of the tax payable under this Act for any period, by way of composition, a lump sum to be determined and to be paid at such intervals and in such manner as may be prescribed, and thereupon, during the period such composition remains in force, the provisions of this Act and the rules made thereunder relating to the filing of returns and the maintenance of accounts by such dealers shall not apply to them.

(3) Such dealers as may be required so to do by the assessing authority by notice served in the prescribed manner and every registered dealer shall furnish such returns by such dates and to such authority as may be prescribed.

¹[(4) Before a registered dealer furnishes the return required by sub-section (3), he shall, in the prescribed manner, pay into a Government Treasury or the Reserve Bank of India, or at the office of the ²[Assistant Excise and Taxation Commissioner or Excise and Taxation Officer- in-charge of the District], the full amount of tax due from him under the Act according to such returns and shall furnish along with the returns a receipt from such treasury, bank or office of the ³[Assistant Excise and Taxation Commissioner or Excise and Taxation Officer-in-charge of the District] showing the payment of such amount.

Provided that no payment of such amount shall be accepted at the office of the ⁴[Assistant Excise and Taxation Commissioner or Excise and Taxation Officer-in-Charge of the District] save through a ⁵[crossed cheque or] bank draft

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1. Sub-section (4) subs. by Act No. 12 of 1979.
 2. Subs. for the words "District Excise and Taxation Officer" vide Act No. 18 of 1991.
 3. Subs. for the words "District Excise and Taxation Officer" vide Act No. 18 of 1991.
 4. Subs. for the words "District Excise and Taxation Officer" vide Act No. 18 of 1991.
 5. The words "crossed cheque or" inserted vide Act No. 4 of 1981.

payable at a ¹[local branch of a Scheduled Bank] in favour of the assessing authority ²[:]

³[Provided further that where the payment is made through a crossed cheque, such crossed cheque must be delivered in the office of the assessing authority concerned not less than ten clear days before the expiry of the due date prescribed under sub-section (3) for filing the return, and the dealer shall be deemed to have made the payment on the date on which such crossed cheque, after its presentation in the bank, is actually credited into the Government account and necessary receipt is issued by the bank in favour of the dealer.]

⁴[Provided further that where the payment is made through a crossed cheque and the cheque is dishonoured, the dealer shall be deemed to have not made the payment and shall be liable to any action which may be taken for not making payment under the Act or the rules framed thereunder.]

Explanation.- For the purposes of this sub-section " Scheduled Bank" means a bank included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934).

(5) If any dealer discovers any omission or other error in any return furnished by him, he may, at any time, before the date prescribed for the furnishing of the next return by him, furnish a revised return, and if the revised return shows a greater amount of tax to be due than was shown in the original return, it shall be accompanied by a receipt showing payment, in the manner prescribed in sub-section (4), of extra amount.

(6) If a dealer fails without sufficient cause to comply with the requirements of the provisions of sub-section(3) or sub-section (4), the Commissioner or any person appointed to assist him under sub-section (1) of section 3 may, after giving such dealer a reasonable opportunity of being heard, direct him to pay, by way of penalty, a sum ⁵[which shall not be less than ten per centum, but which shall not exceed] one and half times of the amount of tax to which he is assessed or is liable to be assessed under section 14 in addition to the amount of tax to which he is assessed or is liable to be assessed, and where no tax is payable, a sum not exceeding one hundred rupees.

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1. Subs. for the words "local Scheduled Bank" vide Act No.18 of 1991 w.e.f. 2.11.1991.
 2. The sign ":" subs. for the sign "." vide Act No. 4 of 1981 w.e.f. 15.11.1980.
 3. Proviso added vide Act No. 18 of 1991.
 4. Proviso added vide Act No. 4 of 1981 w.e.f. 15.11.1980.
 - 5 Subs for the words "not exceeding " by Act No. 5 of 1991 (Sec. 7)

(7) If a dealer has maintained false or incorrect accounts with a view to suppressing his sales, purchases or stocks of goods, or has cancelled any particulars of his sales or purchases or has furnished to, or produced before, any authority under this Act or the rules made thereunder any account, return or information which is false or incorrect in any material particular, the Commissioner or any person appointed to assist him under sub-section (1) of section 3 may, after affording such dealer a reasonable opportunity of being heard, direct him to pay by way of penalty in addition to the tax to which he is assessed or is liable to be assessed, an amount which shall not be less than ¹[twenty-five per centum] but which shall not exceed one and a half times of the amount of tax to which he is assessed or is liable to be assessed.

²[12-A. Tax deduction from the bills/invoices of the works contractors.- (1) Notwithstanding anything to the contrary contained in section 13, every person making any payment or discharge of any liability on account of valuable consideration payable for the transfer of property in goods, whether as goods or in some other form, involved in the execution of works contract shall deduct an amount not exceeding four per centum as may be prescribed, purporting to be a part or full of the tax payable on such sales, from the bills or invoices raised by the works contractor as payable by the persons:

Provided that no such payment or discharge of any bill raised by the works contractor shall be made without deduction:

Provided further that if the State Government is satisfied that it is necessary to do so in the interest of the State revenue, it may notify the names/posts of such persons who shall be competent persons to make such deduction.

(2) The deduction referred to in sub-section (1) shall be made in the manner which may be prescribed.

(3) The payment of such deduction into the Government treasury shall be the responsibility of the person making such deduction.

(4) The person making such deduction shall issue deduction certificate, in the prescribed manner to the person or dealer from whose bill or in-voice such deduction has been made.

(5) If any person contravenes any or all the provisions of sub-sections(1),(3) and (4) the prescribed authority shall, after giving an

1. The word "twenty-five" subs. for "ten" vide Act No. 5 of 1991, effective w.e.f. 1.4.1991.

2. Sec. 12-A. inserted vide Act No. 18 of 1991.

opportunity of being heard, by an order, in writing, direct that such person shall pay by way of penalty, a sum not exceeding twice the amount of tax deductible under sub-section (1).

(6) The provisions of sections 16 and 16-A for recovery of any amount of tax due from a dealer shall mutatis mutandis apply for recovery of any amount of tax, deducted and/or any penalty imposed but not deposited under this section.]

¹[13. **Prohibition against collection of tax in certain cases.**- (1) No person shall collect any sum by way of tax in respect of sale or purchase of any goods on which no tax is payable under this Act.

(2) No person, who is not a registered dealer and liable to pay tax in respect of any sale or purchase, shall collect on the sale or purchase of any goods any sum by way of tax from any other person and no registered dealer shall collect any amount by way of tax in excess of the amount of tax payable by him under this Act.

(3) If any person, not being a dealer liable to pay tax under this Act, collects any sum by way of tax, or being a registered dealer collects any amount by way of tax in excess of the tax payable by him or otherwise collects tax in contravention of the provisions of sub-sections (1) and (2) he shall be liable to pay, in addition to any tax for which he may be liable, a penalty of an amount not exceeding five hundred rupees or double the amount so collected, whichever is greater.

(4) If the Commissioner, or any person appointed to assist him under sub-section (1) of section 3, in the course of any proceedings under this Act or otherwise, has reason to believe that any person has become liable to pay penalty under sub-section (3), he shall serve on such person a notice in the prescribed form requiring him to show cause why a penalty as provided in sub-section (3) should not be imposed on him.

(5) The Commissioner or any person appointed to assist him under sub-section (1) of section 3 shall thereupon hold an enquiry and shall make such order as he thinks fit.]

14. Assessment of tax .-(1) If the Assessing Authority is satisfied without requiring the presence of dealer or the production by him of any evidence that the returns furnished in respect of any period are correct and

1 .Section 13 subs. and shall always be deemed to have been substituted by Act No. 7 of 1977.

complete, he shall assess the amount of tax due from the dealer on the basis of such returns.

¹[(1-A) If the taxable turnover of a dealer registers an increase of fifteen percent or upwards over the turnover of the preceding year as determined under this section and fulfills such other conditions as the State Government may deem fit to prescribe in this behalf, the assessing authority may dispense with the presence of such dealer and the production of an evidence by him under sub-section (1).]

(2) If the assessing authority is not satisfied without requiring the presence of dealer who furnished the returns or production of evidence that the returns furnished in respect of any period are correct and complete, he shall serve on such dealer a notice in the prescribed manner requiring him, on a date and at a place specified therein, either to attend in person or to produce or to cause to be produced any evidence on which such dealer may rely in support of such returns.

(3) On the day specified in the notice or as soon afterwards as may be, the assessing authority shall, after hearing such evidence as the dealer may produce, and such other evidence as the assessing authority may require on specified points, assess the amount of tax due from the dealer.

(4) If a dealer, having furnished returns in respect of a period, fails to comply with the terms of a notice issued under sub-section (2), the assessing authority shall, within five years after the expiry of such period, proceed to assess to the best of his judgement the amount of the tax due from the dealer.

(5) If a dealer does not furnish returns in respect of any period by the prescribed date, the assessing authority shall, within five years after the expiry of such period, after giving a dealer a reasonable opportunity of being heard, proceed to assess, to the best of his judgement, the amount of tax, if any, due from the dealer.

(6) If upon information which has come into his possession, the assessing authority is satisfied that any dealer has been liable to pay tax under this Act in respect of any period but has failed to apply for registration, the assessing authority shall, within five years after the expiry of such period, after giving the dealer a reasonable opportunity of being heard, proceed to assess, to the best of his judgement, the amount of tax, if any, due from the dealer in respect of such period and also all subsequent periods and in cases where such dealer has wilfully failed to apply for registration, the assessing authority may direct that the dealer shall pay by way of penalty in addition to the amount so

1. Sub-section (1-A) of section 14 ins. vide Act No. 12 of 1979 (Sec. 6)w.e.f. 1.4.1979.

assessed, a sum ¹[which shall not be less than fifteen per centum but which shall not exceed] one and a half times that amount.

²[(7) The amount of any tax, penalty or interest payable under this Act shall be paid by the dealer in the manner prescribed by such date as may be specified in the notice issued by the assessing authority for the purpose and the date so specified shall not be less than fifteen days and not more than thirty days from the date of service of such notice:

Provided that the assessing authority may, with the prior approval of the Excise and Taxation Officer-in-charge of the district extend the date of such payment, but not more than 90 days, or allow payment by monthly instalments not exceeding three against an adequate security or a bank guarantee.]

(8) If the tax assessed under this Act or any instalment thereof is not paid by any dealer within the time specified therefor in the notice of assessment or in the order permitting payment in instalments, the Commissioner or any person appointed to assist him under sub-section (1) of section 3 may after giving such dealer an opportunity of being heard, impose on him a penalty not exceeding in amount the sum due from him.

(9) Any assessment made under this section shall be without prejudice to any penalty imposed under this Act.

15. Re-assessment of tax .- ³(1) If in consequence of definite information which has come into his possession, the assessing authority discovers that the turnover of the business of a dealer has been under-assessed or escaped assessment in any year, the assessing authority may, at any time within three years from the date of assessment under section 14, proceed to re-assess the tax payable on the turnover which has been under-assessed or has escaped assessment:

Provided that the Assessing Authority may also take action to impose the penalty and interest under this Act:

Provided further that no order of re-assessment or imposition of penalty and interest shall be made unless the dealer is afforded a reasonable opportunity of being heard in the prescribed manner.]

1. Subs. for the words "not exceeding" by Act No. 5 of 1991-effective w.e.f. 1.4.1991.

2. Sub-section (7) subs. vide Act No. 12 of 1979 w.e.f. 1.4.1979..

3. Subs. vide Act No.2 of 1995 (Sec. 4).

(2) An Assessing Authority or any such authority as may be prescribed, may at any time, within one year from the date of any order passed by him and subject to such conditions as may be prescribed, rectify any clerical or arithmetical mistake apparent from the record.

16. Tax and penalty recoverable as arrears of land revenue.- The amount of any tax and penalty imposed ¹[or interest payable] under this Act, which remains unpaid after the date, shall be recoverable as arrears of land revenue.

²[16-A. Special mode of recovery.- (1) Notwithstanding anything contained in section 16 or any law or contract to the contrary, Commissioner or any officer other than an Excise and Taxation Inspector, appointed under section 3 to assist the Commissioner, may, at any time or from time to time, by notice in writing, a copy of which shall be sent to the dealer at his last address known to the officer issuing the notice, require-

- (a) any person from whom any amount is due or may become due to a dealer who has failed to comply with a notice of demand for any amount due under this Act;
- (b) any person who holds or may subsequently hold any money for or on account of such dealer;

to pay into the Government treasury in the manner specified in the notice issued under this sub-section, either forthwith or upon the money becoming due or being held, or at or within the time specified in the notice (not being before the money becomes due or it is held), so much of the money as is sufficient to pay the amount due from the dealer in respect of the arrears of tax, interest and penalty under this Act, or the whole of the money when it is equal to or less than that amount.

Explanation.-For the purposes of this sub-section, the amount due to a dealer or money held for or on account of a dealer by any person shall be computed after taking into account such claim, if any, as may have fallen due for payment by such dealer to such person and as may be lawfully subsisting.

(2) The officer issuing a notice under sub-section (1) may at any time, or from time to time, amend or revoke any such notice or extend the time for making any payment in pursuance of the notice.

(3) Any person making any payment in compliance with a notice issued under sub-section (1) shall be deemed to have made the payment under the

1. Ins. vide Act No. 12 of 1979 (Sec.7) w.e.f. 1.4.1979.

2. Section 16-A ins. vide Act No. 18 of 1991 (Sec.5).

authority of the dealer and the treasury receipt for such payment shall constitute a good and sufficient discharge of the liability of such person to the extent of the amount specified in the receipt¹

(4) Any person discharging any liability to the dealer after service on him of the notice issued under sub-section (1) shall be personally liable to the State Government to the extent of the liability discharged or to the extent of the liability of the dealer for tax, interest and penalty, whichever is less.

(5) Where a person on whom a notice is served under sub-section (1), proves to the satisfaction of the officer who issued the notice that the sum demanded or any part thereof was not due to the dealer or that he did not hold any money for or on account of the dealer, at the time the notice was served such person to pay into the Government treasury any such money or part thereof, as the case may be.

(6) Any amount of money which a person is required to pay under sub-section (1), or for which he is personally liable to the State Government under sub-section (4) shall, if it remains unpaid, be recoverable as an arrear of land revenue.

(7) The provisions of this section shall be without prejudice to any action that may be taken for the recovery of the arrears of tax, interest and penalty, if any, due from the dealer.]

¹[16-B. Tax to be first charge on property .- Notwithstanding anything to the contrary contained in any law for the time being in force, any amount of tax and penalty including interest, if any, payable by a dealer or any other person under this Act shall be a first charge on the property of the dealer or such other person.]

17. Period of limitation for completion of assessment or re-assessment not to apply to certain cases.- (1) Notwithstanding the provisions relating to the period of limitation contained in section 14 or section 15 or in any other provision of this Act, assessment or re-assessment may be made at any time in consequence of, or to give effect to, any order made by any court or other authority under this Act.

(2) Where the assessment proceedings relating to any dealer remained stayed under the orders of any court or other authority for any period, such period shall be excluded in computing the period of limitation for assessment or re-assessment specified in section 14 or section 15 or in any other provision of this Act.

1. Section 16-B ins. vide Act No. 14 of 1994 (Sec.5).

¹[17-A. Payment of interest. - ²(1) If any dealer fails to pay the amount of tax due from him under this Act except to the extent mentioned in sub-section (2), he shall, in addition to the amount of tax, be liable to pay simple interest on the amount of tax due and payable by him at the rate of one per centum per month, from the date immediately following the last date on which the dealer should have either filed the return or paid the tax under this Act, for a period of one month and thereafter at the rate of one and a half per centum per month till the default continues.]

(2) If the amount of tax or penalty due from a dealer is not paid by him within the period specified in the notice of demand or, if no period is specified within thirty days from the service of such notice, the dealer shall, in addition to the amount of tax or penalty, be liable to pay simple interest on such amount at the rate of one per centum per month from the date immediately following the date on which the period specified in the notice or the period of thirty days, as the case may be, expires, for a period of one month and thereafter at the rate of one and a half per centum per month till the default continues:

Provided that where the recovery of any tax or penalty is stayed by an order of any court, the amount of tax or penalty shall, after the order of stay is vacated, be recoverable alongwith interest at the aforesaid rate on the amount ultimately found to be due and such interest shall be payable from the date the tax or penalty first became due.

(3) The amount of interest payable under this section shall-

- (i) be calculated by considering if part of a month is more than fifteen days as one month and any amount if more than fifty rupees but less than one hundred rupees as one hundred rupees;
- (ii) for the purposes of collection and recovery, be deemed to be tax under this Act;
- (iii) be in addition to the penalty, if any, imposed under this Act.]

³[18. Refund .-(1) The assessing authority either suo-moto or on application shall in the prescribed manner refund to a registered dealer any amount of tax, interest or penalty paid by such dealer under this Act, -

1. Section 17-A ins. vide Act No. 12 of 1979 (Sec.8).

2 Sub-section (1) of Section 17-A subs. vide Act No. 5 of 1991, w.e.f. 1.4.1991.

3 Section 18 subs. vide Act No. 12 of 1979 (Sec.8).

- (a) if the amount of tax, penalty or interest so paid is in excess of the amount due from him under this Act; or
- (b) if the amount of tax so paid is in respect of the sale or purchase of any declared goods and such goods are sold in the course of inter-State trade or commerce;

either by refund voucher or, at the option of the dealer, by adjustment of the amount so paid with the amount due from him, in respect of any other period:

Provided that the refund under clause (b) shall be subject to such conditions, as may be prescribed:

Provided further that no refund under this section shall be allowed unless the claim for refund is made within a period of three years from the date on which such claim accrues.

Explanation . For the purposes of this sub-section, the expression "in the course of inter-State trade or commerce", shall have the meaning assigned to it by section 3 of the Central Sales Tax Act, 1956 (Act No. 47 of 1956).

(2) Notwithstanding anything contained in sub-section (1), the assessing authority shall first adjust the amount to be refunded towards the recovery of any amount due from the dealer on the date of such adjustment, and shall thereafter refund the balance, if any.

(3) Where any amount required to be refunded by the assessing authority to any person by virtue of an order issued under this Act is not refunded to him within ninety days of the date of the order, the dealer shall be entitled to get simple interest on such amount at the rate of one per centum per month from the date immediately following the date of expiry of the said period for a period of one month and thereafter at the rate of one and a half per centum per month till the refund is made:

Provided that for the purpose of calculation of the interest, if, part of a month exceeds fifteen days shall be considered as one month and any amount less than one hundred rupees but exceeds fifty rupees shall be considered as one hundred rupees.

(4) If the delay in allowing refund within the aforesaid period of ninety days is for reasons beyond the control of the assessing authority or attributable to the dealer, whether wholly or in part, the period of such delay shall be excluded from the period for which interest is payable .

(5) If any question arises whether any period is to be excluded for the purposes of calculation of interest under sub-section (4) the same shall be

referred to the Commissioner or such other officer as the State Government may, by notification, appoint whose decision shall be final.

(6) Where an order allowing refund is the subject matter of any appeal or further proceeding, or where any other proceedings under this Act are pending, and the assessing authority is of the opinion that the refund is likely to adversely affect the recovery, the assessing authority may withhold the refund and refer the case to the Commissioner whose orders shall be final.

(7) The period during which the refund remains withheld under sub-section (6) shall be excluded for the purpose of calculation of interest under this section]

19. Accounts .-(1) Every registered dealer or other dealer on whom a notice has been served to furnish returns under sub-section (3) of section 12 shall keep a true account of the value of goods brought and sold by him, and if the assessing authority considers that such account is not sufficiently clear and intelligible to enable him to make a proper check of the returns referred to in that sub-section, he may require such dealer by notice in writing to keep such accounts including records of sales as he may, subject to anything that may be prescribed in that behalf in writing, direct.

(2) Every registered dealer shall,-

- (a) in respect of goods, exceeding ¹[twenty-five rupees] in value in any one transaction sold by him or on his behalf, issue to the person to whom they are sold, a cash memorandum or bill serially numbered bearing the name and address of dealer, the date of sale and the signature of such dealer or his servant, manager or agent and showing the particulars of goods so sold and price thereof ²[and further showing the sales tax, ³[and the purchase tax] involved]:

Provided that where any registered dealer sells goods to any other registered dealer and claims deduction under sub-clause(ii) of clause (a) of sub-section (3) of section 6, he shall, in respect of such sale, prepare a cash memorandum or bill in qua-duplicate and issue a copy thereof to the other registered dealer ; and

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1. Subs. for the words "ten rupees" vide Act No. 12 of 1979 (Sec 10) w.e.f. 1.4.1979.
 2. The words "and the purchase tax and the surcharge involved" ins. vide Act No. 12 of 1979 (Sec. 10) w.e.f. 1.4.1979.
 3. The words "and the purchase tax" subs. for the words "the purchase tax and the surcharge" vide Act No. 5 of 1991, w.e.f. 1.4.1991.

- (b) preserve a carbon copy of such cash memorandum or bill for a period of not less than five years from the date of issue thereof.

Provided that the Government may, by notification, exempt any class of registered dealers from the provisions of this sub-section.

(3) Where any dealer contravene the provisions of sub-section (1) or sub-section (2), the Commissioner or any person appointed to assist him under sub-section (1) of section 3 may, after affording such dealer a reasonable opportunity of being heard, impose upon him a penalty which may extend to five hundred rupees.

20. Production and inspection of books, documents and accounts .-

(1) The Commissioner or any person appointed to assist him under sub-section (1) of section 3 not below the rank of an Assistant Excise and Taxation Officer may, for the purposes of this Act, require any dealer referred to in section 12 to produce before him any book, document or account relating to his business and may inspect, examine and copy the same and make such enquiries from such dealer relating to his business as may be necessary :

Provided that books, documents and accounts of a period more than five years prior to the year in which assessment is made shall not be so required.

(2) Every registered dealer shall-

- (a) maintain day to day accounts of his business;
- (b) maintain a list of his account books, display it along with his registration certificate and furnish a copy of such list to the assessing authority;
- (c) produce, if so required, account books of his business before the assessing authority for authentication in the prescribed manner;
- (d) retain his account books at the place of his business unless removed therefrom by an official for inspection by any official agency, or by auditors, or for any other reasons which may be considered to be satisfactory by the assessing authority.

(3) If any officer referred to in sub-section (1) has reasonable grounds for believing that any dealer is trying to evade liability for tax or other dues under this Act, and that anything necessary for the purpose of an investigation into his liability may be found in any books, account, register or document, he may seize such book, account, register or document as may be necessary. The

officer seizing the book, account, register or document shall forthwith grant a receipt for the same and shall,-

- (a) in the case of book, account, register or document which was being used at the time of seizing, within a period of ¹[twenty-one] days from the date of seizure; and
- (b) in any other case, within a period of 2[ninety] days from the date of seizure ;

return it to the dealer or the person from whose custody it was seized after examination or after having such copies or extracts taken therefrom as may be considered necessary, provided the dealer or the aforesaid person gives a receipt in writing for the book, account, register or document returned to him. The officer may, before returning the books, account, register or document, affix his signatures and his official seal at one or more places thereon, and in such case, the dealer or the aforesaid person will be required to mention in the receipt given by him the number of places where the signatures and seal of such officers have been affixed on cash book, account, register or document ³[.]

⁴[Provided that where the dealer fails to comply with the directions of the officers seizing the books or of any other officer under the Act, such officer may further retain such books for such period as he may think fit after obtaining the permission of the Commissioner:

Provided further that such officer shall inform the dealer the reasons for which the books are required to be retained beyond the period prescribed under this sub-section.]

(4) For the purposes of sub-section (2) or sub-section (3), an officer referred to in sub-section (1) may enter and search any office, shop, godown, vessel, vehicle, or any other place of business of the dealer or any building, dwelling house, or place where such officer has reason to believe that the dealer keeps or is, for the time being, keeping any books, accounts, registers, documents or goods relating to his business:

Provided that no entry or search in the dwelling house shall be made-

- (i) after the sunset or before the sunrise;

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1. Subs. for the words "ten" vide Act No. 15 of 1986 (Sec.7)- effective w.e.f. 28.5.1986.
 2. Subs. for the words "sixty" vide *ibid*.
 3. Subs. for the sign "." vide *ibid*.
 4. Provisos added vide *ibid*.

- (ii) by any officer below the rank of an Excise and Taxation Officer; and
- (iii) without obtaining the sanction of the ¹[District Magistrate] within whose jurisdiction such house is situated.

(5) The powers conferred by sub-section (4) shall include the power to open and search any box or receptacle in which any books, accounts, registers or other relevant documents of the dealer may be contained.

(6) Any officer empowered to act under sub-section (3) or sub-section (4) shall have power to seize any goods which are found in any office, shop, godown, vessel, vehicle or any other place of business or any building or place of the dealer but not accounted for by the dealer in his books, accounts, registers, records and other documents.

²[20-A. Power of survey.- (1) Notwithstanding anything contained in any other provision of this Act, any Assistant Excise and Taxation Commissioner or Excise and Taxation Officer appointed to assist the Commissioner under sub-section (1) of section 3 or an Excise and Taxation Inspector, duly authorised by the Commissioner may, for the purpose of survey regarding ascertainment of commencement of liability for registration under section 8 of this Act, enter -

- (a) any place within the limits of the areas assigned to him, or
- (b) any place occupied by any dealer in respect of which he exercises jurisdiction.

at which the dealer carrying on the business, keeps any of his books of accounts or other documents or any part of his cash relating to the sale or purchase of goods or stock of goods relating to his business and require any dealer, employee or any other person who may at that time and place be attending in any manner to, or helping in carrying on of such business-

- (i) to afford him the necessary facility to inspect such books of accounts or other documents as he may require and which may be available at such place,
- (ii) to afford him the necessary facility to check or verify the cash and stock of goods which may be found therein, and

1. Subs. for the "Deputy Commissioner" vide H.P. Act No.2 of 1995 (Sec. 5).

2. Section 20-A ins. vide H.P. Act No. 2 of 1995 (Sec.6).

- (iii) to furnish such information including such statement as he may require as to any matter which may be useful for, or relevant to, any proceedings under this Act.

(2) For the purpose of sub-section (1), no entry in the dwelling house shall be made-

- (i) after sunset or before the sunrise ;
- (ii) by any officer below the rank of an Excise and Taxation Officer ; and
- (iii) without obtaining the sanction of the District Magistrate within whose jurisdiction such house is situated.]

21. Assessee permitted to attend through authorised agent etc.-

¹[(1) Any assessee or dealer, who is entitled or required to attend before any authority in connection with any proceedings under this Act, except when required may attend in person, may attend through a person authorised by him in writing in this behalf, in the prescribed manner, being a relative or a regular and whole time employee of such assessee or dealer or an Advocate or a sales tax practitioner.]

(2) In this section ²[a sales practitioner means] any person, who before the commencement of this Act attended before any assessing or other sales tax authorities in connection with any proceedings under the Punjab General Sales Tax Act, 1948, or the East Punjab General Sales Tax Act, 1948 as in force in Himachal Pradesh on behalf of any assessee, otherwise than in the capacity of an employee or relative of that assessee, or ³[a Chartered Accountant] or holds a degree in Commerce, Law, Economics or Banking including auditing conferred by any Indian University, incorporated by any law for the time being in force, Rangoon University, English and Welsh Universities ⁴[and includes a retired Gazetted Officer of the Himachal Pradesh Excise and Taxation Department who has an experience of working as assessing authority, appellate authority or revisional authority under this Act for a minimum period of five years, in one or more of the aforesaid capacities; provided a period of one year has elapsed since the date of his retirement from Government service]

1. Sub-section(1) of section 21 subs. vide Act No.2 of 1995(Sec.7).

2. Subs. for the words " 'an income tax practitioner' means" vide ibid.

3. Subs. for the words "who has passed any accountancy examination recognised in this behalf, by the Central Board of Revenue" vide ibid.

4. Added vide Act No. 32 of 1978 (Sec.4). w.e.f. 13.10.1978.

(3) No person, who has been dismissed from Government service, shall be qualified to represent any dealer under sub-section (1).

¹(4) Every sales tax practitioner, other than an Advocate, and every other person who is entitled to appear before any authority under sub-section (1) in any proceedings under this Act, shall get himself enrolled as such with the Commissioner on payment of such fee as may be prescribed.

(5) If any sales tax practitioner or any other person who represents any assessee or dealer, is found guilty of misconduct, in any proceedings before any authority under this Act, by the Commissioner, the Commissioner may by order direct that he shall be disqualified to represent any assessee or dealer under sub-section (1):

Provided that no such order shall be made in respect of any such sales tax practitioner or other person unless he is given a reasonable opportunity of being heard.]

²**22. Establishment of check posts or barriers and inspection of goods in transit .-** (1) If, with a view to preventing or checking evasion of tax under this Act, the State Government considers it necessary so to do, it may, by notification direct the establishment of a check post or the erection of a barrier or both at such place or places as may be notified.

(2) The owner or person in charge of a ³[goods carriage] or vessel shall carry with him a ⁴[goods carriage] record, a trip sheet or a log book, as the case may be, and a bill of sale or a delivery note containing such particulars as may be prescribed, in respect of such goods, meant for the purpose of trade as are being carried in the ⁵[goods carriage] or vessel, as the case may be, and produce the same before an officer in charge of a check post or barrier or any other officer not below the rank of an Excise and Taxation Inspector checking the vehicle or vessel at any place.

(3) At every check post or barrier or at any other place when so required by any officer referred to in sub-section (2), the driver or any other

1. Sub-sections(4) and (5) subs. vide Act No.2 of 1995 (Sec.7)

2. Sec. 22 subs. vide Act No. 10 of 1976 w.e.f. 24.1.1976.

3. The words "goods carriage" subs. for the words "motor vehicle" vide Act No. 5 of 1991 (Sec.11) w.e.f. 1.4.1991.

4. The words "goods carriage" subs. for the words "motor vehicle" vide ibid.

5. The words "goods carriage" subs. for the words "motor vehicle" vide ibid.

person-in-charge of the ¹[goods carriage] or vessel shall stop the vehicle or vessel, as the case may be, and keep it stationary as long as may reasonably be necessary, and allow the officer-in-charge of the check post or barrier or the aforesaid officer to examine the contents in the vehicle or vessel by breaking open the package or packages, if necessary and inspect all records relating to the goods carried which are in the possession of such driver or other person-in-charge, who shall also furnish such other information as may be required by the afore said officer and if considered necessary such officer may also search the goods vehicle or vessel and the driver or other person -in-charge of the vehicle or vessel or of the goods.

(4) The owner or person-in-charge of a ²[goods carriage] or vessel entering the limits of State or leaving the State limits shall also give in triplicate a declaration containing such particulars as may be prescribed of the goods carried in such vehicle or vessel, as the case may be, before the officer-in-charge of the check post or barrier and shall produce the copy of the said declaration duly verified and returned to him by the said officer or before any other officer referred to in sub-section (2) at the time of checking under this section:

Provided that where ³[goods carriage] or vessel bound for any place outside the State passes through the State, the owner or person in-charge of such vehicle or vessel shall furnish, in duplicate, to the officer-in-charge of the check post or barrier of his entry into the State a declaration in the prescribed form and obtain from him a copy duly verified. The owner or person-in-charge of the ⁴[goods carriage] or vessel, as the case may be, shall deliver within seventy two hours the said copy to the officer-in-charge of the check post or barrier at the point of its exit from the State, failing which he shall be liable to pay a penalty to be imposed by the officer-in-charge of the check post or barrier of the entry not exceeding ⁵[twenty-five per centum of the value of the goods but which shall not be less than fifteen per centum of the value of the goods:]

Provided further that no penalty shall be imposed unless the person concerned has been given a reasonable opportunity of being heard.

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- 1 The words "goods carriage" subs. for the words "motor vehicle" vide Act No. 5 of 1991 (Sec.11) w.e.f. 1.4.1991.
 2. The words "goods carriage" subs. for the words "motor vehicle" vide *ibid*.
 3. The words "goods carriage" subs. for the words "motor vehicle" vide *ibid*.
 4. The words "goods carriage" subs. for the words "motor vehicle" vide Act No. 5 of 1991 (Sec.11) w.e.f. 1.4.1991.
 - 5 Subs. for the words " two thousand rupees or twenty per centum of the value of the goods, whichever is greater" vide *ibid*.

(5) At every station of transport of goods, bus-stand or any other station or place of loading or unloading of goods, other than a rail head or a Post Office, when so required by the Commissioner, or any person appointed to assist him under sub-section (1) of section 3, the driver or the owner of the ¹[goods carriage] or the employee of a transport company or goods booking agency shall produce for examination transport receipts and all other documents and account books concerning the goods carried, transported, loaded, unloaded, consigned, or received for transport (maintained by him in the prescribed manner). The Commissioner or the person so appointed shall, for the purpose of examining that such transport receipts or other documents or account books are in respect of the goods carried, transported, loaded, unloaded, or consigned or received for transport, have the powers to break open any package or packages of such goods.

(6) If the officer-in-charge of the check-post or barrier or other officer as mentioned in sub-section (2) has reasons to suspect that the goods under transport are meant for trade and are not covered by proper and genuine documents as mentioned in sub-section (2) or sub-section (4), as the case may be, or that the person transporting the goods is attempting to evade payment of tax due under this Act, he may, for reasons to be recorded in writing and after hearing the said person, order the unloading and detention of the goods, for such period as may reasonably be necessary and shall allow the same to be transported only on the owner of goods or his representative or the driver or other person-in-charge of the ²[goods carriage] or vessel on behalf of the owner of the goods, furnishing to his satisfaction a security or executing a bond with or without sureties for securing the amount of tax, in the prescribed form and manner, for an amount not exceeding ³[twenty-five per centum of the value of the goods but which shall not be less than fifteen per centum of the value of the goods]:

Provided that where any goods are detained a report shall be made immediately and in any case within twenty four hours of the detention of the goods by the officer detaining the goods to the Excise and Taxation Officer of the District ⁴[or the Assistant Excise and Taxation Officer-in-charge of the District or barrier] seeking the later's permission for the detention of the goods for a period exceeding twenty-four hours, as and when so required and if no

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1. Subs- for the words "goods vehicle" vide H.P. Act No. 5 of 1991 (Sec. 11) w.e.f. 1.4.1991.
 2. Subs for the words "goods vehicle" vide *ibid.*.
 3. Subs. for the words " one thousand rupees or twenty per centum of the value of the goods, whichever is greater" vide *ibid.*
 4. Ins. vide Act No. 32 of 1978.

intimation to the contrary is received from the latter the former may assume that his proposal has been accepted.

(7) The officer detaining the goods shall record the statement, if any, given by the owner of the goods or his representative or the driver or other person-in-charge of the ¹[goods carriage] or vessel and shall require him to produce proper and genuine documents as referred to in sub-section (2) or sub-section (4), as the case may be, before him in his office on a specified date on which date the officer shall submit the proceedings alongwith the connected records to such officer as may be authorised in that behalf by the State Government for conducting necessary enquiry in the matter. The said officer shall, before conducting the enquiry, serve a notice on the owner of the goods and give him an opportunity of being heard and if, after the enquiry, such officer finds that there has been an attempt to evade the dues under this Act, he shall, by order, impose on the owner of the goods a penalty not exceeding ²[twenty-five per centum of the value of goods but which shall not be less than fifteen per centum of the value of the goods], and in case he finds otherwise he shall order the release of the goods.

(8) If the owner of the goods or his representative or the driver or other person-in-charge of the ³[goods carriage] or vessel does not furnish security or does not execute the bond as required by sub-section (6) within ten days from the date of detaining the goods or ⁴[goods carriage] or vessel, the officer referred to in that sub-section may order further detention of the goods and in the event of the owner of the goods, not paying the penalty imposed under sub-section (7) within twenty days from the date of order imposing the penalty, the goods detained shall be made liable to be sold by the officer, who imposed the penalty, for the realisation of the penalty by public auction in the manner prescribed. If the goods detained are of a perishable nature or subject to speedy or natural decay or when the expenses of keeping them in custody are likely to exceed their value, the officer-in-charge of the check post or barrier or any other officer referred to in sub-section (2), as the case may be, shall immediately sell such goods or otherwise dispose them of. The sale proceeds shall be deposited in the Government treasury and the owner of the goods shall be entitled to only

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1. Subs. for the words "goods vehicle " vide Act No. 5 of 1991 (Sec. 11) w.e.f. 1.4.1991.
 2. Subs. for the words " one thousand rupees or twenty per centum of the value of the goods, whichever is greater" vide Act No.5 of 1991 w.e.f. 1.4.1991.
 3. Subs. for the words "goods vehicle " vide *ibid*.
 4. Subs. for the words "goods vehicle " vide *ibid*.

the balance amount of sale proceeds after deducting the expenses and other incidental charges incurred in detaining and disposing of the goods.

(9) The officer detaining the goods shall issue to the owner of the goods or his representative or the driver or the person-in-charge of the ¹[goods carriage] or vessel receipt specifying the description and quality of the goods so detained and obtain an acknowledgment from such person or if such person refuses to give an acknowledgment, record the fact of refusal in the presence of the two witnesses.

(10) If the order of detention of goods under sub-section (6) or of imposition of penalty under sub-section (7) or sub-section (8) is in the mean time set aside or modified in appeal or other proceedings, the officer detaining the goods and imposing the penalty, as the case may be, shall also pass consequential orders for giving effect to the order in such appeal or other proceedings as the case may be.

(11) No dealer or any person, including a carrier of goods or agent of a transport company or booking agency acting on behalf of a dealer, shall take delivery of, or transport, from any vessel, station, airport or any other place, whether of similar nature or otherwise, any consignment of goods other than personal luggage or goods for personal consumption, the sale or purchase of which is taxable under this Act, except in accordance with such conditions as may be prescribed with a view to ensuring that there is no evasion of the tax imposed by or under this Act:

Provided that no place which is rail head or post office shall be so notified by the State Government.

²[*Explanation-I* .-In this section the expression "goods carriage" has the same meaning as is assigned to it in clause (14) of section 2 of the Motor Vehicles Act, 1988 (Central Act No. 59 of 1988), but does not include road transport plying in collaboration with rail transport.]

Explanation-II .- For purposes of sub-section (7), service of notice on the representative of the owner or the driver or other person-in-charge of the ³[goods carriage] or vessel shall be deemed to be valid service on the owner of the goods.

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1. Subs. for the words "goods vehicle" vide H.P. Act No. 5 of 1991 (Sec. 11) w.e.f. 1.4.1991.
 2. *Explanation-I* subs. vide H.P. Act No. 5 of 1991 w.e.f. 1.4.1991.
 3. Subs. for the words "goods vehicle" vide H.P. Act No. 5 of 1991 (Sec. 11) w.e.f. 1.4.1991.

¹[22-A. Registration and submission of return by a carrier of goods, agent of the transport company or booking agency .-(1) For carrying out the purposes of section 22, every carrier of goods, agent of transport company and booking agency having a place of business in the State of Himachal Pradesh and transporting or clearing or forwarding goods on behalf of a dealer, shall be required to obtain a certificate of registration, in the prescribed manner, from the assessing authority of the area in which it has a place of business, on payment of such fee as may be prescribed and on furnishing of a security to the satisfaction of the said authority in the manner as may be prescribed.

(2) Every agency, referred to in sub-section (1) shall submit to the assessing authority such returns of the goods transported, cleared or forwarded by it, by such dates and in such manner as may be prescribed.

(3) The assessing authority shall have the powers to call for and examine the books of accounts, documents and other record in possession of such agency with a view to verifying the correctness of returns submitted and the compliance to the requirements of provisions of section 22.]

23. Power to call for information from banking companies etc. .- The Commissioner or any other person appointed to assist him under sub-section (1) of section 3 may, for carrying out the purposes of this Act, require any person including a banking company, post office or any officer thereof to furnish any information or statement useful for, or relevant to, any proceedings under this Act.

24. Delegation of powers.- Subject to such restrictions and conditions as may be prescribed, the Commissioner may, by order in writing, delegate any of his powers under this Act, except those under sub-section (1) of section 31 to any person appointed under section 3 to assist him.

25. Information to be furnished regarding change of business.- If any dealer to whom the provisions of sub-section (3) of section 12 apply,-

- (a) sells or otherwise disposes of his business or any place of business, or
- (b) discontinues or transfers his business or changes his place of business or opens a new place of business, or
- (c) changes the name(constitution) or nature of his business, or

1. Section 22-A ins.. vide H.P.Act No. 5 of 1991 w.e.f. 1.4.1991.

- (d) wants to make any change in the class or classes of goods specified in his certificate of registration for use in the manufacture of any goods for sale,

he shall, within the prescribed time, inform the prescribed authority accordingly; and if any such dealer dies, his legal representative shall, in like manner, inform the said authority.

26. Transfer of business.- Where the ownership of the business of a registered dealer is entirely transferred and the transferee carries on such business either in its old name or in some other name, the transferee shall, for all purposes of this Act (except for liabilities under this Act already discharged by such dealer), be deemed to be and to have always been registered as if the certification of registration of such dealer had initially been granted to the transferee; and the transferee shall on application to the prescribed authority be entitled to have the registration certificate amended accordingly.

27. Liability to tax on stock in certain cases .- Should his certificate of registration be cancelled under any provision of this Act, a dealer, save when he has transferred his business to some one else, and notwithstanding clause (h) of section 2 but subject to the provisions of section 7, shall be liable to pay tax on goods purchased by him in the ¹[State of Himachal Pradesh] after registration, and remaining unsold at the time of cancellation of certificate at a rate leviable for the sale of such goods.

28. Liability of tax of a partitioned Hindu Family, dissolved firm etc..- (1) Where a dealer is an undivided Hindu family, firm or other association of persons, and such family, firm or association is partitioned, dissolved or disrupted, as the case may be,-

- (a) the tax payable under this Act by such family, firm or association of persons for the period upto the date of such partition, dissolution or disruption may be assessed as if no such partition, dissolution or disruption had taken place and all the provisions of this Act shall apply accordingly; and
- (b) every person who was, at the time of such partition, dissolution or disruption, a member or partner of an undivided Hindu family, firm or association of persons shall, notwithstanding such partition, dissolution or disruption, be liable severally and jointly for the payment of the tax including interest and penalty, if any, payable under this Act by such family firm or association of persons,

¹ Subs. for the words "Union Territory of Himachal Pradesh" vide A.O. 1973.

whether assessment is made prior to or after such partition, dissolution or disruption.

(2) Where the registration certificate of a dealer is cancelled under this Act in any case, other than that of a partition of undivided Hindu family or dissolution or disruption of a firm or association of persons, the tax payable under this Act by such dealer for the period upto the date of cancellation of the registration certification may be assessed on such dealer as if no such cancellation had taken place and all the provisions of this Act shall apply accordingly.

¹[28-A. Liability of legal heirs to pay tax .- Where a dealer is liable to pay tax under this Act, dies, then --

(a) if the business carried on by the dealer is continued after his death by his legal representative or any other person, such legal representative or other person, shall be liable to pay the tax (including any penalty) due from the dealer under this Act, whether such tax (including any penalty) has been assessed before his death but has remained un-paid, or is assessed after his death;

(2) if the business carried on by the dealer is discontinued after his death, his legal representative shall be liable to pay out of the estate of the deceased to the extent the estate is capable of meeting the charge, the tax (including any penalty) due from the dealer under this Act, whether such tax (including any penalty) has been assessed before his death, or is assessed after his death; and the provisions of this Act shall, so far as may be, apply to such legal representative, or other person as if he were the dealer himself.]

29. Bar of certain proceedings .- No assessment made and no order passed under this Act, or the rules made thereunder, by the Commissioner or any person appointed under section 3 to assist him shall be called into question in any civil court, and save as is provided in sub-section (5) of section 21 and sections 30, 31 and 33, no appeal or application for revision shall lie against any such assessment or order.

²[30. Appeals.-(1) An appeal from every original order passed under this Act or rules made thereunder shall lie-

1. New Section 28-A added vide Act No. 7 of 1977 (Sec.4) and shall be deemed to have always been added.

2. Section 30 subs. vide Act No. 15 of 1987 (Sec. 7).

- (a) if the order is made by an assessing authority or by an officer-in-charge of the check post or barrier or any other officer not below the rank of the Excise and Taxation Officer, to the Deputy Excise and Taxation Commissioner;
- (b) if the order is made by the Deputy Excise and Taxation Commissioner, to the Commissioner;
- (c) if the order is made by the Commissioner or any officer exercising the powers of the Commissioner, to the Financial Commissioner.

(2) An order passed in appeal by a Deputy Excise and Taxation Commissioner or by the Commissioner or any officer on whom the powers of the Commissioner are conferred, shall be further appealable to the Financial Commissioner.

(3) Every order of the Financial Commissioner and subject to such order, the order of the Commissioner or any officer exercising the powers of the Commissioner or the order of the Deputy Excise and Taxation Commissioner or the assessing authority, if it was not challenged in appeal or revision, shall be final.

(4) No appeal shall be entertained unless it is filed within sixty days from the communication of the order appealed against, or such longer period as the appellate authority may allow, for reasons to be recorded in writing.

(5) No appeal shall be entertained by an appellate authority unless such appeal is accompanied by satisfactory proof of the payment or the ¹[tax (including interest payable)] or of the penalty, if any, imposed or of both as the case may be:

Provided that if such authority is satisfied that the dealer is unable to pay the ²[tax (including interest payable)] assessed or the penalty, if any, imposed or both, he may, for reasons to be recorded in writing, entertain an appeal without the ¹[tax (including interest payable)] or penalty or both having been paid in full or after part payment of such ¹[tax (including interest payable)] or penalty or both.

(6) Subject to such rules of procedure as may be prescribed, an appellate authority may pass such order on appeal as it deems just and proper.

1 Subs. for the word "tax" vide Act No. 18 of 1991.

2 Subs. for the word "tax" vide Act No. 18 of 1991.

¹[**31. Revision** .- (1) The Commissioner may, of his own motion, call for the record of any proceedings which are pending before, or have been disposed of by, any authority subordinate to him, for the purpose of satisfying himself as to the legality or propriety of such proceedings or order made therein, and may pass such order in relation thereto as he may think fit.

(2) The State Government may by notification confer on any officer powers of the Commissioner under sub-section (1) to be exercised subject to such conditions and in respect of such areas as may be specified in the notification ²[and such officer shall be deemed to be the Commissioner for the purposes of sub-section (1).]

(3) The Financial Commissioner, on application made to him against an order to the Commissioner under sub-section (1) within ninety days from the date of communication of the order, may call for and examine the record of any such case and pass such orders thereon as he thinks just and proper.

(4) No order shall be passed under this section which adversely affects any person unless such person has been given a reasonable opportunity of being heard.]

³[**31-A. Disposal of pending appeal and application etc.**- Notwithstanding anything contained in sections 7, 8 and 9 of this Act, any appeal or application, under sections 30, 31, 33 and 35 of the principal Act, pending immediately before the commencement of the Himachal Pradesh General Sales Tax (Amendment) Act, 1987, shall be disposed of in accordance with the provisions of the principal Act as if the provisions of sections 7, 8 and 9 of this Act had not been enacted.]

⁴[**32. Rectification of mistakes.**- (1) The Commissioner or the officer on whom powers of the Commissioner for the purposes of sub-section (1) of section 31 have been conferred by the State Government may, at any time within one year from the date of any order passed by him on an application made to him or of his own motion, rectify any mistake apparent from the record, and shall within a like period rectify any such mistake which has been brought to his notice by any person affected by such order:

Provided that the Commissioner may entertain any application under this sub-section after expiry of the said period of one year, if he is satisfied that

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1. Section 31 subs. vide Act No. 15 of 1987 (Sec. 7).
 2. Added vide Act No. 2 of 1995 (Sec. 8).
 3. Section 31-A added by H.P. Act No. 15 of 1987.
 4. Sec. 32 subs. vide Act No. 2 of 1995 (Sec. 9).

the applicant was prevented by sufficient cause from making the application in time:

Provided further that no such rectification shall be made if it has the effect of enhancing the tax or reducing the amount of refund, unless the Commissioner has given notice in writing to such person of his intention to do so and has allowed such person a reasonable opportunity of being heard.

(2) Where any such rectification has the effect of enhancing or reducing the amount of tax or penalty, the Commissioner shall, in the prescribed manner, order the recovery of the amount due from, or as the case may be order the refund of the amount due to, such person.]

33. Statement of case to High Court .- (1) Within 60 days from the passing of an order under section ¹[30 or 31] by the Financial Commissioner, affecting any liability of any dealer to pay tax under this Act, such dealer or the Commissioner may, by application in writing accompanied by a fee of one hundred rupees in case the application is made by dealer, require the Financial Commissioner to refer to the High Court any question of law arising out of such order.

(2) If, for reasons to be recorded in writing, the Financial Commissioner refuses to make such reference the applicant may, within 30 days of such refusal, either,-

- (a) withdraw his application (and if he does so, the fee paid shall be refunded) ; or
- (b) apply to the High Court against such refusal.

(3) If upon the receipt of an application under clause (b) of sub-section (2), the High Court is not satisfied of the correctness of the Financial Commissioner's decision, it may require the Financial Commissioner to state the case and refer it, and on the receipt of such requisition, the Financial Commissioner shall state and refer the case accordingly.

(4) If the High Court is not satisfied that the statements in case referred under this section are sufficient to enable it to determine the question raised thereby, it may refer the case back to the Financial Commissioner to make such additions thereto or alterations therein as the court may direct in that behalf.

(5) The High Court upon the hearing of any such case shall decide the question of law raised thereby, and shall deliver its judgment thereon containing the grounds on which such decision is founded and shall send to the Financial

1. Subs. for the figure "31" vide Act No. 15 of 1987 (Sec. 9).

Commissioner a copy of such judgement under the seal of the Court and the signature of the Registrar, and the Financial Commissioner shall dispose of the case accordingly.

(6) Where a reference is made to the High Court under this section, the cost (including the disposal of the fee) shall be in the discretion of the Court.

(7) The payment of the amount, if any, of the tax due in accordance with the order of the Financial Commissioner, in respect of which an application has been made under sub-section (1), shall not be stayed pending the disposal of such application or any reference made in consequence thereof but if such amount is reduced as the result of such reference, the excess tax paid shall be refunded in accordance with the provisions of section 18.

34. Power of Commissioner and his assistants to take evidence on oath, etc.- The Commissioner or any person appointed to assist him under sub-section (1) of section 3 shall, for the purposes of this Act, have the same powers as are vested in a court under the Code of Civil Procedure, 1908 (5 of 1908) when trying a suit, in respect of the following matters, namely :-

- (a) enforcing the attendance of any person and examining him on oath or affirmation;
- (b) compelling the production of documents and impounding or detaining them;
- (c) issuing commissions for the examination of witnesses;
- (d) requiring or accepting proof of facts by affidavits;
- (e) such other powers as may be prescribed;

and any proceeding under this Act before the Commissioner or any person appointed to assist him under sub-section (1) of section 3 shall be deemed to be a "judicial proceeding" within the meaning of sections 193 and 228 and for the purposes of section 199 of the Indian Penal Code (45 of 1860).

¹[35. Offences and penalties . - (1) Any person who-

- (a) wilfully acts in contravention of the provisions of this Act or the rules made thereunder; or
- (b) furnishes a certificate under sub-section (2) of section 6, which he knows or has reason to believe it to be false; or

¹ Sub-section(2) of section 35 subs. vide Act No. 32 of 1978, sub-sections (3), (4) and (5) omitted vide Act No. 15 of 1987 and subsequently Sec. 35 subs. vide Act No. 18 of 1991 (Sec. 7).

- (c) being a registered dealer, falsely represents when purchasing any class of goods for use by him in the manufacture of any goods for sale, that goods of such class are covered by his certificate of registration; or
- (d) not being a registered dealer, falsely represents when purchasing goods in Himachal Pradesh that he is a registered dealer ; or
- (e) after purchasing any goods for any of the purposes specified in the Act, fails, without reasonable excuse, to make use of the goods for any such purpose; or
- (f) has in his possession any form issued under the Act on payment by the Government which has not been obtained by him or by his principal or by his agent in accordance with the provisions of this Act or any rules made thereunder; or
- (g) prevents inspection or examination of books, documents and accounts or wilfully fails to produce such books, documents and accounts mentioned in section 20 ; or
- (h) fails to carry with him any of the records or documents specified in section 22 ; or
- (i) makes any statement or declaration in any of the documents specified in section 22 or section 22-A, as the case may be, which statement or declaration he knows or, has reasons to believe to be false ; or
- (j) in any way is knowingly concerned in any fraudulent evasion or attempt at evasion or abetment of evasion of any tax payable in respect of the sale or purchase of any goods under this Act ; or
- (k) if he is a driver or any other person-in-charge of goods vehicle or vessel or an owner of the goods, refuses on demand by the Officer-in-charge of the check post or barrier or any other officer, not below the rank of an Excise and Taxation Inspector to give his name and address or the name and address of the owner of the goods vehicle or of the consignor or consignee of the goods or gives any name and address of any of these persons which he knows or has reason to believe to be false; or

- (1) aids or abets any person in the commission of any offence specified in this sub-section;

he shall, without prejudice to the recovery of any tax or interest or penalty which may be due from him, be punishable with simple imprisonment which may extend to six months, or with fine, or with both ; and when the offence, is a continuing offence, with a daily fine which may extend to fifty rupees for every day during which the offence continues.

(2). Whosoever contravenes or fails to comply with, any of the provisions of this Act, or the rules made thereunder, or any order or direction made or given thereunder, shall, if no other penalty is provided either under sub-section (1) of this section or under any other provisions of this Act for such contravention or failure, be liable to imposition of a penalty, not exceeding two thousand rupees, and where such contravention or failure is continuing one, to a daily penalty not exceeding fifty rupees during the period of the continuance of the contravention or failure.

(3) Any officer-in-charge of the check post or barrier or any other officer, not below the rank of an Excise and Taxation Officer, appointed under sub-section (1) of section 3 or such other officer as the State Government may, by notification, appoint, may, after affording to the person concern a reasonable opportunity of being heard, impose the penalty mentioned in sub-section (2):

Provided that the officer-in-charge of the check post or a barrier shall exercise such powers only at such check posts or barriers.]

¹[35-A. Imposition of penalty in lieu of prosecution .- If any person specified in sub-section (1) of section 35 is guilty of an offence under that sub-section, any officer-in-charge of a check-post or barrier or any other officer not below the rank of an Excise and Taxation Officer appointed under sub-section (1) of section 3, or such other officer as the State Government may, by notification, appoint, within his jurisdiction, may, after affording to the person concerned a reasonable opportunity of being heard, by order, in writing, impose upon him by way of penalty,-

- (a) in case of sale to him of the goods, if the sale had been a sale within this Act, a sum not exceeding one and a half times of the tax which would have been levied under this Act; or

1. Sections 35-A added vide Act No. 18 of 1991(Sec. 7) Subsequently subs. vide Act No. 12 of 1992 (Sec.3), w.e.f. 1.8.1992.

- (b) in case of non-taxable goods, a sum as may be calculated at the rate of ten paise in a rupee as if such goods were liable to tax; or
- (c) in cases which do not fall either under clause (a) or clause (b), a sum not exceeding three thousand rupees for each offence:

Provided that the penalty for offences under sub-section (7) of section 12 shall be imposed under the same sub-section:

Provided further that no prosecution for an offence under sub-section (1) of section 35 shall be instituted in respect of the same facts on which a penalty has been imposed under this section or sub-section (7) of section 12.]

¹[**35-B. Cognizance of offences** . - (1) No court shall take cognizance of any offence punishable under this Act or the rules made thereunder except with previous sanction of the Government or of such officer as may be authorized by a notification published in Official Gazette and no court inferior to that of a Magistrate of the first class shall try any such offence.

(2) All offences punishable under sub-section (1) of section 35 of this Act shall be cognizable and bailable].

36. Directors of defaulting companies to be liable to pay tax, etc. . - Where any tax assessed or penalty imposed under this Act on a company cannot be recovered by reason of the company having gone into liquidation or for any other reason, then every person, who was Director of such company at any time during the relevant period for which the tax is due or in respect of which the default for which the penalty is imposed was committed, shall be jointly and severally liable for the payment of such tax and penalty unless he proves that the non-payment or non-recovery cannot be attributed to any neglect, misfeasance or breach of duty on his part in relation to the affairs of the company.

37. Disposal of certain property . - Any property seized under this Act, which is not claimed by any person, shall be disposed of in accordance with the provisions of sections 25, 26 and 27 of the Police Act, 1861, as if the officer or authority seizing such property were a police officer:

Provided that if, during the period allowed in accordance with such provisions, any person claims the property, it shall not be released to him unless the tax or penalty or both due in respect of the same under this Act is paid by such person.

1. Section 35-B ins. vide Act No. 18 of 1991 -Sec. 7.

38. Indemnity.- No suit, prosecution or other legal proceedings shall lie against any officer or servant of the Himachal Pradesh Government for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

39. Returns etc. to be confidential.- (1) All particulars contained in any statement made, return furnished or accounts or documents produced in accordance with this Act, or in any record of evidence given in the course of any proceedings under this Act other than proceedings before a criminal court, shall, save as provided in sub-section (3), be treated as confidential and notwithstanding anything contained in the Indian Evidence Act, 1872 (1 of 1872), no court shall, save as aforesaid, be entitled to require any officer of the Himachal Pradesh Government to produce before it any such statement, return, accounts, document or record or any part thereof, or to give evidence before it in respect thereof.

(2) If, save as provided in sub-section (3), any officer of the Himachal Pradesh Government discloses any of the particulars referred to in sub-section (1), he shall be punishable with imprisonment which may extend to six months, and shall also be liable to fine.

¹[(3) Nothing contained in this section shall apply to the disclosure-

- (a) of any such particulars in respect of any such statement, return, accounts, documents, evidence, affidavit or deposition for the purpose of any prosecution under this Act or the Indian Penal Code, 1860 (45 of 1860); or
- (b) of any such particulars to any person entrusted with the administration of this Act for the purposes of carrying out the objects of this Act;
- (c) of any such particulars when such disclosure is occasioned by the lawful employment under this Act of any process for the service of any notice or summons or the recovery of any demand; or
- (d) of any such particulars to a civil court in any suit to which the Government in the Excise and Taxation Department or any officer of the said Department is a party and which relates to any matter arising out of any proceeding under this Act; or

1. Subs. vide Act No. 14 of 1994 -Sec. 6.

- (e) of any such particulars to any officer appointed to audit receipts or refunds of the tax imposed by this Act; or
- (f) of any such particulars where such particulars are relevant to any inquiry into the conduct of an official of the Excise and Taxation Department of the State Government to any person or persons appointed by the Commissioner under the Public Servants (Inquiries) Act, 1850 (XXX of 1850), or to any officer otherwise appointed to hold such inquiry or to a Public Service Commission established under the Constitution when exercising its functions in relation to any matter arising out of such inquiry; or
- (g) of the annual gross turnover, shown in any return furnished or determined in any assessment order passed under this Act, to any officer of the Central or any State Government as may be necessary for the purpose of enabling that Government to levy or realise any tax or duty imposed by it; or
- (h) of any such particulars which are relevant to any inquiry into the charge of misconduct, against an income-tax practitioner or other person who represents any assessee before any authority in any proceedings under this Act; or
- (i) of any such particulars to the Director of Economics and Statistics department of the Government of Himachal Pradesh as may be necessary for enabling him to work out the incidence of tax on any commodity or for carrying out any statistical survey of trade, commodity or dealer; and
- (j) of any such particulars for the purpose of preparing data by computerisation:

Provided that the information mentioned in clauses (a), (f) and (g) may be permitted to be disclosed by the Assistant Excise and Taxation Commissioner or the Excise and Taxation Officer-in-charge of the district only when he is satisfied, after scrutiny of the request made in this behalf and after such enquires as he considers necessary, that the disclosure is admissible under this sub-section.]

40. Powers to make rules .- (1) The Government may, subject to the condition of previous publication, make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may prescribe:-

¹[(a) to prescribe the limit of capital investment for the purposes of clause (p) of section 2 :

Provided that the State Government may, for the purposes of this clause, make rules with retrospective effect but not earlier than the 2nd day of November, 1991;

(aa) the further period after the date of expiry of three consecutive years referred to in sub-section (3) of section 4;]

(b) the taxable quantum for particular classes of dealers under clause (d) of sub-section (6) of section 4;

(c) the particulars to be contained in a declaration under sub-clause (ii) of clause (a) of sub-section (3) of section 6; the form of such declaration and the manner in which such declaration is to be furnished;

²[(cc)the form of declaration and manner in which such declaration is to be furnished under sub-clause (iii) of clause (a) of sub-section (3) of section 6;]

(d) the other sales, turnover in respect of which may be deducted from a dealer's gross turnover in computing his taxable turnover as defined in section 6;

³[(dd) the manner in which the certificate referred to in the second proviso to sub-section (1) of section 8 shall be furnished;]

(e) the authority to which applications for registration under section 8 or section 9 shall be made;

(f) ⁴[the fixation of fee to be charged and] the procedure for the payment of fees in respect of, and other matters incidental to, the registration of dealers and granting of certificates of registration, and the form of such certificate under section 8 or section 9 or section 10 and the manner in which security shall be furnished under section 11;

1. Clause (a) renumbered as clause (aa) and new clause (a) ins. vide Act No. 14 of 1994 (Sec. 7).

2. Clause (cc) added vide Act No. 14 of 1994 (Sec. 7).

3. Clause (dd) added vide Act No. 5 of 1991 (Sec. 13), w.e.f. 1.4.1991.

4. Added vide Act No. 15 of 1986 w.e.f. 28.5.1986.

- (g) the intervals at which the conditions subject to which a lump-sum by way of composition may be accepted by the Commissioner from any dealer, the manner in which such lump-sum is to be determined and the manner in which the tax under this Act shall be payable under section 12;
- (h) the returns to be furnished under sub-section (3) of section 12, and dates by which, and the authority to which such returns shall be furnished;
- ¹[(hh) the manner in which deductions are to be made and the deduction certificate is to be issued under sub-sections (1) and (4) of section 12-A;]
- (i) the time within which and the manner in which tax collected under section 13 shall be paid;
- (j) the date by which returns for any period are to be furnished and the procedure to be followed for assessment under section 14;
- ²[(jj) the conditions subject to which the presence of a dealer or production of evidence by him can be dispensed with under sub-section (1-A) of section 14;
- (jjj) the manner of payment of tax, penalty or interest, under sub-section (7) of section 14;]
- (k) the manner in which refunds under section 18 shall be made;
- (l) the conditions, if any, for issue of direction under section 19;
- (m) the manner of authentication of account books under clause (c) of sub-section (2) of section 20 ;
- (n) the particulars of bills of sales or delivery note referred to in sub-section (2) of section 22, the particulars of declaration to be given under sub-section (3) of that section, the form of transit slip (rahdari) referred to in the proviso to that sub-section and the conditions on which delivery of consignment of goods shall be taken under sub-section (7) of that section;
- ³[(nn) the manner of obtaining and granting the registration certificate, fee to be charged for the same and the manner in which the security

1. Clause (hh) added vide Act No. 18 of 1991 (Sec. 8).

2. Clause (jj) and (jjj) added vide Act No. 12 of 1979.

3. Clause (nn) added vide Act No. 5 of 1991 -Sec. 13, w.e.f. 1.4.1991.

is to be furnished under sub-section (1) and also the dates and the manner of furnishing returns under sub-section (2) of section 22-A;]

- (o) the restrictions and conditions subject to which the Commissioner may delegate his powers under section 24;
- (p) the authority to which information shall be furnished under section 25;
- (q) the manner in which appeals against assessment may be preferred under section 30;
- (r) the procedure for, and other matters (including fees) incidental to, the disposal of appeals and applications for revision and review under sections 30, 31 and 32;
- ¹[(rr) the form and the manner in which the certificate under section 42-B is to be furnished;
- (rrr) the restrictions and conditions subject to which and the manner in which the set off under sub-section (2) of section 42-C is to be granted;]
- (s) the authority by which and the manner in which cases may be transferred from one assessing authority to another and from one appellate authority to another;
- (t) any other matter which is to be, or may be prescribed;
- (u) the manner in which, and the time within which, applications shall be made, information furnished and notices served, under this Act;
- (v) the procedure for the cancellation and return of certificate of registration;
- ²[(w) to prescribe the meaning of the industries specified in explanation to sub-section (1) of section 42.]

41. Provision in case of inter-State trade etc..-Notwithstanding anything contained in this Act-

- (a) a tax on the sale or purchase of goods shall not be imposed under this Act-

1. Sub-clauses (rr) and (rrr) added vide Act No. 18 of 1991.

2. Clause (w) ins. vide Act No. 14 of 1994 (Sec.7).

- (i) where such sale or purchase takes place outside the ¹[State of Himachal Pradesh;]
 - (ii) where such sale or purchase takes place in the course of import of the goods into, or export of the goods out of, the territory of India ;
- (b) a tax on the sale or purchase of any goods shall not be imposed where such sale or purchase takes place in the course of inter State Trade or commerce except in so far as Parliament may by law otherwise provide.

²[42. Powers to exempt .-(1) The Government if satisfied that it is necessary or expedient so to do in the interest of cottage industries or small scale industries ³[, pioneer industries, new small scale industries, tiny industries, small service business establishment industries or other industry] may, by notification, exempt either wholly or to such extent only as may be specified in the said notification any class of co-operative societies ⁴[or such industry] from the payment of tax leviable on the sale of goods manufactured by such societies/persons ¹[or such industry] subject to such conditions as may be specified in such notification:

⁵[Provided that the State Government may, for the purpose in this sub-section, issue notification exempting from tax-

- (a) "pioneer industries", except those mentioned in part (b) of the proviso, "new small scale industries", "tiny industries" and "small service business establishment industries" approved by the Government with effect from the 18th day of April, 1992;
- (b) "pioneer industries" manufacturing vegetable ghee and refined oil with effect from the 8th day of October, 1992; and
- (c) "other industry" from the date of the publication of the notification.

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- 1 Subs. for the words "Union Territory of Himachal Pradesh" by A.O. 1973.
 - 2. Sub-section (2) of section 42 omitted and sub-section (3) renumbered as sub-section (2) vide Act No. 8 of 1985 (Sec.3) subsequently section 42 subs. vide Act No. 18 of 1991 -Sec. 9, w.e.f. 2.11.1991.
 - 3. Added vide Act No. 14 of 1994 (Sec.8) w.e.f. 18.4.1992.
 - 4. Subs. for the words "or persons" vide Act No. 14 of 1994 (Sec.8) w.e.f. 18.4.1992.
 - 5. Proviso added vide *ibid*, clause (a) shall be effective w.e.f. 18.4.1992 clause (b) effective w.e.f. 8.10.1992 and clause (c) and Explanation to be effective prospectively.

Explanation .- In this proviso the expressions "pioneer industries", "new small scale industries", "tiny industries", "small service business establishment industries" and "other industry " shall have the meanings as may be prescribed.]

(2) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be laid before the State Legislature.]

¹[42-A. **Special provisions relating to deferred payment of tax by industrial units.**- (1) Notwithstanding anything contained in any other provisions of this Act, if the Government is of the opinion that with a view to provide incentives to the entrepreneurs setting up a new industrial units in the State for manufacturing goods for sale, it is necessary or expedient in the public interest so to do, it may, under a scheme notified in this behalf, under this Act, and subject to such restrictions and conditions as may be specified in such scheme, provide for deferred payment of tax payable under section 12 by such entrepreneur who is registered as a dealer under this Act.

(2) Subject to the provisions of sub-section (1), the entrepreneur referred therein, if eligible for grant of facility of deferred payment of tax under the scheme notified under sub-section (1), may make deferred payment of tax payable on the sale of goods manufactured by him.

²[*Explanation* .- For the purpose of this sub-section the expression "new industrial units" shall also include "new tourism units" with effect from the 1st day of August, 1993.]

³[42-B. **Concessional rate of tax on certain raw materials**
⁴[**processing and packing material**] .- Notwithstanding anything contained in this Act, but subject to such restrictions and conditions as may be specified, the State Government may, if it is expedient in the public interest so to do, by notification exempt wholly or fix a concessional rate of tax, on the sale, to an entrepreneur, of goods, specified in his ⁵[certificate of registration,-

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1. Section 42-A added vide Act No. 18 of 1991 (Sec. 9).
 2. Explanation added vide Act No. 14 of 1994 (Sec. 9) w.e.f. 1.8.1993.
 3. Sec. 42-B ins. vide Act No. 18 of 1991 (Sec. 9).
 4. The words ", processing and packing material" added vide Act No. 2 of 1995.
 5. Subs. for the words " certificate of registration for use by him as raw material in the manufacture in Himachal Pradesh of any goods-
 - (a) for sale in the State of Himachal Pradesh; or
 - (b) for sale in the course of inter-state trade or commerce." vide *ibid*.

- (a) for use by him as raw material in the manufacture in Himachal Pradesh of any goods for sale therein or in the course of inter-State trade or commerce; and
- (b) for use by him in the processing or packing of goods so manufactured for sale:]

Provided that the tax on such sales shall be levied at full rates fixed under section 6 unless the dealer making the sale to such entrepreneur furnishes to the assessing authority in the prescribed form and manner a certificate duly filled in and signed by the eligible entrepreneur:

¹[Provided further that the State Government may, by notification, allow the transfer of ²[manufactured goods] in the course of inter-State trade or commerce, to such extent of the aggregate sales shown by the dealer in his returns for a financial year as may be specified in such notification:

Provided also that the State Government may, for the purposes of the preceding proviso, issue notification retrospectively-

- (a) allowing transfer of goods upto twenty-five percent with effect from the 17th day of August, 1992; and
- (b) allowing transfer of ³[manufactured goods] upto one hundred percent with effect from 8th day of October, 1992.]

⁴**42-C. Set off of tax in respect of tax paid goods in certain circumstances.**- (1) Subject to such restrictions and conditions as may be prescribed, a set off, as provided in sub-section (2), shall be granted in such manner as may be prescribed, to a registered dealer in respect of tax paid goods in the circumstances mentioned in sub-section (2).

(2) When the registered dealer purchases any goods, which have suffered tax either under sub-section (2) of section 6 at full rates or under section 42 or section 42-B at the concessional rates, for use of such goods as raw-material in the manufacture in Himachal Pradesh of any goods for sale, he shall be entitled to a set off of tax equal to the difference between the aggregate liability on the sale of final product minus to the amount of tax already paid by the selling dealer.

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1. Added vide Act No. 14 of 1994 (Sec. 10).
 2. Subs. for the word " goods" vide Act No.2 of 1995-Sec.10.
 3. Subs. for the word "goods" vide Act No. 2 of 1995.
 4. Sections 42-C and 42-D added vide Act No. 18 of 1991 (Sec.9) w.e.f. 2.11.1991.

42-D. Penalty for utilisation of goods for other purposes. - Where any goods purchased by a registered dealer either under sub-section (1) of section 42 or ¹[XXXXXXXX] section 42-B, at concessional rates, for use by him in the manufacture of any goods in Himachal Pradesh, other than goods declared tax free under section 7, -

- (a) for sale in the State of Himachal Pradesh;
- (b) for sale in the course of inter-State trade or commerce; are utilised by him for any purpose other than those specified in clause (a) or (b), such dealer shall be liable to pay as penalty, such amount not less than the difference between the amount of tax on the sale of such goods at the full rate applicable thereto under section 6 and the amount of tax payable under sub-section (1) of section 42, or ²[XXXXXXXXXXXX] section 42-B, but not exceeding one and a half times the amount of tax payable at such full rate, as any officer appointed under sub-section (1) of section 3 may, by order, impose:

Provided that no order imposing such penalty shall be passed under this section unless such dealer has been given a reasonable opportunity of being heard.]

43. Powers to amend Schedule `C`³[XXXXXXXXXXXXXXXXX] .-The Government, after giving by notification not less than 30 days notice of its intention so to do, may, by notification, add to or delete from, or otherwise amend Schedule `C` ¹[XXXXXXXX] and thereupon Schedule `C` ¹[XXXXXXXX] shall be deemed to be amended accordingly.

44. Repeal .- (1) The East Punjab General Sales Tax Act, 1948 (46 of 1948) as extended to the Union territory of Himachal Pradesh by Notification of the Government of India in the Ministry of Home Affairs No. G.S.R. 767(8/3/57-judl-II), dated the 30th August, 1958 and the Punjab General Sales Tax Act, 1948 (46 of 1948) as in force in the territories transferred to that Union territory under section 5 of the Punjab Re-organisation Act, 1966 (31 of 1966), are hereby repealed.

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1. The words, brackets and figure "sub-section (1)of " occurring before the word, figure and letter "section 42-B" omitted vide Act No. 12 of 1992
 2. The words, brackets and figure "sub-section (1)of " occurring before the word, figure and letter "section 42-B" omitted vide ibid.
 3. The words and sign "or Schedule `D`" omitted vide Act No. 32 of 1978.

(2) The repeal of any of the enactments under sub-section (1) shall not affect:-

- (a) the previous operation of any such enactment, or
- (b) any penalty, forfeiture or punishment incurred in respect of any offence committed against any such enactment, or
- (c) any investigation, legal proceeding or remedy in respect of any such penalty, forfeiture or punishment;

and any such investigation, legal proceeding or remedy may be instituted continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed.

(3) Subject to the provisions of sub-section (2), anything done or any action taken, including rules, notifications and orders made, instructions or directions issued or rights acquired and liabilities incurred under any of the enactments repealed under sub-section (1), shall -

- (a) be deemed to have been respectively done, taken, made, issued, acquired and incurred under the corresponding provisions of this Act; and
- (b) continue in force unless and until directed otherwise or superseded by anything done or any action taken under this enactment by the State Government or other competent authority.

¹[SCHEDULE 'A']

(See the first proviso to sub-section (1) of section 6)

²[XXXXXXXXXXXXXXXXXXXXXXXXXXXX]

Serial No.	Description of goods.
1.	Motor Vehicles, including accessories and chassis of motor vehicles, motor tyres and tubes and spare parts of motor vehicles.
2.	Motor cycles and motor cycle combinations, motor scooters, motorettes and accessories, tyres, tubes and spare parts thereof.
3.	Refrigerators and air-conditioning plants and component parts thereof.

- 1. Schedule 'A' containing items 1 to 32 subs. vide Act No. 14 of 1974. w.e.f. 1.6.1974.
- 2. The words "LIST OF LUXURIES GOODS" omitted vide Act No. 1 of 1977.

4. Wireless reception instruments and apparatus, radios and radio-gramophones, electrical valves, accumulators, amplifiers and loud-speakers and spare parts and accessories thereof.
5. Cinematographic equipment including cameras, projectors and sound recording and reproducing equipments, lenses, films and parts and accessories required for use therewith.
6. Photographic and other cameras and enlargers, lenses, films and plates, papers and cloth and other parts and accessories required for use therewith.
7. All clocks, time-pieces and watches and parts thereof.
8. All furniture of iron and steel including safes and almirahs.
9. All furniture other than that of iron and steel.
10. All arms including rifles, revolvers, pistols and ammunition.
11. Cigarette cases and lighters.
12. Dictaphone and other similar apparatus for recording sound and spare parts thereof.
13. Sound transmitting equipment including telephones and loudspeakers and spare parts thereof.
14. Typewriters, tabulating machines, calculating machines and duplicating machines, and parts thereof.
15. Binoculars, telescopes and opera glasses.
16. Gramophones and component parts thereof and records.
- ¹[17. Cosmetics, perfumery and toilet goods but not including tooth-paste, tooth powder, soap, kum-kum and dhoop and aggarvati.]
18. Electrical appliances excluding electric bulbs, electric motors, motor starters and mono-block pumping sets.
19. Pile carpets.
20. Cutlery (table).
21. Vacuum flasks.

¹ Item 17 subs, vide Notification No. EXN-F(5)2/77-III dated the 6th August, 1988, published in R.H.P.Extra., dated the 10th August, 1988 p.1721-1722.

22. Sanitary goods and fittings.
23. Leather goods but not including footwear.
24. Glassware, Glaze ware, and Chinaware including crockery.
25. Liquor (foreign liquor and Indian made foreign liquor including wines and beer).
26. Picnic sets.
27. Form rubber products.
28. Articles made wholly or principally of stainless steel but not including surgical instruments.
29. Perambulators.
30. Furs and articles of personal or domestic use made from furs.
31. Plastic, Celluloid, Bakelite goods and goods of similar substances of the value exceeding fifty rupees per piece ¹[but not including polythene bags.]
32. All tiles including mosaic tiles (but not including roofing tiles), laminated sheets and sunmica sheets.
- ²[33. Aerated water.]
- ³[34. Timber but not including converted Timber.]
- ⁴[35. Converted timber.]
- ⁵[36. Polythene bags.]

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1. Ins. vide Act No. 2 of 1996 w.e.f. 15.11.1996.
 2. Item No. 33 added vide notification No. 1-17/71-E&T, Sectt. dated the 28th January, 1976, published in R.H.P.Extra., dated the 30th January, 1976, p.432.
 3. Item No. 34 i.e. "Timber" added w.e.f. 25.9.1976 vide Ordinance No. 8 of 1976, replaced by Act No. 1 of 1977, subsequently substituted as "timber but not including converted timber" vide Notification No. EXN (11)-3/82 dated 13.10.1983, published in R.H.P.Extra., dated 22.10.1983, p. 1136.
 4. Item No. 35 added vide Notification No. EXN-(11)1-3/82, dated 22.10.1983, p. 1136.
 5. Item No. 36 added vide Act No. 2 of 1996 w.e.f. 15.11.1996.

SCHEDULE 'B'

(See section 7)

1.	2.	
1.	¹ [XXXXXXXXXXXXXXXXXX]	
² [2.	Vegetables including green chillies	Except when sold in tins, bottles or cartons.]
3.	Milk.	Except when condensed and dried milk.
4.	Meat, fish and eggs.	Except when sold in tins, bottles or cartons.
³ [5.	Fresh fruits. including tender/ watery coconut]	
6.	Common salt	⁴ [XXXXXXX]
7.	Flowers.	
8.	Pan .	
9.	Books.	
10.	Periodicals.	
11.	Exercise and drawing books.	
12.	Writing slates and slate pencils.	
13.	Writing chalks and crayons.	

1. The words against item No. 1 of the Schedule "B" "Husk of all foodgrains and pulses" omitted w.e.f. 28.11.1972 No.1-77/71-E&T-Sectt., dated 23.11.1972, published in R.H.P.Extra., dated 28.11.1972, p.1065.
2. Item No.2 subs. w.e.f. 1.4.1991 vide Notification No. EXN-C(17)-3/86, dated the 1st April, 1991 published in R.H.P.Extra., dated the 1st April, 1991, p. 653.
3. Subs. for the words "Fresh fruits" vide ibid.
4. The words "Except when sold in sealed containers," omitted vide Not. No. EXN-F(1)8/77, dated 16.9.1987, published in R.H.P.Extra., dated 20.11.1987, p. 2288.

14. Foot-rules, ¹[Geometry box and its instruments, sketch-pen, drawing colour, pencil, eraser, pencil sharpener and ink tablets] of the type usually used in schools.
- ²[15. All varieties of cotton, woolen or silken textiles, including rayon, artificial silk or nylon, whether manufactured by hand loom or powerloom or otherwise ³[except] carpets, druggets, woolen dures and cotton floor dures.]
- ⁴[15-A. All varieties of textiles covered by item No. 15 on which knitting and embroidery work has been done.
- 15-B. Such varieties of canvas cloth tarpaulines and similar other products manufactured with cloth as base, as are manufactured in textile mills, powerloom factories and processing factories.
- 15-C. Leather cloth and inferior or imitation leather cloth ordinarily used in book-binding (rubbe rised) tissue or

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1. Ins. w.e.f. 1.4.1991 vide Not. No. EXN-C(17)3/86, dated 1.4.1991, published in R.H.P.Extra., dated 1.4.1991 at page 653.
 2. Item No. 15 subs. vide Not No. EXN-F(1)6/77, dated 8.2.1980, published in R.H.P. Extra., dated 19.2.1980, p. 101-102 and again subs. vide Not. No. EXN-F(10)5/76-Vol. I, dated 26.6.1986, published in R.H.P. Extra., dated 1.7.1986, p. 1159-1160.
 3. The word "except" added vide Not. No. EXN-F(10)-5/76-Vol.I, dated 22.1.1987, published in R.H.P.Extra., dated 28.1.1987, p. 237-238.
 4. New items 15-A, 15-B and 15-C added vide Not. No. EXN-F(1)6/77, dated 7.2.1980, published in R.H.P.Extra., dated 19.2.1980, p. 101-102.

- synthetic water-proof fabrics whether single- textured or double-textured and book-binding cotton fabrics.]
16. All varieties of textile covered by item 15 on which knitting and embroidery work has been done.
 17. Such varieties of canvas cloth tarpaulines and similar other products, manufactured with cloth as base, as are manufactured in textile mills, powerloom factories and processing factories.
 18. Leather cloth and inferior or imitation leather cloth ordinarily used in book binding; rubber issued (rubberised) or synthetic waterproof fabrics whether single textured, or double textured and book binding cotton fabrics.
 19. Electric energy.
 20. Motor spirit as defined in the Himachal Pradesh Motor Spirit Taxation of Sales) Act, 1968.
 21. Photographs including X-ray Photographes. When sold by photographers and radiologists preparing them.
 - ¹[22. Agricultural implements and parts thereof as per details below:

1. The words substituted for the words "Agriculture implement" vide Not. No EXN-1(7)/75, dated 3.3.1976, published in R.H.P.Extra., dated 6.3.1976.

A. ORDINARY AGRICULTURAL IMPLEMENTS:

1. Hand Hoe or Khurpa.
2. Sickle.
3. Spade.
4. Baguri.
5. Hand-wheel Hoe.
6. Horticultural tools like budding grafting knife, scateur, pruning shear or hook, hedge shear, sprinkler, rake.
7. Sprayer, duster and sprayer-cum-duster.
8. Soil injector.
9. Jandra.
10. Wheel Barrow.
11. Winnowing fan or winnower.
12. Dibbler.
13. Gandasa.
14. Puddler.
15. Fertilizer seed broadcaster.
16. Maize sheller.
17. Groundnut decorticator.
18. Manure or seed screen.
19. Flame gum.
20. Seed grader.
21. Hand driven chaff cutters.
22. Tasla.
23. Tangli.

B. BULLOCK DRAWN AGRICULTURAL IMPLEMENTS:

1. Yoke.
2. Plough.
3. Harrow.
4. Cultivator or triphali.
5. Seed drill, fertilizer drill, seed-cum-fertilizer drill.
6. Planter.
7. Plank or float.
8. Leveller or scoop.
9. Ridger.
10. Ditcher.
11. Bund former.
12. Thrasher or palla.
13. Transplanter.
14. Chalf cutter.
15. Persian wheel, bucket and bucket chain or washer chain.
16. Cart.
17. Reaper.
18. Mower.
19. Sugarcane crusher.
20. Cane juice boiling pan and grating.
21. Roller.

C. TRACTOR DRAWN AGRICULTURAL IMPLEMENTS:

1. Plough.
2. Harrow.
3. Cultivator or tiller.

4. Seed drill, fertilizer drill or seed-cum-fertilizer drill.
5. Fertilizer broadcaster.
6. Planter.
7. Plank or float.
8. Leveller or scoop.
9. Bund former.
10. Ridger.
11. Trailer.
12. Puddler.
13. Ditcher.
14. Cage wheel.
15. Sprayer, duster or sprayer-cum- duster.
16. Roller.
17. Hoe, rotary hoe or rotovator.
18. Reaper or mower, harvester.
19. Combine.
20. Potato harvester or spinner.
21. Groundnut digger shaker.
22. Transplanter.

D. POWER IMPLEMENTS:

1. Thrasher.
2. Chaff cutter.
3. Maize sheller.
4. Groundnut dicorticator.
5. Seed grader.
6. Winnower.
7. Seed treater.
8. Power sprayer or duster.

9. Self-propelled combine.
10. Centrifugal pump.
11. Poultry feed grinder and mixer.
12. Transplanter.

¹[E. METAL STORAGE BINS.]

23. Spinning wheel (charkha) and its parts.
24. All goods sold to the Indian Red Cross Society and St. Johan Ambulance Association.
25. All goods except foreign liquor I.M.F. liquor including wines and beer, on which duty is or may be levied under the Punjab Excise Act, 1914 as in force in Himachal Pradesh or the Opium Act, 1878.

²[26. Agricultural or horticultural produce (and saplings of trees) sold by person or a member of his family, grown by himself or grown on any land in which he has an interest whether as owner or usufructuary mortgagee, tenant or otherwise.]

27. Judicial and non-judicial stamps, entertainment duty stamps, passengers and goods tax stamps and standard water marked petition paper.

1. Added vide Not. No. EXN(1)-6/85-Part, dated 5.10.1987, published in R.H.P.Extra., dated 20.11.1987, 2288-2289.

2. Item No. 26 Subs. vide Not No. EXN-F(1)6/77, dated 7.2.1980, published in R.H.P.Extra., dated 19.2.1980, p.101-102, subsequently subs. vide Notification No. EXN-F(5)2/77-Part dated 29.6.1982. published in R.H.P.Extra., dated 6.7.1982, p. 616.

- ¹[28. Fertilizers (except oil-cakes)]
29. Hand spun yarn. When sold by one who deals in hand spun yarn exclusively.
30. Crudely tanned leather called half tanned leather, usually tanned by villagers in villages (other than that tanned in a factory).
31. Reori, patashas, gajjaks, misri (candy or cooza), golies, boora, makhanas, marunda and phulian.
32. Artificial hearing aids and their accessories.
- ²[32-A. Artificial limbs and rehabilitation aids for the handicapped.]
- ³[33. Seeds and saplings.]
- ⁴[34. Cattle feed including fodder of every type (dry or green) but excluding chhilka of foodgrains, pulses and oil-cakes.]
35. Earthenwares made by kumhars.
36. Kikar bark

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1. Item No. 28 subs. for the word "fertilizers" vide Not. No. 1-17/71-E&T(Sectt.) dated 30.10.1976, published in R.H.P.Extra., dated 3.11.1976, p.1813.
 - 2.. Item No. 32-A added vide Not. No.EXN-F(5)2/77-III, dated 18.3.1986, published in R.H.P.Extra., dated 8.4.1986, P. 639-640.
 3. Item No. 33 Subs. vide Not. No. EXN-F(1)-7/75, dated 21.11.1986, published in R.H.P.Extra., dated 24.11.1986, p. 2067-2068.
 4. Item No. 34 Subs. vide Not. No. 1-17/71-E&T(Sectt.) dated 22.11.1972, published in R.H.P.Extra., dated 28.11.1972, p.1065, and again vide Not. No. 1-17/71-E&T (Sectt.) dated 30.10.1976, published in R.H.P. Extra., dated 3.11.1976, p. 1813-1814, further subs. vide Not. No. EXN-F(10)3/75, dated the 17.3.1980 published in R.H.P. Extra., dated 22.3.1980, p.252-253.

¹ [37.	Country made jootis including Chamba chappals and sandals	When sold by the maker of such shoes himself or by any other member of his family, provided that the maker does not employ any outside labour or uses power at any stage for making the shoes.
38.	Takhties used by students in schools.	
39.	Sugar.	
² [40.	Bakery goods other than bread i.e. Double-roti, prepared with out using power.]	
41.	Bardana (packing material) and containers.	When sold by a person who deals exclusively in goods declared tax free under section 7, but sells packing material and containers only as incidental to his main business.
42.	Kuth.	
43.	All articles of handicrafts and ready made garments made out of the handloom industrial Co-operatives	When sold through Government Emporium and the sales depots of the cloth by Punjab Weavers Apex Co-operative Society Ltd.
44.	Straw covers.	When sold by the manufacturers themselves or through their labour unions.
³ [45.	All articles or handicrafts prepared by the Tibetan	When sold by such centre/ Societies directly to consumers.]

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1. Item No. 37 subs. vide Not. No. 1-6/70-E&T (Sectt.) Part-II, dated 13.12.1976, published in R.H.P.Extra., dated 5.12.1976. p. 1968.
 2. Item 40 subs. vide Not. No. EXN-F(1)6/77, dated 7.2.1980 published in R.H.P.Extra., dated 19.2.1980, p.101-102 and further subs. of vide Not. No. EXN-C(17)3/86 dated 1.4.1991 published in R.H.P.Extra., dated 1.4.1991, p.653.
 3. Item 45 subs. vide Not. No. EXN.1(16)/74, dated 10.10.1977, published in R.H.P.Extra., dated 12.10.1977, p. 1017 and further subs. vide Not. of even number dated 8.3.1978, published in R.H.P.Extra., dated 18.3.1978, p. 218. again item 45 subs. vide Not No. EXN.F(16)/74-PD, dated 13.9.1985, published in R.H.P.Extra., dated 28.9.1985, p. 1580.

Refugees in their Production
Centres / Societies in
Himachal Pradesh.

46. Edible oils produced from sarson, toria and til in indigenous kohlus, whether worked by animals or human beings. When sold by the owners of such kohlus.
47. Poultry feed, that is to say, a mixture of proteins, salts and minerals, vitamins, antibiotics and coccidiostats, whether such mixture contains carbohydrates or not.
48. Tobacco whether cured, uncured or manufactured and all its products including biris, cigarettes, cigars.
49. Water (aqua pura).
50. Condoms. When sold through general trade agencies.

¹[50-A. Mala i.e. Mala-N and Mala-D i.e. the oral contraceptive pills.]

²[51. All goods sold to the serving military personnel and ex-servicemen by the Canteen Stores Department direct or through the authorised canteen contractors or through Unit run Canteen.]

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1. Item No. 50-A added vide Not. No. EXN-F(10)3/75-Vol.II, dated 30.1.1987, published in R.H.P. Extra., dated 2.2.1987, p. 253-254.
 2. Item No. 51 deleted and Item No. 52 renumbered as item No. 51 vide Act No. 17 of 1978 w.e.f. 29.4.1978 and the word "(India)" appearing between the words "Department" and "direct" deleted vide Not.No.1-4/70 E&T(Sectt.), dated 30.6.1978, published in R.H.P.Extra., dated 8.7.1978, p. 857 and again subs. vide Not. No. EXN-F(16)/74, dated 13.11.1978, published in R.H.P.Extra. dated 20.11.1978, p. 1458.

- ¹[52. Fuel oil/heavy stock used
as feed stock in fertilizer
production.]
- ²[53. Mango stones and mango
kernels.]
- ³[54. Insecticides and pesticides.]
- ⁴[55. Chloroquine.]
- ⁵[56. Baan. ⁶[XXXXXXXXXXXXXXXXXX]]
- ⁷[57. XXXXXXXXXXXXXXXXXXXX]
- ⁸[58. XXXXXXXXXXXXXXXXXXXX]
- ⁹[59. XXXXXXXXXXXXXXXXXXXX]

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1. Item No. 54 renumbered as item No. 52 vide Act No. 17 of 1978 w.e.f. 29.4.1978.
 2. Item No. 53 added vide Not. No. 1-1/71-EXN(Sectt.), dated 5.9.1972, published in R.H.P. Extra., dated 8.9.1972, w.e.f. 1.4.69 and deleted vide Act No. 17 of 1978, w.e.f. 29.4.1978 and again inserted vide Not. No. EXN-1(2)74/pt. dated 30.8.1978, published in R.H.P. Extra., dated 31.10.1979, p. 2441. w.e.f. 31.10.1979.
 3. Item No. 54 added vide Not. No. EXN-1(2)/75 dated 19.1.1979, published in R.H.P.Extra., dated 6.2.1979, p. 645, w.e.f. 6.2.1979.
 4. Item No. 55 added vide (ibid).
 5. Item No. 56 added vide Not. No. EXN.1-7/73-E&T dated 19.8.1977, published in R.H.P.Extra., dated 25.8.1977, p. 849 and subs. vide Not. No. EXN.F(10)-5/76, dated 29.10.1979, published in R.H.P.Extra., 31.10.1979, p. 2442.
 6. The words and sign "When sold by the maker himself or by any other member of his family provided that the maker does not employ any outside labour or use power at any stage for making the baan." omitted vide Not. No. EXN-C(9)2/90-IV, dated 2nd January, 1996, published in R.H.P.Extra., dated 3.2.1996, p. 388.
 7. Item No. 57 added vide Not No. EXN-F(10)5/79, dated 28.5.1979, published in R.H.P.Extra., dated 5.6.1979, p. 1858 and deleted vide Not No. EXN-F(1)6/77, dated 29.11.1989, published in R.H.P.Extra., dated 16.12.1989, p. 2939.
 8. Item No. 58 added vide Not. No. EXN-F(5)2/77, dated 16.5.1980, published in R.H.P.Extra., dated 24.5.1980, p.465, again subs. vide Not. No. EXN-F(5)2/77-pt.dated 30.8.1985, published in R.H.P.Extra., dated 18.9.1985, p.1520-1521 and deleted vide Not. No. EXN-F(5)2/77-Part-II, dated 18.10.1989, published in R.H.P.Extra., dated 26.10.1989, p.2637-2638.
 9. Items 59 added vide Not. No. EXN-1(4)/74-Part, dated the 9.6.1981, published in R.H.P.Extra., dated 11.7.1981, p. 612 and deleted vide Not. No. EXN-F(1)6/77 dated 22.11.1985, published in R.H.P.Extra., dated 7.12.1985, p. 2753-2754.

- ¹[60. XXXXXXXXXXXXXXXX]
- ²[61. Sera and vaccines manufactured by Himachal Pradesh Central Research Institute, Kasauli (Himachal Pradesh).]
- ³[62. News print sold to small medium news-papers which are categorized as under:-
- | | |
|---|--|
| Small- Upto a circulation 15,000 copies per issue. | Newspapers having a circulation upto 2,000 copies per issue may submit a certificate from a Chartered Accountant or from the concerned District Magistrate.] |
| Medium- Circulation between 15,000 and 50,000 copies a per issue. | |
- ⁴[63 Foodgrains supplied free of cost by the Government of India under the Food for work programme or other relief programmes notified as such by the Government.
- The exemption shall be granted on production of declaration from the concerned Government Department through which the distribution is made.]
- ⁵[63-A. Gifted maize supplied by the Government of India and sold for human consumption in tribal and drought affected areas, poultry and animal feed sectors.
- The exemption shall be granted on production of declaration from the concerned Government Department distributing the gifted maize.]

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1. Item 60 added vide Not. No. EXN-1(4)/74-Part, dated the 9.6.1981, published in R.H.P.Extra., dated 11.7.1981, p. 612 and deleted vide Not. No. EXN-F(1)6/77 dated 22.1.1985, published in R.H.P.Extra., dated 7.12.1985, p. 2753-2754.
 2. Item No. 61 added vide Not.No. EXN-F(11)28/76, dated 12.2.1981, published in R.H.P.Extra., dated 6.6.1981, p. 473-474.
 3. Item No. 62 added vide Not No. EXN-1(4)/74 dated 8.7.1981, published in R.H.P.Extra.,dated 25.7.1981, p. 633-634.
 4. Item No. 63 added vide Not. No. EXN.F(10)-36/78 dated 30.10.1981, published in R.H.P.Extra., dated 17.11.1981, p. 1018.
 5. Item No. 63-A added vide Not. No. EXN-F(10)36/78-Part dated the 29.5.1989, published in R.H.P.Extra., dated 5.6.1989, p. 1303-1304.

- ¹[64. Non-conventional energy devices:
1. Solar energy equipments.
 2. Solar water heaters and systems.
 3. Solar cropdriers and system.
 4. Solar refrigerations, solar cold storages and solar air conditioning systems.
 5. Solar stills and dissemination systems.
 6. Solar pumps based on solar thermal and solar photovoltaic conversion.
 7. Solar power generating system.
 8. Solar cookers.
 9. Concentrating and pipe type solar collectors.
 10. Flat plate solar collectors.
²[Black continuously plated solar selective coating sheets (in cut lengths or in coils) and fins and tubes.]
 11. Solar photovoltaic modules and panels for water pumping and other applications.
 12. Wind mills and any special designed devices which run on windmills.

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1. Item No. 64 added vide Not. No. EXN-F(18)/85, dated 24.11.1986, published in R.H.P.Extra., dated 26.11.1986, p. 2071-2072.
 2. The words added vide Not. No. EXN-F(17)1/85, dated 17.9.1988, published in R.H.P.Extra., dated 20.9.1988, p. 2307-2308.

13. Any special devices including electric generators, pumps running on wind energy.
 14. Electrically operated vehicles including battery powered or fuel cell powered vehicle.
 15. Equipment for utilising ocean waves and thermal energy in the oceans.
 16. Agricultural and municipal waste conversion devices producing energy.
 17. Biogas engines, biogas plants, gas holder and chulha (burner).]
- ¹[65. XXXXXXXXXXXXXXXX]
- ²[66. Sale of electronic goods manufactured by
- (a) existing Electronic Industrial Electronic Units and (b) new Electronic Industrial Units situated in Himachal Pradesh including Computer Software and Electronic Assembly Units where value addition in assembling (a) by an existing Electronic Assembly Unit is 25 % or more and, (b) by a new Electronic Assembly units
- (1) In respect of the existing Electronic Industrial Units and existing Electronic Assembly Units, the exemption shall granted only when:-
- (i) the Units (other than the existing Electronic Assmebly Units) come in to production between 1.4.1985 and 30.9.1996 and the existing Electronic Assembly Units where value addition in assembling is 25% or more come into production

1. Item No. 65 added w.e.f. 15.9.1986 vide Not. No. EXN-E(1)6/77-pt. dated 9.9.1986, published in R.H.P.Extra., dated 15.9.1986, p. 1514 and deleted vide Not No. EXN-F(1)6/77-Part, dated 29.11.1989, published in R.H.P.Extra., dated 16.12.1989, p.2939.

2. Item No. 66 added vide Not. No. EXN-F(12)2/86, dated 31.1.1987, published in R.H.P.Extra., dated 6.2.1987, p 259-260 and subs vide Not. No. EXN-F(12)2/86, dated 3.2.1992, published in R.H.P.Extra., dated 14.7.1992, p. 2377-2378 and again subs. vide Not. No. EXN-F(13)1/96-(viii), dated 20.6.1997, published in R.H.P.Extra., dated 25.6.1997, p. 2479-2484.

is more than 14 % but excluding:

- (i) T.V. Assembly units;-
- (ii) Radio Assembly units;
- (iii) V.C.R./V.C.P. Assembly units;
- (iv) Other units where value addition in assembling
 - (a) by existing Electronic Assembly unit is less than 25% and
 - (b) by a new Electronic Assembly units is 14% or less.

between 31.7.1996 and 30.9.1996;

- (ii) the Units file by 30th April, every year with the Assessing Authority concerned a certificate in Form R.M. II prescribed by the Himachal Pradesh Government Excise and Taxation Department Notification No. 1-12/73-E & T-III, dated the 7th February, 1992, published in Rajpatra Himachal Pradesh (Extra-Ordinary) on 12.2.1992, obtained from the authority specified therein ;
- (iii) exemption will be available for ten years from the date, the units come into production ;
- (iv) the units comply with all the provisions of the Act, the rules framed and also the notification issued thereunder ; and
- (v) the unit was registered and continues to be so registered as a dealer under the Himachal Pradesh General Sales Tax Act, 1968 :

Provided that subject to compliance of sub-condition No. (ii), (iv) and (v) of condition No. (1) above, the Electronic Assembly Units, except the following which came into commercial production between the

period from 1.4.1991 to 30.9.1996 and where the value addition in assembling is more than 14 % shall also be eligible for the grant of exemption from the payment of sales tax for the period commencing from the date of this notification and ending on the day of March, 2001:-

- (i) T.V. Assembly units;
- (ii) Radio Assembly units;
- (iii) V.C.R./V.C.P. Assembly units; and
- (iv) Other units where value addition in assembling is 14 % or less.

(2) In respect of new Electronic Industrial Units and Electronic Assembly Units where value addition in assembling is more than 14 % the exemption shall be granted only when:-

- (i) the Units came into commercial Production on or after 1.10.1996.
- (ii) the units file by 30th April every year with the Assessing Authority concerned, a certificate in Form R.M. II prescribed by the Himachal Pradesh Government, Excise and Taxation Department Notification No.1-12/73 E &T-III dated the 7th

February, 1992, obtained from the authority specified therein ;

- (iii) the unit is registered as a dealer under the Himachal Pradesh General Sales Tax Act, 1968.
- (iv) the unit comply with all the provisions of the Act and the rules framed and also the notifications issued thereunder; and
- (v) the exemption will be available :-
 - (a) to units located in category 'A' and 'B' Industrial Blocks' for ten years from the date the unit comes into commercial production ; and
 - (b) to units (including Pioneer Units and Prestigious Units) located in category 'C' 'Industrial Block' for five years from the date the units come into commercial production; and
- (vi) no exemption shall be available to new Electronic Industrial Units manufacturing goods listed in 'Negative List'.

Explanation.- In this item the expressions "Pioneer Industrial

Units", "Prestigious Industrial Units", 'Negative List' and 'Industrial Block' shall have the same meanings as are assigned to them in Government of Himachal Pradesh, Excise and Taxation Department Notification No. EXN-F(13) 1/96 (iii), dated 27.1.97, EXN-F(13)1/96 (vi) dated 27.1.97 and EXN-F(13)1/96 (vi) dated 27.1.1997."

¹[67. Wooden Fruit packing cases
²[XXXXXXXXXXXXXXXXX]]

³[68 Live stock.]

⁴[69. Lottery Tickets.]

⁵[70. Pre-recorded Cassettes containing "Azadi- Ki-Kahani" (story of Freedom) and the Cassettes of the Historic Utterances of Mahatma Gandhi and Jawahar Lal Nehru in their own voices which contains National Anthem and Patriotic Songs in various regional languages.]

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- 1.. Item No. 67 added vide Not. No. EXN-E(1)6/77-Part., dated the 3.6.1987, published in R.H.P.Extra., dated 4.6.1987, p. 917.
 - 2.. The words "upto 31st December, 1987" deleted vide Not. No. EXN-E(1)6/77, dated 8.2.1988, published in R.H.P.Extra., dated 12.2.1988, p.
 - 3.. Item No. 68 added vide Not. No. EXN-F(1)8/77, dated 16.9.1987, published in R.H.P.Extra., dated 20.11.1987, p. 2288.
 - 4.. Item No. 69 added vide Not No. EXN-F(12)3/86, dated 11.5.1988, published in R.H.P.Extra., dated 25.5.1988, p. 873-874.
 5. Item No. 70 added vide Not. No. EXN-F(10)3/75. Vol II dated 17.8.1988, published in R.H.P.Extra., dated 23.8.1988 p. 1995-1996.

- ¹[71. Bee-hives. When manufactured from the timber upon which sales tax @ Rs. 25% has been charged upon first sale.]
- ²[72. Bangles made of glass, plastic and lakh.
73. Bindi and Kum-Kum.
74. Wheat bran (i.e. chokar).
75. Bread (i.e. Double Roti).]
- ³[76. Sales of goods manufactured by following (1)In respect of the existing industrial units, the exemption shall be granted only when:-
- (a) existing industrial units: (a) the units file by 30th April every year with the Assessing Authority concerned, a certificate in Form R.M. II as prescribed by the Himachal Pradesh Government Excise and Taxation Department Notification No. 1-12/73-E&T-III, dated 7th February, 1992 issued by the authority specified therein;
- (i) Agriculture-Horticulture produce based industries except Breweries, Distilleries, Non-fruit based Wineries and Bottling Plants (both for Country Liquor and Indian Made Foreign Liquor;
- (ii) Food products and mineral water bottling industry other than those specified at Sl Nos. 1,2,3,5,6,7 and 24 of the Negative List notified vide this Department Notification No. 1-12/73-E&T-III, dated 25.9.1992 published (b) the exemption will be available for a period of 10 years from the date of commencement of production by such industrial unit; and

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- 1.. Item No 71 added vide Not No. EXN-F(10)3/75. Vol.II, dated 4.10.1988, published in R.H.P. Extra., dated 10.10. 1988, p. 2471-2472.
2. Items 72, 73, 74 and 75 added vide Not No. EXN-C (17)-3/86, dated 1.4.1991, published in R.H.P.Extra., dated 1.4.1991, p. 653.
3. Item No. 76 added vide Not No. 1-12/73-E&T-III, dated 23.7.1993, published in R.H.P.Extra., dated 28.7.1993, p 1331-1332 and subs. vide Not. No. EXN-F(13)1/96(viii), dated 20.6.1997, published in R.H.P.Extra., dated 25.6.1997, p. 2479-2484.

- in Rajpatra (Extra-Ordinary) on 1.10.1992.
- (iii) Herbal produce based Industries and Aromatic Industries;
- (iv) Wool based industry (including Angora Wool);
- (v) Sericulture;
- (vi) Garments and Knitwear manufacturing industry; and
- (vii) Project with investment of more than Rs. 300 crores and those with 100% Export Oriented Industries
- (b) New Industrial units;
- (i) Agriculture-Horticulture produce based industries except Breweries, Distilleries, Non-fruit based Wineries and Bottling Plants (both for Country Liquor and Indian Made Foreign Liquor);
- (ii) Food Products and mineral water bottling industry other than those specified at SI Nos. 1,3 and 16 of the Negative List notified vide this Department Notification No. 1-12/73 E&T -III, dated 25.9.1992, published in Rajpatra, Himachal Pradesh (Extra-Ordinary) on 1.10. 1992 and as amended vide Government of Himachal Pradesh Excise and Taxation Department Notification No. EXN-
- (c) the units comply with all provisions of the Act the rules framed and also the notifications issued thereunder.
- (2) In respect of new industrial units, the exemption shall be granted only when:-
- (i) the units file by 30th April every year with the Assessing Authority concerned, a certificate in Form R.M.II, as prescribed by the Himachal Pradesh Government Excise and Taxation Department Notification No. 1-12/73 E&T -III, dated 7.2.1992, published in Rajpatra, Himachal Pradesh (Extra-Ordinary) on 12.2. 1992 issued by the authority specified therein;
- (ii) the exemption will be available for a period of ten years from the date of commencement of commercial production by such industrial units located in "A" and "B" category of Industrial Block only including the industrial units which fall in the Negative List (other than those

- F(13)1/96(vi), dated 27.1.1997.
- (iii) Herbal produce based industries and Aromatic industries;
- (iv) Wool based industry (including Angora wool);
- (v) Sericulture;
- (vi) Garments and Knitwear manufacturing industry; and
- (vii) 100% Export Oriented Industries;
- (viii) Projects with fixed capital investment of more than Rs. 300 crores going into commercial production on or after 1.4.95 and which are registered with the Empowered Committee after 31.3.1995 except the industries specified in the Negative List notified vide Notification No. 1-12/73-E&T-III, dated 25.9.1992, published in Rajpatra, Himachal Pradesh (Extra-Ordinary) on 1.10.1992 and as amended vide Government of Himachal Pradesh, Excise and Taxation Department Notification No. EXN-F(13)1/96(vi), dated 27.1.1997.
- located in "C" category of Industrial Block) notified vide Himachal Pradesh Government. Notification No. 1-12/73 E&T -III, dated 25.9.1992, published in Rajpatra, Himachal Pradesh (Extra-Ordinary) on 1.10.1992 and as amended vide Notification No. EXN-F(13)1/96(vi), dated 27.1.1997. In case of Fruit, Vegetable, Maize and other grain based industrial unit or a combination of these (i.e. Agriculture-Horticulture based industries) the exemption from the payment of sales tax will be available for a period of twelve years, ten years and ten years in respect of such industrial units located in "A", "B" and "C" category of industrial block respectively; and
- (iii) Units comply with all the provisions of the Act, the rules framed and also the notifications issued thereunder.

Explanation. - (1) In this item,-

- (i) "existing industrial unit" means industrial unit which commences production between the period from 1.4.1991 to 30.9.1996 and which was registered and continues to be so registered as a dealer under the Himachal Pradesh General Sales Tax Act, 1968 and will include any existing unit which is eligible to get fresh

registration as per the guidelines issued by the Development

Commissioner, Small Scale Industries, Government of India, from time to time, but will not include an industrial unit, small medium or large, which is formed as a result of re-establishment, mere change of ownership, change in the constitution, restructuring or revival of an existing industrial unit.

- (ii) "new industrial unit" means an industrial unit which commences commercial production on or after 1.10.1996, and is registered as a dealer under the Himachal Pradesh General Sales Tax Act, 1968.
- (2) For the purposes of sub-item (vii) the expression "100% Export Oriented Industries" means the industries defined as such by the Government of India from time to time.
- (3) In this item the expression "Industrial Block" "Negative List" and "Fixed Capital Investment" shall have the meanings as defined vide Himachal Pradesh Government, Excise and Taxation Department Notification No. 1-12/73 E&T -III, dated 25.9.1992, published in Rajpatra, Himachal Pradesh (Extra-Ordinary) on 1.10.1992 and as amended vide Not. No.

EXN-F(13)1/96(vi), dated
27.1.1997.

¹[77. Raw wool.]

²[78. Paper Gags].

³[79. Food preparation When prepared and sold by
ordinary sold by Halwais and Dhabawalas
Halwais and Dhabawalas. themselves.]

Explanation.- In this item the term 'Halwais' and 'Dhabawalas' shall have the meaning as may be prescribed.]

SCHEDULE 'C'

[See the third proviso to sub-section(1) of section 6]

1. Resin (crude pine gum).

⁴[2. XX]

SCHEDULE - 'D'

⁵[XX]

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1. Item No. 77 Ins. vide Not. No. EXN-F(II)4/94, dated 20.12.1995, published in R.H.P.Extra., dated 20.12.1995, p. 5022.
 - 2.. Item 78 Ins. vide Not. No. EXN-C(9)2/90-IV, dated 16th May, 1996 published in R.H.P.Extra., dated 7.6.1996, p. 2568.
 3. Item No. 79 Ins. vide Not. No. EXN-F(12)1/93, dated 16.10.1996, published in R.H.P.Extra., dated 16.10.1996, p. 4782.
 4. The entry of "Groundnut" deleted vide Not. No. EXN-F(1)8/77, dated 16.9.1987, published in R.H.P.Extra., dated 20.11.1987, p. 2287-2288.
 - 5.. Schedule "D" omitted vide Act No. 32 of 1978.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1976**

ARRANGEMENT OF SECTIONS

Sections :

1. Short title and commencement.
2. Amendment of the first proviso to section 6(1).
3. Amendment of Schedule 'A'.
4. Repeal and savings.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1976**

(ACT NO. 1 OF 1977)

(Received the assent of the Governor, Himachal Pradesh on the 6th January, 1977 and was published in R.H.P. Extra, dated the 8th January, 1977, P. 12).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Twenty-seventh Year of the Republic of India, as follows:—

1. **Short title and commencement.**—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1976.

(2) It shall come into force at once.

2. **Amendment of the first proviso to section 6(1).**—In the first proviso to sub-section (1) of section 6 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter referred to as the principal Act), the word "luxury" shall be deleted.

3. **Amendment of Schedule 'A'.**—In the Schedule 'A' annexed to the principal Act, the following amendments shall be made, namely:—

- (i) the words "LIST OF LUXURY GOODS" shall be omitted; and
- (ii) after item No. 33, the following new item 34 shall be inserted:—
"34. Timber."

4. **Repeal and savings.**—The Himachal Pradesh General Sales Tax (Amendment) Ordinance, 1976¹ (8 of 1976) is hereby repealed.

Notwithstanding such repeal, anything done or any action taken under the aforesaid Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

1. The Ord. came into force with immediate effect vide Not. No. 1-12/73-E & T (Sec'tt.), dt. 5-9-1976, published in R. H. P. Extra. dt. 25-9-1976, p. 1757.

**THE HIMACHAL PRADESH GENERAL SALES TAX (SEVENTH
AMENDMENT) ACT, 1977**

ARRANGEMENT OF SECTIONS

Sections :

1. Short title and commencement.
2. Amendment of section 2.
3. Substitution of section 13.
4. Insertion of new section 28-A.

**THE HIMACHAL PRADESH GENERAL SALES TAX (SEVENTH
AMENDMENT) ACT, 1977**

(ACT No. 7 OF 1977)

(Received the assent of the Governor, Himachal Pradesh on the 29th April, 1977 and was published in R.H.P. Extra, dated the 2nd May, 1977 at P. 409-411).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Twenty-eighth Year of the Republic of India, as follows:—

1. Short title and commencement.—(1) This Act may be called the Himachal Pradesh General Sales Tax (Seventh Amendment) Act, 1977.

(2) It shall come into force at once.

2. Amendment of section 2.—In section 2 of the Himachal Pradesh General Sales Tax Act, 1968 (hereinafter called the principal Act), the following amendments shall be and shall always be deemed to have been made, namely:—

(a) after clause (a), the following new clause (aa) shall be inserted:—
“(aa) “business” includes,—

- (i) any trade, commerce or manufacture, or any adventure or concern in the nature of trade, commerce or manufacture, whether or not such trade, commerce, manufacture, adventure or concern is carried on with a motive to make gain or profit and whether or not any gain or profit accrues from such trade, commerce, manufacture, adventure or concern; and
- (ii) any transaction in connection with, or incidental or ancillary to, such trade, commerce, manufacture, adventure or concern;”.

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

“(c) “dealer” means any person who carries on (whether regularly or otherwise) the business of buying, selling, supplying or distributing goods, directly or indirectly, for cash, or for deferred

payment, or for commission, remuneration or other valuable consideration and includes:—

- (i) a local authority, a body corporate, a company, a co-operative society or other society, club, firm, Hindu undivided family or other association of persons which carries on such business;
- (ii) a factor, broker, commission agent, a dealer's agent or any other mercantile agent, by whatever name called, and whether of the same description as herein before mentioned or not, who carries on the business of buying, selling, supplying or distributing goods belonging to any principal, whether disclosed or not; and
- (iii) an auctioneer who carries on the business of selling or auctioning goods belonging to any principal, whether disclosed or not, and whether the offer of the intending purchaser is accepted by him or by the principal or a nominee of the principal.

Explanations.—(1) Every person who acts as an agent in Himachal Pradesh of a dealer residing outside this State and buys, sells, supplies or distributes goods in the State or acts on behalf of such dealer as—

- (i) a mercantile agent as defined in the Sale of Goods Act, 1930 (3 of 1930); or
- (ii) an agent for handling of goods or documents of title relating to goods; or
- (iii) an agent for the collection of the payment of the sale price of goods or as a guarantor for such collection or payment;

and every local branch or office in Himachal Pradesh of a firm registered outside this State or a company or other body corporate, the principal office or headquarters whereof is outside this State, shall be deemed to be a dealer for the purpose of this Act.

(2) A Government which whether or not in the course of business, buys, sells, supplies or distributes goods, directly or otherwise, for cash or for deferred payment or for commission, remuneration or other valuable consideration, shall, except in relation to any sale, supply or distribution of surplus, unserviceable or old stores or materials or waste products or obsolete or discarded machinery or parts or accessories thereof, be deemed to be a dealer for the purpose of this Act.

(3) For the purpose of this clause "Government" shall include the Central Government or the Government of any other State or Union Territory;"

(c) for clause (e) the following clause (e) shall be substituted:—

"(e) "goods" means every kind of movable claims, stocks, shares or securities, and includes growing crops, grass, trees and things attached to or fastened to anything permanently attached to the earth but which under the contract of sale, are agreed to be severed, and includes any class of goods;" and

(d) after clause (l), the following clause (ll) shall be inserted:—

"(ll) "timber" includes trees when they have fallen, or have been

felled or agreed to be felled and all wood whether cut up or fashioned or hollowed out for any purpose or not;”.

3. **Substitution of section 13.**—For the existing section 13 of the principal Act, the following section 13 shall be substituted and shall always be deemed to have been substituted, namely:—

- “(13) *Prohibition against collection of tax in certain cases.*—(1) No person shall collect any sum by way of tax in respect of sale or purchase of any goods on which no tax is payable under this Act.
- (2) No person, who is not a registered dealer and liable to pay tax in respect of any sale or purchase, shall collect on the sale or purchase of any goods any sum by way of tax from any other person and no registered dealer shall collect any amount by way of tax in excess of the amount of tax payable by him under this Act.
- (3) If any person, not being a dealer liable to pay tax under this Act, collects any sum by way of tax, or being a registered dealer collects any amount by way of tax in excess of the tax payable by him or otherwise collects tax in contravention of the provisions of sub-sections (1) and (2) he shall be liable to pay, in addition to any tax for which he may be liable, a penalty of an amount not exceeding five hundred rupees, or double the amount so collected, whichever is greater.
- (4) If the Commissioner, or any person appointed to assist him under sub-section (1) of section 3, in the course of any proceedings under this Act or otherwise, has reason to believe that any person has become liable to pay penalty under sub-section (3), he shall serve on such person a notice in the prescribed form requiring him to show cause why a penalty as provided in sub-section (3) should not be imposed on him.
- (5) The Commissioner or any person appointed to assist him under sub-section (1) of section 3 shall thereupon hold an enquiry and shall make such order as he thinks fit.”

4. **Insertion of new section 28-A.**—After the existing section 28 of the principal Act, the following new section 28-A shall be added and shall always be deemed to have been added, namely:—

“28-A. *Liability of legal heirs to pay tax.*—Where a dealer liable to pay tax under this Act, dies, then—

- (a) if the business carried on by the dealer is continued after his death by his legal representative or any other person, such legal representative or other person shall be liable to pay the tax (including any penalty) due from the dealer under this Act, whether such tax (including any penalty) has been assessed before his death but has remained unpaid, or is assessed after his death;
- (b) if the business carried on by the dealer is discontinued after his death, his legal representative shall be liable to pay out of the estate of the deceased to the extent the estate is capable of meeting the charge, the tax (including any penalty) due from the dealer under this Act, whether such tax (including any penalty) has been assessed before his death, or is assessed after his death;

and the provisions of this Act shall, so far as may be, apply to such legal representative, or other person as if he was the dealer himself.”.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1978**

ARRANGEMENT OF SECTIONS.

Sections.

1. Short Title and commencement.
2. Amendment of Sections 4.
3. Amendment of Section 6.
4. Amendment of Schedule 'B'.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1978**

(ACT NO. 17 OF 1978)¹

(Received the assent of the Governor, Himachal Pradesh on the 26th April, 1978 and was published in R.H.P. Extra, dated 29-4-1978, p. 401).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Twenty-ninth Year of the Republic of India as follows:—

1. **Short title and commencement.**—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1978.

(2) It shall come into force at once.

2. **Amendment of section 4.**—In clause (c) of sub-section (6) of section 4 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter referred to as the principal Act), the figures "25,000" shall be substituted by the figures "40,000".

3. **Amendment of section 6.**—In the first proviso to sub-section (1) of section 6 of the principal Act, after the words "Schedule A", but before the words "from such date" the signs, figures and the words, "except on item 25 thereof on which a tax at the rate of 20 paise in a rupee shall be levied," shall be inserted.

4. **Amendment of Schedule 'B'.**—The existing entries at serial numbers 51 and 53 of SCHEDULE 'B' to the principal Act shall be deleted and the existing entries at serial numbers 52 and 54 shall be renumbered as 51 and 52 respectively.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1978**

ARRANGEMENT OF SECTIONS

Sections :

1. Short title and commencement.
2. Amendment of section 2.
3. Amendment of section 6.
4. Amendment of section 21.
5. Amendment of section 22.
6. Amendment of section 35.
7. Amendment of section 43.
8. Omission of Schedule 'D'.

1. For Statement of Objects and Reasons, see R. H. P. Extra. dt. 6-4-1978, p. 296.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1978**

(Act No. 32 of 1978)¹

(Received the assent of the Governor, Himachal Pradesh on the 5th October, 1978 and was published in R.H.P. Extra, dated the 13th October, 1978; p. 1355-1356).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

IT is hereby enacted by the Legislative Assembly of Himachal Pradesh in the Twenty-ninth Year of the Republic of India as follows:—

1. Short title and commencement.—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1978.

(2) It shall come into force at once.

2. Amendment of section 2.—In clause (e) of section 2 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter called the principal Act), the words "property other than newspapers, actionable" shall be inserted in between the words "movable" and "claims".

3. Amendment of section 6.—In section 6 of the principal Act, the following amendments shall be made, namely:—

(a) in the second proviso to sub-section (1), the sign and words, " , and such tax shall be leviable and payable at the stage of sale or purchase, as the case may be, and under the circumstances specified against such goods in Schedule 'D' ", shall be omitted;

(b) in sub-section (2) and in sub-clause (ii) of clause (a) of sub-section (3) for the words and signs "Schedules 'C' and 'D' ", the words and signs "Schedule 'C' " shall be substituted; and

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

"(b) which are referred to under section 14 of the Central Sales Tax Act, 1956 (47 of 1956) and are sold during the year in the course of inter-state trade or commerce or in the course of export out of the territory of India:"

4. Amendment of section 21.—At the end, but before the sign " . ", of sub-section (2) of section 21 of the principal Act, the following words shall be added:—

"and includes a retired gazetted officer of the Himachal Pradesh Excise and Taxation Department who has an experience of working as assessing authority, appellate authority or revisional authority under this Act for a minimum period of five years, in one or more of the aforesaid capacities; provided a period of one year has elapsed since the date of his retirement from Government service".

1. For Statement of Objects and Reasons see R. H. P. Extra., dt. 16-9-1978, p.1193.

5. Amendment of section 22.—After the words “Excise and Taxation Officer of the district” but before the word “seeking” occurring in proviso to sub-section (6) of section 22 of the principal Act, the words “or the Assistant Excise and Taxation Officer-in-charge of the district or barrier”, shall be inserted.

6. Amendment of section 35.—For sub-section (2) of section 35 of the principal Act, the following sub-section (2) shall be substituted, namely:—

“(2) Any Officer-in-charge of the check-post or barrier or any other officer not below the rank of an Assistant Excise and Taxation Officer appointed under sub-section (1) of section 3 or such other officer as the State Government may, by notification, appoint, may after affording to the person concerned a reasonable opportunity of being heard, impose the penalty mentioned in sub-section (1):

Provided that the Officer-in-charge of a check-post or a barrier shall exercise such powers only at such check-posts or barriers.”

7. Amendment of section 43.—In section 43, and its heading, of the principal Act, the words and sign “or Schedule ‘D’” wherever these occur, and the words and commas, “as the case may be,” shall be deleted.

8. Omission of Schedule ‘D’.—Schedule ‘D’ appended to the principal Act, shall be omitted.

THE HIMACHAL PRADESH GENERAL SALES TAX (VALIDATION) ACT, 1979

ARRANGEMENT OF SECTIONS

Sections :

1. Short title.
2. Validation of levy and collection of tax on the sale of goods specified in item 25 of Schedule ‘A’ to the Himachal Pradesh General Sales Tax Act, 1968 (No. 24 of 1968).

THE HIMACHAL PRADESH GENERAL SALES TAX (VALIDATION) ACT, 1979

(ACT No. 7 OF 1979)¹

(Received the assent of the Governor, Himachal Pradesh on the 5th May, 1979 and was published in R.H.P. Extra. dated the 10th May, 1979, p. 1719-1720).

1. *An Act to validate the levy and collection of tax on sale of liquor (Foreign liquor and Indian made foreign liquor including wines and beer) under the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968) during the period from the 1st day of April, 1978 to the 4th day of December, 1978.*

It is hereby enacted by the Legislative Assembly of Himachal Pradesh in the Thirtieth Year of the Republic of India, as follows:—

1. Short title.—This Act may be called the Himachal Pradesh General Sales Tax (Validation) Act, 1979.

1. For Statement of Objects and Reasons, see R. H. P Extra., dt. 24-3-1979, p. 1009.

5. Amendment of section 22.—After the words “Excise and Taxation Officer of the district” but before the word “seeking” occurring in proviso to sub-section (6) of section 22 of the principal Act, the words “or the Assistant Excise and Taxation Officer-in-charge of the district or barrier”, shall be inserted.

6. Amendment of section 35.—For sub-section (2) of section 35 of the principal Act, the following sub-section (2) shall be substituted, namely:—

“(2) Any Officer-in-charge of the check-post or barrier or any other officer not below the rank of an Assistant Excise and Taxation Officer appointed under sub-section (1) of section 3 or such other officer as the State Government may, by notification, appoint, may after affording to the person concerned a reasonable opportunity of being heard, impose the penalty mentioned in sub-section (1):

Provided that the Officer-in-charge of a check-post or a barrier shall exercise such powers only at such check-posts or barriers.”

7. Amendment of section 43.—In section 43, and its heading, of the principal Act, the words and sign “or Schedule ‘D’” wherever these occur, and the words and commas, “as the case may be,” shall be deleted.

8. Omission of Schedule ‘D’.—Schedule ‘D’ appended to the principal Act, shall be omitted.

THE HIMACHAL PRADESH GENERAL SALES TAX (VALIDATION) ACT, 1979

ARRANGEMENT OF SECTIONS

Sections :

1. Short title.
2. Validation of levy and collection of tax on the sale of goods specified in item 25 of Schedule ‘A’ to the Himachal Pradesh General Sales Tax Act, 1968 (No. 24 of 1968).

THE HIMACHAL PRADESH GENERAL SALES TAX (VALIDATION) ACT, 1979

(ACT No. 7 OF 1979)¹

(Received the assent of the Governor, Himachal Pradesh on the 5th May, 1979 and was published in R.H.P. Extra. dated the 10th May, 1979, p. 1719-1720).

2. *An Act to validate the levy and collection of tax on sale of liquor (Foreign liquor and Indian made foreign liquor including wines and beer) under the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968) during the period from the 1st day of April, 1978 to the 4th day of December, 1978.*

It is hereby enacted by the Legislative Assembly of Himachal Pradesh in the Thirtieth Year of the Republic of India, as follows:—

1. Short title.—This Act may be called the Himachal Pradesh General Sales Tax (Validation) Act, 1979.

1. For Statement of Objects and Reasons, see R. H. P Extra., dt. 24-3-1979, p. 1009.

2. Validation of levy and collection of tax on the sale of goods specified in item 25 of Schedule "A" to the Himachal Pradesh General Sales Tax Act, 1968 (No. 24 of 1968).—Notwithstanding any judgement, decree or order of any court or other authority, to the contrary, any levy, assessment or collection of any amount by way of tax or penalty made or purporting to have been made on the sale of goods specified in item 25 of Schedule "A" to the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter called the principal Act) during the period commencing from the 1st day of April, 1978 and ending with the 9th day of June, 1978 in relation to the sale of Indian made foreign liquor including wines and beer, and the period commencing from the 1st day of April, 1978 and ending with the 4th day of December, 1978 in relation to the sale of foreign liquor, and any action or thing taken or done or purporting to have been taken or done in relation to such levy, assessment or collection under the provisions of the principal Act shall be deemed to be valid and effective as if such levy, assessment, collection or action or thing was made, taken or done under the principal Act, as amended by the Himachal Pradesh General Sales Tax (Amendment) Act, 1978 (17 of 1978) and as if the said amending Act had come into force with effect from the 1st day of April, 1978 and the notification No. EXN. 1 (4)/74, dated the 8th June, 1978 published in the Rajpatra, Himachal Pradesh (Extraordinary), dated the 9th June, 1978 and the notification No. EXN. 1 (4)/74, dated the 28th November, 1978, published in the Rajpatra, Himachal Pradesh (Extraordinary), dated the 4th December, 1978, were issued on the 1st day of April, 1978, and were in force during the said period, accordingly,—

- (a) all acts, proceedings or things done or actions taken by the State Government or by any officer of the State Government or by any authority, in connection with the levy, assessment or collection of such tax or penalty shall, for all purposes, be deemed to be and to have always been done or taken in accordance with law;
- (b) no suit or other proceedings shall be maintained or continued in any court or before any authority for the refund of any such tax or penalty so collected;
- (c) no court or authority shall enforce a decree or order directing the refund of any such tax or penalty so collected;
- (d) any tax levied or purported to have been levied on the goods specified under item 25 of Schedule 'A' of the principal Act, in respect of the period commencing on the 1st day of April, 1978 and ending with the 9th day of June, 1978 in relation to the sale of Indian made foreign liquor including wines and beer and the period commencing on the 1st day of April, 1978 and ending with the 4th day of December, 1978 in relation to the sale of foreign liquor, but not collected, may be recovered in the manner provided in the principal Act; and
- (e) any tax due on the goods specified under item 25 of Schedule 'A' to the principal Act, in respect of the period commencing on the 1st day of April, 1978 and ending with the 9th day of June, 1978 in relation to the sale of Indian made foreign liquor including wines and beer and the period commencing on the 1st day of April, 1978 and ending with the 4th day of December, 1978 in relation to the foreign liquor, but not assessed and collected, may be assessed and recovered in the manner provided in the principal Act.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1979**

ARRANGEMENT OF SECTIONS

Sections :

1. Short title and commencement.
2. Amendment of Section 2.
3. Amendment of Section 6.
4. Insertion of new Section 6-A.
5. Amendment of Section 12.
6. Amendment of Section 14.
7. Amendment of Section 16.
8. Insertion of new Section 17-A.
9. Substitution of Section 18.
10. Amendment of Section 19.
11. Amendment of Section 40.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1979**

(ACT No. 12 OF 1979)¹

(Received the assent of the Governor, Himachal Pradesh on the 8th June, 1979 and was published in R.H.P. Extra, dated the 16th June, 1979, at p. 1931-1934).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Thirtieth Year of Republic of India as follows:—

1. **Short title and commencement.**—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment), Act, 1979.

(2) Save as otherwise provided in this Act, it shall be deemed to have come into force on the 1st day of April, 1979.

2. **Amendment of section 2.**—For the sign “.” occurring at the end of clause (p) of section 2 of the Himachal Pradesh General Sales Tax Act, 1968 (hereinafter referred to as the principal Act) the sign “;” shall be substituted and after the clause “p” so amended, the following clause “q” shall be added, namely:—

“(q) “surcharge” means the levy described in section 6-A of this Act.”

3. **Amendment of section 6.**—(1) In the first proviso of sub-section (1) of section 6 of the principal Act (24 of 1968), for the existing words “except on item 25 thereof on which a tax at the rate of 20 paise in a rupee shall be levied, from such date as the Government may, by notification direct” the words “except on items 25 and 34 thereof on which a tax at the rate of 25 paise in a rupee shall be levied”, shall be substituted.

(2) The amendment made in sub-section (1), in relation to item 34 of Schedule ‘A’ of the principal Act, shall be deemed to have been made with effect from the 1st day of February, 1979.

1. For Statement of Objects and Reasons, see R. H. P. Extra., dt. 21-4-1979, p. 1538.

4. Insertion of new section 6-A.—After section 6 of the principal Act, the following section 6-A shall be inserted, namely:—

“6-A. Levy of surcharge.—

(1) There shall be levied, in the prescribed manner, surcharge at the rate of ten per cent on the total amount of tax payable under the Act:

Provided that the surcharge in relation to the sale of goods specified under item 34 of Schedule ‘A’ of the Act, shall be deemed to have been levied with effect from the 1st day of February, 1979:

Provided further that this surcharge shall not apply in respect of goods declared to be of special importance under section 14 of the Central Sales Tax Act, 1956 (47of 1956) unless the ceiling rate as prescribed under section 15 (a) of the aforesaid Act has been reached.

(2) The provisions of this Act shall, *mutatis mutandis*, apply in relation to the surcharge chargeable under sub-section (1).”

5. Amendment of section 12.—For sub-section (4) of section 12 of the principal Act, the following sub-section (4) shall be substituted, namely:—

“(4) Before a registered dealer furnishes the return required by sub-section (3), he shall, in the prescribed manner, pay into a Government Treasury or the Reserve Bank of India, or at the office of the District Excise and Taxation Officer, the full amount of tax due from him under the Act according to such returns and shall furnish along with the returns a receipt from such treasury, bank or office of the District Excise and Taxation Officer showing the payment of such amount:

Provided that no payment of such amount shall be accepted at the office of the District Excise and Taxation Officer save through a bank draft payable at a local Scheduled Bank in favour of the assessing authority.

Explanation.—For the purposes of this sub-section “Scheduled Bank” means a bank included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934).”

6. Amendment of section 14.—In section 14 of the principal Act,—

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

“(1-A). If the taxable turnover of a dealer registers an increase of fifteen per cent or upwards over the turnover of the preceding year as determined under this section and fulfills such other conditions as the State Government may deem fit to prescribe in this behalf, the assessing authority may dispense with the presence of such dealer and the production of an evidence by him under sub-section (1).”;

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

“(7) The amount of any tax, penalty or interest payable under this Act shall be paid by the dealer in the manner prescribed

by such date as may be specified in the notice issued by the assessing authority for the purpose and the date so specified shall not be less than fifteen days and not more than thirty days from the date of service of such notice:

Provided that the assessing authority may, with the prior approval of the Excise and Taxation Officer incharge of the district, extend the date of such payment, but not more than 90 days, or allow payment by monthly instalments not exceeding three, against an adequate security or a bank guarantee."

7. **Amendment of section 16.**—In section 16 of the principal Act, between the words "penalty imposed" and "under this Act", the words 'or interest payable' shall be inserted.

8. **Insertion of new section 17-A.**—After section 17 of the principal Act, the following new section 17-A shall be inserted, namely:—

"17-A. *Payment of Interest.*—(1) If any dealer fails to pay the amount of tax due from him as required by sub-section (4) of section 12, he shall, in addition to the amount of tax, be liable to pay simple interest on the amount of tax due from him at the rate of one per centum per month from the date immediately following the last date for the submission of the return under sub-section (3) of that section, for a period of one month and thereafter at the rate of one and a half per centum, per month till the default continues.

(2) If the amount of tax or penalty due from a dealer is not paid by him within the period specified in the notice of demand or, if no period is specified within thirty days from the service of such notice, the dealer shall, in addition to the amount of tax or penalty, be liable to pay simple interest on such amount at the rate of one per centum per month from the date immediately following the date on which the period specified in the notice or the period of thirty days, as the case may be, expires, for a period of one month and thereafter at the rate of one and a half per centum per month till the default continues:

Provided that where the recovery of any tax or penalty is stayed by an order of any court, the amount of tax or penalty shall, after the order of stay is vacated, be recoverable along with interest at the aforesaid rate on the amount ultimately found to be due and such interest shall be payable from the date the tax or penalty first became due.

(3) The amount of interest payable under this section shall—

- (i) be calculated by considering if part of a month is more than fifteen days as one month and any amount if more than fifty rupees but less than one hundred rupees as one hundred rupees;
- (ii) for the purposes of collection and recovery, be deemed to be tax under this Act;
- (iii) be in addition to the penalty, if any, imposed under this Act."

9. **Substitution of section 18.**—For the existing section 18 of the principal

Act, the following section 18 shall be substituted, namely:—

"18. *Refund.*—(1) The assessing authority either *suo-moto* or on application shall in the prescribed manner refund to a registered dealer any amount of tax, interest or penalty paid by such dealer under this Act,—

- (a) if the amount of tax, penalty or interest so paid is in excess of the amount due from him under this Act; or
- (b) if the amount of tax so paid is in respect of the sale or purchase of any declared goods and such goods are sold in the course of inter-State trade or commerce;

either by refund voucher or, at the option of the dealer, by adjustment of the amount so paid with the amount due from him, in respect of any other period:

Provided that the refund under clause (b) shall be subject to such conditions, as may be prescribed:

Provided further that no refund under this section shall be allowed unless the claim for refund is made within a period of three years from the date on which such claim accrues.

Explanation.—(1) For the purposes of this sub-section, the expression "in the course of inter-State trade or commerce" shall have the meaning assigned to it by section 3 of the Central Sales Tax Act, 1956 (47 of 1956).

- (2) Notwithstanding anything contained in sub-section (1), the assessing authority shall first adjust the amount to be refunded towards the recovery of any amount due from the dealer on the date of such adjustment, and shall thereafter refund the balance, if any.
- (3) Where any amount required to be refunded by the assessing authority to any person by virtue of an order issued under this Act is not refunded to him within ninety days of the date of the order, the dealer shall be entitled to get simple interest on such amount at the rate of one per centum per month from the date immediately following the date of expiry of the said period for a period of one month and thereafter at the rate of one and a half per centum per month till the refund is made:

Provided that for the purpose of calculation of the interest, if part of a month exceeds fifteen days, shall be considered as one month and any amount less than one hundred rupees but exceeds fifty rupees shall be considered as one hundred rupees.

- (4) If the delay in allowing refund within the aforesaid period of ninety days is for reasons beyond the control of the assessing authority or attributable to the dealer, whether wholly or in part, the period of such delay shall be excluded from the period for which interest is payable.
- (5) If any question arises whether any period is to be excluded for the purposes of calculation of interest under sub-section (4) the same shall be referred to the Commissioner or such other officer as the State Government may, by notification, appoint whose decision shall be final.

(6) Where an order allowing refund is the subject-matter of any appeal or further proceedings or where any other proceedings under this Act are pending, and the assessing authority is of the opinion that the refund is likely to adversely affect the recovery, the assessing authority may withhold the refund and refer the case to the Commissioner whose orders shall be final.

(7) The period during which the refund remains withheld under sub-section (6) shall be excluded for the purpose of calculation of interest under this section."

10. Amendment of section 19.—In clause (a) of sub-section (2) of section 19 of the principal Act,—

(a) for the words "ten rupees", the words "twenty-five rupees" shall be substituted;

(b) after the words "and price thereof" but before the sign ":", the words "and further showing the sales tax, the purchase tax and the surcharge involved" shall be inserted.

11. Amendment of section 40.—In sub-section (2) of section 40 of the principal Act, after clause (j), the following clauses (jj) and (jjj) shall be inserted, namely:—

"(jj) the conditions subject to which the presence of a dealer or production of evidence by him can be dispensed with under sub-section (1-A) of section 14;

(jjj) the manner of payment of tax, penalty or interest, under sub-section (7) of section 14;"

NOTIFICATIONS AND RULES

UNDER

THE HIMACHAL PRADESH GENERAL SALES TAX ACT, 1968

Amendment of Schedule 'B' of the Act

EXCISE AND TAXATION DEPARTMENT

NOTIFICATIONS

Simla-171002, the 30th October, 1976

No. 1-17/71-E&T (Sectt).—In exercise of the powers conferred on him by sub-section (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh is pleased to make the following amendment in Schedule 'B' appended to the said Act, having been previously published in the *Rajpatra*, Himachal Pradesh (Extraordinary), dated 31-1-1976 *vide* notification of even number, dated the 17th January, 1976:—

In column (i) of the said Schedule—

(i) for item No. 28, the following item shall be substituted, namely:—

"28. Fertilisers except oil cakes."

(ii) for item No. 34, the following shall be substituted, namely:—

"34. Fodder of every type, dry or green, but not including chhilka of foodgrains, pulses and oil cakes".

Simla-171002, the 13th December, 1976

No. 1-6/70-E&T (Sectt).Pt. II.—In exercise of the powers conferred by sub-section (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh is pleased to make the following amendment to Schedule 'B' appended to the said Act, having been previously published in the Rajpatra, Himachal Pradesh (Extraordinary), dated 19-6-1976 *vide* notification of even number, dated the 4th May, 1976:—

For entry at S. No. 37 of Schedule 'B' of the H. P. General Sales Tax Act, 1968, the following entry shall be substituted, namely:—

<p>"Country made Jooties including Chamba Chappals and Sandles.</p>	<p>When sold by the maker of such shoes himself or by any other member of his family, provided that the maker does not employ any outside labour or uses power at any stage for making the shoes."</p>
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R. H. P. Extra., dt. 15-12-1976, p. 1968.

Simla-171002, the 10th October, 1977

No. EXN. 1(16)/74.—In exercise of the powers conferred on him by sub-section (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh is pleased to make the following amendment to Schedule 'B' appended to the said Act, having been previously published in the Rajpatra, Himachal Pradesh (Extraordinary), dated the 6th July, 1976 *vide* notification of even number, dated the 3rd July, 1976:—

For entry at S. No. 45 of Schedule 'B' of the H. P. General Sales Tax Act, 1968, the following entry shall be substituted, namely:—

<p>"45. All articles of handicrafts prepared by the Tibetan Refugees Handicrafts-cum-Production Centre, Dalhousie and Tibetan Handicraft Production-cum-sale Co-operative Industrial Society Ltd. Mecleod Gunj, Dharamshala Cantt, H. P.</p>	<p>When sold by such centre or any of its branch office."</p>
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R. H. P. Extra., dt. 12-10-1977, p. 1017.

Simla-2, the 8th March, 1978

No. EXN. 1(16)/74.—In exercise of the powers conferred on him by sub-section (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh is pleased to make the following amendment to Schedule 'B' appended to the said Act with effect from 8-12-1977 having been previously published in the Rajpatra, Himachal Pradesh (Extraordinary), dated the 8th November, 1977 *vide* notification of even number, dated the 8th November, 1977:—

For entry at serial No. 45 of Schedule 'B' of the H. P. General Sales Tax Act, 1968, the following entry shall be substituted, namely:—

<p>"45. All articles of handicrafts prepared by the Tibetan Refugees Handicrafts-cum-Production Centre, Dalhousie, Tibetan Handicrafts Production-cum-Sale Co-operative Industrial Society Ltd. Mecleod Gunj, Dharamshala Cantt. and Tibetan Craft Community Tashi Jong Paprola, H. P.</p>	<p>When sold by such centre or any of its branch office."</p>
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R. H. P. Extra., dt. 18-3-1978, p. 218.

Shimla-2, the 30th June, 1978

No. 1-4/70-E&T (Sectt).—In partial modification of this Department notification of even number, dated the 22nd March, 1972, published in the Himachal Pradesh Rajpatra (Extraordinary), dated the 27th March, 1972, the Governor of Himachal Pradesh is pleased to delete the word "(India)" appearing in entry No. 52 of Schedule 'B' to the H. P. General Sales Tax Act, 1968 with immediate effect.

R.H.P. Extra., dt. 8-7-1978, p. 857.

Simla-2, the 13th November, 1978

No. EXN. F (16)/74.—In exercise of the powers conferred on him by subsection (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh is pleased to make the following amendment to Schedule 'B' appended to the said Act having been previously published in the Rajpatra Himachal Pradesh (Extraordinary), dated the 26th August, 1978 *vide* notification of even number, dated the 21st August, 1978:—

For entry at serial No. 51 of Schedule 'B' of the H.P. General Sales Tax Act, 1968, the following entry shall be substituted, namely:—

"51. All goods sold to the serving military personnel and *Ex-servicemen* by the Canteen Stores Department direct or through the authorised canteen contractors or through Unit-run Canteen."

R.H.P. Extra., dated 20-11-1978, p. 1458.

Simla-171002, the 30th August, 1978

No. EXN. 1(2)/74 Pt.—In exercise of the powers conferred on him by subsection (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh is pleased to make the following amendment to Schedule 'B' appended to the said Act, having been previously published in the Rajpatra, Himachal Pradesh (Extraordinary), dated the 29th May, 1978 *vide* notification of even number, dated the 17th May, 1978:—

AMENDMENT

After entry at serial No. 52 of Schedule 'B' of the Himachal Pradesh General Sales Tax Act, 1968, the following entry No. 53 shall be added:—

"53. Mango stones and Mango kernals."

R.H.P. Extra., dated 31-10-1979, p. 2441.

Simla-171002, the 19th January, 1979

No. EXN. 1(2)/75.—In exercise of the powers conferred on him by subsection (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor of Himachal Pradesh is pleased to make the following amendment to Schedule 'B' appended to the said Act, having been previously published in the Rajpatra, Himachal Pradesh (Extraordinary), dated the 11th

September, 1978 vide notification of even number, dated the 1st September, 1978:—

After entry at serial No. 53 of Schedule 'B' of the H. P. General Sales Tax Act, 1968, the following entry No. 54 and 55 shall be added, namely:—

- "54. Insecticides and pesticides.
55. Chloroquines."

R.H.P. Extra., dated, 6-2-1979, p. 645.

Simla-171002, the 19th August, 1977

No. EXN. 1-7/73 E&T.—In exercise of the powers conferred on him by sub-section (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor of Himachal Pradesh is pleased to make the following amendment to Schedule 'B' appended to the said Act, having been previously published in the Rajpatra, Himachal Pradesh (Extraordinary), dated the 9th September, 1975 vide notification of even number, dated the 6th September, 1975:—

In the said Schedule 'B' after entry No. 54, the following entry shall be inserted, namely:—

- "[56. 'BAAN' when sold by the maker himself or by any other member of his family provided that the maker does not employ any outside Labour or use power at any stage for making the 'Baan']."

R.H.P. Extra., dated 25-8-1977, p. 849.

Simla-2, the 28th May, 1979

No. EXN. F (10)5/79.—In exercise of the powers conferred on him under sub-section (2) of section 7 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor of Himachal Pradesh is pleased to make the following amendment in Schedule 'B' appended to the said Act, after having been previously published in the Rajpatra, Himachal Pradesh (Extraordinary), dated the 4th April, 1979:—

- | | |
|---------------------------|---|
| "57. Fruit packing cases. | When manufactured from the timber upon which, sales tax at the rate of 25% has been charged upon first sale." |
|---------------------------|---|

R.H.P. Extra., dated 5-6-1979, p. 1857-1858.

**Rate of Tax
NOTIFICATION**

Simla-171002, the 23rd February, 1977

No. 1-12/73-E&T (Sectt).—In exercise of the powers vested in him under section 6 of the H. P. General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor of Himachal Pradesh is pleased to make the following amendments in this department notification No. 1-15/73 E&T (Sectt), dated the 29th May, 1974 published in H. P., Rajpatra (Extraordinary), dated the 30th May, 1974 with immediate effect, as follows:—

1. Subs. vide Not. No. EXN. F (10)-5/76, dt. 29.10.1979, published in RHP. Extra., dt. 31-10-1979, p. 2442.

1. Substitution of eleventh proviso.—For the existing eleventh proviso, the following eleventh proviso shall be substituted, namely:—

“(11) The rate of tax on wheat flour including maida and suji, maize flour, bajra, barley flour, dal gram, gram flour, churi (wand), dal mung, dal mash (Urad), dal moth, dal masoor, malika masoor, dal malika masoor, dal arhar, jowar flour, gowara and its flour, dried peas, its dal and flour, shall be one and half paisa in a rupee.”

2. Insertion of twelfth proviso.—After eleventh proviso so substituted, the following twelfth proviso shall be inserted, namely:—

“(12) the rate of tax on the following goods shall be one and a half paisa in a rupee:—

- CEREALS :
- (i) paddy
 - (ii) rice
 - (iii) wheat
 - (iv) jowar or milo
 - (v) bajra
 - (vi) maize
 - (vii) ragi
 - (viii) kodon
 - (ix) kutki
 - (x) barley.
- PULSES :
- (i) gram or gulab gram
 - (ii) tur or arhar
 - (iii) moong or green gram
 - (iv) masur or lentil
 - (v) urad or black gram
 - (vi) moth
 - (vii) lakh or khesari.

R.H.P. Extra., dated 25-2-1977, p. 195-196.

Simla-171002, the 7th April, 1979

No. EXN. F (15)39/78.—In partial modification to this department notification No. 1-15/73-E&T (Sectt), dated the 29th May, 1974 and in exercise of the powers conferred on him by section 6 of the Himachal Pradesh General Sales Tax Act, 1968, the Governor of Himachal Pradesh is pleased to direct that there shall be levied on the taxable turnover of a dealer a tax at the rate of 7 paise in a rupee on the purchase of goods specified in item No. 1 i.e. Resin (crude pine gum) in Schedule 'C' to the said Act with immediate effect.

R.H.P. Extra., dated 9-4-1979, p. 1277.

Simla-2, the 8th June, 1978

No. EXN. 1(4)/74.—In exercise of the powers vested in him under section 6 of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor of Himachal Pradesh is pleased to order that the rate of tax on foreign liquor and Indian made foreign liquor including wines and beer (item 25 of Schedule 'A' appended thereto) shall be 20 paise (Twenty paise) in a rupee, with immediate effect.

R.H.P. Extra., dated 9-6-1978, p. 761.

1. Added vide Not. No. EXN. 1 (4)/74, dated 28-11-1978, published in R.H.P. Extra, dated 4-12-1971, p. 1465.

Appointments and Delegations

Simla-171002, the 9th September, 1976

No. 1-4/73-E&T (Sectt).—In exercise of the powers conferred on him under sub-section (1) of section 3 of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh is pleased to appoint the Assistant Excise and Taxation Officers of the office of the Excise and Taxation Commissioner, Himachal Pradesh to assist the Commissioner for carrying out the purposes of the said Act in Himachal Pradesh.

R.H.P. Extra., dated 17-9-1976, p. 1730-1731.

Stage at which Tax to be levied.

Simla-2, the 22nd April, 1976

No. 1-8/70-E&T (Sectt).—In exercise of the powers conferred by sub-section (2) of section 6 of the Himachal Pradesh General Sales Tax Act, 1968, the Governor of Himachal Pradesh is pleased to direct that with effect from the date of publication of this notification in the Official Gazette the tax under sub-section (1) of the said section shall be levied at the first stage of the sale of goods, namely 'SILK OR SILK FABRICS', whether manufactured by handloom or powerloom or otherwise, which state shall—

- (i) in the case of a dealer who brings into the State of Himachal Pradesh any such goods from place outside the State be the stage of sale when such dealer sells such goods for the first time within the State of Himachal Pradesh;
- (ii) In the case of a dealer who manufactures such goods within the State of H. P., the stage of sales when such dealer sells such goods for the first time within the state of H. P.; and
- (iii) in the case of any other dealer who has not purchased such goods from a dealer referred to in the preceding clauses be the stage at which such dealers sell such goods for the first time in the State of Himachal Pradesh.

R.H.P. Extra., dated 19-6-1976, p. 721

Establishment of Check Posts/Barriers

Simla-2, the 6th August, 1976

No. 1-10/73-E&T (Sectt).—In partial modification of this department notification No. 19-13/71-E&T-Sectt., dated the 27th June, 1973 and 10th September, 1973 and in exercise of the powers conferred on him under section 22(1) of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968) and all other powers enabling him in this behalf, the Governor of Himachal Pradesh is pleased to order the shifting of barriers at Gara to Swarghat in District Bilaspur and disbanding Damtal barrier and opening of a new barrier at village Narwari (in District Una) with immediate effect.

R.H.P. Extra., dated 12-8-1976, p. 1525

Simla-2, the 25th August, 1977

No. 1-10/73-E&T (Sectt).—In exercise of the powers conferred on him under section 22(1) of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), section 14-B of the Himachal Pradesh Passengers and Goods Taxation Act, 1955 (Act No. 15 of 1955) and section 6 of the Himachal Pradesh Taxation (On Certain Goods Carried by Road) Act, 1976 (Act No. 34 of 1976) respectively, and all other powers enabling him in this behalf, the Governor of Himachal Pradesh is pleased to order the opening of a new barrier at the following place with immediate effect:—

Multi-purpose Barrier at Govind Ghat at Yamuna Bridge in Sirmur district.

R.H.P. Extra., dated 27-8-1977, p. 853

Simla-171002, the 24th July, 1978

No. EXN. F(18)-1/76-Part.—In exercise of the powers conferred on him under section 22(1) of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), section 14-B of the H. P. Passengers and Goods Taxation Act, 1955 (Act No. 15 of 1955) and section 6 of the Himachal Pradesh Taxation (On Certain Goods Carried By Road) Act, 1976 (Act No. 34 of 1976) and all other powers enabling him in this behalf, the Governor of Himachal Pradesh is pleased to order the establishment of the barriers at the following places with immediate effect:—

1. Multipurpose Barrier at Baddi, District Solan.
2. Multipurpose Barrier at Dabhota, District Solan.
3. Multipurpose Barrier at Santokhghar, District Una.
4. Multipurpose Barrier at Jajjon, District Una.
5. Multipurpose Barrier at Sansarpur Terrace, District Kangra.
6. Multipurpose Barrier at Indora, District Kangra.
7. Multipurpose Barrier at Kandrodi, District Kangra.
8. Multipurpose Barrier at Haripur, District Sirmur.
9. Multipurpose Barrier at Dak Pathar, District Sirmur.
10. Multipurpose Barrier at Meenus, District Simla.
11. Multipurpose Barrier at Dhali, District Simla.
12. Multipurpose Barrier at Totu, District Simla.
13. Multipurpose Barrier at Kandaghat, District Solan.
14. Multipurpose Barrier at Kumarhatti, District Solan.
15. Multipurpose Barrier at Dharampur, District Solan.
16. Multipurpose Barrier at Jogindernagar, District Mandi].

R.H.P. Extra. dated 26th July, 1978, page 997-998.

Simla-2, the 18th April, 1978

No. 1-10/73-E&T (Sectt).—In exercise of the powers conferred on him under section 22(1) of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), section 14-B of the Himachal Pradesh Passengers and Goods Taxation Act, 1955 (Act No. 15 of 1955) and section 6 of the Himachal Pradesh

1. Closed vide Not. No. EXN.(F)(18) 1/76-part, dated 23-5-1979, published in RHP Extra, dt 29-5-1979, p. 1804

Taxation (On Certain Goods Carried by Road) Act, 1976 (Act No. 34 of 1976) respectively, and all other powers enabling him in this behalf, the Governor of Himachal Pradesh is pleased to order the opening of a new multipurpose barrier at 'DORAHA' in Una district of this Pradesh with immediate effect.

R.H.P. Extra., dated 19-4-1978, p. 357.

Simla-2, the 29th August, 1978

No. 1-10/73-E&T (Sectt).—In supersession of notification of even number, dated 18-4-1978 and in exercise of the powers conferred on him under section 22(1) of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), section 14-B of the Himachal Pradesh Passengers and Goods Taxation Act, 1955 (Act No. 15 of 1955) and section 6 of the Himachal Pradesh Taxation (On Certain Goods Carried by Road) Act, 1976 (Act No. 34 of 1976) respectively, and all other powers enabling him in this behalf, the Governor of Himachal Pradesh is pleased to order the opening of a new multipurpose barrier at Bus-Dehra in Una district of this Pradesh with immediate effect.

R.H.P. Extra., dated 2-9-1978, p. 1170.

Simla-171002, the 19th September, 1978

No. 1-10/73-E&T (Sectt).—In partial modification of this department notifications No. 21-7/70-E&T, dated 15-6-1971, 19-13/71-E&T (Sectt.), dated 27-6-1973 and EXN. F(18)1/76, dated 4-8-1976 and in exercise of the powers conferred on him under section 22(1) of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), section 14-B of the Himachal Pradesh Passengers and Goods Taxation Act, 1955 (Act No. 15 of 1955) and section 6 of the Himachal Pradesh Taxation (On Certain Goods Carried by Road) Act, 1976 (Act No. 34 of 1976) and all other powers enabling him in this behalf, the Governor of Himachal Pradesh is pleased to order the disbanding of Baroti Barrier and the opening of a new multipurpose barrier at Parwanoo in Solan district with immediate effect.

R.H.P. Extra., dated 25-9-1978, p. 1263.

Simla-171002, the 23rd May, 1979

No. EXN. F(18)1/76-Part.—In exercise of the powers conferred on him under section 22(1) of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), section 14-B of the Himachal Pradesh Passengers and Goods Taxation Act, 1955 (Act No. 15 of 1955) and section 6 of the Himachal Pradesh Taxation (On Certain Goods Carried by Road) Act, 1976 (Act No. 34 of 1976) and all other powers enabling him in this behalf, the Governor of Himachal Pradesh is pleased to order the establishment of a barrier at "Galthai" on Bhakra-Nangal Road in Bilaspur district.

R.H.P. Extra., dated 29-5-1979, p. 1803.

Exemption from payment of Tax

Simla-171002, the 5th April, 1976

No. 1-3/71-E&T (Sectt).—In exercise of the powers conferred by subsection (1) of section 42 of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. of 24 of 68), the Governor of Himachal Pradesh is pleased to

delete the clauses 5 and 6 of this Department Notification of even number, dated the 27th May, 1974, published in the Himachal Pradesh Rajpatra (Extra.) dated the 29th May, 1974.

R.H.P. Extra., dated 1-5-1976, p. 484.

Simla-2, the 5th July, 1978

No. 1-3/71-E&T (Sectt.).—In supersession of this department notification of even number, dated the 27th May, 1974 and 5th April, 1976 and in exercise of the powers conferred under section 6 of the Himachal Pradesh General Sales Tax Act, 1968, with a view to provide incentive to the small scale industries in Himachal Pradesh, the Governor of Himachal Pradesh is pleased to levy the sales tax on the terms and conditions hereunder prescribed, with immediate effect:—

- (i) that the general sales tax shall be levied on the products manufactured by new small scale industrial units at the rate of 2% for the first five years and at the rate of 4% for the next five years and in respect of goods leviable to general sales tax at the rate of 7%. In case of goods leviable to general sales tax at the rate of more than 7%, sales tax will be payable at the rate of 3% for the first five years and 5% for the next five years;
- (ii) That small scale industrial units which have availed holiday from sale/purchase tax under the notification, referred to above shall be eligible, to concessional rate of tax at 4% on goods leviable at the general rate of 7% and 5% on goods leviable at the rate of more than 7% for a further period of five years;

In case of small scale industrial units, which are enjoying tax holiday under the original scheme, such units will pay sales tax at the rate of 2%, in case of goods leviable at the rate of 7% and 3% in case of goods leviable at the rate of more than 7% for the remaining period of tax holiday;

- (iii) that the above concession shall be admissible only to those small scale industries which are registered under the Himachal Pradesh General Sales Tax Act, 1968 and comply with its provisions;
- (iv) that small scale industry must continue to function for a period for which the concession has been availed, failing which it shall pay tax for the remaining period, equal to the amount which would have been paid during the said exempted period but for such exemption;
- (v) that the concession shall be available when the articles manufactured are sold exclusively by manufacturer themselves;
- (vi) that the concession shall not be open for finished goods imported by the small scale industrial units for re-sale in the Pradesh; and
- (vii) that the concession detailed above will be subject to the filing of certificate of genuineness with the Assessing Authority concerned by the 30th April, every year; granted by the Director of Industries, Himachal Pradesh under his signatures.

R.H.P. Extra., dated 10-7-1978, p. 859-860.

Simla-2, the 28th July, 1978

No. EXN. C(4)-25/76.—In exercise of the powers conferred by sub-section (1) of section 42 of the Himachal Pradesh General Sales Tax Act, 1968, the Governor, Himachal Pradesh with a view to provide incentive to such small scale industries, which are leviable of general sales tax @ less than 7%, is pleased to grant exemption from the payment of sale/purchase tax to the eligible small scale industries subject to the following conditions, with immediate effect:—

1. that the exemption from the payment of sale/purchase tax in the case of such small scale industries would be applicable for a period of 5 years commencing from the date of their coming into existence, subject to the condition that they are registered with the Industries Department;
2. that such small scale industries registered with the Industries Department, who deal partly in the manufacture of goods and partly otherwise would be entitled to avail the sale/purchase tax holiday in respect of such goods as are purchased by them for the purpose of manufacture for sale in Himachal Pradesh;
3. that the above concession shall be admissible only to those small scale industries which are registered under the Himachal Pradesh General Sales Tax Act and comply with its provisions;
4. that small scale industry must continue to function for a period for which the concession has been availed, failing which it shall pay tax for the remaining period, equal to the amount which would have been paid during the said exempted period but for such exemption;
5. that the concession shall be available when the articles manufactured are sold exclusively by manufacturers themselves;
6. that the concession shall not be open for finished goods imported by the small scale industrial units for re-sale in the Pradesh; and
7. that the concession detailed above will be subject to the filing of certificate of genuineness with the Assessing Authority concerned by the 13th April, every year, granted by the Director of Industries, Himachal Pradesh under his signatures.

R.H.P. Extra., dated 28-7-1978, p. 1008-1009.

THE HIMACHAL PRADSH GENERAL SALES TAX RULES, 1970

AMENDMENT OF RULES

साम्बन्धीत करवाधान विभाग

अधिसूचना

शिमला-171002, 7दिसम्बर, 1979

नं० ई० एक्स० एन० एफ० (10)-5/76—हिमाचल प्रदेश सामान्य बिक्री कर अधिनियम, 1968 (1968 का अधिनियम 24) की धारा 40 द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए राज्यपाल, हिमाचल प्रदेश, हिमाचल प्रदेश जनरल सेल्ज टैक्स नियम, 1970 में निम्नलिखित

1	2	3	4
9.	1948	11	The East Punjab Molasses (Control) Act, 1948, as extended to the old areas by the Government of India, Ministry of Home Affairs notification No. F-4/7/61-Jud-II., dated the 16th June, 1962.
10.	1949	30	The East Punjab Durgs Control Act, 1948, as in force in the transferred territories.
11.	2008BK	1	The Pepsu Court of Wards Act, 2008 BK, as in force in the areas which previously comprised in the erstwhile princely State of Pepsu, and as now stands added to Himachal Pradesh under section 5 of the Punjab Re-organisation Act, 1966.
12.	1956	38	The Punjab Special Powers (Press) Act, 1956, as in force in the transferred territories.
13.	1957	18	The Punjab Court of Wards (Validation of Exercise of Powers) Act, 1957, as in force in the transferred territories.
14.	1960	39	The Punjab Primary Education Act, 1960, as in force in the transferred territories.
15.	1963	38	The Punjab State Faculty of Ayurvedic and Unani System of Medicines Act, 1963, as in force in the transferred territories.

**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1981**

(Act No. 4 of 1981)¹

ARRANGEMENT OF SECTIONS

Sections:

1. Short title and commencement.
2. Amendment of section 4.
3. Amendment of section 12.
4. Repeal and savings.

(Received the assent of the Governor, Himachal Pradesh on the 2nd May, 1981 and was published in R. H.P. Extra, dated the 2nd May, 1981, Page. 315)

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of the Himachal Pradesh in the Thirty-second Year of the Republic of India as follows :—

1. **Short title and commencement.**—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1981.

1. For statement of Objects and Reasons see R.H.P. Extra., dated 24-3-1981, P. 136.

(2) It shall be deemed to have come into force on the 15th day of November, 1980.

2. **Amendment of section 4.**—In clause (e) of sub-section (6) of section 4 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968), (hereinafter called the principal Act) for the figures "40,000", the figures "1,00,000" shall be substituted.

3. **Amendment of section 12.**—In the existing proviso to sub-section (4) of section 12 of the principal Act—

- (a) after the words "through a" but before the words "bank draft", the words "crossed cheque or" shall be inserted; and
 (b) for the sign "." occurring at the end, the sign ":" shall be substituted and thereafter the following proviso shall be added, namely:—

"Provided further that where the payment is made through a crossed cheque and the cheque is dishonoured, the dealer shall be deemed to have not made the payment and shall be liable to any action which may be taken for not making payment under the Act or the rules framed thereunder".

4. **Repeal and savings.**—(1) The Himachal Pradesh General Sales Tax (Amendment) Ordinance, 1980 (5 of 1980) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act, as if this Act had come into force on the day on which such thing was done or action was taken.

NOTIFICATIONS

UNDER

THE HIMACHAL PRADESH GENERAL SALES TAX ACT, 1968

AMENDMENT OF SCHEDULE—B

आवकारी तथा कराधान विभाग

अधिसूचना

शिमला-2 9 जून, 1981

नं० ई०एक्स०एन०-1(4)/74-पार्ट.—हिमाचल प्रदेश सामान्य बिक्री कर अधिनियम, 1968 (1968 का अधिनियम संख्या 24) की धारा 7 की उप-धारा (2) में प्रदत्त शक्तियों का प्रयोग करते हुए, राज्यपाल, हिमाचल प्रदेश, उक्त अधिनियम में संलग्न शिड्यूल-बी में सहर्ष निम्नलिखित संशोधन, जिसका प्रारूप राजपत्र, हिमाचल प्रदेश (असाधारण) के अंक दिनांक 24 मई, 1980

में समसंख्यक अधिसूचना दिनांक 21 मई, 1980 द्वारा प्रकाशित किया गया है, तुरन्त करते हैं:—

After the existing entry No. 58, the following new items 59 and 60 shall be added, namely:—

- 59. Meals sold/served by Dhabas, Tandoorwalas, Lohwalas, Restaurants, Hotels, as well as Chatwalas and Tea stalls.
- 60. All articles prepared and sold by Halwaies".

[R.H.P. Extra., dated 11-7-1981, Page 612.]

शिमला-171002, 12 फरवरी, 1981

संख्या ई0 एण्ड0 एन0 एफ0 (11)-28/76.—हिमाचल प्रदेश जनरल सेल्ज टैक्स ऐक्ट, 1968 (1968 का अधिनियम संख्या 24) की धारा 7 की उप-धारा (2) में प्रदत्त शक्तियों का प्रयोग करते हुए राज्यपाल, हिमाचल प्रदेश, उक्त अधिनियम में संलग्न शड्डियूल-बी में निम्नलिखित संशोधन, राजपत्र, हिमाचल प्रदेश (असाधारण) अंक, दिनांक 14 अक्टूबर, 1980 में समसंख्यक अधिसूचना दिनांक 9-10-1980 द्वारा पूर्व प्रकाशन करने के पश्चात् तुरन्त करते हैं:—

After the existing entry 60, the following entry 61 shall be added, namely:—

- "61. Sera and vaccines manufactured by Himachal Pradesh Central Research Institute Kasauli (Himachal Pradesh)."

[R.H.P. Extra, Dated 6-6-1981, Page 473-474.]

शिमला-171002, 8 जुलाई, 1981

नं0 ई0 एक्स0 एन0 1(4)/74.—हिमाचल प्रदेश सामान्य विक्री कर अधिनियम, 1968 (1968 का अधिनियम संख्या 24) की धारा 7 की उप-धारा (2) में प्रदत्त शक्तियों का प्रयोग करते हुए राज्यपाल, हिमाचल प्रदेश, उक्त अधिनियम में संलग्न शड्डियूल-बी में निम्नलिखित संशोधन करते हैं, इस संशोधन का प्रारूप राजपत्र, हिमाचल प्रदेश (असाधारण) के अंक दिनांक 25 अप्रैल, 1981 में समसंख्यक अधिसूचना दिनांक 25-4-1981 द्वारा प्रकाशित किया गया था:—

After the existing entry 61, the following new entry 62 shall be added, namely:—

- "62. Newsprint sold to small and medium newspapers which are When circulation of all newspapers is certified by a Chartered Accountant."

categorised as under:—

tant or by a professional and reputed accounts body or institution.

Small—Upto a circulation of 15,000 copies per issue. Newspapers having a circulation upto 2,000 copies per issue may submit a certificate from a Chartered Accountant or from the concerned District Magistrate.”

Medium—Circulation between 15,000 and 50,000 copies per issue.

[R.H.P. Extra, dated 25-7-1981, P. 633—634.]

शिमला-171002, 30 अक्तूबर, 1981

नं० ई० एक्स० एन० एफ० (10)-36/78.—हिमाचल प्रदेश सामान्य विक्री कर अधिनियम, 1968 (1968 का अधिनियम संख्या 24) की धारा 7 की उप-धारा (2) में प्रदत्त शक्तियों का प्रयोग करते हुए, राज्यपाल, हिमाचल प्रदेश, उक्त अधिनियम में संलग्न शडियूल-बी में सहर्ष निम्नलिखित संशोधन, जिसका प्रारूप राजपत्र, हिमाचल प्रदेश (असाधारण) के अंक दिनांक 6 अगस्त, 1981 में समसंख्यक अधिसूचना दिनांक 31 जुलाई, 1981 द्वारा प्रकाशित किया गया है, तुरन्त करते हैं:—

After the existing entry 62, the following new item 63, shall be added, namely:—

“63. Foodgrains supplied free of cost by the Government of India, under the Food for Work Programme or other relief programmes notified as such by the Government: The exemption shall be granted on production of declaration from the concerned Government Department through which the distribution is made.”

[R.H.P., Extra, dated 17-11-1981, P. 1018.]

APPOINTMENT AND DELEGATION

शिमला-2, 3 नवम्बर, 1981

नं० ई० एक्स० एन० वी० (1)1/81.—हिमाचल प्रदेश जनरल सेल्स टैक्स ऐक्ट, 1968 की धारा 3 की उप-धारा (1) के अधीन प्रदत्त शक्तियों का प्रयोग करते हुए, हिमाचल प्रदेश के राज्यपाल डायरेक्टोरेट आफ एनफीसमेंट, हिमाचल प्रदेश का उप-निदेशक को हिमाचल प्रदेश के आबकारी एवं कराधान आयुक्त की सहायतायें सहर्ष नियुक्त करते हैं।

[R.H.P. Extra., dated 17-11-1981, P. 1014.]

any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

(2) Where any Central Act, in force in or applicable to the State of Himachal Pradesh and relating to the matters with respect to which the State Legislature has power to make laws for the State of Himachal Pradesh, confers power on the State Government to make rules thereunder, then subject to any express provisions to the contrary in such Act, the provisions of sub-section (1) shall *mutatis mutandis* apply to the rules made by the State Government in exercise of that power."

NOTIFICATIONS AND RULES

Under

THE HIMACHAL PRADESH GENERAL SALES TAX ACT, 1968
THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1985

(Act No. 8 of 1985)¹

ARRANGEMENT OF SECTIONS

Sections :

1. Short title and commencement.
2. Amendment of section 2.
3. Amendment of section 42.

[Received the assent of the Governor of Himachal Pradesh on the 6th August, 1985 and was published in Rajpatra, Himachal Pradesh (Extra.), dated the 13th August, 1985 at pages 1252-1253]

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Thirty-sixth Year of Republic of India as follows :--

1. Short title and commencement.—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1985.

(2) It shall come into force at once.

2. Amendment of section 2.—In sub-section (3) of section 2 of

1. For statement of Objects and Reasons see R.N.P. (Extra.), dated 9-7-1985, page 1053.

the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter called the principal Act),--

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

"(h) "purchase" with all its grammatical or cognate expressions, means the acquisition of goods for cash or deferred payment or other valuable consideration otherwise than under a mortgage, hypothecation, charge or pledge and includes--

- (i) the transfer, otherwise than in pursuance of a contract, of property in any goods for cash, deferred payment or other valuable consideration;
- (ii) the transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;
- (iii) the delivery of goods on hire-purchase or any system of payment by instalments;
- (iv) the transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;
- (v) the supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration;
- (vi) the supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating), where such supply or service, is for cash, deferred payment or other valuable consideration;

and such transfer, delivery or supply of any goods shall be deemed to be a sale of those goods by the person making the transfer, delivery or supply and a purchase of those goods by the person to whom such transfer, delivery or supply is made;"

(b) for the existing clause (j), of the principal Act, the following clause shall be substituted, namely :--

(j) "sale" means any transfer of property in goods for cash or for deferred payment or for any other valuable consideration other than a mortgage, hypothecation, charge or pledge, and includes--

- (i) the transfer, otherwise than in pursuance of a contract, of property in any goods for cash, deferred payment or other valuable consideration;
- (ii) the transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;

- (iii) the delivery of goods on hire-purchase or any system of payment by instalments;
- (iv) the transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;
- (v) the supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration;
- (vi) the supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating) where such supply or service, is for cash, deferred payment or other valuable consideration;

and such transfer, delivery or supply of any goods shall be deemed to be a sale of those goods by the person making the transfer, delivery or supply and a purchase of those goods by the person to whom such transfer, delivery or supply is made;"

3. Amendment of section 42.—The existing sub-section (2) of section 42 of the principal Act, shall be omitted and sub-section (3) shall be re-numbered as sub-section (2).

APPOINTMENTS AND DELEGATIONS

EXCISE AND TAXATION DEPARTMENT

Notification

शिमला-2, 11 जून, 1985

संख्या ई.एस.एन.एफ. (10) 5/76.—हिमाचल प्रदेश के राज्यपाल, हिमाचल प्रदेश साधारण विक्री कर अधिनियम, 1968 (1968 का अधिनियम संख्यांक 24) की धारा 3 की उप-धारा (2) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, आवकारी और कराधान कार्यालय में आवकारी तथा कराधान अधिकारियों को, जिन्हें उक्त अधिनियम की धारा 3 की उप-धारा (1) के अधीन अधिसूचना सं. ई.एस.एन.एफ. (10) 5/76, तारीख 6/29 सितम्बर, 1983 के साथ नियुक्त किया गया है, उक्त अधिनियम की धारा 2(ए) के अधीन समस्त हिमाचल प्रदेश राज्य के लिए निर्धारण प्राधिकारी के रूप में नियुक्त करते हैं।

Shimla-2, the 11th June, 1985

No. EXN. F(10)5/76.—In exercise of the powers conferred by sub-section (2) of section 3 of the Himachal Pradesh General Sales Tax Act, 1968, the Governor, Himachal Pradesh, is pleased to appoint the Excise and Taxation Officers in the office of the Excise and Taxation Commissioner, Himachal Pradesh, appointed under sub-section (1) of section 3 of the said Act,—vide Notification No. EXN. F(10)5/76.

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 1986**

(ACT NO 15 OF 1986)¹

ARRANGEMENT OF SECTIONS

Sections:

1. Short title and commencement.
2. Amendment of section 2.
3. Amendment of section 4.
4. Amendment of section 6.
5. Amendment of section 10.
6. Substitution of section 11.
7. Amendment of section 20.
8. Amendment of section 40.

(Received the assent of the Governor, Himachal Pradesh, on the 17th May, 1986 and was published in R.H.P.Extra., dated the 28th May, 1986 at page 933-934)

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No.24 of 1968)

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Thirty-seventh Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1986.

(2) It shall come into force at once.

2. *Amendment of section 2.*—After clause (d) of section 2 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter called the principal Act), the following clause (dd) shall be inserted, namely :—

“(dd) “Financial Commissioner” means the Financial Commissioner appointed or empowered to exercise the powers of the Financial Commissioner under this Act;”.

3. *Amendment of section 4.*—For the figure “40,000” occurring in clause (c) of sub-section (6) of section 4 of the principal Act, the figure “1,00,0000” shall be substituted.

4. *Amendment of section 6.*—Sub-section (4) of section 6 of the principal Act shall be omitted.

5. *Amendment of section 10.*—For the sign “.” occurring at the end of sub-section (3) of section 10 of the principal Act, the sign “:” shall be substituted and thereafter the following proviso shall be added, namely :—

“Provided that the Assessing Authority may, on an application made in this behalf accompanied by a fee, not exceeding fifty rupees,

1. For statement of Objects and Reasons see R.H.P. Extra., dated 25.3.1986, p. 491.

as may be prescribed, for reasons to be recorded in writing, extend the period specified in the certificate of registration."

6. *Substitution of section 11.*—For section 11 of the principal Act, the following section 11, along with its heading, shall be substituted, namely:—

"11. *Security from certain class of dealers.*—(1) The Commissioner or any other person appointed to assist him under sub-section (1) of section 3, if it appears to him to be necessary so to do for the proper realisation of the tax levied under this Act, may, for reasons to be recorded in writing, impose as a condition of the issue of a certificate or registration to a dealer, or of the continuance in effect of such certificate issued to any dealer, a requirement that the dealer shall give security in the manner prescribed for such amount as may be specified in the order.

(2) No dealer shall be required to furnish security under sub-section (1), unless he has been given an opportunity of being heard and the security that may be required to be furnished by any dealer under the aforesaid sub-section shall be to the satisfaction of the authority prescribed in sub-section (1).

(3) Where the security furnished by a dealer under sub-section (1) is in the form of a surety bond and the surety becomes insolvent or is otherwise incapacitated or dies or withdraws, the dealer shall, within fifteen days of the occurrence of any of the aforesaid events, inform the authority granting the certificate of registration and shall within thirty days of such occurrence furnish a fresh surety bond.

(4) The authority granting the certificate of registration may, by an order in writing, for good and sufficient cause, forfeit the whole or any part of the security furnished by a dealer for realising any amount of tax or penalty payable by a dealer:

Provided that no order shall be passed under this sub-section without giving the dealer and the surety a reasonable opportunity of being heard.

(5) Where by reason of an order under sub-section (4), the security furnished by any dealer is rendered insufficient, he shall make up the deficiency in such manner and within such time as may be prescribed.

(6) The authority granting a certificate of registration may, on application by the dealer, order the refund of security furnished by him or any part thereof, if the same is not required for the purposes of this Act."

7. *Amendment of section 20.*—In sub-section (3) of section 20 of the principal Act,—

(i) in clause (a), the word "twenty-one" shall be substituted for the word "ten";

(ii) in clause (b), the word "ninety" shall be substituted for the word "sixty"; and

(iii) for the sign “.” occurring at the end, the sign “:” shall be substituted and thereafter the following provisos shall be inserted, namely :—

“Provided that where the dealer fails to comply with the directions of the officer seizing the books or any other officer under the Act, such officer may further retain such books for such period as he may think fit after obtaining the permission of the Commissioner:

Provided further that such officer shall inform the dealer the reasons for which the books are required to be retained beyond the period prescribed under this sub-section.”

8. *Amendment of section 40.*—In the beginning of clause (f) of sub-section (2) of section 40 of the principal Act, the words “the fixation of fees to be charged and” shall be added.

NOTIFICATIONS AND RULES

UNDER

THE HIMACHAL PRADESH GENERAL SALES TAX ACT,
1968

IMPOSITION OF TAX

श्रावकारी एवं कराधान विभाग

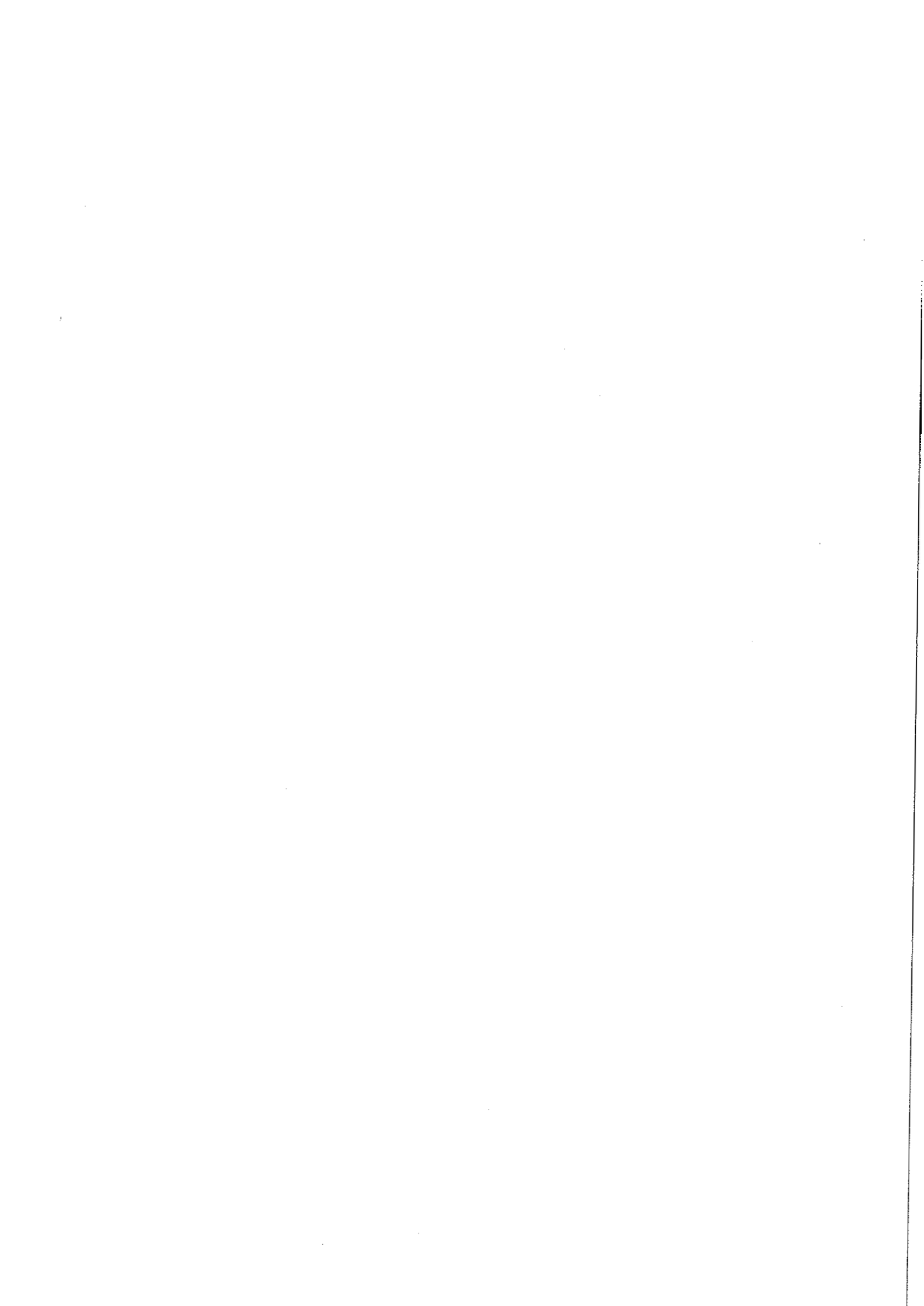
अधिसूचना

शिमला-171002, 6 फरवरी, 1986

संख्या ई 0एक्स 0एन 0एफ 0(10)-8/77-II:—हिमाचल प्रदेश के राज्यपाल, हिमाचल प्रदेश सामान्य बिक्री कर अधिनियम, 1968 (1968 का 24) की धारा 6 की उप-धारा (2) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, निर्देश देते हैं कि उक्त धारा की उप-धारा (1) के अधीन निम्नलिखित वस्तुओं पर माल की बिक्री की प्रथम अवस्था पर कर तुरन्त उद्-गृहीत किया जाएगा अर्थात्:—

टायर और ट्यूब, मोटर के अतिरिक्त कल पुर्जे/एसैसरीज स्टैंडर्ड, दवाईयां, पेन्ट, टवालेट, गुडज, (साबुन, केश तेल, क्रीम तथा कपड़े धोने का साबुन) छत के स्लेट, सैनिटरी गुडज, हार्डवेयर गुडज, मिट्टी का सेल, गुड़, माचिस, घड़ियां, मोटर का तेल, लूब्रीकैंटस तथा मोबाईल आयल, चाय, सरसों का तेल, पाम का तेल तथा और ऐसे अन्य खाने पकाने के तेल, अनाज तथा दालें, लोहा तथा इस्पात, जिनकी अवस्था इस प्रकार होगी :—

(क) व्योहारी की स्थिति में, जो किसी ऐसे माल को हिमाचल प्रदेश से बाहर किसी स्थान से हिमाचल प्रदेश में आयात करता है, बिक्री की अवस्था होगी जब ऐसा



**THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT)
ACT, 1987**

(Act No. 15 of 1987)¹

ARRANGEMENT OF SECTIONS

Sections :

1. Short title and commencement
2. Amendment of section 2.
3. Amendment of section 4.
4. Insertion of section 5-A.
5. Amendment of section 6.
6. Amendment of section 6-A.
7. Substitution of sections 30 and 31.
8. Insertion of section 31-A.
9. Amendment of section 33.
10. Amendment of section 35.

(Received the assent of the Governor, Himachal Pradesh, on the 22nd May, 1987 and was published in Rajpatra, Himachal Pradesh, dated the 25th May, 1987 at page 881—883).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

Enacted by the Legislative Assembly of Himachal Pradesh in the Thirty-eighth Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1987.

(2) It shall come into force at once.

2. *Amendment of section 2.*—In section 2 of the Himachal Pradesh General Sales Tax Act, 1968 (hereinafter called the principal Act),—

(i) the existing clause (dd) shall be renumbered as clause (ddd) and before the clause (ddd) so renumbered a new clause (dd) shall be inserted, namely :—

“(dd) “Deputy Excise and Taxation Commissioner” means the Deputy Excise and Taxation Commissioner, appointed under sub-section (1) of section 3 of this Act, to assist the Commissioner and shall also include the Joint Excise and Taxation Commissioner;” and

(ii) in clause (p), for the figure “7.5”, the figure “35” shall be substituted

3. *Amendment of section 4.*—For the figure “10,000” occurring in clause (b) of sub-section (6) of section 4 of the principal Act, the figure “40,000” shall be substituted.

1. For Statement of Objects and Reasons see R.H.P. Extra, dated 16-5-1987, p. 838.

4. *Insertion of section 5-A.*—After section 5 of the principal Act, the following section 5-A shall be inserted, namely :—

“5-A. *Levy of purchase tax on certain goods.*—Where a dealer who is liable to pay tax under this Act purchases any goods other than those specified in Schedule “B” from any source, and—

- (i) uses them within the State in the manufacture of goods specified in Schedule “B”, or
- (ii) uses them within the State in the manufacture of any goods other than those specified in Schedule “B” and sends the goods so manufactured outside the State in any manner other than by way of sale in the course of inter-State trade or commerce or in the course of export, out of the territory of India, or
- (iii) uses such goods for a purpose other than that of resale within the State or sale in the course of inter-State trade or commerce or in the course of export out of the territory of India, or
- (iv) sends them outside the State in any manner other than by way of sale in the course of inter-State trade or commerce or in the course of export out of the territory of India.

and no tax is payable on the purchase of such goods under any other provisions of this Act, there shall be levied a tax on the purchase of such goods at such rate not exceeding the rate specified under sub-section (1) of section 6 as the State Government may direct.”

5. *Amendment of section 6.*—The third proviso to sub-clause (ii) of clause (a) of sub-section (3) of section 6 of the principal Act shall be omitted.

6. *Amendment of section 6-A.*—For the second proviso to sub-section (1) of section 6-A of the principal Act, the following proviso shall be substituted, namely :—

“Provided further that the aggregate rate of the tax and the surcharge payable under this Act shall not, in respect of goods declared to be of special importance in inter-State trade or commerce by section 14 of the Central Sales Tax Act, 1956 (74 of 1956) exceed the rate fixed under section 15 of that Act.”

7. *Substitution of sections 30 and 31.*—For the existing sections 30 and 31 of the principal Act, the following sections shall be substituted, namely :—

“30. *Appeals.*—(1) An appeal from every original order passed under this Act or rules made thereunder shall lie —

- (a) if the order is made by an assessing authority or by an officer in-charge of the check post or barrier or any other officer not below the rank of the Excise and Taxation Officer, to the Deputy Excise and Taxation Commissioner;
- (b) if the order is made by the Deputy Excise and Taxation Commissioner, to the Commissioner;

- (e) if the order is made by the Commissioner or any officer exercising the powers of the Commissioner, to the Financial Commissioner.
- (2) An order passed in appeal by a Deputy Excise and Taxation Commissioner or by the Commissioner or any officer on whom the powers of the Commissioner are conferred, shall be further appealable to the Financial Commissioner.
- (3) Every order of the Financial Commissioner and subject only to such order, the order of the Commissioner or any officer exercising the powers of the Commissioner or the order of the Deputy Excise and Taxation Commissioner or of the assessing authority, if it was not challenged in appeal or revision, shall be final.
- (4) No appeal shall be entertained unless it is filed within sixty days from the date of communication of the order appealed against, or such longer period as the appellate authority may allow, for reasons to be recorded in writing.
- (5) No appeal shall be entertained by an appellate authority unless such appeal is accompanied by satisfactory proof of the payment of the tax or of the penalty, if any imposed, or both, as the case may be :

Provided that if such authority is satisfied that the dealer is unable to pay the tax assessed or the penalty, if any imposed, or both, he may, for reasons to be recorded in writing, entertain an appeal without the tax or penalty or both having been paid in full or after part payment of such tax or penalty or both.

- (6) Subject to such rules of procedure as may be prescribed, an appellate authority may pass such order on appeal as it deems just and proper.
31. **Revision.**—(1) The Commissioner may, of his own motion, call for the record of any proceedings which are pending before, or have been disposed of by, any authority subordinate to him, for the purpose of satisfying himself as to the legality or propriety of such proceedings or order made therein and may pass such order in relation thereto as he may think fit.
- (2) The State Government may by notification confer on any officer powers of the Commissioner under sub-section (1) to be exercised subject to such conditions and in respect of such areas as may be specified in the notification.
- (2) The Financial Commissioner, on application made to him against an order of the Commissioner under sub-section (1) within ninety days from the date of communication of the order, may call for and examine the record of any such case and pass such orders thereon as he thinks just and proper.
- (4) No order shall be passed under this section which adversely affects any person unless such person has been given a reasonable opportunity of being heard".
8. **Insertion of section 31-A.**—After section 31 of the principal Act, the following new section 31-A, along with its heading, shall be inserted, namely :—
- "31-A. **Disposal of pending appeal and application etc.**—Notwithstanding anything contained in sections 7, 8 and 9 of this Act, any appeal or

application, under sections 30, 31, 33 and 35 of the principal Act, pending immediately before the commencement of the Himachal Pradesh General Sales Tax (Amendment) Act, 1987, shall be disposed of in accordance with the provisions of the principal Act as if the provisions of sections 7, 8 and 9 of this Act had not been enacted."

9. *Amendment of section 33.*—For the figure "31" occurring in sub-section (1) of section 33 of the principal Act, the figures and word "30 or 31" shall be substituted.

10. *Amendment of section 35.*—Sub-sections (3), (4) and (5) of section 35 of the principal Act shall be omitted.

NOTIFICATIONS

UNDER

THE HIMACHAL PRADESH GENERAL SALES TAX ACT, 1968

AMENDMENT OF SCHEDULE-B

EXCISE AND TAXATION DEPARTMENT

CORRIGENDUM

Shimla-2, the 22nd January, 1987

No. EXN. F(10)5/76-Vol.-I.—In the notification of even number, dated 26-6-1986 published in the Himachal Pradesh Rajpatra (Extraordinary), dated 1-7-1986 for the existing entry at Sl. No. 15 of Schedule "B" of the Himachal Pradesh General Sales Tax Act, 1968, the word "except" after the words "or other-wise" may be added and the entry No. 15 may be read as under :—

"15. All varieties of cotton, woollen or silken textiles, including rayon, artificial silk or nylon, whether manufactured by handloom or powerloom or other-wise, except carpets, druggests, woollen durees and cotton floor durees".

[R.H.P. Extra., dated 28-1-1987, P. 237-238].

शिमला-2, 30 जनवरी, 1987

सं० ई० ए० एन० एफ (10)-3/75-वोल-II.—जबकि हिमाचल प्रदेश के राज्यपाल द्वारा हिमाचल प्रदेश जनरल सेल्ज टेक्स ऐक्ट, 1968 (1968 का. 24) की धारा 7 की उप-धारा (2) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, राजपत्र (असाधारण) हिमाचल प्रदेश, तारीख 17 नवम्बर, 1986 में इस विभाग की समसंख्यिक अधिसूचना तारीख 13 नवम्बर, 1986 द्वारा उक्त अधिनियम से संलग्न अनुसूची "बी" में संशोधन करने के प्रस्ताव को संवसाधारण स. आक्षेप और सुझाव आमंत्रित करने के लिए प्रकाशित किया गया था ;

और जब कि इस सम्बन्ध में विनिर्दिष्ट प्रवधि के भीतर कोई आक्षेप और सुझाव प्राप्त नहीं हुए ;

the following species of forest produce from the Schedule of the aforesaid Act, namely:—

<i>Sl. No.</i>	<i>Name of species excluded</i>
15.	Willow (Salix)
16.	Mulberry (Morus Alba)

(R.H.P. Extra., dated 20-3-1991, P. 416).

AUTHORITATIVE ENGLISH TEXT

THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT) ACT, 1991

(Act No. 5 of 1991)₁

ARRANGEMENT OF SECTIONS

Sections :

1. Short title and commencement.
2. Amendment of section 2.
3. Amendment of section 4.
4. Amendment of section 6.
5. Omission of section 6-A.
6. Amendment of section 8.
7. Amendment of section 12.
8. Amendment of section 14.
9. Amendment of section 17-A.
10. Amendment of section 19.
11. Amendment of section 22.
12. Insertion of new section 22-A.
13. Amendment of section 40.

(Received the assent of the Governor, Himachal Pradesh, on 18th April, 1991 and was published in Hindi R.H.P. Extra., dated 20-4-1991, P. 833-836 and in English in R.H.P. Extra., dated 20-4-1991, P. 837-839).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Forty-second Year of Republic of India as follows:—

1. Short title and commencement.—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1991.

(2) It shall come into force with effect from 1st day of April, 1991.

1. Passed in Hindi by Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 14-3-1991, P. 336 and P. 340.

2. Amendment of section 2.—In section 2 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter referred to as the principal Act),—

- (a) in clause (p), for the sign “;” occurring at the end, the sign “.” shall be substituted; and
- (b) clause (q) shall be omitted.

3. Amendment of section 4.—In clause (e) of sub-section (6) of section 4 of the principal Act, for the figures “1,00,000”, the figures “3,00,000” shall be substituted.

4. Amendment of section 6.—In section 6 of the principal Act, in sub-section (1),—

- (a) for the word “seven” the word “ten” shall be substituted; and
- (b) in the first proviso, for the figures and word “10 paise” and “of 25 paise”, the figures and words “15 paise” and “not exceeding 30 paise” shall, respectively, be substituted.

5. Omission of section 6-A.—Section 6-A of the principal Act, along with its heading, shall be omitted.

6. Amendment of section 8.—In sub-section (1) of section 8 of the principal Act, for the sign “.” occurring at the end, the sign “:” shall be substituted and thereafter, the following provisos shall be added, namely :—

“Provided that nothing herein shall apply to a dealer who deals exclusively in such goods on which tax has been proved to have been levied at the first stage of the sale thereof under sub-section (2) of section 6 and that such a dealer is not the first selling dealer in respect of those goods in the State of Himachal Pradesh:

Provided further that the dealer referred to in the preceding proviso maintains proper accounts in respect of his business and possesses and furnishes to the Assessing Authority, the certificate referred to in sub-section (2) of section 6, in the prescribed manner, to the effect that the tax on the sales of such goods has been paid at the first stage of sale thereof.”

7. Amendment of section 12.—In section 12 of the principal Act,—

- (a) in sub-section (6), for the words “not exceeding”, occurring after the words “a sum” but before the words “one and a half times”, the words and sign “which shall not be less than ten per centum, but which shall not exceed” shall be substituted; and
- (b) in sub-section (7), for the words “ten per centum”, the words “twenty-five per centum”, shall be substituted.

8. Amendment of section 14.—In sub-section (6) of section 14 of the principal Act, for the words “not exceeding”, the words and sign “which shall not be less than fifteen per centum, but which shall not exceed” shall be substituted.

9. Amendment of section 17-A.—For sub-section (1) of section 17-A of the principal Act, the following shall be substituted, namely:—

“(1) If any dealer fails to pay the amount of tax due from him under this Act except to the extent mentioned in sub-section (2), he shall, in addition to the amount of tax, be liable to pay simple interest on the amount of tax due and payable by him at the rate of one per centum per month, from the date immediately following the last date on which the dealer should have either filed the return or paid the tax under this Act, for a period of one month and thereafter at the rate of one and a half per centum per month till the default continues.”

10. Amendment of section 19.—In clause (a) of sub-section (2) of section 19 of the principal Act, for the sign and the words, “the purchase tax and the surcharge”, the words “and the purchase tax” shall be substituted.

11. Amendment of section 22.—In section 22 of the principal Act,—

- (a) in sub-sections (2), (3), (4), (5), (6), (7), (8), (9) and (11) for the words “goods vehicle”, at all places wherever they occur, the words “goods carriage” shall be substituted;
- (b) in sub-section (4), in the existing first proviso, for the words “two thousand rupees or twenty per centum of the value of the goods whichever is greater”, the words “twenty-five per centum of the value of the goods but which shall not be less than fifteen per centum of the value of the goods” shall be substituted;
- (c) in sub-sections (6) and (7), for the words and sign “one thousand rupees or twenty per centum of the value of the goods, whichever is greater”, the words “twenty-five per centum of the value of the goods but which shall not be less than fifteen per centum of the value of the goods” shall be substituted; and
- (d) in sub-section (11), for the existing Explanation-I, the following shall be substituted, namely:—

“*Explanation-I.*—In this section the expression “goods carriage” has the same meaning as is assigned to it in clause (14) of section 2 of the Motor Vehicles Act, 1988 (59 of 1988), but does not include road transport plying in collaboration with rail transport”.

12. Insertion of new section 22-A.—After section 22 of the principal Act, the following new section 22-A shall be inserted, namely:—

“22-A. *Registration and submission of returns by carrier of goods, agent of the transport company and booking agency.*—(1) For carrying out the purposes of section 22, every carrier of goods, agent of transport company and booking agency having a place of business in the State of Himachal Pradesh and transporting or clearing or forwarding goods on behalf of a dealer, shall be required to obtain a certificate of registration, in the prescribed manner, from the Assessing Authority of the area in which it has a place of business, on payment of such fee as may be prescribed and on furnishing of a security to the satisfaction of the said authority in the manner as may be prescribed.

- (2) Every agency, referred to in sub-section (1), shall submit to the Assessing Authority such returns of the goods transported, cleared or forwarded by it, by such dates and in such manner as may be prescribed.
- (3) The Assessing Authority shall have the powers to call for and examine the books of accounts, documents and other record in possession of such agency with a view to verifying the correctness of returns submitted and the compliance to the requirements of provisions of section 22”.

13. Amendment of section 40.—In sub-section (2) of section 40 of the principal Act,—

- (a) after clause (d), the following new clause (dd), shall be inserted, namely:—
“(dd) the manner in which the certificate referred to in the second proviso to sub-section (1) of section 8 shall be furnished; and
- (b) after clause (n), the following new clause (nn) shall be inserted, namely :—
“(nn) the manner of obtaining and granting the registration certificate, fee to be charged for the same and the manner in which the security is to be furnished under sub-section (1) and also the dates and the manner of furnishing returns under sub-section (2) of section 22-A”.

AUTHORITATIVE ENGLISH TEXT OF

THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT AND VALIDATION) ACT, 1991

(Act No. 18 of 1991)

ARRANGEMENT OF SECTIONS

Sections:

1. Short title.
2. Amendment of section 4.
3. Amendment of section 12.
4. Insertion of section 12-A.
5. Insertion of section 16-A.
6. Amendment of section 30.
7. Substitution of section 35 and insertion of sections 35-A and 35-B.
8. Amendment of section 40.
9. Substitution of section 42.
10. Insertion of sections 42-A, 42-B, 42-C and 42-D.
11. Validation and exemption.

(Received the assent of the Governor, Himachal Pradesh, on the 31st October 1991, and was published in Hindi in R.H.P. Extra., dated., 2-11-1991, P. 2495-2503 and in English in R.H.P. Extra., dated 2-11-1991, P. 2504-2512).

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha, For Statement of Objects and Reasons see R.H.P. Extra., dated 12-9-1991, P. 1975 and 1985.

- (2) Every agency, referred to in sub-section (1), shall submit to the Assessing Authority such returns of the goods transported, cleared or forwarded by it, by such dates and in such manner as may be prescribed.
- (3) The Assessing Authority shall have the powers to call for and examine the books of accounts, documents and other record in possession of such agency with a view to verifying the correctness of returns submitted and the compliance to the requirements of provisions of section 22”.

13. Amendment of section 40.—In sub-section (2) of section 40 of the principal Act,—

- (a) after clause (d), the following new clause (dd), shall be inserted, namely:—
“(dd) the manner in which the certificate referred to in the second proviso to sub-section (1) of section 8 shall be furnished; and
- (b) after clause (n), the following new clause (nn) shall be inserted, namely :—
“(nn) the manner of obtaining and granting the registration certificate, fee to be charged for the same and the manner in which the security is to be furnished under sub-section (1) and also the dates and the manner of furnishing returns under sub-section (2) of section 22-A”.

AUTHORITATIVE ENGLISH TEXT OF

THE HIMACHAL PRADESH GENERAL SALES TAX (AMENDMENT AND VALIDATION) ACT, 1991

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ARRANGEMENT OF SECTIONS

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1. Short title.
2. Amendment of section 4.
3. Amendment of section 12.
4. Insertion of section 12-A.
5. Insertion of section 16-A.
6. Amendment of section 30.
7. Substitution of section 35 and insertion of sections 35-A and 35-B.
8. Amendment of section 40.
9. Substitution of section 42.
10. Insertion of sections 42-A, 42-B, 42-C and 42-D.
11. Validation and exemption.

(Received the assent of the Governor, Himachal Pradesh, on the 31st October 1991, and was published in Hindi in R.H.P. Extra., dated., 2-11-1991, P. 2495-2503 and in English in R.H.P. Extra., dated 2-11-1991, P. 2504-2512).

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha, For Statement of Objects and Reasons see R.H.P. Extra., dated 12-9-1991, P. 1975 and 1985.

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968) and to validate the levy and collection of tax on certain transactions during the period from the 1st day of April, 1991 to the 15th day of June, 1991.

Enacted by the Legislative Assembly of Himachal Pradesh in the Forty-second Year of the Republic of India as follows :—

1. **Short title.**—This Act may be called the Himachal Pradesh General Sales Tax (Amendment and Validation) Act, 1991.

2. **Amendment of section 4.**—In clause (c) of sub-section (6) of section 4 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter referred to as the principal Act), the words “tandoor”, “loh”, “dhaba”, “halwai shop” and “Indian” shall be omitted.

3. **Amendment of section 12.**—In sub-section (4) of section 12 of the principal Act—

(a) for the words “District Excise and Taxation Officer” wherever these occur, the words “Assistant Excise and Taxation Commissioner or Excise and Taxation Officer In-charge of the District” shall be substituted;

(b) in the first proviso, for the words “local Scheduled Bank”, the words “local branch of a Scheduled Bank” shall be substituted and after the first proviso so amended, but before the second proviso, the following new proviso shall be inserted, namely :—

“Provided further that where the payment is made through a crossed cheque, such crossed cheque must be delivered in the office of the assessing authority concerned, not less than ten clear days before the expiry of the due date prescribed under sub-section (3) for filing the return, and the dealer shall be deemed to have made the payment on the date on which such crossed cheque, after its presentation in the bank, is actually credited into the Government account and necessary receipt is issued by the bank in favour of the dealer:”

4. **Insertion of section 12-A.**—After section 12 of the principal Act, the following section 12-A shall be inserted, namely :—

“12-A. *Tax deduction from the bills/invoices of the works contractors.*—

(1) Notwithstanding anything to the contrary contained in section 13, every person making any payment or discharge of any liability on account of valuable consideration payable for the transfer of property in goods, whether as goods or in some other form, involved in the execution of works contract shall deduct an amount not exceeding four per centum, as may be prescribed, purporting to be a part or full of the tax payable on such sales, from the bills or invoices raised by the works contractor as payable by the person:

Provided that no such payment or discharge of any bill raised by the works contractor shall be made without deduction:

Provided further that if the State Government is satisfied that it is necessary to do so in the interest of the State revenue, it may notify

the names/posts of such persons who shall be competent persons to make such deduction.

- (2) The deduction referred to in sub-section (1) shall be made in the manner which may be prescribed.
- (3) The payment of such deduction into the Government treasury shall be the responsibility of the person making such deduction.
- (4) The person making such deduction shall issue deduction certificate in the prescribed manner to the person or dealer from whose bill or invoice such deduction has been made.
- (5) If any person contravenes any or all of the provisions of sub-sections (1), (3) and (4), the prescribed authority shall, after giving an opportunity of being heard, by an order in writing, direct that such person shall pay by way of penalty, a sum not exceeding twice the amount of tax deductible under sub-section (1).
- (6) The provisions of sections 16 and 16-A for recovery of any amount of tax due from a dealer shall *mutatis mutandis* apply for recovery of any amount of tax, deducted and/or any penalty imposed but not deposited under this section.

5. Insertion of section 16-A.—After section 16 of the principal Act, the following section 16-A shall be inserted, namely:—

"16-A. *Special mode of recovery.*—(1) Notwithstanding anything contained in section 16 or any law or contract to the contrary, Commissioner or any officer other than an Excise and Taxation Inspector, appointed under section 3 to assist the Commissioner, may at any time or from time to time, by notice in writing, a copy of which shall be sent to the dealer at his last address known to the officer issuing the notice, require—

- (a) any person from whom any amount is due or may become due to a dealer who has failed to comply with a notice of demand for any amount due under this Act;
- (b) any person who holds or may subsequently hold any money for or on account of such dealer;

to pay into the Government treasury in the manner specified in the notice issued under this sub-section, either forthwith or upon the money becoming due or being held, or at or within the time specified in the notice (not being before the money becomes due or it is held), so much of the money as is sufficient to pay the amount due from the dealer in respect of the arrears of tax, interest and penalty under this Act, or the whole of the money when it is equal to or less than that amount.

Explanation.—For the purposes of this sub-section, the amount due to a dealer or money held for or on account of a dealer by any person shall be computed after taking into account such claim, if any, as may have fallen due for payment by such dealer to such person and as may be lawfully subsisting.

(2) The officer issuing a notice under sub-section (1) may at any time, or from time to time, amend or revoke any such notice or extend the time for making any payment in pursuance of the notice.

(3) Any person making any payment in compliance with a notice issued under sub-section (1) shall be deemed to have made the payment under the

authority of the dealer and the treasury receipt for such payment shall constitute a good and sufficient discharge of the liability of such person to the extent of the amount specified in the receipt.

(4) Any person discharging any liability to the dealer after service on him of the notice issued under sub-section (1) shall be personally liable to the State Government to the extent of the liability discharged, or to the extent of the liability of the dealer for tax, interest and penalty, whichever is less.

(5) Where a person on whom a notice is served under sub-section (1), proves to the satisfaction of the officer who issued the notice that the sum demanded or any part thereof was not due to the dealer or that he did not hold any money for or on account of the dealer, at the time the notice was served on him, then nothing contained in this section shall be deemed to require such person to pay into the Government treasury any such money or part thereof, as the case may be.

(6) Any amount of money which a person is required to pay under sub-section (1), or for which he is personally liable to the State Government under sub-section (4) shall, if it remains unpaid, be recoverable as an arrear of land revenue.

(7) The provisions of this section shall be without prejudice to any action that may be taken for the recovery of the arrears of tax, interest and penalty, if any, due from the dealer.

6. **Amendment of section 30.**—In sub-section (5) of section 30 of the principal Act, for the word "tax" wherever it occurs, the words and brackets "tax (including interest payable)" shall be substituted.

7. **Substitution of section 35 and insertion of sections 35-A and 35-B.**—For section 35 of the principal Act, the following section 35 shall be substituted and thereafter following sections 35-A and 35-B shall be inserted, namely:—

"35. *Offences and penalties.*—(1) Any person who—

- (a) wilfully acts in contravention of the provisions of this Act or the rules made thereunder; or
- (b) furnishes a certificate under sub-section (2) of section 6, which he knows or has reason to believe it to be false; or
- (c) being a registered dealer, falsely represents when purchasing any class of goods for use by him in the manufacture of any goods for sale, that goods of such class are covered by his certificate of registration; or
- (d) not being a registered dealer, falsely represents when purchasing goods in Himachal Pradesh that he is a registered dealer; or
- (e) after purchasing any goods for any of the purposes specified in the Act, fails, without reasonable excuse, to make use of the goods for any such purpose; or
- (f) has in his possession any form issued under the Act on payment by the Government, which has not been obtained by him or by his principal or by his agent in accordance with the provisions of this Act or any rules made thereunder; or

- (g) prevents inspection or examination of books, documents and accounts or wilfully fails to produce such books, documents and accounts mentioned in section 20; or
- (h) fails to carry with him any of the records or documents specified in section 22; or
- (i) makes any statement or declaration in any of the documents specified in section 22 or section 22-A, as the case may be, which statement or declaration he knows, or has reasons to believe, to be false; or
- (j) in any way is knowingly concerned in any fraudulent evasion or attempt at evasion or abetment of evasion of any tax payable in respect of the sale or purchase of any goods under this Act; or
- (k) if he is a driver or any other person in-charge of goods vehicle or vessel or an owner of the goods refuses on demand by the officer-in-charge of the check post or barrier or any other officer, not below the rank of an Excise and Taxation Inspector, to give his name and address or the name and address of the owner of the goods vehicle or of the consignor or consignee of the goods or gives any name and address of any of these persons which he knows or has reason to believe to be false; or
- (l) aids or abets any person in the commission of any offence specified in this sub-section;

he shall, without prejudice to the recovery of any tax or interest or penalty which may be due from him, be punishable with simple imprisonment which may extend to six months, or with fine, or with both; and when the offence, is a continuing offence, with a daily fine which may extend to fifty rupees for every day during which the offence continues.

(2) Whosoever contravenes or fails to comply with, any of the provisions of this Act or the rules made thereunder, or any order or direction made or given thereunder, shall, if no other penalty is provided either under sub-section (1) of this section or under any other provisions of this Act for such contravention or failure, be liable to imposition of a penalty, not exceeding two thousand rupees, and where such contravention or failure is continuing one, to a daily penalty not exceeding fifty rupees during the period of the continuance of the contravention or failure.

(3) Any officer-in-charge of the check post or barrier or any other officer, not below the rank of an Excise and Taxation Officer, appointed under sub-section (1) of section 3 or such, other officer as the State Government may, by notification, appoint, may, after affording to the person concerned a reasonable opportunity of being heard, impose the penalty mentioned in sub-section (2):

Provided that the officer-in-charge of the check post or a barrier shall exercise such powers only at such check posts or barriers.

35-A. *Imposition of penalty in lieu of prosecution.*—If any person specified in sub-section (1) of section 35 is guilty of an offence under that sub-section, any officer in-charge of a check post or barrier or any other officer not below the rank of an Excise and Taxation Officer appointed under sub-section (1) of section 3, or such other officer as the State Government may, by notification, appoint, within his jurisdiction, may, after affording

to the person concerned a reasonable opportunity of being heard, by order in writing, impose upon him by way of penalty a sum not exceeding one and a half times the tax which would have been levied under this Act in respect of the sale to him of the goods, if the sale had been a sale falling within this Act:

Provided that the penalty in case of non-taxable goods shall be calculated as if such goods were liable to tax at the rate of ten paise in a rupee:

Provided further that the penalty for offences under sub-section (7) of section 12 shall be imposed under the same sub-section:

Provided further that no prosecution for an offence under sub-section (1) of section 35 shall be instituted in respect of the same facts on which a penalty has been imposed under this section or sub-section (7) of section 12.

35-B. Cognizance of offences.—(1) No court shall take cognizance of any offence punishable under this Act or the rules made thereunder except with previous sanction of the Government or of such officer as may be authorised by a notification published in the Official Gazette and no Court inferior to that of a Magistrate of the first class shall try any such offence.

(2) All offences punishable under sub-section (1) of section 35 of this Act, shall be cognizable and bailable”.

8. Amendment of section 40.—In sub-section (2) of section 40 of the principal Act—

(a) after clause (h) the following clause (hh) shall be added, namely:—

“(hh) the manner in which deductions are to be made and the deduction certificate is to be issued under sub-sections (1) and (4) of section 12-A;” and

(b) after clause (r) the following clauses (rr) and (rrr) shall be added, namely:—

“(rr) the form and the manner in which the certificate under section 42-B is to be furnished;

(rrr) the restrictions and conditions subject to which and the manner in which the set off under sub-section (2) of section 42-C is to be granted;”.

9. Substitution of section 42.—For section 42 of the principal Act, the following section shall be substituted, namely:—

“42. *Power to exempt.*—(1) The Government if satisfied that it is necessary or expedient so to do in the interest of cottage industries or small scale industries may, by notification, exempt either wholly or to such extent only as may be specified in the said notification any class of co-operative societies or persons from the payment of tax leviable on the sale of goods manufactured by such societies/ or persons subject to such conditions as may be specified in such notification.

(2) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be laid before the State Legislature”.

10. Insertion of sections 42-A, 42-B, 42-C and 42-D.—After section 42 of the principal Act, the following sections 42-A, 42-B, 42-C and 42-D shall be inserted, namely :—

42-A. Special provisions relating to deferred payment of tax by industrial units.—(1) Notwithstanding anything contained in any other provisions of this Act, if the Government is of the opinion that with a view to provide incentives to the entrepreneurs setting up new industrial units in the State for manufacturing goods for sale, it is necessary or expedient in the public interest so to do, it may, under a scheme notified in this behalf under this Act and subject to such restrictions and conditions as may be specified in such scheme, provide for deferred payment of tax payable under section 12 by such entrepreneur who is registered as a dealer under this Act.

(2) Subject to the provisions of sub-section (1), the entrepreneur referred to therein, if eligible for grant of facility of deferred payment of tax under the scheme notified under sub-section (1) may make deferred payment of tax payable on the sale of goods manufactured by him.

42-B. Concessional rate of tax on certain raw materials.—Notwithstanding anything contained in this Act, but subject to such restrictions and conditions as may be specified, the State Government may, if it is expedient in the public interest so to do, by notification exempt wholly or fix a concessional rate of tax, on the sale, to an entrepreneur, of goods, specified in his certificate of registration, for use by him as raw material in the manufacture in Himachal Pradesh of any goods—

- (a) for sale in the State of Himachal Pradesh; or
- (b) for sale in the course of inter-state trade or commerce:

Provided that the tax on such sales shall be levied at full rates fixed under section 6 unless the dealer making the sale to such entrepreneur furnishes to the assessing authority in the prescribed form and manner a certificate duly filled in and signed by the eligible entrepreneur.

42-C. Set off of tax in respect of tax paid goods in certain circumstances.—

(1) Subject to such restrictions and conditions as may be prescribed, a set off, as provided in sub-section (2), shall be granted in such manner as may be prescribed, to a registered dealer in respect of tax paid goods in the circumstances mentioned in sub-section (2).

(2) When the registered dealer purchases any goods, which have suffered tax either under sub-section (2) of section 6 at full rates or under section 42 or section 42-B at the concessional rates, for use of such goods as raw-material in the manufacture in Himachal Pradesh of any goods for sale, he shall be entitled to a set off of tax equal to the difference between the aggregate liability on the sale of final product minus the amount of tax already paid by the selling dealer.

42-D. Penalty for utilisation of goods for other purposes.—Where any goods purchased by a registered dealer either under sub-section (1) of section 42 or sub-section (1) of section 42-B, at concessional

rates, for use by him in the manufacture of any goods in Himachal Pradesh, other than goods declared tax free under section 7—

- (a) for sale in the State of Himachal Pradesh; or
- (b) for sale in the course of inter-State trade or commerce; are utilised by him for any purpose other than those specified in clause (a) or (b) such dealer shall be liable to pay as penalty, such amount not less than the difference between the amount of tax on the sale of such goods at the full rate applicable thereto under section 6 and the amount of tax payable under sub-section (1) of section 42 or sub-section (1) of section 42-B, but not exceeding one and a half times the amount of tax payable at such full rate, as any officer appointed under sub-section (1) of section 3 may, by order, impose:

Provided that no order imposing such penalty shall be passed under this section, unless such dealer has been given a reasonable opportunity of being heard."

11. Validation and exemption.—(1) The provisions of section 6 of the principal Act, as amended by section 4 of the Himachal Pradesh General Sales Tax (Amendment) Act, 1991 (5 of 1991) shall be deemed to be and to have always been valid and effective from the 1st day of April, 1991 irrespective of the fact that the said Act, after having been passed by the State Legislature on 20th day of March, 1991, has been assented to on 18th day of April, 1991 and published in the Official Gazette on 20th day of April, 1991 and accordingly :—

- (a) the tax leviable in pursuance of the notification No. EXN-F(11)-1/91, dated the 2nd May, 1991 published in the extra-ordinary issue of the Official Gazette dated 3rd May, 1991 and notification No. EXN-F(11)-1/91, dated 13th June, 1991 published in the extra-ordinary issue of the Official Gazette dated the 15th June, 1991 at the rates of 8, 11, 7.5, 30 and 3.5 paise in a rupee shall be deemed to be and shall be deemed always to have been levied with effect from 1st day of April, 1991, and
- (b) the tax leviable in pursuance of notification No. EXN-F(11)1/91, dated 13th June, 1991 published in the extra-ordinary issue of the Official Gazette dated 15th June, 1991 at the rate of 2.5% for the first five years and at the rate of 4.5% for the next five years in respect of goods leviable to general sales tax at the rate of 8% and in case of goods leviable to general sales tax upto the rate of 11%, the rate of 4% for the first five years and 6% for the next five years shall be deemed to be and shall be deemed always to have been levied with effect from 1st day of April, 1991;

and notwithstanding any judgement or decree or order of any court, tribunal or authority to the contrary no notification which was issued under section 6 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) as amended by the Himachal Pradesh General Sales Tax (Amendment) Act, 1991 (5 of 1991) before the commencement of this Act and which levied or authorised the levy of or purported to levy or authorise the levy of the tax (hereafter in this section referred to as the aforesaid tax) at enhanced rate shall be deemed to be invalid or ever to have been invalid on the ground merely that the

authority issuing such notifications did not have competence to issue such notification, and accordingly—

- (i) all the aforesaid taxes levied or collected or purporting to have been levied or collected under section 6 of the principal Act before the commencement of this Act shall be deemed and be deemed always to have been validly levied or collected in accordance with law;
 - (ii) no suit or other proceeding shall be maintained or continued in any court or before any tribunal or authority for the refund of, and no enforcement shall be made by any court, tribunal or authority of any decree or order directing the refund of any such aforesaid tax which has been collected;
 - (iii) recoveries shall be made, in accordance with the provisions of said section 6 and the notifications of all amounts which would have been collected thereunder as such aforesaid tax if this section had been in force at all material times.
- (2) Notwithstanding anything contained in sub-section(1)—
- (a) where any sale of goods taxable at the rates specified in the notification No. EXN-F(11)-1/91, dated 2nd May, 1991, referred to in clause (a) of sub-section (1) of this section, has been affected during the period between the 1st day of April, 1991 and the 3rd day of May, 1991;
 - (b) where any purchase of resin taxable at the rate of 8 paise in a rupee specified in the notification No. EXN-F(11)-1/91, dated 13th June, 1991, referred in clause (a) of sub-section (1) of this section, has been affected during the period between the 1st day of April, 1991 and the 15th day of June, 1991;
 - (c) where any sale of goods taxable at the rates specified in the notification No. EXN-F(11)-1/91, dated 13th June, 1991, referred to in clause (b) of sub-section (1) of this section, has been affected between the 1st day of April, 1991 and the 15th day of June, 1991;

the dealer affecting such sale or affecting purchase of resin shall pay the tax on the taxable turnover at the basic rates enhanced by 10% of the respective rates prescribed prior to the 1st day of April, 1991 for various classes of goods and for goods manufactured by small scale industrial units.

- (3) For the removal of doubts it is hereby declared that—
- (a) nothing in the sub-section (2) shall be construed as preventing any person—
 - (i) from questioning in accordance with the provisions referred to in this section the assessment, re-assessment, levy or collection of the aforesaid tax; or
 - (ii) from claiming refund of the aforesaid tax paid by him in excess of the amount due from him under any such provision; and
 - (b) no act or omission on the part of any person, before the commencement of this Act, shall be punishable as an offence which would not have been so punishable if this Act had not come into force.

AUTHORITATIVE ENGLISH TEXT

THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 1992(Act No. 12 of 1992)¹

ARRANGEMENT OF SECTIONS

Sections:

1. Short title and commencement.
2. Amendment of section 5-A.
3. Substitution of section 35-A.
4. Amendment of section 42-D.

(Received the assent of the Governor, Himachal Pradesh, on the 8th May, 1992 and was published in Hindi and English in R.H.P. Extra., dated 12th May, 1992, at pages 1949-1950 and 1951-1952).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Forty-third Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1992.

(2) It shall come into force on such date² as the State Government may, by notification in the Official Gazette, appoint.

2. *Amendment of section 5-A.*—In section 5-A of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter referred to as the principal Act),—

- (a) clause (ii) shall be omitted;
- (b) in clause (iii), after the word "State", the sign "," shall be inserted and thereafter the words and sign "or sale in the course of inter-State trade or commerce or in the course of export out of the territory of India, or" shall be omitted; and
- (c) clause (iv) shall be omitted.

3. *Substitution of section 35-A.*—For section 35-A of the principal Act, the following section shall be substituted, namely:—

"35-A. *Imposition of penalty in lieu of prosecution.*—If any person specified in sub-section (1) of section 35 is guilty of an offence under that sub-section, any officer-in-charge of a check post or barrier or any other officer not below the rank of an Excise and Taxation Officer appointed under sub-section (1) of section 3, or such other officer as the State Government may, by notification, appoint, within his jurisdiction, may, after affording to the person concerned a reasonable opportunity of being heard, by order, in writing, impose upon him by way of penalty,—

- (a) in case of sale to him of the goods, if the sale had been a sale falling within this Act, a sum not exceeding one and a half times

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 28-3-1992, pages 1661 and 1665.

2. Act came into force w.e.f. 1st day of August, 1992 vide Notification No. EXN-F(11)/92, dated 28-7-1992, published in R.H.P. Extra., dated 31-7-1992 p. 2712.

- of the tax which would have been levied under this Act; or
- (b) in case of non-taxable goods, a sum as may be calculated at the rate of ten paise in a rupee as if such goods were liable to tax; or
- (c) in cases which do not fall either under clause (a) or clause (b), a sum not exceeding three thousand rupees for each offence :

Provided that the penalty for offences under sub-section (7) of section 12 shall be imposed under the same sub-section :

Provided further that no prosecution for an offence under sub-section (1) of section 35 shall be instituted in respect of the same facts on which a penalty has been imposed under this section or sub-section (7) of section 12."

4. *Amendment of section 42-D.*—In section 42-D of the principal Act, the words, brackets and figure "sub-section (1) of", wherever occurring before the word, figure and letter "section 42-B", shall be omitted.

NOTIFICATIONS AND RULES

UNDER

THE HIMACHAL PRADESH GENERAL SALES TAX ACT, 1968 APPOINTMENTS AND DELEGATIONS

[Published in Hindi in R.H.P. Extra., dated 4-11-1992, P. 3315].

EXCISE AND TAXATION DEPARTMENT

NOTIFICATION

Shimla-2, the 31st October, 1992

No. EXN-F (18)4/92.—In exercise of the powers conferred by sub-section (1) of section 3 of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh, is pleased to appoint the Additional Excise and Taxation Commissioner (South Zone) Himachal Pradesh, Shimla to assist the Commissioner for carrying out the purposes of the said Act within his territorial jurisdiction, with immediate effect.

(RHP. Extra., dated 4-11-1992, p. 3316).

[Published in Hindi in R.H.P. Extra., dated 26-12-92 p. 3695].

EXCISE AND TAXATION DEPARTMENT

NOTIFICATION

Shimla-2, the 15th December, 1992

No. EXN-F (11)-2/90.—In exercise of the powers conferred by sub-section (1) of section 35-B of the Himachal Pradesh General Sales Tax Act, 1968 (Act

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 1994**

ARRANGEMENT OF SECTIONS

Sections:

1. Short title and commencement.
2. Amendment of section 2.
3. Substitution of section 5-A.
4. Amendment of section 6
5. Insertion of section 16-B.
6. Amendment of section 39.
7. Amendment of section 40.
8. Amendment of section 42.
9. Amendment of section 42-A.
10. Amendment of section 42-B.
11. Retrospective effect to certain provisions, validation and exemption.

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 1994**

(ACT NO.14 OF 1994)¹

(Received the assent of the Governor, Himachal Pradesh, on the 18th October, 1994 and was published in Hindi and English in R.H.P.Extra., dated the 20th October, 1994 at page 3849 to 3856 and 3857 to 3864).

AN ACT further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

Be it enacted by the Legislative Assembly of Himachal Pradesh in the Forty-fifth Year of the Republic of India as follows:-

1. Short title and commencement :- This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1994.

(2) Save as otherwise provided in sub-section (3) of this section, the provisions of this Act shall come into force at once.

(3) Part (a) of the new sub-clause (iv) of clause (c) of section 2 of the

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 13.3.1994, p. 2395 & 2405.

principal Act, as added by sub-clause (ii) of clause (a) of section 2 of this Act shall be deemed to have come into force with effect from the 2nd day of February, 1983 and the remaining provisions of clauses (a) and (b) of section 2 of this Act shall be deemed to have come into force with effect from the 13th day of August, 1985 and clause (c) of the said section of this Act shall be deemed to have come into force with effect from the 2nd day of November, 1991; clause (a) of section 4 of this Act shall be deemed to have come into force with effect from the 1st day of January, 1991; clauses (i) and (ii)[except parts (b) and (c) of the proviso of clause (ii)] of section 8 of this Act shall be deemed to have come into force with effect from 8th day of October, 1992; section 9 of this Act shall be deemed to have come into force with effect from the 1st day of August, 1993; and part (a) and part (b) of the proviso added by section 10 of this Act shall respectively be deemed to have come into force with effect from the 17th day of August, 1992 and 8th day of October, 1992.

[Sections 2 to 10 incorporated in the principal Act.]

11. Retrospective effect to certain provisions, validation and exemption.-(1) The provisions of the principal Act relating to tax on the sale or purchase of goods shall be deemed to include, and shall be deemed always to have included, a tax (hereinafter in this section referred to as the aforesaid tax) on the supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating) for cash, deferred payment or other valuable consideration, and every transaction by way of supply of the nature referred to above made before or after the commencement of the Constitution (Forty-sixth Amendment) Act, 1982, shall be deemed to be, and shall be deemed always to have been, a transaction by way of sale, with respect to which the person making such supply is the seller and the person to whom such supply is made, is the purchaser, and notwithstanding any judgement, decree or order of any court, tribunal or authority, no provision of the principal Act which imposed or authorised the imposition of, or purported to impose or authorise the imposition of, the aforesaid tax shall be deemed to be invalid or ever to have been invalid, and accordingly:-

- (a) the aforesaid tax levied or collected or purporting to have been levied or collected under the principal Act shall be deemed always to have been validly levied or collected in accordance with law;
- (b) all acts, proceedings or things done or actions taken in connection with the assessment and re-assessment of the aforesaid tax by any officer appointed by the State Government under the principal Act shall be and shall always be deemed to have been done or taken in

accordance with law;

- (c) no suit or other proceeding shall be maintained or continued in any court or before any tribunal or authority for the refund of, and no enforcement shall be made by any court, tribunal or authority of any decree or order directing the refund of any such aforesaid tax which has been collected; and
- (d) assessment, re-assessment and recoveries of aforesaid Tax, if not already made, shall be made in accordance with the principal Act, as amended by this Act, notwithstanding anything contained in the principal Act.

(2) Notwithstanding anything contained in sub-section (1), any supply of the nature referred to therein shall be exempted from the aforesaid tax,-

- (a) where such supply as been made by any restaurant or eating house (by whatever name called) at any time on or after the 7th day of September, 1978 and before the commencement of the Himachal Pradesh General Sales Tax (Amendment) Act 1985 (Act No. 8 of 1985) and the aforesaid tax has not been collected on such supply on the ground that no such tax could have been levied or collected at that time; or
- (b) where such supply, not being any such supply by any restaurant or eating house (by whatever name called), has been made at any time on or after the 4th day of January, 1972 and before the commencement of the Himachal Pradesh General Sales Tax (Amendment) Act, 1985 (Act No. 8 of 1985) and the aforesaid tax has not been collected on such supply on the ground that no such tax could have been levied or collected at that time.

(3) (a) Part (a) of sub-clause (iv) of clause (c) of section 2 of the principal Act, as added by sub-clause (ii) of clause (a) of section 2 of this Act shall be and shall be deemed to have been added with effect from the 2nd day of February, 1983.

(b) Notwithstanding anything contained in the Himachal Pradesh General Sales Tax (Amendment) Act, 1985 (Act No. 8 of 1985), sub-clause (i) each of the clauses (h) and (j) of section 2 of the principal Act shall be and shall be deemed to have been substituted with effect from the 2nd day of February, 1983.

(c) Notwithstanding anything contained in any judgement, decree or order of any court, tribunal or other authority, all taxes levied or collected or purported to have been levied or collected from the said date in relation to the goods referred in part (a) of sub-clause (iv) of clause (c) of section 2 of the principal Act, as added by sub-clause (ii) of clause (a) of section 2 of this Act, and sub-clause (i) each clauses (h) and (j) of section 2 of the principal Act, shall be deemed to be and to have always been validly levied or collected in accordance with law as if

this provision had been in force at all material times when such tax was levied or collected and accordingly,-

- (i) all acts, proceedings or things done or taken in connection with the levy or collection of such tax by the person appointed by the State Government under the principal Act shall, for all purposes, be deemed to be and to have always been validly done or taken, in accordance with law;
- (ii) no suit or other proceedings shall be maintained or continued in any court or before any tribunal or other authority for the refund of any tax so paid; and
- (iii) no court, tribunal or other authority shall enforce any decree or order directing the refund of any tax so paid.

(4) For the removal of doubts, it is hereby declared that nothing in sub-section (1), and clause (c) of sub-section (3), of this section shall be construed as preventing any person-

- (i) from questioning in accordance with the provisions of the principal Act, the assessment, re-assessment, levy or collection of the aforesaid tax; or
- (ii) from claiming refund of the aforesaid tax paid by him in excess of the amount due from him under any such law,

this provision had been in force at all material times when such tax was levied or collected and accordingly,-

- (i) all acts, proceedings or things done or taken in connection with the levy or collection of such tax by the person appointed by the State Government under the principal Act shall, for all purposes, be deemed to be and to have always been validly done or taken, in accordance with law;
- (ii) no suit or other proceedings shall be maintained or continued in any court or before any tribunal or other authority for the refund of any tax so paid; and
- (iii) no court, tribunal or other authority shall enforce any decree or order directing the refund of any tax so paid.

(4) For the removal of doubts, it is hereby declared that nothing in sub-section (1), and clause (c) of sub-section (3), of this section shall be construed as preventing any person-

- (i) from questioning in accordance with the provisions of the principal Act, the assessment, re-assessment, levy or collection of the aforesaid tax; or
- (ii) from claiming refund of the aforesaid tax paid by him in excess of the amount due from him under any such law,

Act, 1972, the Governor, Himachal Pradesh hereby declares that employment of the workers and employees of the Tele Communication to be an employment for the purposes of the said clause.

(R. H. P. Extra., dated 19-6-1995, p. 2536.)

(Issued and published in Hindi in R.H.P. Extra., dated 19-6-1995, p. 2537).

APPOINTMENTS AND DELEGATIONS

Shimla-2, the 19th June, 1995

No. Home (B) A(3)-4/81—Whereas the State Government has declared the employment of the workers and employees of the Department of Tele-Communication as Essential Services under section 3 of the Himachal Pradesh Essential Services (Maintenance) Act, 1972 *vide* notification of even number dated 19-6-1995 ;

Now therefore, in exercise of the powers conferred by sub-section (1) of section 4 of the Himachal Pradesh Essential Services (Maintenance) Act, 1972, the Governor, Himachal Pradesh hereby authorises all the Telecom District Managers, Telecom District Engineers, All Divisional Engineers Telecom and S. D. O.'s (Telegraph) located in the State of Himachal Pradesh as officer authorised for the purposes of the said section.

(R.H.P. Extra, dated 19-6-1995, p. 2537)

AUTHORITATIVE ENGLISH TEXT

THE HIMACHAL PRADESH GENERAL SALES TAX (SECOND AMENDMENT) ACT, 1994

(Act No. 2 of 1995)¹

ARRANGEMENT OF SECTIONS

SECTIONS :

1. Short title.
2. Insertion of section 6-A.
3. Amendment of section 8.
4. Amendment of section 15.
5. Amendment of section 20.
6. Insertion of new section 20-A.
7. Amendment of section 21.
8. Amendment of section 31.
9. Substitution of section 32.
10. Amendment of section 42-B.

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons See R.H.P. Extra., dated 19-12-1994, p. 5251 & 5256

(Received the assent of the Governor, Himachal Pradesh on the 3rd February, 1995 and was published in R. H. P. Extra., dated 4th February, 1995 at pages 527—530 & 531—534).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Forty fifth year of the Republic of India, as follows:—

1. **Short title.**—This Act may be called the Himachal Pradesh General Sales Tax (Second Amendment) Act, 1994.

2. **Insertion of Section 6-A.**—After section 6 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter called the principal Act), the following section 6 A shall be inserted, namely:—

“6-A. *Declarations and certificates to be filed alongwith returns.*—
Every dealer claiming,—

- (i) any deduction from his gross turnover, or
 - (ii) any part of his taxable turnover to be a sale to government,
or
 - (iii) any part of the taxable turnover to be liable to tax at concessional rate of tax or to an exemption under section 42-B of this Act,
- shall furnish, alongwith the return to be furnished under sub-section (3) of section 12, to the assessing authority, the declaration or the certificate as required under this Act.”

3. **Amendment of section 8.**—In section 8 of the principal Act,—

- (i) in sub-section (4), after the word “Commissioner”, the words “or the prescribed authority” and after the word “amend”, the sign and the word, “suspend” shall be inserted ; and
- (ii) in sub-sections (5) and (6), after the word “Commissioner”, the words “or the prescribed authority” shall be inserted.

4. **Amendment of section 15.**—In section 15 of the principal Act, for sub-section (1) the following shall be substituted, namely:—

- “(1) If in consequence of definite information which has come into his possession, the Assessing Authority discovers that the turnover of the business of a dealer has been under assessed or escaped assessment in any year, the Assessing Authority may, at any time within three years from the date of assessment under section 14, proceed to re-assess the tax payable on the turnover which has been under-assessed or has escaped assessment.

Provided that the Assessing Authority may also take action to impose the penalty and interest under this Act :

Provided further that no order of re-assessment or imposition of penalty and interest shall be made unless the dealer is afforded a reasonable opportunity of being heard in the prescribed manner."

5. **Amendment of section 20.**—In section 20 of the principal Act, in sub-section (4), in part (iii) of the proviso, for the words "Deputy Commissioner", the words "District Magistrate" shall be substituted.

6. **Insertion of new section 20-A** —After section 20 of the principal Act, the following new section 20-A shall be inserted, namely:—

"20-A.—*Power of survey.*—(1) Notwithstanding anything contained in any other provision of this Act, any Assistant Excise and Taxation Commissioner or Excise and Taxation Officer appointed to assist the Commissioner under sub-section (1) of section 3 or an Excise and Taxation Inspector, duly authorised by the Commissioner may, for the purpose of survey regarding ascertainment of commencement of liability for registration under section 8 of this Act, enter—

- (a) any place within the limits of the area assigned to him, or
- (b) any place occupied by any dealer in respect of which he exercises jurisdiction,

at which the dealer carrying on the business, keeps any of his books of accounts or other documents or any part of his cash relating to the sale or purchase of goods or stock of his goods relating to his business and require any dealer, employees or any other person who may at that time and place be attending in any manner to or helping in carrying on of such business—

- (i) to afford him the necessary facility to inspect such books of accounts or other documents as he may require and which may be available at such place,
- (ii) to afford him the necessary facility to check or verify the cash and stock of goods which may be found therein, and
- (iii) to furnish such information including such statement as he may require as to any matter which may be useful for, or relevant to, any proceedings under this Act.

(2) For the purpose of sub-section (1), no entry in the dwelling house shall be made—

- (i) after sunset or before the sunrise;
- (ii) by any officer below the rank of an Excise and Taxation Officer; and

(iii) without obtaining the sanction of the District Magistrate within whose jurisdiction such house is situated."

7. Amendment of section 21.—In section 21 of the principal Act,—

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

(1) Any assessee or dealer, who is entitled or required to attend before any authority in connection with any proceedings under this Act, except when required to attend in person, may attend through a person authorised by him in writing in this behalf, in the prescribed manner, being a relative or a regular and whole time employee of such assessee or dealer or an advocate or a sales tax practitioner."

(ii) in sub-section (2),—

(a) for the words and signs "an income-tax practitioner" means", the words and the signs "a sales tax practitioner" means" shall be substituted, and

(b) for the words and sign "who has passed any accountancy examination recognised in this behalf, by the Central Board of Revenue", the words "a Chartered Accountant" shall be substituted, and

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

"(4) Every sales tax practitioner, other than an Advocate, and every other person who is entitled to appear before any authority under sub-section (1) in any proceedings under this Act, shall get himself enrolled as such with the Commissioner on payment of such fee as may be prescribed.

(5) If any sales tax practitioner or any other person who represents any assessee or dealer, is found guilty of misconduct, in any proceedings before any authority under this Act, by the Commissioner, the Commissioner may by order direct that he shall be disqualified to represent any assessee or dealer under sub-section (1)."

Provided that no such order shall be made in respect of any such sales tax practitioner or other person unless he is given a reasonable opportunity of being heard."

8. Amendment of section 31.—In section 31 of the principal Act, in sub-section (2), after the words "in the notification", the words "and such officer shall be deemed to be the Commissioner for the purposes of sub-section (1)" shall be added.

9. **Substitution of section 32.**—For section 32 of the principal Act, the following shall be substituted, namely:—

“32. *Rectification of mistakes.*—(1) The Commissioner or the officer on whom powers of the Commissioner for the purposes of sub-section (1) of section 31 have been conferred by the State Government may at any time within one year from the date of any order passed by him on an application made to him or of his own motion, rectify any mistake apparent from the record, and shall within a like period rectify any such mistake which has been brought to his notice by any person affected by such order ;

Provided that the Commissioner may entertain an application under this sub-section after the expiry of the said period of one year, if he is satisfied that the applicant was prevented by sufficient cause from making the application in time ;

Provided further that no such rectification shall be made if it has the effect of enhancing the tax or reducing the amount of refund unless the Commissioner has given notice in writing to such person of his intention to do so and has allowed such person a reasonable opportunity of being heard.

(2) Where any such rectification has the effect of enhancing or reducing the amount of tax or penalty, the Commissioner shall, in the prescribed manner, order the recovery of the amount due from or as the case may be order the refund of the amount due to, such person.”

10. **Amendment of section 42-B.**—In section 42-B of the principal Act—

(i) in the marginal heading after the word “materials”, the sign and words “processing and packing material” shall be added ;

(ii) for the words, “certificate of registration, for use by him as raw material in the manufacture in Himachal Pradesh of any goods—

(a) for sale in the State of Himachal Pradesh ; or

(b) for sale in the course of inter-State trade or commerce;” ;

the words “certificate of registration,—

(a) for use by him as raw material in the manufacture in Himachal Pradesh of any goods for sale therein or in the course of inter-State trade or commerce ; and

(b) for use by him in the processing or packing of goods so manufactured for sale ;”, shall be substituted ;

(iii) in the second proviso for the word “goods”, the words “manufactured goods” shall be substituted.

THE HIMACHAL PRADESH GENERAL SALES TAX

(AMENDMENT) ACT, 1996

ARRANGEMENT OF SECTIONS

Sections :

1. Short title and commencement.
2. Amendment of Section 6.
3. Amendment of Schedule "A"
4. Repeal and savings.

THE HIMACHAL PRADESH GENERAL SALES TAX

(AMENDMENT) ACT, 1996

(Act No. 2 of 1996)¹

(Received the assent of the Governor on the 23rd February, 1996 and was published in Hindi and English in R.H.P. Extra., dated the 24th February, 1996 at pages 661 and 662).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Forty-sixth Year of the Republic of India, as follows :—

1. **Short title and commencement.**—(1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1996.

(2) It shall and shall be deemed to have come into force on the 15th day of November, 1995.

2. **Amendment of section 6.**—In section 6 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter called the principal Act), in sub-section (1), in the first provision, for the words and figures "Items 25 and 34", the words, figures and sign "items 25, 34 and 36" shall be substituted.

3. **Amendment of Schedule "A".**—In Schedule "A" of the principal Act,—

¹ Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated the 15th January, 1996, p.200 and 202.

- (a) in item 31, after the words "per piece", the words "but not including polythene bags" shall be inserted; and
- (b) after item 35, the following item shall be added, namely :--
"36. Polythene bags".

4. **Repeal and savings.**—(1) The Himachal Pradesh General Sales Tax (Amendment) Ordinance, 1995 (4 of 1995) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the repealed Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the principal Act, as amended by this Act, as if the provisions of this Act were in force at all material times.

NOTIFICATIONS AND RULES
UNDER

THE HIMACHAL PRADESH GENERAL SALES TAX
ACT, 1969

AMENDMENT OF SCHEDULE-B

(Issued and published in Hindi in R.H.P. Extra., dated 3-2-1996, p. 387-88).

EXCISE AND TAXATION DEPARTMENT

NOTIFICATION

Shimla-2, the 2nd January, 1996

No. EXN.C(9)2/90-1V.—Whereas the draft amendment in Schedule "B" appended to the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968) was published in the Rajpatra (Extraordinary), Himachal Pradesh dated the 4th November, 1995, *vide* this department notification of even number dated the 26th August, 1995 in pursuance of the provisions of sub-section (2) of section 7 of the aforesaid Act for inviting objections and suggestions from the person(s) likely to be affected thereby;

And whereas no objections and suggestions have been received within the stipulated period in this behalf;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 7 of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), the Governor, Himachal Pradesh is pleased to make the following

5. Amendment of Schedule.- For the existing provisions under Col. 7 against Sl. No. 1, 3, 4 and 6 of the Revised Schedule attached to the said rules, the following shall be substituted, namely:-

"1st June to 31st July of each year both days inclusive."

(R.H.P. Extra., dated 9.7.1998, p. 2502-2503).

AUTHORITATIVE ENGLISH TEXT

THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 1998.

ARRANGEMENT OF SECTIONS

Sections:

1. Short title.
2. Amendment of section 6.
3. Amendment of Schedule 'A'.

THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 1998

(Act No. 10 of 1998)¹

(Received the assent of the Governor on 18.8.1998 and was published both in Hindi and English in R.H.P. Extra., dated 19.8.1998, p. 3121-3124).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Forty-ninth Year of the Republic of India, as follows:-

1. Short title.- This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1998.

2. Amendment of section 6.- In section 6 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter called the principal Act), in sub-section (1), in the first proviso, after the figure and words "30 paise in a rupee", the sign, words and figures, "and on item 37 thereof on which a tax at the rate not exceeding 100 paise in a rupee," shall be inserted.

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For statement of Objects and Reasons see R.H.P.Extra., dated 24.7.1998, p. 2763&2766.

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 1999**

ARRANGEMENT OF SECTIONS

Sections:

1. Short title.
2. Amendment of section 2.
3. Insertion of sections 3-A, 3-B and 3-C.
4. Amendment of section 4.
5. Amendment of section 14.
6. Amendment of section 18.
7. Amendment of section 30.
8. Amendment of section 31.
9. Amendment of section 33.
10. Amendment of section 40.
11. Amendment of section 42-C.

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 1999**

(Act No. 8 of 1999)¹

(Received the assent of the Governor on 22nd April, 1999 and was published in Hindi and English in R.H.P. Extra, dated 23.4.99, p. 1465-1470).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Fiftieth Year of the Republic of India as follows:-

1. Short title.- This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 1999.

2. Amendment of section 2.- In section 2 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter referred to as the 'principal Act'),-

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P.Extra., dated 1.4.1999, p. 1134 & 1140.

(i) in clause (dd), for the words "Joint Excise and Taxation Commissioner", the words and sign "Additional/Joint Excise and Taxation Commissioner" shall be substituted;

(ii) clause (ddd) shall be omitted; and

(iii) after clause (ll), the following clause shall be added, namely:-

"(lll) "Tribunal" means the Tribunal established under section 3-A;".

3. Insertion of sections 3-A, 3-B and 3-C.- After section 3 of the principal Act, the following sections 3-A, 3-B and 3-C shall be inserted, namely:-

"3-A. Establishment of Tribunal.- (1) The State Government shall, by notification in the Rajpatra, Himachal Pradesh, establish one or more Tribunals, as it may deem fit, to exercise the jurisdiction, powers, authority and functions conferred on it by or under this Act.

(2) The constitution of the Tribunal, qualifications and age for appointment, terms of office, salaries, allowances and other conditions of service of the Presiding Officer or Member of the Tribunal appointed by the State Government shall be such as may be prescribed.

(3) The State Government may appoint such officers and officials, as may be required, to assist the Tribunal in the discharge of its functions under the Act.

3-B. Jurisdiction.- In the event of the State Government constituting more Tribunals than one, the State Government shall, by notification, define the local limits of jurisdiction of each Tribunal.

3-C. Dissolution of a Tribunal.- Notwithstanding anything contained in section 3-A, where there are more Tribunals than one, the State Government may, at any time by reason of insufficiency of work pending before the Tribunals dissolve any Tribunal and no Presiding Officer or Member of the Tribunal affected by such dissolution shall have any claim against the State Government."

4. Amendment of section 4.- In section 4 of the principal Act, in sub-section (6),-

(i) in clause (b), for the figure "40,000", the figure "2,00,000" shall be substituted; and

(iii) in clause (c), for the figure "3,00,000", the figure "4,00,000" shall be substituted.

5. Amendment of section 14.- In section 14 of the principal Act, for sub-section (1-A), the following shall be substituted, namely:-

"(I-A). Notwithstanding anything contained in this Act, if the Government considers it necessary and expedient, in public interest so to do, it may in respect of a dealer, whose gross turnover in a year does not exceed twenty-five lakh rupees, notify, for any financial year, a scheme of self-assessment under the Act:

Provided that in case any dealer, whose taxable turnover has been assessed under the self-assessment scheme, is found to have evaded the tax, the Assessing Authority shall, after affording such dealer a reasonable opportunity of being heard, direct him to pay by way of penalty, in addition to the amount of tax assessed, a sum which shall not be less than one hundred per centum but which shall not exceed one and a half times of the amount of tax found to have been evaded and assessed."

6. Amendment of section 18.- In section 18 of the principal Act, in sub-section (1), for the word "dealer", wherever it occurs, the words "dealer or any other person" shall be substituted.

7. Amendment of section 30.- In section 30 of the principal Act, in sub-sections (1), (2) and (3), for the words "Financial Commissioner", the word "Tribunal" shall be substituted.

8. Amendment of section 31.- In section 31 of the Principal Act, in sub-section (3), for the words "Financial Commissioner", the word "Tribunal" shall be substituted.

9. Amendment of section 33.- In section 33 of the principal Act, for the words "Financial Commissioner," wherever these occur, the word "Tribunal" shall be substituted.

10. Amendment of section 40.- In section 40 of the principal Act, in sub-section (2),-

(a) in clause (a), the words "to prescribe" shall be omitted ;

(b) the existing clause (aa) shall be re-numbered as clause (aaa) and before the clause as so re-numbered, the following new clause (aa) shall be inserted, namely:-

"(aa) the constitution of the Tribunal, qualifications and age for appointment, terms of office, salaries, allowances and other conditions of service of the Presiding Officer or Member of the Tribunal;" and

(c) the existing clause (jj) shall be omitted.

11. Amendment of section 42-C.- In section 42-C of the principal Act, in sub-section (2), for the words "be entitled to a set off of tax equal to the difference between the aggregate liability on the sale of final product minus", the

3. Amendment of section 4.
4. Amendment of section 6.
5. Amendment of section 8.
6. Insertion of section 8-A.
7. Insertion of sections 10-A, 10-B and 10-C.
8. Amendment of section 12.
9. Amendment of section 12-A.
10. Amendment of section 14.
11. Insertion of section 14-A.
12. Amendment of section 19.
13. Amendment of section 22.
14. Amendment of section 42.
15. Amendment of section 42-C.
16. Amendment of Schedule 'A'.
17. Amendment of Schedule 'B'.

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 2000**

(Act No. 13 of 2000)¹

(Received the assent of the Governor on 22nd May, 2000 and was published both in Hindi and English in R.H.P. Extra, dated 25.5.2000, p. 1387-1398).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Fifty-first Year of the Republic of India, as follows:-

1. Short title and commencement.- (1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 2000.

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 17.4.2000, p. 962 & 970.

(2) It shall come into force on such date¹ as the State Government may, by notification in the Official Gazette, appoint.

2. Amendment of section 2.- In section 2 of the Himachal Pradesh General Sales Tax Act, 1968 (hereinafter called the 'principal Act').-

(i) after clause (aa), the following clause (aaa) shall be inserted, namely:-

"(aaa) 'casual dealer' means any person who carries on (whether regularly or otherwise) occasional transaction of business of buying, selling, supplying or distributing the goods whether for cash or deferred payment, or for commission, remuneration or other valuable consideration;"

(ii) after clause (e), the following clause (ee) shall be inserted, namely:-

"(ee) 'motor spirit' means any inflammable hydrocarbon including any mixture of hydrocarbons or any liquid containing hydrocarbon, which is ordinarily used for providing reasonably efficient motive power for any form of motor vehicle;" and

(iii) after clause (m), the following clause (mm) shall be added, namely:-

"(mm) 'vehicle' includes any carriage or conveyance used on land or in water or air;"

3. Amendment of section 4.- In section 4 of the principal Act,-

(i) sub-section (4) shall be omitted; and

(ii) in sub-section (6), in clause (c), for the figure "1,00,000", the figure "2,00,000" shall be substituted.

4. Amendment of section 6.- In section 6 of the principal Act, in sub-section (1),-

(i) in first proviso, for the words, figures and sign "except on items 25, 34 and 36 thereof on which a tax at the rate not exceeding 30 paise in a rupee and on item 37 thereof on which a tax at the rate not exceeding 100 paise in a rupee shall be levied.", the words, figures and sign "except on-

(a) items 25, 34 and 36 thereof on which a tax at the rate not exceeding 30 paise in a rupee;

(b) item 37 thereof on which a tax at the rate not exceeding 100 paise in a rupee;

1. Act came into force w.e.f. 31st May, 2000 vide Notification No. EXN-F(11)-3/99. 29th May, 2000. published in R.H.P. Extra., dated 29th May, 2000 P.1466.

(c) items 38, 39, 40 and 41 thereof on which a tax at the rate not exceeding 20 paise in a rupee, shall be levied," shall be substituted; and

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

"Provided further that the State Government may, for the purposes of item 25, issue notification retrospectively with effect from the 1st day of April, 2000".

5. Amendment of section 8.- In section 8 of the principal Act,-

(i) in sub-section (1), after second proviso, the following proviso shall be added, namely:-

"Provided further that in the case of a casual dealer, on payment of a fee of R s. 50/-, the Assessing Authority or the Officer, In-charge of the check-post or barrier or any other officer inspecting the goods at any other place, may dispense with the requirement of a valid certificate of registration under this section.";

(ii) in sub-sections (4) and (5), for the words "prescribed authority", wherever these occur, the words "Assessing Authority" shall be substituted;"; and

(iii) in sub-section (6),-

(a) clause (b) shall be omitted; and

(b) for the words "prescribed authority", the words "Assessing Authority" shall be substituted."

6. Insertion of section 8-A.- After section 8 of the principal Act, the following section 8-A shall be inserted, namely:-

"8-A. Renewal of registration certificate.- Notwithstanding anything contained in this Act, every registered dealer or class of registered dealers holding registration certificate on a date to be notified by the State Government, shall get the registration certificate renewed within such period and on payment of such fee, as may be prescribed."

7. Insertion of sections 10-A, 10-B and 10-C.- After section 10, the following sections 10-A, 10-B and 10-C shall be inserted, namely:-

"10-A. No dealer in motor spirit to trade without a licence.- Notwithstanding the provisions of registration under section 8, no person shall carry on the business as dealer in motor spirit unless he is in possession of a valid licence granted/ renewed under section 10-B of this Act.

10-B. Grant of licence.- (1) Except as provided in this section, a licence required under section 10-A shall be granted to any person applying therefor in the prescribed form to the Assessing Authority on payment of a fee as may be prescribed.

(2) Every such licence shall be in the prescribed form and shall be valid without renewal only upto the thirty-first day of March following the date on which it is granted, but may be renewed annually on payment of a fee as may be prescribed.

(3) The grant or renewal of a licence may be refused if any previous licence of the applicant or of any person with whom the applicant has been working as a partner has been cancelled or if the applicant or any person with whom he has been working as a partner has been convicted of any offence relating to motor spirit or if the Assessing Authority is satisfied that the application has been made only for the purpose of enabling any person to carry on business as a dealer in motor spirit without a licence.

(4) No licence under this Act, except in the case of a licence for the sale of powerine or diesel oil, shall be granted to any person who does not hold a licence for the storage of dangerous petroleum under the Petroleum Act, 1934, and if any such licence granted under that Act is cancelled, suspended or is not renewed, any licence granted under this Act to the holder thereof shall be deemed to be cancelled, suspended, or not renewed, as the case may be.

(5) If an application for the renewal of a licence under this Act is made within such time before its expiry as may be prescribed by the Government, the holder of the licence shall be deemed to be in possession of a valid licence until the licence is renewed or until he is informed that the renewal of the licence has been refused.

10-C. Suspension or cancellation and restoration of a licence. -

(1) The Assessing Authority may, after giving the licensee an opportunity of being heard, suspend or cancel a licence for breach of any of the conditions thereof which may be prescribed as the conditions subject to which a licence is granted.

(2) A licensee shall not be entitled to any compensation for the suspension or cancellation of his licence under sub-section (1) of this section.

(3) A licence cancelled or suspended under this section may be restored by the Assessing Authority on payment of such fee as may be prescribed."

8. Amendment of section 12. - In section 12 of the principal Act, for sub-section (6), the following shall be substituted, namely:-

"(6)(a) if a dealer fails to furnish the returns by the prescribed date as required under sub-section (3), the dealer shall be liable to pay, by way of penalty, a sum equal to Rs. 25/- per day for delay in furnishing the

return upto 10 days, whereafter the penalty shall be Rs. 50/- per day till the default continues; and

(b) if a dealer fails without sufficient cause to comply with the requirements of the provisions of sub-section (4), the Commissioner or any person appointed to assist him under sub-section (1) of section 3 may, after giving such dealer a reasonable opportunity of being heard, direct him to pay by way of penalty, a sum which shall not be less than ten per centum, but which shall not exceed one-and-a-half times of the amount of tax to which he is assessed or is liable to be assessed under section 14 in addition to the amount of tax to which he is assessed or is liable to be assessed."

9. Amendment of section 12-A.- In section 12-A of the principal Act, for sub-section (1), the following shall be substituted, namely:-

"(1) Notwithstanding anything contrary contained in section 13, every person making any payment or discharge of any liability on account of valuable consideration payable-

- (a) for the transfer of property in goods, whether as goods or in some other form, involved in the execution of works contract, and
- (b) for the transfer of property in goods on account of sale of such goods made to the Government of India or to any State Government, shall deduct an amount not exceeding four per centum, as may be prescribed, purporting to be a part or full of the tax payable on such sales, from the bills or invoices raised by the works contractor or by the dealer selling such goods, as payable by the person:

Provided that no deduction of such amount shall be made in respect of any transfer of property in goods, the turnover of which is deductible, from the dealer's gross turnover, under sub-section (3) of section 6 of the Act:

Provided further that no such payment or discharge of any bill raised by the works contractor or dealer selling such goods shall be made without deductions:

Provided further that if the State Government is satisfied that it is necessary to do so in the interest of the State revenue, it may notify the names/ posts of such persons who shall be competent persons to make such deduction."

10. Amendment of section 14.- In section 14 of the principal Act, in sub-section (1-A), for the words "twenty five", the word "fifty" shall be substituted.

11. Insertion of section 14-A.- After section 14 of the principal Act, the following section 14-A shall be inserted, namely:-

"14-A. Assessment of a casual dealer.- (1) A casual dealer, who is registered under this Act, shall be assessed like any other registered dealer under section 14.

(2) A casual dealer who is not registered shall, immediately on completion of transaction of sale or purchase for which he is liable to pay tax, report to the Assessing Authority having jurisdiction with reference to the place of such transaction or to the officer-In charge of the nearest check-post or barrier, the amount of sale or purchase price and the tax payable thereon and shall deposit the amount of tax with such Assessing Authority or such In-charge of the check-post or barrier within such time and in such manner as such authority or in charge may direct.

Provided that if a casual dealer desires voluntarily to pay the tax in advance in respect of the goods which such dealer intends to sell or purchase, he may pay the amount of tax on the sale or purchase value of such goods enhanced by ten percent to the Assessing Authority or the Officer-In-charge of the nearest check-post or barrier.

(3) Where a casual dealer fails to make a report as required in sub-section (2), the Assessing Authority having jurisdiction or Excise and Taxation Officer, In-charge of the nearest check-post or barrier may require such casual dealer to make a report of the sale or purchase price and the tax due, failing which such Assessing Authority or such Incharge of the check-post or barrier may assess to the best of its judgement the amount of tax due and direct the casual dealer to pay the amount of tax within such time and in such manner as it may direct.

(4) Where a casual dealer fails to pay the tax as directed by the Assessing Authority or the Excise and Taxation Officer, Incharge of the check-post or barrier under sub-sections (2) and (3), the goods belonging to such casual dealer shall be detained until the tax is paid or adequate security for payment of tax is furnished."

12. Amendment of section 19.- In section 19 of the principal Act,-

(a) in sub-section (2), in clause (a), for the words "twenty-five", the words "two hundred" shall be substituted; and

(b) in sub-section (3), for the words "five hundred", the words "five thousand" shall be substituted.

13. Amendment of section 22.- In section 22 of the principal Act, in sub-section (4), after the words "prescribed of the" and before the words "goods carried", the word "taxable" shall be inserted.

14. Amendment of section 42.- In section 42 of the principal Act, in sub-section (1), for the words "in the interest of", the words and sign "in public interest, in respect" shall be substituted.

15. Amendment of section 42-C.- In section 42-C of the principal Act, sub-section (1) shall be omitted.

16. Amendment of Schedule 'A'.- In Schedule 'A' to the principal Act,-

(a) for item No. 25, the following shall be and shall always be deemed to have been substituted with effect from the first day of April, 2000 :-

"25. Liquor (Country liquor, Foreign liquor and Indian made foreign liquor including beer but excluding Indian made cider and wines)";
and

(b) after item No. 37, the following items No. 38, 39, 40, 41 and 42 shall be added, namely:-

- "38 Narcotics.
- 39. Molasses.
- 40. Rectified spirit.
- 41. Motor spirit including aviation turbine fuel but excluding diesel.
- 42. Diesel."

17. Amendment of Schedule 'B'.- In Schedule 'B' to the principal Act, items No. 20 and 25 shall be omitted.

**THE HIMACHAL PRADESH GENERAL SALES TAX (SECOND
AMENDMENT) ACT, 2000**

ARRANGEMENT OF SECTIONS

Sections:

1. Short title.
 2. Amendment of section 4.
 3. Amendment of section 6
 4. Amendment of section 7.
 5. Amendment of section 8.
 6. Omission of sections 8-A, 9, 10 10-A, 10-B and 10-C
 7. Amendment of section 12.
 8. Substitution of section 21.
 9. Omission of section 25.
 10. Amendment of section 42-B.
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**THE HIMACHAL PRADESH GENERAL SALES TAX (SECOND
AMENDMENT) ACT, 2000**

(Act No. 21 of 2000)¹

(Received the assent of the Governor on 16th September, 2000 and was published in Hindi and English in R.H.P.Extra., dated 21.9.2000 at pages 3064-3070.)

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968(Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Fifty-first Year of the Republic of India, as follows:-

1. Short title.- This Act may be called the Himachal Pradesh General Sales Tax (Second Amendment) Act, 2000.

2. Amendment of section 4.- In section 4 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968) (hereinafter called the 'principal Act'),-

(i) sub-section (1) shall be omitted; and

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

"(2) Every dealer who does not deal exclusively in goods declared to be tax free under section 7 shall be liable to pay tax under this Act from the date on which his gross turnover during any year first exceeds the taxable quantum."

3. Amendment of section 6.- In section 6 of the principal Act,-

(i) in sub-section (1), for the first proviso, the following shall be substituted, namely:-

"Provided that a tax at such rate not exceeding 20 paise in a rupee, as may be so notified, may be levied on the sale of goods as specified in Schedule-'A' except on-

(a) Lime-stone on which a tax at the rate not exceeding 100 paise in a rupee, and

(b) Liquor (Country Liquor, Foreign Liquor and Indian Made Foreign Liquor including Beer but excluding Indian made cider and wines), Polythene Bags and Timber (but not including converted timber), on which a tax at the rate not exceeding 30 paise in a rupee, shall be levied :

Provided further that the Government, after giving by notification not less than thirty days notice of its intention so to do, may, by like

1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P. Extra., dated 21.8.2001, p. 2577 & 2581.

notification, add to or delete from Schedule-'A' any goods or otherwise amend the Schedule, and thereupon the Schedule shall be deemed to have been amended accordingly"; and

(ii) in sub-section (3), in clause (a), sub-clause (iii) shall be omitted.

4. Amendment of section 7.- In section 7 of the principal Act, in sub-section (2), for the words "add to or delete from Schedule-'B', the words and signs "add to or delete from Schedule-B any goods or otherwise amend the Schedule," shall be substituted.

5. Amendment of section 8.- In section 8 of the principal Act, for sub-sections (2), (3), (4), (5) and (6), the following shall be substituted, namely:-

"(2) Any person intending to establish a business in Himachal Pradesh for the purpose of manufacturing goods for sale may, notwithstanding that he is not liable to registration under sub-section (1), be granted a registration certificate subject to such conditions and in the manner as may be prescribed, and such person when granted a registration certificate shall, for so long as such certificate in force, be liable to pay tax under the Act :

Provided that grant of such a certificate of registration shall be subject to the conditions that if such person fails to establish the business within the period specified in the certificate or fails to comply with any of the conditions specified therein, he shall be liable by order of the Assessing Authority, to pay a penalty equivalent to one-half of the amount of tax which would have been payable by him in respect of all the goods purchased by him as if he had not been registered under this sub-section.

(3) Every dealer required by sub-section(1) to be registered and every person who may be granted registration certificate under sub-section (2) shall make application in this behalf in the prescribed manner to the Assessing Authority.

(4) If the Assessing Authority is satisfied that an application for registration made under sub-section (3) is in order, he shall, in accordance with such rules and on payment of such fee and subject to such conditions as may be prescribed, register the applicant and grant him a certificate of registration in the prescribed form.

(5) When any dealer fails to apply for registration in contravention of sub-section (1) of this section, the Assessing Authority shall register such dealer and grant him a certificate of registration and such registration shall take effect as if it had been made under sub-section (4) of this section on the dealer's application.

(6) The Assessing Authority may, by order,-

- (a) amend certificate of registration on the dealer's application if the dealer or his legal representative furnishes the information that he-
- (i) has transferred his business, or
 - (ii) has changed the name (constitution) or nature of his business, or
 - (iii) wants to open a new place of business or make any change either in the places of business or in the class or classes of goods specified in his certificate of registration for resale or for use in manufacture of goods for sale;
- (b) suspend a certificate of registration, without prejudice to any other penalty, if the dealer or person has violated any provision of this Act or rules made thereunder ;
- (c) cancel a certificate of registration, on dealer's or, as the case may be, of his legal representative's application or suo-moto, without affecting liability to pay tax till such cancellation,-
- (i) if the dealer sells or otherwise disposes of his business or any place of business or discontinues his business, or
 - (ii) if the dealer dies, or
 - (iii) for any other sufficient cause including misuse of the certificate of registration or cessation of liability to payment of tax under this Act :

Provided that no order affecting any person adversely shall be made under clauses (b) and (c) of this sub-section without affording him a reasonable opportunity of being heard ; and

- (d) renew a certificate of registration for such period and in the manner and on payment of such fee as may be prescribed."

6. Omission of sections 8-A, 9, 10, 10-A, 10-B and 10-C.- Sections 8-A, 9, 10, 10-A, 10-B and 10-C of the principal Act shall be omitted.

7. Amendment of section 12.- In section 12 of the principal Act, in sub-section (4),-

(i) for the words "Reserve Bank of India", the words "Scheduled Bank which is a treasury bank" shall be substituted, and

(ii) after the first proviso, the following provisos shall be added namely:-

"Provided further that when a dealer makes payment through a Scheduled Bank other than the treasury bank, he shall obtain from such bank a certificate, as may be prescribed, to the effect that the bank has

remitted the amount of tax to the treasury bank on the dealer's directions and on production of such certificate to the Assessing Authority the dealer shall be deemed to have paid the tax on the date following the date on which such certificate is issued by such bank :

Provided further that in case of payment through a Scheduled Bank which is located at a station other than that of the treasury bank, the dealer shall need to procure the prescribed certificate from the concerned bank, as mentioned under the preceding proviso, at least three days before the expiry of the due date prescribed under sub-section (3) for filing the return and in that case the dealer shall be deemed to have made the payment by due date."

8. Substitution of section-21.- For section 21 of the principal Act, the following shall be substituted, namely:-

"21. Assessee etc. permitted to attend through authorized agent.- Any assessee, dealer or other person, who is entitled or required to attend before any authority in connection with any proceedings under this Act, except when required to attend in person, may attend through a person authorized by him in writing in this behalf, in the prescribed manner."

9. Omission of section 25.- Section 25 of the principal Act shall be omitted.

10. Amendment of section 42-B.- In section 42-B of the principal Act, in clause (a), after the words "raw material" but before the words "in the manufacture", the sign and words", plant or machinery" shall be inserted.

NOTIFICATIONS AND RULES

Under

THE HIMACHAL PRADESH GENERAL SALES TAX ACT, 1968

AMENDMENT OF SCHEDULE-A

(Issued and published in Hindi in R.H.P. Extra, dated 27.4.2000, p. 1099-1101).

EXCISE AND TAXATION DEPARTMENT

NOTIFICATIONS

Shimla-2, the 24th April, 2000.

No. EXN-F(11) 3/99(i).- Whereas the Draft Amendments in Schedule "A" appended to the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), were published in the Rajpatra Himachal Pradesh (Extra Ordinary) dated 18.3.2000 vide notification No. EXN-F(11)3/99(i) dated 18.3.2000 in pursuance of the provisions of proviso to sub-section (1) of section 6 of the Act

ibid for inviting objections/ suggestions from the person(s) likely to be affected thereby;

And whereas some objections/ suggestions have been received within stipulated period in this behalf;

Now, therefore, after considering the objections/ suggestions received in this behalf, the Governor of Himachal Pradesh in exercise of the powers conferred on him under proviso to sub-section (1) of section 6 of the Act ibid is pleased to make the following amendments in Schedule "A" appended to the aforesaid Act (hereinafter called the 'said schedule'), namely:-

AMENDMENTS

In the said schedule:-

(i) for item No. 9, the following shall be substituted, namely:-

"9. All furniture other than that of iron and steel and wood.",

(ii) Item No. 22, shall be omitted,

(iii) Item No. 27, shall be omitted,

(iv) for item No. 28, the following shall be substituted, namely:-

"28. Article made wholly or principally of stainless steel but not including surgical instruments, filters, blades, razors and utensils",

(v) for item No. 32, the following shall be substituted, namely:-

"32. Laminated sheets and sunmica sheets", and

(vi) after item No. 42, the following items No. 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69 and 70 shall be added, namely:-

"43. Silk and silk fabrics excluding raw silk.

44. Fire works.

45. Lifts and elevators.

46. Marble and marble-chips.

47. Sandal wood and its oil.

48. Transformers.

49. Transmission wires and towers.

50. Voltage stabilisers.

51. Synthetic gems.

52. Naptha.

53. Spark plugs.

54. Oxygen and gases excluding cooking gas.

55. A.S.C.R. conductors.

56. Weather proofing compounds.
57. Preserved food articles.
58. Cushions and mattresses.
59. Musical instruments.
60. Hair oils.
61. Air circulators.
62. Rubber goods.
63. Soap.
64. Adhesives.
65. P.V.C. articles.
66. Clocks.
67. Washing machine.
68. Ivory products.
69. Asphaltic roofing.
70. Cables."

 (R.H.P. Extra, dated 27.4.2000, p. 1101-1102)

 .(Issued and published in R.H.P. Extra., dated 25.8.2002, P. 2653-2654)

Shimla-2, the 22nd August, 2000.

No.EXN-F(11)3/99-IV.- In exercise of the powers conferred on him, under proviso to sub-section (1) of section 6 and sub-section (2) of section 7 of the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968) (hereinafter called the said Act), the Governor of Himachal Pradesh is pleased to order to make the following amendments in Schedules 'A' and 'B' appended to the said Act, namely:-

AMENDMENTS

1. In Schedule 'A' appended to the said Act, in item No. 43, the word "and silk fabrics" shall be omitted; and

2. In Schedule 'B' appended to the said Act in Column 1 of item No.15 for the words "or woollen", the words "woollen or silken" shall be substituted.

 (R.H.P.Extra dated, 25-8-2000 P-2654.)

(Issued and published in Hindi in R.H.P. Extra, dated 27.4.2000, p. 1081-1082).

AMENDMENT OF SCHEDULE "B"

Shimla-2, the 24th April, 2000.

No. EXN-F(11)3/99(ii).- Whereas the Draft Amendments in Schedule "B" appended to the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), were published in the Rajpatra Himachal Pradesh (Extra- Ordinary) dated 18.3.2000 vide notification No. EXN-F(11)3/99 (ii) dated 18.3.2000, in pursuance of the provisions of sub-section (2) of section 7 of the Act *ibid* for inviting objections/ suggestions from the person(s) likely to be affected thereby;

And whereas some objections/ suggestions have been received within stipulated period in this behalf;

Now, therefore, after considering the objections/ suggestions received in this behalf, the Governor of Himachal Pradesh in exercise of the powers conferred on him under sub-section (2) of section 7 of the Act *ibid* is pleased to make the following amendments in Schedule "B" appended to the aforesaid Act (hereinafter called the 'said Schedule') namely:-

AMENDMENTS

In the said schedule,-

(a) in column 1 of Item No. 15, for the words "woollen or silken", the words "or woollen" shall be substituted,

(b) item No. 30 shall be omitted,

(c) for item No. 81, the following shall be substituted, namely:-

"81. Bricks (excluding refractory bricks) and brick-bats."

(R.H.P. Extra, dated 27.4.2000, p. 1082).

(Issued and published in Hindi in R.H.P. Extra, dated 27.4.2000, p. 1095 -1096).

RATE OF TAX

EXCISE AND TAXATION DEPARTMENT

NOTIFICATIONS

Shimla-2, the 24th April, 2000.

No. EXN-F(11)3/99.- Whereas the draft amendments in this Department notification No. 1-15/73-E&T (Sectt.), dated 29.5.1974 were published in Rajpatra Himachal Pradesh (Extra-Ordinary) dated 18.3.2000 vide this Department notification No. EXN-F(11)3/99, dated 18.3.2000 in pursuance of

**THE HIMACHAL PRADESH GENERAL SALES TAX (THIRD
AMENDMENT) ACT, 2000**

(ACT NO. 1 OF 2001)¹

(Received the assent of the Governor on the 9th February, 2001 and was published in Hindi and English in R.H.P.Extra., dated 17.2.2001, P. 5527-5528).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Fifty-first Year of the Republic of India, as follows:-

1. Short title.- This Act may be called the Himachal Pradesh General Sales Tax (Third Amendment) Act, 2000.

2. Amendment of section 22.- In section 22 of the Himachal Pradesh General Sales Tax Act, 1968, in sub-section (4), after the words "prescribed of the" and before the words "goods carried", the word "taxable" shall be omitted.

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 2001** *act no 1*

ARRANGEMENT OF SECTIONS

Sections:

1. Short title.
2. Amendment of section 6.

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 2001**

(ACT NO. 14 OF 2001)²

(Received the assent of the Governor on 8th June, 2001 and was published in Hindi and English in R.H.P. Extra., dated 13.6.2001 p. 828-830.)

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No.24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Fifty-second Year of the Republic of India, as follows :-

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1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P Extra., dated 27.12.2000, P 4784 &4784.
 2. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P Extra., dated 17.4.2001, P 160 &164.

**THE HIMACHAL PRADESH GENERAL SALES TAX (THIRD
AMENDMENT) ACT, 2000**

(ACT NO. 1 OF 2001)¹

(Received the assent of the Governor on the 9th February, 2001 and was published in Hindi and English in R.H.P.Extra., dated 17.2.2001, P. 5527-5528).

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968).

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1. Short title.- This Act may be called the Himachal Pradesh General Sales Tax (Third Amendment) Act, 2000.

2. Amendment of section 22.- In section 22 of the Himachal Pradesh General Sales Tax Act, 1968, in sub-section (4), after the words "prescribed of the" and before the words "goods carried", the word "taxable" shall be omitted.

**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 2001** *act no 1*

ARRANGEMENT OF SECTIONS

Sections:

1. Short title.
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**THE HIMACHAL PRADESH GENERAL SALES TAX
(AMENDMENT) ACT, 2001**

(ACT NO. 14 OF 2001)²

(Received the assent of the Governor on 8th June, 2001 and was published in Hindi and English in R.H.P. Extra., dated 13.6.2001 p. 828-830.)

An Act further to amend the Himachal Pradesh General Sales Tax Act, 1968 (Act No.24 of 1968).

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Fifty-second Year of the Republic of India, as follows :-

-
1. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P Extra., dated 27.12.2000, P 4784 &4784.
 2. Passed in Hindi by the Himachal Pradesh Vidhan Sabha. For Statement of Objects and Reasons see R.H.P Extra., dated 17.4.2001, P 160 &164.

1. Short title and commencement.- (1) This Act may be called the Himachal Pradesh General Sales Tax (Amendment) Act, 2001.

(2) It shall come into force on such date¹ as the State Government may, by notification in the Official Gazette, appoint.

2. Amendment of section 6.- In section 6 of the Himachal Pradesh General Sales Tax Act, 1968 (24 of 1968), in sub-section (1), in first proviso, for clause (b), the following shall be substituted, namely :-

"(b) Liquor (Country Liquor, Foreign Liquor and Indian Made Foreign Liquor including Beer but excluding Indian made cider and wines), all arms including rifles, revolvers, pistols and ammunition, Polythene bags and Timber (but not including converted timber), on which a tax at the rate not exceeding 30 paise in a rupee, shall be levied".

NOTIFICATIONS AND RULES

Under

THE HIMACHAL PRADESH GENERAL SALES TAX ACT, 1968

(Issued and published in Hindi in R.H.P.Extra., dated 9.1.2001, p. 4973)

AMENDMENT OF SCHEDULE-A

EXCISE AND TAXATION DEPARTMENT

NOTIFICATIONS

Shimla-171002, the 6th January, 2001

No. EXN-F(1)5/2000 (ii).- Whereas the draft amendments in Schedule 'A' appended to the Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), were published in the Rajpatra Himachal Pradesh (Extra-Ordinary) dated 16th October, 2000 vide notification No. EXN-F (1) 5/2000 (ii) dated 12-10-2000 in pursuance of the provisions of proviso to sub-section (1) of section 6 of the Act ibid for inviting objections/suggestions from the person(s) likely to be affected thereby;

And whereas no objection(s) suggestion(s) has been received within the stipulated period in this behalf.

Now, therefore, the Governor of Himachal Pradesh, in exercise of the powers conferred on him under proviso to sub-section (1) of section 6 of the Act ibid is pleased to make the following amendment in Schedule 'A' appended to the aforesaid Act (hereinafter called the "said Schedule") namely :-

1.. Act came into force w.e.f 31.7.2001 vide No. EXN-F(1)5/2000, 24.7. 2001 published in R.H.P. Extra., dated 24.7.2001 p. 1586.