



The Kerala Tax on Luxuries (Amendment) Act, 2005

Act 41 of 2005

Keyword(s):

Board of Revenue, Cable Operator, Company, Hotel, Luxury, Stockist

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THE KERALA TAX ON LUXURIES (AMENDMENT) ACT, 2005 [\[1\]](#)

(ACT 41 OF 2005)

An Act further to amend the Kerala Tax on Luxuries Act, 1976.

Preamble.-WHEREAS, it is expedient further to amend the Kerala Tax on Luxuries Act, 1976 for the purposes hereinafter appearing;

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

1.*Short title and commencement.*-(1) This Act may be called the Kerala Tax on Luxuries (Amendment) Act, 2005.

(2)It shall come into force at once.

2.*Amendment of section 6.*-In the Kerala Tax on Luxuries Act, 1976 (32 of 1976) in section 6, after sub-section (3), the following sub-sections shall be inserted, namely:-

“(4) Any final assessment under this section shall be completed within a period of four years from the expiry of the year to which the assessment relates.

(5)Where for any reason, the whole or any part of the business of a hotel/house boat has escaped assessment to tax in any year or has been under-assessed at a lower rate than the rate at which it is assessable or any deduction has been wrongly made therefrom the assessing authority may at any time within a period of five years from the expiry of the year to which the tax relates, proceed to determine to the best of its judgment, the turnover which has escaped assessment to tax or has been under-assessed or has been assessed at a lower rate than the rate at which it is assessable and assess the tax payable on such turnover, after issuing a notice to the proprietor and after making such enquiry as it may deem fit:

Provided that before making such assessment under this sub-section the proprietor shall be given a reasonable opportunity of being heard.

(6) (a) An assessing authority or an appellate or revising authority may on application or otherwise at any time within three years from the date of any order passed by it, rectify any error apparent on the face of records:

Provided that no such rectification which has the effect of enhancing an assessment or any penalty shall be made unless such authority has given notice to the person affected thereby and has allowed him a reasonable opportunity of being heard.

(b)Where such rectification has the effect of reducing an assessment or penalty, the assessing authority shall make refund to the person entitled thereto.

(c)Where any such rectification has the effect of enhancing assessment or penalty the assessing authority shall give the proprietor or other person a revised notice of assessment or penalty and thereupon the provisions of this Act and the rules made thereunder shall apply as if such notice had been given in the first instance.

Explanation: The liability to pay tax or other amount shall arise only from the date specified in the revised notice.”.
