



**The Tamil Nadu Prevention of Incitement to Refuse or Defer Payment of Tax  
Act, 1981**

Act 9 of 1981

**Keyword(s):**

**Public Servant, Government, Payment of Tax**

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**TAMIL NADU ACT NO. 9 OF 1981.\***

**THE TAMIL NADU PREVENTION OF INCITEMENT TO REFUSE OR DEFER PAYMENT OF TAX ACT, 1981.**

*[Received the assent of the President on the 3rd March 1981, first published in the Tamil Nadu Government Gazette Extraordinary, on the 3rd March 1981 (Masi 20, Rowthiri—2012—Tiruvalluvar Aandu).]*

*An Act to prevent incitement to refuse or defer payment of tax and other dues payable to the Government, local authorities, etc.*

BE it enacted by the Legislature of the State of Tamil Nadu in the Thirty-Second Year of the Republic of India as follows :—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Prevention of Incitement to Refuse or Defer Payment of Tax Act, 1981.

(2) It shall be deemed to have come into force on the 10th November 1980.

Definitions.

2. In this Act, unless the context otherwise requires,

(a) " Government " means the State Government ;

(b) " public servant " shall have the same meaning as in section 21 of the Indian Penal Code (Central Act XLV of 1860).

Punishment for incitement to refuse or defer payment of land revenue, tax, etc., due to the Government, etc.

3. Notwithstanding anything contained in any law for the time being in force, whoever by words, either spoken or written, or by signs or by visible representations, or otherwise,—

(a) (i) encourages or incites any person or class of persons, or the public generally, to refuse or defer payment of, or to resist or obstruct payment or collection of, any land revenue, tax, rate, cess or other dues or amount payable to the Government or any local authority, or payable under any law or custom having the force of law for any services rendered to the community or any rent of agricultural land or anything recoverable as arrears of

\*For Statement of Objects and Reasons, see *Tamil Nadu Government Gazette Extraordinary*, dated the 29th January 1981, Part IV-Section 1, Page 50.

or along with, such rent and if such encouragement or incitement undermines the security of the State or public order or decency or morality or the sovereignty of India ; or

(ii) encourages or incites any person or class of persons, or the public generally, to refuse or defer payment of, or to resist or obstruct payment or collection of,—

(A) any rate, cess or other dues or amount payable to the Tamil Nadu Electricity Board and if such encouragement or incitement undermines the security of the State or public order or decency or morality ; or

(B) any dues or amount payable to any co-operative society (including State and primary land development banks), registered or deemed to be registered under the Tamil Nadu Co-operative Societies Act, 1961 (Tamil Nadu Act 53 of 1961) and if such encouragement or incitement undermines the security of the State or public order or decency or morality, or

(b) instigates directly or indirectly the use of criminal force against public servants generally or any class of public servants or any individual public servant,

shall be punished with rigorous imprisonment for a term which may extend to five years and with fine which may extend to five thousand rupees, but such rigorous imprisonment shall not be less than two years and such fine shall not be less than three thousand rupees.

4. Whoever abets the commission of any offence punishable under section 3 shall be deemed to have committed that offence. **Abetment to be an offence.**

5. (1) Where an offence under this Act has been committed by a company, every person, who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly : **Offences by Companies.**

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves, that the offence was committed without his knowledge, or that he had exercised all due diligence to prevent the commission of such offence.

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(2) Notwithstanding anything contained in subsection (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purpose of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

(b) “director” in relation to a firm means a partner in the firm.

Power to make rules.

6. (1) The Government may make rules to carry out the purpose of this Act.

(2) All rules made under this Act shall be published in the *Tamil Nadu Government Gazette* and unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(3) Every rule made under this Act shall, as soon as possible after it is made, be placed on the Table of both Houses of the Legislature, and if, before the expiry of the session in which it is so placed or the next session, both Houses agree in making any modification in any such rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Repeal and saving.

7. (1) The Tamil Nadu Prevention of Incitement to Refuse or Defer Payment of Tax Ordinance, 1980 (Tamil Nadu Ordinance 9 of 1980) and the Tamil Nadu Prevention of Incitement to Refuse or Defer Payment of Tax (Amendment) Ordinance, 1981 (Tamil Nadu Ordinance 1 of 1981), are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Tamil Nadu Ordinance 9 of 1980, as amended by the said Tamil Nadu Ordinance 1 of 1981, shall be deemed to have been done or taken under this Act.