



**The Uttar Pradesh Advertisements Tax Act, 1981**  
Act 16 of 1981

**Keyword(s):**  
Advertisement, Cinema, Tax

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Dated Lucknow, October 5, 1981

IN pursuance of the provisions of clause (3) of Article 348 of the Constitution of India, the Governor is pleased to order the publication of the following English translation of the Uttar Pradesh Vigyapan Kar Adhiniyam, 1981 (Uttar Pradesh Adhiniyam Sankhya 16 of 1981), as passed by the Uttar Pradesh Legislature and assented to by the Governor on October 1, 1981 :

THE UTTAR PRADESH ADVERTISEMENTS TAX ACT, 1981

[U. P. ACT NO. 16 OF 1981]

(AS PASSED BY THE UTTAR PRADESH LEGISLATURE)

AN

ACT

*to provide for the levy of tax on advertisements exhibited in cinemas and for matters connected therewith.*

IT IS HEREBY enacted in the Thirty-second Year of the Republic of India as follows :

1. (1) This Act may be called the Uttar Pradesh Advertisements Tax Act, 1981. Short title and commencement.

(2) It shall come into force on such date as the State Government may, by notification, appoint in this behalf, and different dates may be so appointed for different provisions of this Act, or for different areas of the State.

2. In this Act—

Definitions.

(a) "advertisement" means the intimation or announcement of any goods, property, entertainment, trade, business or profession by means of a slide or film ;

(b) "cinema" means a place licensed to exhibit films by means of a cinematograph under the provisions of the Uttar Pradesh Cinemas (Regulation) Act, 1955 ;

(c) "Commissioner" means the Entertainment and Betting Tax Commissioner, Uttar Pradesh, and includes the Additional Entertainment and Betting Tax Commissioner, the Joint Entertainment and Betting Tax Commissioner, the Deputy Entertainment and Betting Tax Commissioner, and any other officer authorised by the State Government by notification to exercise all or any of his powers under this Act ;

(d) "Proprietor" in relation to a cinema includes—

(i) the licensee thereof, within the meaning of the U. P. Cinematograph Rules, 1951 ;

(ii) any person responsible for or for the time being in charge of the management thereof ;

(iii) any person charged with the work of projecting any slide or film therein ;

(e) "tax" means advertisement tax and includes any penalty or other charge levied under this Act.

3. (1) On all advertisements exhibited on the screen in a cinema there shall be charged, levied and paid, an advertisement tax at such rate as the State Government may from time to time notify in this behalf. Levy of tax on advertisements.

(2) The rate of tax referred to in sub-section (1) shall not exceed—

(a) in the case of an advertisement short, for every forty-five meters or part thereof, twenty-five rupees per week or part thereof ;

(b) in the case of a trailer of film, two rupees per day ;

(c) in the case of a slide, fifty paise per slide per day ;

(d) in the case of any other advertisement, fifty paise per advertisement per day.

(3) Nothing in this section, shall preclude the State Government from notifying different rates of tax for different areas of the State or for different kinds of advertisements.

(4) In computing the tax payable under this section, the tax liability shall, whenever necessary, be rounded off to the next higher multiple of five paise.

**Liability to pay tax.**

4. The tax shall be charged from and paid by the proprietor in the manner prescribed but, subject to any contract to the contrary, the amount paid or payable by the proprietor in respect of the tax shall be recoverable by him from any person on whose behalf the advertisement is exhibited.

**Duty to keep books of accounts etc.**

5. The proprietor shall keep such books of account and submit such returns at such intervals in respect of the exhibition of advertisements as may be prescribed.

**Exemptions.**

6. (1) No tax shall be payable in respect of—

(a) any advertisement exhibited for or on behalf of any Government or local authority ;

(b) any slide relating to the exhibition of feature films in the cinema in which the slide is being exhibited.

(2) Where the District Magistrate, or any other officer authorised by the State Government in this behalf, is satisfied that any advertisement is exhibited for philanthropic, charitable or educational purposes without any profit, he may exempt such advertisement from payment of tax.

**Refund of tax.**

7. Where the Commissioner is satisfied that the proprietor has deposited tax in excess of the amount actually due, he shall grant a refund in respect of such amount or allow its adjustment against future payments of tax.

**Best judgement Assessment.**

8. (1) Where the Commissioner is satisfied that the proprietor—

(a) has fraudulently evaded or attempted to evade, in any form whatsoever, the payment of tax due under this Act ; or

(b) has failed to prepare or to submit true and full returns within the time prescribed therefor ;

he shall, after giving the proprietor a reasonable opportunity of being heard, assess to the best of his judgment, the amount of tax due from the proprietor, and may also impose a penalty not exceeding five hundred rupees or double the amount of tax due, whichever is greater.

(2) Any person aggrieved by an order under sub-section (1) may, within thirty days from the date of service of such order, prefer an appeal to the State Government in such manner as may be prescribed, and the order of the appellate authority on such appeal shall be final.

**Inspections.**

9. (1) The Commissioner or any other officer authorised by him in this behalf may, with such assistance as may be necessary, enter, inspect and search any cinema or any place used or suspected to be used, for keeping records connected therewith, at any reasonable time with a view to securing compliance of the provisions of this Act, and may take in his possession or require the production of such records relating to the exhibition of advertisements, as he considers necessary.

(2) The powers of entry, search and inspection under sub-section (1) may also be exercised by the District Magistrate or an officer authorised by him, within the district to which he is for the time being posted.

(3) The proprietor shall give every reasonable assistance to the inspecting officer specified in sub-section (1) or sub-section (2).

(4) Every inspecting officer specified in sub-section (1) or sub-section (2) shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code.

10. (1) Any person who fails to pay, or evades the payment of, any tax due under this Act shall, on conviction, be liable to a fine not exceeding one thousand rupees. **Penalties.**

(2) Any person who prevents the entry of, or otherwise obstructs, any inspecting officer in the discharge of his duties under this Act or the rules made thereunder shall, on conviction, be punishable with a fine not exceeding one thousand rupees.

(3) Any person who contravenes any other provisions of this Act or the rules made thereunder, or fails to comply with any order or direction issued under this Act or the rules made thereunder shall, on conviction, be punishable with a fine not exceeding five hundred rupees.

11. (1) If the person committing an offence under this Act is a company, the company as well as every person in charge of and responsible to the company for the conduct of its business at the time of the commission of the offence 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 exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this section has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of any managing agent, secretary, treasurer, director, manager or other officer of the company, such managing agent, secretary, treasurer, director, manager 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 purposes 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.

12. No prosecution for any offence punishable under this Act shall be instituted except with the previous sanction of the District Magistrate. **Sanction of prosecution.**

13. (1) Any offence punishable under this Act may, subject to any general or special order of the State Government in this behalf, be compounded either before or after the institution of the prosecution, by the Commissioner on realisation of such amount of composition fee as he thinks fit not exceeding the maximum amount of fine fixed for the offence. **Compounding of offence.**

(2) Where the offence is so compounded—

(a) before the institution of the prosecution, the offender shall not be liable to prosecution for such offence and shall, if in custody, be set at liberty;

(b) after the institution of the prosecution, the composition shall amount to acquittal of the offender.

14. Any sum due on account of tax shall, without prejudice to any other mode of recovery available to the State Government under any other law for the time being in force, be recoverable as arrears of land revenue. **Recovery of tax.**

- Bar of certain proceedings.** 15. No action shall lie against the State Government or any of its officers or servants for any act done or purporting to be done in good faith under this Act or the rules made thereunder.
- Delegation.** 16. (1) The State Government may, by notification, delegate all or any of its power under this Act, except the powers referred to in clause (c) of section 2, section 3 and section 20, to any person or authority subordinate to it and may in the like manner withdraw any power so delegated.  
(2) The exercise of any powers delegated under sub-section (1) shall be subject to such restrictions, limitations or conditions, as may be laid down by the State Government from time to time.
- Power of Commissioner to issue directions.** 17. The Commissioner shall have the power to issue directions from time to time not inconsistent with the provisions of this Act or the rules made thereunder to the proprietors of cinemas for carrying out the purposes of this Act.
- Payments of the amount of tax to local bodies.** 18. At the beginning of each financial year, after due appropriation has been made by law, the State Government shall withdraw from and out of the Consolidated Fund of the State an amount equivalent to the sum received by it on account of the tax in the preceding financial year after deduction charges, and transfer it to the local bodies in such manner and in such proportion as may be prescribed.  
*Explanation*—For the purposes of this section, the expression "local body" means a municipal board, nagar mahapalika, notified area committee or town area committee or zila parishad.
- Exemption from tax under other enactments.** 19. No tax, cess, duty or other levy on advertisements exhibited on screen inside a cinema under any other Uttar Pradesh Act shall be payable where a tax is payable under this Act.
- Power to make rules.** 20. The State Government may, by notification, make rules for carrying out the purposes of this Act.

By order,  
G. B. SINGH,  
Sachiv.