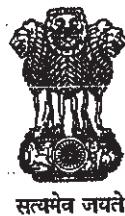


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# The Gujarat Government Gazette

## EXTRAORDINARY

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Separate paging is given to this Part in order that it may be filed as a Separate Compilation

## PART - V

Bills introduced in the Gujarat Legislative Assembly.

(To be translated into Gujarati and the translation to be published in the *Gujarat Government Gazette*. The date of publication to be reported.)

The following Bill is published with the consent of the Speaker given under the proviso to rule 127A of the Gujarat Legislative Assembly Rules:-

## THE GUJARAT VALUE ADDED TAX (AMENDMENT) BILL, 2010.

## GUJARAT BILL NO. 10 OF 2010.

## A BILL

for further to amend the *Gujarat Value Added Tax Act, 2003*.

It is hereby enacted in the Sixty-first Year of the Republic of India as follows :-

1. (1) This Act may be called the Gujarat Value Added Tax (Amendment) Act, 2010.	Short title and commencement.
(2) It shall come into force on the 1 <sup>st</sup> April, 2010.	
2. In the Gujarat Value Added Tax Act, 2003 (hereinafter referred to as "the principal Act"), in section 7, in sub-section (1A), in clause (i), for the figures, letter and word "51A and 87", the figures, letters and word "51A, 76A and 87" shall be substituted.	Amendment of section 7 of Guj. 1 of 2005.

Amendment of  
section 9 of Guj. 1  
of 2005.

Amendment of  
Schedule II to Guj.  
1 of 2005.

3. In the principal Act, in section 9, in sub-section (6), in clause (i), for the figures, letter and word "51A and 87", the figures, letters and word "51A, 76A and 87" shall be substituted.

4. In the principal Act, in Schedule II, after the entry at serial No. 76, the following entry shall be inserted, namely :-

1	2	3
"76A.	Tobacco of all types and tobacco products such as <i>bidi</i> , cigarette, <i>gutkha</i> , <i>pan masala</i> , snuff containing tobacco.	"Seventeen and a half paise in the rupee."

**STATEMENT OF OBJECTS AND REASONS**

The tobacco and its products are injurious to health. To restrict and reduce the consumption of tobacco and its products is necessary in the interest of the society. Increase in the rate of tax on these products helps in restricting the use of these products to certain extent. In the Budget Speech, made on the 25<sup>th</sup> February, 2010, it is proposed to increase the rate of tax on tobacco and its products from the present rate of 15 per cent. inclusive of additional tax, to 20 per cent. inclusive of additional tax.

The State Government has, therefore, considered it necessary to amend the Gujarat Value Added Tax Act, 2003 to increase the rate of tax on tobacco and its products accordingly.

*Clause 2* of the Bill seeks to amend sub-section (1A) of section 7 so as to provide for levy of additional tax at the rate of 2.5 per cent. on sales of tobacco and its products.

*Clause 3* of the Bill seeks to amend sub-section (6) of section 9 to provide for levy of additional tax at the rate of 2.5 per cent. on purchase of tobacco and its products.

*Clause 4* of the Bill seeks to insert a new entry 76A in Schedule II of tobacco and its products so as to provide for levy of tax at the rate of 17.5 per cent. on their sales or purchases.

The Bill seeks to amend the said Act to achieve the aforesaid objects.

Gandhinagar,

**VAJUBHAI VALA.**

Dated the 12<sup>th</sup> March, 2010.

By order and in the name of the Governor of Gujarat,

**H.D.VYAS,**

Gandhinagar,  
Dated the 15<sup>th</sup> March, 2010.

Secretary to the Government of Gujarat,  
Legislative and Parliamentary Affairs Department.