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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 BOMBAY MOTOR VEHICLES TAX (GUJARAT AMENDMENT) BILL, 2010.

GUJARAT BILL NO. 11 OF 2010.

A BILL

further to amend the Bombay Motor Vehicles Tax Act, 1958.

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

1. (1) This Act may be called the Bombay Motor Vehicles Tax (Gujarat Amendment) Act, 2010.

Short title and
commencement.

(2) It shall come into force on the 1st April, 2010.

Amendment of
section 3 of
Bom. LXV of
1958.

2. In the Bombay Motor Vehicles Tax Act, 1958 (hereinafter referred to as 'the principal Act'), in section 3, after sub-section (1), the following sub-section shall be inserted, namely:-

Bom.LXV of 1958.

“(1A) Notwithstanding anything contained in sub-section (1), a tax in *lump sum*, in respect of a motor vehicle for which *lump sum* tax has been paid and ownership of such motor vehicle is transferred on sale, shall be payable at such rates as may be specified by the State Government by notification in the *Official Gazette*, but not exceeding twenty-five per cent. of the *lump sum* tax paid.

Explanation.- For the purpose of this sub-section, a motor vehicle registered in other State and brought in the State for use permanently, *lump sum* tax shall be the tax which was payable at the time of registration of such motor vehicle in the State, as if it was a new vehicle.”

Amendment of
section 4 of
Bom. LXV of
1958.

3. In the principal Act, in section 4,-

- (1) in sub-section (1AA), in the Table, for the existing entry (b), the following entry shall be substituted, namely:-

	Description of vehicles	Manner of Payment
“(b)”	Designated omnibuses specified in Clauses IVAA and IVAAA in Part I of the First Schedule.	<p>(i) In case of designated omnibuses licensed to carry not more than twelve passengers including maxicab, annually or the <i>lump sum</i> tax specified in the Third Schedule;</p> <p>(ii) Designated omnibuses other than those specified in clause (i) above, annually or in monthly instalments of one-twelfth of the annual rate.”;</p>

- (2) in sub-section (1AB), after clause (b), the following clause shall be inserted, namely :-

“(c) The owner or a person in possession or control of a motor vehicle which falls under the First Schedule and is liable to pay tax under section 3 and has become liable to pay tax under the Second Schedule after the commencement of the Bombay Motor Vehicles Tax (Gujarat Amendment) Act, 2010, shall be liable to pay tax in *lump sum* at such rate as may be notified by the State Government by notification in the *Official Gazette*, but not exceeding the maximum rates specified in the Second Schedule.”

Guj. ... of 2010.

4. In the principal Act, in the First Schedule, in column 1, in Clause III,-

Amendment of
First Schedule
to Bom. LXV of
1958.

(i) in item (d), for the figures and letters "3000 KG", the figure and letters "7500 KG", shall be substituted;

(ii) in item (e), for the figure and letters "3000 KG", the figure and letters "7500 KG" shall be substituted.

5. In the principal Act, in the Second Schedule, in Part I, in Clause III, in column 1, for the figure and letters "3000 KG", the figure and letters "7500 KG", shall be substituted.

Amendment of
Second
Schedule to
Bom. LXV of
1958.

6. In the principal Act, in the Third Schedule, in Part I, Clause II shall be deleted.

Amendment of
Third Schedule
to Bom. LXV
of 1958.

STATEMENT OF OBJECTS AND REASONS

This Bill seeks to amend the Bombay Motor Vehicles Tax Act, 1958 with a view to give effect to the Budget proposals contained in the Budget Speech of the Finance Minister in the Gujarat Legislative Assembly on the 25th February, 2010.

Presently, tax on goods vehicles having gross vehicle weight of 3000 KG to 7500 KG is payable in *lump sum*, annually or half yearly. Such option of paying tax increases hardship and collection cost. The Bill seeks to amend the provisions of the Act, so that the tax on such vehicles shall be payable on *lump sum* basis only.

As per the existing provisions of the Act, the tax on maxicabs *i.e.* designated omnibuses having 6 to 12 passenger carrying capacity can be paid on monthly basis. This increases the work of collection and results in high level of default. In order to overcome these problems, the Bill seeks to amend the Act so that such tax can be levied on annual basis.

As per the existing provisions of the Act, certain category of vehicles pay *lump sum* tax in the State. These vehicles pay tax at the time of registration. Sales and purchases of vehicles registered in the State which have paid *lump sum* tax is increasing. This Bill seeks to amend the said Act to enable levy of tax on such vehicles at the time of change of ownership due to sale of such vehicles. The levy of tax in addition to tax paid at the time of registration will result in additional revenue to the State exchequer.

This Bill seeks to amend the Bombay Motor Vehicles Tax Act, 1958 to achieve the aforesaid objects.

AMIT SHAH,

MEMORANDUM REGARDING DELEGATED LEGISLATION

This Bill involves delegation of legislative powers in the following respects:-

Clause 2. — Sub-section (1A) proposed to be inserted in section 3 by this clause empowers the State Government to specify by notification in the *Official Gazette*, the rates of tax in *lump sum* payable by the owner or person in possession or control of the vehicle at the time of transfer of ownership on sale of vehicle but not exceeding twenty-five per cent. of the *lump sum* tax paid.

Clause 3.- Clause (c) proposed to be inserted in sub-section (1AB) of section 4 by sub-clause (2) of this clause empowers the State Government by notification in the *Official Gazette*, to notify the rates at which the owner or the person in possession or control of the vehicle shall be liable to pay the tax in *lump sum*, but not exceeding the maximum rates specified in the Second Schedule.

The delegation of legislative powers as aforesaid is necessary and is of a normal character.

Gandhinagar,
Dated the 16th March, 2010.

AMIT SHAH.

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

Gandhinagar,
Dated the 16th March, 2010.

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