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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 MOTOR VEHICLES TAX (AMENDMENT) BILL, 2015.

GUJARAT BILL NO. 9 OF 2015.

A BILL

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

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

1. This Act may be called the Gujarat Motor Vehicles Tax (Amendment) Act, 2015. Short title.

Bom. LXV of
1958.

2. In the Gujarat Motor Vehicles Tax Act, 1958 (hereinafter referred to as "the principal Act"), to section 12B, the following provisos shall be inserted, namely :-

Amendment of
section 12B of
Bom. LXV of
1958.

"Provided that if the tax due under this Act is not paid within a period of three months from the date on which such vehicle has been seized or detained, such vehicle shall be liable to be sold by auction by the taxation authority in the manner as may be prescribed :

Provided further that if the amount of tax due is not fully recovered even after the auction of such vehicle, then, it shall be competent for the taxation authority to seize or detain such other vehicle or vehicles owned or possessed or controlled by such person and sell such vehicle or vehicles by auction in the manner as may be prescribed.”.

Insertion of
new section 12
C in Bom.
LXV of 1958.

3. In the principal Act, after section 12B, the following section shall be inserted, namely :-

Tax to be first
charge on
property.

“12C. Notwithstanding anything to the contrary contained in any law for the time being in force, any amount payable by the owner or a person in possession or control of a motor vehicle on account of tax, interest or penalty for which he is liable to pay to the Government, shall be a first charge on the property of such person or owner or proprietor.”.

Amendment of
section 17 of
Bom. LXV of
1958.

4. In the principal Act, in section 17,-

(i) for the words “one hundred rupees”, the words “five thousand rupees” shall be substituted;

(ii) for the words “two hundred rupees”, the words “ten thousand rupees” shall be substituted.

Substitution of
section 19 of
Bom. LXV of
1958.

5. In the principal Act, for section 19, the following section shall be substituted, namely :-

Offence and
punishment.

“19. Whoever contravenes the provisions of section 3 of this Act shall be punishable with imprisonment for a term which may extend to six months and with fine which shall be double the amount of the unpaid tax; and the amount of interest due.”.

STATEMENT OF OBJECTS AND REASONS

Under the existing provisions of the Gujarat Motor Vehicles Tax Act, 1958, every registered owner or any person having possession or control of the motor vehicles is required to pay the tax as envisaged under the said Act. In absence of stringent provisions for recovery of the tax, it is experienced that the owners of the motor vehicles do not pay the tax within the prescribed time limit and the recovery such tax takes a long time and in some cases the tax remains unpaid for years together. It is, therefore, considered necessary to insert such provisions in the Act which would oblige the person liable to pay tax in time. It is, therefore, proposed to make a provision that the vehicle seized or detained can be sold by auction by the taxation authority. The non-payment of tax in time is proposed to be made an offence for which the punishment not exceeding six months imprisonment is provided.

The Act at present does not have any provision which creates statutory first charge on the amount payable by a person on account of tax, interest or penalty which he is liable to pay to the Government and, therefore, dues recoverable under the said Act shall have preference over the unsecured dues but not over the secured dues. It is, therefore, considered necessary to create a statutory first charge on the dues to be payable to the Government by such person under the Act. By creating the first charge on the property of such person, dues recoverable under the said Act shall have priority over the secured debts. A new section 12C is therefore proposed to be inserted in the Act.

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

VIJAYBHAI RUPANI

MEMORANDUM REGARDING DELEGATED LEGISLATION

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

Clause 2.-(i) the first proviso proposed to be inserted in section 12B by this clause empowers the State Government to prescribe by rules, the manner in which the vehicle seized or detained shall be sold by auction by the taxation authority;

(ii) the second proviso proposed to be inserted in section 12B by this clause empowers the State Government to prescribe by rules, the manner in which the another vehicle or vehicles seized or detained by the taxation authority shall be sold by auction;

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

Dated the 13th March, 2015.

VIJAYBHAI RUPANI

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

C.J. Gothi,

Gandhinagar,
Dated the 13th March, 2015.

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