

**THE RAJASTHAN EXCISE (AMENDMENT) BILL, 2020**

(To be introduced in the Rajasthan Legislative Assembly)

A

*Bill*

*further to amend the Rajasthan Excise Act, 1950.*

Be it enacted by the Rajasthan State Legislature in the Seventy-first Year of the Republic of India, as follows:-

**1. Short title and commencement.-** (1) This Act may be called the Rajasthan Excise (Amendment) Act, 2020.

(2) It shall be deemed to have come into force on and from 1<sup>st</sup>June, 2020.

**2. Amendment of heading of Chapter V, Rajasthan Act No. II of 1950.-** For the existing heading of Chapter V “Duties and Fees” of the Rajasthan Excise Act, 1950 (Act No. II of 1950), hereinafter referred to as the principal Act, the heading “Duties, Fees and Surcharge” shall be substituted.

**3. Insertion of section 28-A, Rajasthan Act No. II of 1950.-** After the existing section 28 and before the existing section 29 of the principal Act, the following new section shall be inserted, namely:-

**“28-A. Surcharge for mitigating natural or man-made calamities.-** (1) Any excisable article chargeable with duty under section 28, shall be chargeable with surcharge at such rate not exceeding 50 percent of the duty chargeable on such excisable article under section 28, as may be notified by the State Government, for the purpose of mitigating natural or man-made calamities like drought, flood, epidemic, public health exigencies, fire etc.

(2) The surcharge chargeable under sub-section (1) shall be in addition to any duty under section 28.

(3) Except as otherwise provided in sub-section (1), provisions of this Act shall, so far as may be, apply in relation to the surcharge, leviable under sub-section (1) as they apply in relation to the duty leviable under section 28.

(4) Save as provided in sub-section (3), the State Government may make rules for collection of surcharge leviable under this section.

(5) The surcharge collected under this section shall be utilized for the purpose of mitigating natural or man-made calamities like drought, flood, epidemic, public health exigencies, fire etc.”.

**4. Repeal and savings.-** (1) The Rajasthan Excise (Amendment) Ordinance, 2020 (Ordinance No. 6 of 2020) is hereby repealed.

(2) Notwithstanding such repeal, all things done, actions taken or orders made under the said Ordinance shall be deemed to have been done, taken or made under this Act.

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**STATEMENT OF OBJECTS AND REASONS**

With the enactment of the Rajasthan Goods and Services Tax Act, 2017 the State has limited powers for taxation and additional funds are required for the purposes of mitigating natural or man-made calamities like drought, flood, epidemic, public health exigencies, fire etc. The State is currently in grip of the COVID-19 pandemic and financial resources have been reduced both due to falling revenues as a result of economic standstill and the rising contingency expenses which are needed to combat this public health emergency. Therefore, in order to generate the funds, the State Government has decided to make amendment in the Rajasthan Excise Act, 1950. Accordingly, a new section 28-A in the Rajasthan Excise Act, 1950 is proposed to be inserted so as to levy a surcharge at such rate not exceeding 50 percent of the duty on excisable items as may be notified by the State Government.

Since, the Rajasthan State Legislative Assembly was not in session and circumstances existed which rendered it necessary for the Governor of Rajasthan to take immediate action, he, therefore, promulgated the Rajasthan Excise (Amendment) Ordinance, 2020 (Ordinance No. 6 of 2020) on 1<sup>st</sup> June, 2020, which was published in Rajasthan Gazette, Extraordinary, Part IV(B), dated 2<sup>nd</sup> June, 2020.

The Bill seeks to replace the aforesaid Ordinance.

Hence the Bill.

अशोक गहलोत,  
**Minister Incharge.**

**MEMORANDUM REGARDING DELEGATED  
LEGISLATION**

Clause 3 of the Bill, if enacted, shall empower the State Government to make rules for collection of surcharge leviable under section 28-A.

The proposed delegation is of normal character and mainly relates to the matters of detail.

**अशोक गहलोट,  
Minister Incharge.**

**EXTRACTS TAKEN FROM THE RAJASTHAN EXCISE  
ACT, 1950**

(Act No. II of 1950)

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**CHAPTER V**

**DUTIES AND FEES**

**28. Duty on excisable articles.-** An excise duty or a countervailing duty as the case may be, at such rate or rates as the State Government shall direct, may be imposed either generally or for any specified local area, on any excisable article imported or exported, or transported or manufactured, cultivated or collected under any Licence granted under this Act, or manufactured in any distillery, pot-still or brewery established or licensed under this Act.

**Explanation.-** Duty may be imposed under this section at different rates according to the places to which any excisable article or intoxicating drug is to be removed for consumption or according to the varying strength and quality of such article.

**29. Manner of levying duty.-** Subject to such rules regulating the time place and manner of payment, as the State Government may prescribe, such duty may be levied in such one or more ways as the State Government may by notification in the Official Gazette direct.

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