

THE SIKKIM MOTOR VEHICLES TAXATION (AMENDMENT) BILL, 2025
(BILL NO. 01 OF 2025)

A

BILL

further to amend the Sikkim Motor Vehicles Taxation Act, 1982.

Be it enacted by the Legislature of Sikkim in the Seventy Sixth Year of the Republic of India as follows:

Short title and commencement	1.	(1)	This Act may be called the Sikkim Motor Vehicles Taxation (Amendment) Act, 2025.										
		(2)	It extends to the whole of Sikkim.										
		(3)	It shall come into force on the date of its publication in the Official Gazette.										
Amendment of section 4	2.		In the Sikkim Motor Vehicles Taxation Act, 1982 (hereinafter referred to as the "said Act", in section 4, for the existing sub-section (1-B), the following shall be substituted, namely:- "(1-B) The State Government may, by notification in the Official Gazette, from time to time, increase the rate of additional tax as specified in schedule II for imposing an additional tax on registration of vehicles."										
Substitution of schedule II	3.		<p>In the Principle Act, for schedule II, the following new Schedule shall be substituted, namely :-</p> <p style="text-align: center;">"Schedule II</p> <p>1. Additional Tax applicable on registration of new vehicle as per the Invoice Cost of the vehicle:-</p> <p>(1) Registration of all private, government vehicles and public sector undertaking including two-wheelers (non-transport) shall be:-</p> <table><tr><td>(a) vehicles costing upto Rs. 2 lakhs</td><td>1%</td></tr><tr><td>(b) vehicles costing between Rs. 2 lakhs upto 4 lakhs</td><td>2%</td></tr><tr><td>(c) vehicles costing between Rs. 4 lakhs upto 10 lakhs</td><td>3%</td></tr><tr><td>(d) vehicles costing between Rs. 10 lakhs upto 25 lakhs</td><td>4%</td></tr><tr><td>(e) vehicles costing between Rs. 25 lakhs upto 50 lakhs</td><td>5%</td></tr></table>	(a) vehicles costing upto Rs. 2 lakhs	1%	(b) vehicles costing between Rs. 2 lakhs upto 4 lakhs	2%	(c) vehicles costing between Rs. 4 lakhs upto 10 lakhs	3%	(d) vehicles costing between Rs. 10 lakhs upto 25 lakhs	4%	(e) vehicles costing between Rs. 25 lakhs upto 50 lakhs	5%
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		(f) vehicles costing above Rs. 50 lakhs	6%
		(2) Registration of commercial Vehicles	
		(a) all taxis and all goods vehicle (below 10 lakhs)	1 %
		(b) all taxis and all goods vehicle (above 10 lakhs)	2 %
		(c) stages carriages (buses)	2 %
		(d) educational institute buses and buses owned by company and private organization	3 %
		(3) Registration of private service vehicles (omnibus registered as non transport vehicle)	3 %
		(4) Registration of Tractors or Trailers or Cranes or other equipment's.	2%
		(5) Registration of Ambulance or Fire tenders or Public Utility vehicles.	
		2. Additional tax applicable to Sikkim registered vehicles and brought for registration for transfer of ownership or replacement and allotment of new registration mark	
		1. All vehicles including transport and non transport;	
		(a) Motor cycle and motor cycle combinations: -	
		(i) engine capacity up to 80 cc	1000/-
		(ii) engine capacity above 81 cc to 170 cc	1500/-
		(iii) engine capacity above 171 cc to 250 cc	2000/-
		(iv) engine capacity above 251 cc to 350 cc	2500/-
		(v) engine capacity above 351 cc 500 cc	4500/-
		(vi) engine capacity above 500 cc	7500/-
		(b) Motor cars:-	
		(i) engine capacity up to 900 cc	10000/-
		(ii) engine capacity above 901 cc to 1490 cc	15000/-
		(iii) engine capacity above 1491 cc to 2000 cc	20000/-
		(iv) engine capacity above 2001 cc	25000/-
		3. Additional tax shall also be applicable to vehicles registered in other States and brought to Sikkim for registration based on NOC from other States at the rate of 50 % of the rates specified at sl no 2 of schedule II above.	

			<p>4. In case the vehicles are bought from vehicle dealers from outside the State, in spite of the vehicle dealers being available in the State of Sikkim, Additional Tax at the rate of 50 % more than that specified in sl no. 1 of schedule II shall be levied.</p> <p>5. No Additional Tax shall be levied on commercial electric or hybrid or battery-operated vehicles.</p> <p>6. On non-transport electric or hybrid or battery-operated vehicles, Additional Tax shall be levied at the rate of 1 percent of the cost of vehicle as per invoice.”</p>
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FINANCIAL MEMORANDUM

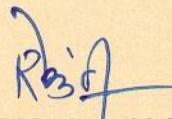
The Bill, if enacted and brought into operation would not involve any expenditure from the consolidated fund of the State.

RECOMMENDATION OF THE GOVERNOR UNDER ARTICLE 207 (1) OF THE CONSTITUTION OF INDIA.

The Governor having been informed of the Bill has been pleased to recommend the introduction and consideration of the said Bill by the Sikkim Legislative Assembly.

MEMORANDUM REGARDING DELEGATED LEGISLATION

-Nil-



Raj Yadav, IAS,

Commissioner-cum Secretary to the Government,

Transport Department.
Commissioner-cum Secretary
Transport Department
Government of Sikkim

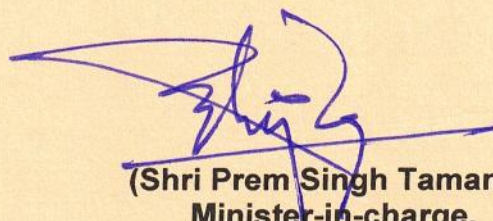
STATEMENT OF OBJECTS AND REASONS

In order to facilitate the general public of Sikkim and for the augmentation of government revenue, promote and safeguard the interest of local entrepreneurs, promotion of electric vehicles, encourage the scrapping of old and polluting vehicles, the State Government has deemed it expedient to bring about an amendment in the Sikkim Motor Vehicles Taxation Act, 1982, by:-

- (1) enhancing the additional tax applicable on all categories of vehicles by substitution of schedule II,
- (2) enhancing the additional tax to 50 % more than that specified in schedule II, in case the vehicles are bought from vehicle dealers outside the State in spite of having vehicle dealers in the State of Sikkim,
- (3) providing an exemption of additional tax on all commercial electric vehicles as applicable under schedule II of the Sikkim Motor Vehicles Taxation Act, 1982 and
- (4) reducing the additional tax on non-commercial electric vehicles to 1 % as applicable under schedule II of the Sikkim Motor Vehicles Taxation Act, 1982.

These amendments would augment government revenue, encourage the public to purchase the vehicles from local dealers, promote electric vehicles and encourage the scrapping of old and polluting vehicles.

With this object in view, this Bill has been framed.



**(Shri Prem Singh Tamang),
Minister-in-charge,
Transport Department,
Government of Sikkim.**