

Under rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 10th November, 2010 is published together with Statement of Objects and Reasons for general information:—

**L.A. BILL No. 35 OF 2010**

***A Bill further to amend the Tamil Nadu Motor Vehicles Taxation Act, 1974.***

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-first Year of the Republic of India as follows:—

**1.** (1) This Act may be called the Tamil Nadu Motor Vehicles Taxation (Second Amendment) Act, 2010.

(2) It shall come into force on such date as the Government may, by notification, appoint.

**2.** In the First Schedule to the Tamil Nadu Motor Vehicles Taxation Act, 1974, in class 8 and the entries relating thereto, the following proviso shall be added, namely:—

“Provided that the educational institution buses and other vehicles granted temporary permit for the purposes referred to in item (a), (b) or (c) under section 87 (1) of the Motor Vehicles Act shall pay separate tax excluding the driver seat at the following rates:—

(i) Educational institution buses when used for the transport of students and staff of the institution concerned.

Short title and Commencement.

Amendment of First Schedule.

Rs.30/- per seat for seven days or part thereof.

(ii) Other vehicles when used for transport of staff of the institution concerned.

Rs.90/- per seat for seven days or part thereof.

(iii) Educational institution buses and other vehicles used for other purposes other than those specified in clauses (i) and (ii) above.

Rs.30/- per seat per day.”.

**STATEMENT OF OBJECTS AND REASONS**

At present, permits are granted under Motor Vehicles Act, 1988 (Central Act 59 of 1988) for the use of vehicles as private service vehicle or educational Institutions bus for the purpose of carrying persons in connection with the trade or business of the owner of the vehicle or for the purpose of transporting students and staff of the educational institutions and tax is levied under Class 8 of the First Schedule to the Tamil Nadu Motor Vehicles Taxation Act, 1974 (Tamil Nadu Act 13 of 1974).

2. Now, it has been brought to the notice of the Government that the above said vehicles are used for the purposes other than those specified in the permit granted under the said Central Act. In order to curb such misuse of the above said vehicles, it is proposed to levy separate tax in respect of the above said vehicles plying on the roads for the purposes specified in temporary permit for the purposes referred to in item (a), (b) or (c) under sub-section (1) of Section 87 of the said Central Act. The Government have, therefore, decided to amend the said Tamil Nadu Act 13 of 1974 for the purpose in view.

3. The Bill seeks to give effect to the above decision.

**K.N. NEHRU,**  
*Minister for Transport.*

**M. SELVARAJ,**  
*Secretary.*