

PART I
LEGISLATIVE DEPARTMENT
Notification

The 26th June, 2001

No. Leg. 11/2001. – The following Act of the Legislative of the State of Haryana received the assent of the Governor of Haryana on the 20th June, 2001, and is hereby published for general information.

Haryana Act No. 10 of 2001
THE HARYANA LOCAL AREA DEVELOPMENT TAX (AMENDMENT)
ACT, 2001
AN
ACT

further to amend the Haryana Local Area Development Tax Act, 2000.

BE it enacted by the Legislature of the State of Haryana in the Fifty-second Year of the Republic of India as follows: -

1. (1) This Act may be called the Haryana Local Area Development Tax (Amendment) Act, 2001.

Short title and commencement

(2) It shall come into force at once.

2. For the existing preamble of the Haryana Local Area Development Tax Act, 2000 (hereinafter called the principal Act), the following preamble shall be substituted, namely: -

Substitution of preamble of Haryana Act 13 of 2000

“to provide for levy and collection of tax on the entry into a local area of the State of Haryana, of a motor vehicle for use or sale, and of other goods for use or consumption, therein and matters incidental thereto and connected therewith.”.

3. After Chapter II of the principal Act, the following Chapter shall be inserted, namely: -

Insertion of Chapter IIA in Haryana Act 13 of 2000

“CHAPTER IIA

4A. Definitions. –In this Chapter, unless the context otherwise requires, -

- (a) “accessories” means air-conditioners, music systems and any other articles fitted to a motor vehicle not included in the original invoice;
- (b) “bring motor vehicle into a local are” means causing the entry of motor vehicle into a local are by bringing it inside the local area or causing it to be brought inside the local area from any place outside the local area;
- (c) “entry of motor vehicle into a local are” with all its grammatical variations and cognate expressions means of motor vehicle into a local are from any place outside it for use or sale therein;

- (d) “importer of a motor vehicle” means a person who brings a motor vehicle into a local area from any place outside the local area for use or sale therein and who owns the motor vehicle at the time of its entry into a local area and includes a person who owns the motor vehicle at the time of its registration in the State under the Motor Vehicles Act, 1988 (59 of 1988);
- (e) “motor vehicle” means any vehicle registered or liable to be registered under the Motor Vehicle Act, 1988 (59 of 1988);
- (f) “purchase value of a motor vehicle” means the value of motor vehicle as ascertained from the invoice and includes the value of accessories fitted to the vehicle, insurance, excise duty, countervailing duties, sales tax, transport fee, freight charges and all their charges incidentally levied on the purchase of a motor vehicle:

Provided that if purchase value of a motor vehicle is not ascertained on account of non-availability or non-production of invoice or when the invoice produced is proved to be false or if the motor vehicle is acquired or obtained otherwise than by way of purchase, then the purchase value of a motor vehicle.

4B. Levy of tax.-(1) Notwithstanding anything contained in Section 3 of this Act, there shall be levied and collected a tax on the entry of a motor vehicle into a local area for use or sale therein:

Provided that such motor vehicle is liable for registration or assignment of a new registration mark in the State under the Motor Vehicle Act, 1988 (59 of 1988):

Provided further that no tax shall be levied and collected in respect of a motor vehicle which was registered in any Union Territory or any other State under the Motor Vehicles Act, 1988 (59 of 1988), for a period of fifteen months or more before the date on which it is registered in the State under that Act.

(2) The tax shall be levied on purchase value of a motor vehicle at the rate equal to the difference between the sales tax rate applicable in the State and the sales tax or the central sales tax rate charged on the sale of the motor vehicle in the invoice relating to the purchase of the vehicle:

Provided that the sales tax rate applicable in the State for the purpose of this section shall be taken as on the date mentioned in the invoice relating to the purchase of the motor vehicle:

Provided further that if no invoice in respect of purchase of the motor vehicle is produced or if the invoice does not show the rate of sales tax or central sales tax, as the case may be, charged, then the tax rate applicable under this section shall be the rate of sales tax applicable in the State on the date of assessment.

4C. Computation and payment of tax. – (1) The importer of a motor vehicle shall, before its registration under the Motor Vehicles Act, 1988 (59 of 1988), in the State, compute his liability to pay tax under this Act by multiplying the purchase value of a motor vehicle with the rate of tax levied under Sub-section (2) of

Section 4B of this Act. He shall deposit the tax so computed in the Government treasury under the Head of the Account “0042-Taxes on Goods and Passengers (1) 106- Tax on entry of Goods into Local Area; (3) Haryana Local Area Development Tax” and shall produce the computation sheet along with the invoice relating to the purchase of the motor vehicle and the treasury receipt in respect of payment of tax before the assessing authority of the circle in which his business is situate. The assessing authority shall check the computation of tax liability and verify the payment of tax and shall issue a notice of assessment and demand to the importer of a motor vehicle in respect of the motor vehicle making mention of Engine No. and Chassis No. of the motor vehicle shall, if any tax is found due against him, make payment of the tax due and produce the proof of payment before the assessing authority concerned who shall endorse the fact of payment on the notice of assessment and demand issued earlier by him.

(2) If the importer of a motor vehicle fails to pay tax due from him before registration of the motor vehicle under the Motor Vehicles Act, 1988 (59 of 1988), in the State, then the assessing authority may, at any time before the expiry of three years of such registration, assess such importer of a motor vehicle to tax and charge interest from him computed at the rate of two percent per month for the first twelve months and at the rate of three percent per month vehicles under Motor Vehicles Act, 1988 (59 of 1988), in the State to the date of assessment after giving him a reasonable opportunity of being heard and the tax and interest so assessed shall, on failure to pay the same within the time specified in the notice of assessment and demand which shall not be less than fifteen days and not more than thirty days, be recoverable as arrears of land revenue.

(3) Save as provided under Sub-sections (1) and (2) above and Section 9 of this Act, the other provisions of this Act, relating to maintenance of account and assessment including filing of returns, shall not apply to an importer of a motor vehicle.

4D. Exemption of tax in certain circumstances. – Where any person brings a motor vehicle into a local area for his personal use within a period of fifteen months from the date of the registration in any Union Territory or any other State under the Motor Vehicles Act, 1988 (59 of 1988), and that such entry is occasioned as a result of shifting the place of his residence from such Union Territory or State into this State, Commissioner may, by order in writing, on application made to him in this regard, exempt such person from the payment of entry tax on entry of such vehicle subject to production of proof in this regard by him.”.

4. (1) The Haryana Local Area Development Tax (Amendment) Ordinance, 2001 (Haryana Ordinance NO, 1 of 2001), is hereby repealed.

Repeal and saving

(2) Notwithstanding such repeals, anything done or any action taken under the said Ordinance, shall be deemed to have been done or taken under this Act.

L.N.Mittal,
Secretary to Government, Haryana,
Legislative Department.