The Haryana Local Area Development Tax Act, 2000

Act 13 of 2000

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Amendment Appended: 10 of 2001, 18 of 2002, 18 of 2003, 4 of 2007

PART I

LEGISLATIVE DEPARTMENT

Notification

The 19th September, 2000

No. Leg. 24/2000.—The following Act of the Legislature of the State of Haryana received the assent of the Governor of Haryana on the 19th September, 2000, and is hereby published for general information:—

HARYANA ACT No. 13 OF 2000

THE HARYANA LOCAL AREA DEVELOPMENT TAX ACT, 2000

AN

ACT

to provide for levy and collection of tax on the entry of goods into the local areas of the State of Haryana for consumption, use or sale therein and matters incidental thereto and connected therewith.

Be it enacted by the Legislature of the State of Haryana in the Fifty-first Year of the Republic of India as follows :—

CHAPTER I

Preliminary

1. (*1*) This Act may be called the Haryana Local Area Development Tax Act, 2000. — Short title, extent and commencement.

(2) It extends to the whole of the State of Haryana.

(3) It shall be deemed to have come into force with effect from 5th May, 2000.

2. In this Act, unless the context otherwise requires,— — Definitions.

(*1*) "appellate authority" means any person appointed by the State Government by notification in the Official Gazette to hear appeals under this Act;

(2) "assessee" means a person by whom tax is payable;

(3) "assessing authority" means any person appointed by the State Government by notification in the Official Gazette to act as an assessing authority under this Act;

(4) "Assistant Excise and Taxation Officer" means an officer appointed as such by the State Government, by notification, in the Official Gazette;

(5) "bring goods into a local area" means causing the entry of goods into a local area by bringing them inside the local area or causing the goods to be brought inside the local area from any place outside the local area;

(6) "business" includes any trade, commerce, manufacture, works contract, leasing or any adventure or concern in the nature of trade, commerce, manufacture, works contract or leasing, whether or not, such trade, commerce, manufacture, works contract, leasing, adventure or concern is carried on regularly and with a motive to make gain or profit and whether or not any profit accrues from such trade, commerce, manufacture, works contract leasing, adventure or concern and any transaction in connection with or incidental or ancillary to such trade, commerce, manufacture, works contract, leasing, adventure or concern;

(7) "Commissioner" means the Commissioner appointed under sub-section (1) of section 3 of the Haryana General Sales Tax Act, 1973 (Haryana Act 20 of 1973);

(8) "Deputy Excise and Taxation Commissioner" means an officer appointed as such by the State Government by notification, in the Official Gazette;

(9) "entry of goods into a local area" means taking or bringing goods into a local area from any place outside the State or from any place inside any other local area in the State;

(10) "goods" means all kinds of movable property and includes livestock;

(11) "goods carrier" means any kind of vehicle of transport of goods including pipeline, motor vehicle, boat, riding animal, beast of burden, push cart, animal drawn cart, tractor-trailer and the like;

(12) "gross turnover" used in relation to an importer with reference to a period of time means the sum of value of goods which the importer brings or receives on the entry of such goods into a local area during the given period;

(13) "importer" means any person who, in the course of business, whether on his own account or on account of a principal or any other person, brings any goods into or receives or is entitled to receive any goods on their entry into a local area and includes a casual importer;

(14) "local area" means an area within the limits of a Municipal Corporation established under the Haryana Municipal Corporation Act, 1994 (Haryana Act 16 of 1994), or a municipality established under the Haryana Municipal Act, 1973 (Haryana Act 24 of 1973), or a Town Board or a Cantonment Board established under the Cantonment Act, 1924 (Central Act 2 of 1924), or a Zila Parishad established under the Haryana Panchayati Raj Act, 1994 (Haryana Act No. 11 of 1994), or any other local authority constituted or continued under any law for the time being in force;

(15) "manufacturer" means a person who carries on business of processing or manufacturing of goods, whether wholly or partly;

(16) "month" means a calendar month;

(17) "person" shall include a company, an association or body of individuals, whether incorporated or not, an undertaking of the Government of Haryana, the Central Government or any other State Government or local authority, the Central Government or a State Government;

(18) "place of business" means any place where an importer is doing business and includes—

(i) any warehouse, godown, or other place where the importer stores or processes his goods;

(ii) any place where the importer produces or manufactures goods;

(iii) any place where the importer keeps his books of accounts;

(iv) any place where the importer carries on business through an agent (by whatever name called), the place of business of such agent;

(19) "prescribed" means prescribed by or under the rules framed under this Act;

(20) "quarter" means a period of three calendar months ending on 30th June, 30th September, 31st December or 31st March;

(21) "receive any goods" means to take delivery or possession of any goods, whether actual or constructive, or cause the goods to be received by any other person;

(22) "registered importer" means an importer registered under this Act;

(23) "Sale tax" means the tax leviable in the State under the Haryana General Sales Tax Act, 1973 (Haryana Act 20 of 1973), or under the Central Sales Tax Act, 1956 (Central Act 74 of 1956);

(24) "Schedule" means a schedule appended to this Act;

(25) "State" means the State of Haryana;

(26) "tax" means the tax leviable under this Act;

(27) "taxable goods" means the goods which are not included in Schedule 'A'.

(28) "turnover" used in relation to any assessee means the aggregate of the value of goods which the assessee brings or receives in any local area for consumption or use therein during any given period and determined in accordance with the provisions of this Act and the rules made thereunder;

(29) "value of the goods" means the purchase value of such goods, that is to say, the purchase price at which an importer has purchased the goods inclusive of charges borne by him as cost of transportation, packing, forwarding and handling charges, commission, insurance, taxes, duties and the like, or if such goods have not been purchased by him, the prevailing market price of such goods in the local area;

(30) "works contract" means any agreement for carrying out for cash, deferred payment or other valuable consideration, the construction, fitting out, improvement, maintenance or repair of any building, road, bridge or any other immovable property, or manufacture, processing, fabrication, erection, installation fitting out, improvement, modification, repair, conversion or commissioning of any movable property;

(31) "Year" means the year commencing on the 1st day of April.

CHAPTER II

Levy of Tax

Levy of tax.

3. (1) There shall be levied and collected a tax on entry into a local area, of all goods except those specified in Schedule A, for consumption or use therein, at such rates not exceeding four per cent of the value of the goods, as may, by notification, be specified by the State Government, and different dates and different rates may be specified in respect of different goods or different classes of goods or for different local areas.

(2) The tax levied under sub-section (1) shall be paid by the importer:

Provided that an importer shall not be liable to pay tax so long as the aggregate value of taxable goods he brings into or receives on their entry into any local area does not, in a year exceed ten lakh rupees or such other sum as the State Government may, by notification, specify:

Provided further that an importer who has once become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years during each of which the aggregate value of any taxable goods he brings into or receives on their entry into any local area does not exceed the amount specified in the first proviso to this sub-section.

Explanation.—Where the goods are received on its entry into a local area by a person other than an importer, the importer, if any, who further receives the goods from such person shall be deemed to have received the goods on entry into the local area.

(3) The tax shall be levied, assessed and collected in such manner and in such instalments, if any, as may be prescribed.

Registration.

4. Every importer who is liable to pay tax under sub-section (2) of section 3 of this Act shall get himself registered under this Act in such manner on payment of such fee and within such period as may be prescribed:

Provided that an importer who is fully exempt from payment of tax by virtue of notification issued under section 11 of this Act, shall not be required to obtain registration under this Act so long as such notification remains in force.

CHAPTER III

Return, Assessment, Payment, Recovery and Collection of Tax

Deduction from gross turnover.

5. (1) In calculating the turnover liable to tax for a period, an importer may deduct from his gross turnover during that period —

(a) the value of goods specified in Schedule A;

(b) the value of goods which have, without use or consumption, been delivered outside the local area;

(c) the value of goods which have been subjected to tax once under this Act, either as such or in some other form;

(d) the value of goods on which sales tax has been paid or has become payable to the State;

(e) the value of plant, machinery, equipment and tools, brought or received on lease;

(f) the value of goods left in the stock, whether as such or in different form, lying with him in the local area, except when the certificate of registration issued under this Act is cancelled :

Provided that the value of goods deducted under this clause shall, except when the certificate of registration issued under this Act is cancelled, form part of the turnover for the period immediately succeeding:

Provided further that the value of plant, machinery, equipment and tools, if forming part of the turnover, may form part of the closing stock, if capitalised; and

(g) the value of such other goods as may be prescribed.

Explanation.—For the purpose of this sub-section deduction of value of only such goods shall be admissible which forms part of gross turnover of the importer and if value of certain goods have been deducted under one clause then it shall not be deducted under any other clause.

(2) The deductions claimed under sub-section (1) of this section shall be subject to production of such proof in such form and in such manner as may be prescribed. The assessing authority may ask for any relevant evidence to satisfy itself about the genuineness and correctness of the proof furnished.

Returns and assessment.

6. (1) (a) Every importer registered under this Act and every importer whose application for the registration under this Act is pending with the assessing authority shall every year or at such shorter

intervals as may be prescribed, submit a return to the assessing authority within such period and in such manner containing such particulars as may be prescribed. The pro forma of return, the interval of period at which and the time period within which a return is required to be filed may be prescribed differently for different class of of importers, *inter alia*, depending upon the extent of business, annual tax liability and the class of goods usually dealt in:

Provided that an importer who has become liable to pay tax under this Act on any day falling between 5th May, 2000 and 30th June, 2000 (both days inclusive) shall file the return for the period from the date of liability to pay tax by him to 30th June, 2000 by 30th September, 2000 and shall pay the tax due according to such return accordingly as required under clause (*b*).

(*b*) Before any importer submits any return under clause (*a*), he shall in the prescribed manner pay the full amount of tax payable by him on the basis of such return and shall furnish along with the return proof of the payment of such tax. The amount of tax so paid shall when the final assessment is made, be deemed to have been paid towards the tax finally assessed.

(*c*) If no return is submitted by an importer under clause (*a*) within ninety days of its due date, the assessing authority shall, before expiry of a period of three years from the last day of the year to which or a part of which the return relates, proceed to assess the importer to the best of its judgement for the return period, recording the reasons for such assessment and while so assessing, the assessing authority may, subject to such rules as may be prescribed presume that the turnover of the importer for the period under assessment has been not less than the turnover for the corresponding period of the previous year:

Provided that before taking action under this sub-section, the importer shall be given a reasonable opportunity of being heard.

(*d*) Save as provided in clause (*c*)—

(*i*) if the assessing authority is satisfied that any return submitted under clause (*a*) is correct and complete, he shall assess the importer on the basis thereof;

(*ii*) if the return submitted by an importer under clause (*a*) appears to the assessing authority for good and sufficient reasons, to be recovered in writing, to be incorrect or incomplete, the assessing authority shall, before expiry of a period of three years from the last day of the year to which or a part of which the return relates, assess him to the best of its judgement recording the reasons for such assessment:

Provided that before taking action under this clause the importer shall be given a reasonable opportunity of proving the correctness and completeness of the return submitted by him.

(e) If upon information which has come into his possession, the assessing authority is satisfied that any importer has been liable to pay tax under this Act in respect of any period but has failed to apply for registration, then the assessing authority shall, within three years after the expiry of such period, after giving the importer a reasonable opportunity of being heard, proceed to assess, to the best of its judgement, the amount of tax, if any, due from the importer in respect of such period and all subsequent periods and in case where such importer wilfully failed to apply for registration, the assessing authority may direct that the importer shall pay by way of penalty a sum equal to the amount of tax assessed and found due against him.

Explanation.—For the purposes of this clause, an importer shall be deemed to have failed to apply for registration, if he makes an incomplete application for registration or having made an application for registration, fails to comply with any direction given to him by the assessing authority within the time specified for the purpose.

(2) If the assessing authority has reasons to believe that the whole or any part of the turnover of an assessee has escaped assessment of tax or has been under-assessed or has been assessed at a rate lower than the rate at which it is assessable under this Act or any deduction or exemption has been wrongly allowed in respect thereof, the assessing authority may, notwithstanding the fact that whole or part of such escaped turnover or value of taxable goods was already before the said authority at the time of original assessment or re-assessment, subject to the provisions of sub-section (4), at any time within a period of three years from the date of framing of the assessment or re-assessment made before, proceed to assess or re-assess to the best of its judgement the tax payable by the assessee in respect of such turnover, after giving him a reasonable opportunity of being heard and after making such enquiry as it may consider necessary.

(3) In computing the period of limitation for assessement or re-assessment under this section,—

(a) the time during which the proceedings for assessment in question have been deferred, on account of any stay order granted by any court or any other authority, shall be excluded;

(b) the time during which the assessment has been deferred, in any case or classes of cases by the Commissioner, for reasons to be recorded in writing, shall be excluded:

Provided that nothing contained in this section limiting the time within which the assessment may be made shall apply to an assessment made on the assessee in consequence of, or to give effect to any finding, direction or order made on appeal or revision under this Act, or any judgement or order made by any court or any other competent authority.

(4) Where an assessment under this section is not concluded within the time, if any, specified therein, the turnover of goods, declared by the assessee in his return, shall be deemed to have been assessed on the basis of the said return and the provisions of this Act relating to assessment, re-assessment, payment and recovery of tax, appeal and revision shall *mutatis mutandis* apply to such deemed assessment.

(5) While making any assessment of tax, the authority making the assessment shall also calculate the amount of tax payable by the assessee for each return-period under assessment, and shall, if the amount of tax calculated by it for any period is five per cent more than the sum of tax paid by the assessee for that period up to the last date prescribed for filing of the return for the said period, direct him to pay, in addition to the amount of tax calculated by it, interest on the amount of difference between the tax calculated and the tax paid, computed at the rate of two per cent per month for the first twelve months and at the rate of three per cent per month for the remaining period of time beginning with the day following the last date prescribed for filing of the return, notwithstanding whether the return was filed late or was not filed, to the date of payment or the date of framing assessment, whichever is earlier.

(6) The amount of any tax due according to the return filed by an assessee remaining unpaid shall be recoverable, along with interest assessable under this section as arrears of land revenue.

Burden of proof and penalty for furnishing false evidence.

7. (1) For the purposes of assessment of tax under this Act, the burden of proving that the turnover disclosed in any return filed under section 6, or stock of any goods held by any person are not leviable to tax under this Act or exempt from tax or leviable to tax at a rate lower than the rate notified under sub-section (1) of section 3, shall be on such person.

(2) If any authority under this Act, during the course of any proceeding before it, finds that any person has, with a view to claim that he or any other person is not liable to pay tax on entry of any goods into a local area or is liable to pay tax at a rate lower than the rate applicable, made, furnished or issued any cash-memorandum, bill of sale, delivery note, voucher, declaration, certificate or any other document produced before such authority in respect of such goods, which such authority has reasons to believe that such person knows or has reasons to believe to be false or incorrect, then such assessing authority, may, after holding such further enquiry as it may consider necessary, direct such person to pay by way of penalty an amount equal to the tax payable or additionally payable on entry of such goods;

Provided that before issuing any direction for payment of penalty under this sub-section, such authority shall give to the person concerned an opportunity of being heard against the levy of such penalty.

Security deposit.

8. (*1*) The assessing authority may, for good and sufficient reasons, demand from any assessee liable to pay tax under this Act, security for the timely discharge of his outstanding and anticipated tax liability, and on such demand such assessee shall furnish the same within one month from the date of receipt of an order demanding security from the aforesaid authority.

(*2*) The amount of security demanded under sub-section (*1*) for anticipated tax liability shall not, unless the assessee is in default of filing of return or payment of tax due according to the returns filed by him, exceed an amount equivalent to the tax anticipated to be payable by the assessee for a year ;

Provided that the assessing authority shall have power to demand at any time additional security if it has reasons to believe that the security obtained was not sufficient after affording the assessee an opportunity of being heard.

(*3*) The security furnished under sub-section (*2*), shall be maintained in full until it is dispensed with by the assessing authority on being satisfied that the reason for its demand no longer exists.

Payment and recovery of tax.

9. (*1*) The amount of any tax or interest assessed and penalty imposed under this Act by any authority shall be paid by the assessee in the manner prescribed by , such date as may be specified in the notice of demand served upon the assessee and the date to be specified shall not be less than fifteen days but not more than thirty days from the date of service of such notice:

Provided that the prescribed authority, may, in the manner and subject to such conditions, as may be prescribed, in respect of any assessee, for reasons to be recorded in writing, extend the date of payment, specified in the notice of demand, or allow such importer to pay the amount due by instalments against an adequate security, subject to payment of interest for the extended period/period of instalments till the actual date of payment at the rate specified in sub-section (*5*) of section 6 of this Act.

(*2*) The amount of any tax, interest and penalty imposed under this Act, which remains unpaid after the due date shall be recoverable as arrears of land revenue.

(*3*) Notwithstanding anything contained in the proviso to sub-section (*1*), if the amount specified in any notice of demand whether as tax or penalty is not paid within the time specified therein from the date of service of the notice, the importer shall be liable to pay simple interest on such amount for the period beginning with the day following the last date for making payment and ending with the date of payment (inclusive), calculated at the rate of two per cent per month for the first twelve months and at the rate of three per cent per month for the remaining period. The period during which recovery of any amount remained stayed by order of any competent authority or court, shall not be excluded for the purpose of calculation of interest :

Provided that where any order of assessment of tax or penalty is modified, amended or rectified by order of any court or competent authority, the interest shall be charged on the amount ultimately found due.

(4) Where during the pendency of any proceedin under this Act, any person liable to pay any tax or other dues creates a charge on, or transfers, any immovable property belonging to him in favour of any other person with the intention of defrauding the State of any such tax or other dues, such charge or transfer shall be void as against any claim in respect of any tax or other dues payable by such person as a result of the completion of the said proceedings.

Power to withhold refund in certain cases.

10. (1) Where an order giving rise to refund is the subject-matter of an appeal, revision, reference or re-assessment and the authority competent to grant such refund is of the opinion that the grant of refund is likely to adversely affect the revenue, such authority may, with the prior approval of the Commissioner, withhold the refund till such time as the Commissioner may determine which may at the most extend to finalisation of the pending proceeding :

Provided that if the affected person at any time furnishes security equal to the amount of refund due to him in the form of either bank guarantee from a Scheduled Bank or deposit in post office saving bank account or saving certificates or bonds of the Government of India, pledged to the assessing authority, he shall forthwith be allowed refund of the amount due to him.

Power of State Government to exempt or reduce tax.

11. (1) The State Government may, if in its opinion it is necessary in public interest so to do, by notification and subject to such restrictions and conditions and for such period as may be specified in the notification, exempt or reduce the tax payable by any class of importers under this Act.

(2) Where any restriction or condition specified under a notification issued under sub-section (1) is contravened or is not observed by an importer or where a declaration, if any, specified under the said notification for observance of any condition or restriction imposed therein, furnished is found to be wrong, then such importer shall, in addition to tax calculated at the full rate, notified under sub-section (1) of section 3, on the value of such goods in respect of which such contravention or non-observance has taken place or a wrong declaration has been furnished, be liable to pay interest in terms of sub-section (5) of section 6 of this Act :

Provided that before taking action under this sub-section, the importer shall be given a reasonable opportunity of being heard.

CHAPTER IV

Tax Authorities and the Tax Administration

The authorities and the administration of tax.

12. (1) Subject to other provisions of this Act and the rules framed thereunder, the authorities for the time being empowered to assess, collect and enforce payment of tax, interest and penalty under the Haryana General Sales Tax Act, 1973 (hereinafter called the "Sales Tax Act"), shall assess, collect and enforce payment of tax, interest and penalty, payable by an assessee under this Act as if tax, interest and penalty payable by such an assessee under this Act is a tax, interest or penalty payable under the Sales Tax Act, and for this purpose they may exercise all or any of the powers they have under the Sales Tax Act, and the provisions of the Sales Tax Act relating to registration of the transferee of any business, imposition of the tax liability of a person carrying on business on the transferee of, or successor to such business, transfer of liability of any firm or Hindu Undivided Family to pay tax in the event of the dissolution of such firm or partition of such family, recovery of tax from legal heirs or representatives in case of discontinuance of business due to death of a dealer, appeal, review, revision, reference, rectification of clerical and arithmetical mistakes, power to take evidence on oath, power to determine as to who is a dealer, power to call for information from banking companies etc., power to transfer proceedings, delegation of powers, attendance through authorised agents, information to be furnished regarding change of business, treatment of documents furnished by an assessee as confidential and other related matters, shall apply, *mutatis mutandis*, accordingly, and for this purpose an assessee under this Act shall possess the same rights and be under obligation to discharge the same liabilities as an importer under the Sales Tax Act :

Provided that power of review shall not be exercised by any authority other than the Commissioner and the appellate authorities.

(2) (*a*) The State Government or the Commissioner may, from time to time, issue such orders, instructions and directions to all officers and persons employed in the execution of this Act as they may deem fit for the administration of this Act and all such officers and persons shall observe and follow such orders, instructions and directions of the State Government and the Commissioner.

(*b*) Without prejudice to the generality of the foregoing power, the Commissioner may, on his own motion, or on an application by an importer or a body of importers, accompanied by proof of payment of such fee in such manner, as may be prescribed, if he considers it necessary or expedient so to do, for the purpose of maintaining uniformity in the work of assessments and collection of revenue or for the removal of any doubt, clarify any point relating to levy, assessment and collection of tax payable under this Act and all officers and persons employed in the execution of this Act shall observe and follow such clarification :

Provided that no such orders, instructions or directions shall be issued so as to interfere with the discretion of any appellate authority in the exercise of its appellate functions ;

Provided further that any clarification issued at the instance of an importer or a body of importers shall be binding on the querist.

CHAPTER V

Maintenance of Accounts, Inspection of Business Premises and Accounts, Checking of Goods in Movement, etc.

Maintenance of accounts by importers, issue of sale bills or cash memorandum.

13. (1) Every importer registered under this Act and every importer who is liable for registration shall maintain and keep true and complete accounts relating to his business as well as such other registers or records as may be prescribed in this regard. All such accounts, registers or records shall be retained by the importer in his safe custody till his assessment or re-assessment for the relevant year is completed or in cases where any appeal, revision, reference or other proceedings in respect of such year has been filed and is pending, the same is disposed of, or for a period of at least six years from the end of the year to which these relate, whichever is later.

(2) Every importer registered under this Act and every importer whose application for registration under this Act is pending with the assessing authority shall, save as specified in sub-section (3) of this section, issue —

(i) in respect of all goods sold by him, a bill of sale or cash memorandum, as the case may be ;

(ii) in respect of goods delivered or despatched by him otherwise than by way of sale, a delivery note;

(iii) in respect of goods purchased by him and in respect of which the selling importer has not issued any bill of sale or cash memorandum, a purchase invoice ;

(iv) in respect of goods brought or received by him and in respect of which the consignor has not issued a delivery note, an inward delivery note,

signed and dated by him, showing particulars of his name, address including address of additional place of business, telephone number, fax number, e-mail address, web site address etc., if any, registration number, if any, all of which remain pre-printed on the head of the document, and full description, quantity and value of the goods sold, delivered, or brought and shall keep the carbon copy or in case of computerised accounts an identical computer print-out of such bill of sale, cash memorandum or delivery note with him and retain it in his custody for the period mentioned in sub-section (1) :

Provided that the selling importer or consignor shall also obtain and record in the sale bill, cash memorandum or delivery note, as the case may be, the name and full address of the buyer or consignee, together with his registration number, if any, where the buyer or consignee is an importer :

Provided further that the provisions of this sub-section shall not apply in respect of a sale, purchase or consignment of goods value of which does not exceed five hundred rupees or such other higher amount as may be prescribed :

Provided further that a cash memorandum or bill of sale, as the case may be, shall be issued to every customer, on demand, even though the value of goods sold to him does not exceed five hundred rupees.

(3) An importer shall not be required to issue a separate sale bill, cash memorandum or delivery note in respect of any goods respecting which he has issued a document in accordance with the requirement of the Central Excises and Salt Act, 1944 (Act 1 of 1944) or the Haryana General Sales Tax Act, 1973 (Haryana Act 20 of 1973) or the Central Sales Tax Act, 1956 (Central Act 74 of 1956), as the case may be, which meets with the requirement of sub-section (2) .

(4) Every document required to be issued or used as per sub-section (2), shall be serially machine numbered or printed before hand and the importer shall, from time to time, keep the assessing authority posted with the information relating to series of serial numbers of such documents in use.

Power to order production of accounts and power of entry, inspection and seizure.

14. (1) The Commissioner or an officer not below the rank of Assistant Excise and Taxation Officer may, for the purposes of this Act, require any importer carrying on business in any goods to produce before him the accounts and other documents, and to furnish any information relating to the stocks of the goods or purchases, sales, receipts and deliveries of the goods by the importer and also any other information relating to his business.

(2) (a) All accounts and registers maintained by an importer in the course of his business and documents relating to stock, purchase, sale, receipt and delivery of goods, the goods in his possession and all offices, shops, godowns, vessels receptacles and vehicles used by him in relation to his business, shall be open to inspection at all reasonable times by the Commissioner or an officer not below the rank of Assistant Excise and Taxation Officer.

(b) For the purpose of inspection referred to in clause (a), any such officer shall have power to enter and search any office, shop, godown, vessel, receptacle, vehicle or any other place of business or any building or place where such officer has reasons to believe that the importer keeps or is for the time being keeping goods or any accounts, registers or documents of his business, and to take down statement of any person present at the time of inspection :

Provided that no residential accommodation (not being a place of business-cum-residence) shall be entered into and searched by such officer without obtaining the prior sanction of the Deputy Commissioner or Sub-Divisional Officer (Civil) having jurisdiction over the area, and all searches under this sub-section shall, so far as may be, be made in accordance with the provisions of the Code of Criminal Procedure, 1973 (Central Act 2 of 1974).

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(3) If any such officer has reason to suspect that any importer is attempting to evade the payment of any tax, fee or other amounts due from him under this Act, he may, for reasons to be recorded in writing, seize such accounts, registers, records, or other documents of the importer as he may consider necessary and shall give the importer a receipt for the same. The accounts, registers, records and documents so seized shall be retained by such officer only for as long as may be necessary for their examination and for any inquiry or proceeding under this Act :

Provided that accounts, registers, records and other documents so seized shall not be retained by such officer, in case the seized document was in use at the time of seizing, for a period exceeding thirty days and in other cases for a period exceeding one hundred and eighty days from the date of seizure, unless the reasons for retaining the same beyond the said period are recorded by him in writing, and the approval of the Commissioner or an officer, authorised by him in writing in this behalf is obtained beforehand and such approval in any case shall not be for more than sixty days at a time:

Provided further that the assessing authority shall, if the importer produces the record maintained by him before the assessing authority for the purpose of verification of seized documents, supply to the importer at his expense, on an application made in this regard photo-copies of the seized documents.

15. (1) The owner or person incharge of the goods and, when the goods are carried by a goods carrier, the driver or any other person in-charge of the goods carrier, shall carry with him in respect of the goods carrier— Checking of goods in movement.

(i) record of ownership of the goods carrier;

(ii) trip sheet or log-book, containing such particulars, as may be prescribed ;

and in respect of the goods being carried—

(i) goods receipt ;

(ii) delivery-note or cash-memorandum or bill of sale/purchase, as the case may be, containing such particulars, as may be prescribed ;

(iii) declaration duly filed and signed by the consignor or consignee obtained from such authority on payment of such fee and containing such particulars, as may be prescribed,

and produce the same before any officer of the department not below the rank of an Assistant Excise and Taxation Officer or such other officer, as the State Government may, by notification, appoint, checking the goods carrier at any place.

(2) When required by any officer referred to in sub-section (1), the owner or person in-charge of the goods or driver or any other person in charge of the goods carrier shall stop the goods carrier and keep it stationary, as long as may reasonably be necessary, and allow the officer as aforesaid to examine the goods carried by him or in the goods carrier, by breaking open the package or packages, if necessary, and inspect all records (relating to the goods) which are in the possession of such owner or person in-charge of the goods or of the driver or other person incharge of the goods carrier, who shall also furnish such other information, as may be required by the aforesaid officer, who, if he considers necessary, may also search the goods carrier and the driver or other person in charge of the goods carrier or of the goods and make enquiries from them and take down their statement.

(3) If the officer as mentioned in sub-section (2) has reasons to suspect that the goods under transport are not covered by proper and genuine documents as mentioned in sub-section (1) or that the persons transporting the goods is attempting to evade the tax payable under this Act, he may, for reasons to be recorded in writing, and after hearing the said person, order the unloading and detention of the goods and shall allow the same to be transported only on the owner of the goods or his representative or the driver or other person in-charge of the goods carrier on behalf of the owner of the goods furnishing to his satisfaction a security, in the prescribed form and manner, for an amount not less than ten percentum and not more than twenty percentum of the value of goods :

Provided that such officer may, if he deems fit, having regard to the nature of the carrier or the goods and other relevant matters, allow such goods to be transported, on the owner of the goods or his representative or the driver or other person in-charge of the goods carrier, executing, in a prescribed manner, a bond with or without sureties for securing the amount due as security :

Provided further that such officer may, if he deems fit, having regard to the nature of the goods and the goods carrier, and other relevant matters, hand over the goods on *superdari* to any person for safe custody, on payment of such charges for the custody, as he may consider reasonable which shall be recovered from the owner of the goods. The person to whom the goods are handed over on *superdari* shall not hand over the same to anybody except with the written permisison of such officer otherwise the value of the goods shall be recoverable as arrears of land revenue from him ;

Provided further that where any goods are detained, a report shall be made within twenty-four hours of the detention of the goods by the officer detaining the goods to the Deputy Excise and Taxation Commissioner in-charge of the district where the goods are detained seeking his permission for the detention of the goods for a period exceeding twenty-four hours, as and when so required, and if no intimation to the contrary is received from the latter, the former may assume that his proposal has been accepted.

4. The officer detaining the goods shall record the statement, if any, given by the owner of the goods or his representative or the driver or other person in charge of the goods carrier and shall require him to produce proper and genuine documents as referred to in sub-section (1). If, after enquiry, such officer finds that there has been an attempt to evade the tax payable under this Act, he shall, by order, impose on the owner of the goods and in case the owner is not forthcoming or his identity is not disclosed by the person in charge of the goods or the driver or person in charge of the goods carrier, in which the goods are being carried, on the person in charge of the goods or the goods carrier or the driver, a penalty of not less than ten per cent and not more than twenty per cent of the value of the goods, and in case he finds otherwise, he shall order the release of the goods :

Provided that no penalty shall be imposed unless the owner of the goods or his representative or person incharge of the goods or the goods carrier or the driver has been given a reasonable opportunity of being heard.

5. If the owner of the goods or his representative or the driver or other person in charge of the goods carrier does not furnish security or execute the bond as required under sub-section (3) within ten days from the date of detaining the goods or goods carrier, the officer referred to in that sub-section may order further detention of the goods, and in the event of the owner of the goods not paying the penalty imposed under sub-section (4) within twenty days from the date of the order imposing the penalty, the goods detained shall be liable to be sold for the realisation of the penalty in the manner provided in sub-section (7).

6. When any goods are detained under sub-section (3), the officer detaining the goods shall issue to the owner of the goods, if present or, if the owner of the goods is not present, to his representative or the driver or other person incharge of the goods carrier, a receipt specifying the description and quantity of the goods so detained and obtain an acknowledgement from such person or, if such person refuses to give an acknowledgement, record the fact of refusal in the presence of the two witnesses.

7. The goods detained under sub-section (6) shall be sold, by the officer who imposed the penalty by public auction in the manner prescribed, and the sale proceeds shall be deposited in the Government treasury.

8. If the goods detained are of a perishable nature, or subject to speedy and natural decay, or when the expenses of keeping them in custody are likely to exceed their value, the officer empowered under sub-section (1), as the case may be, shall immediately sell such goods or otherwise dispose

them of and deposit the sale proceeds of such goods, or the amount obtained by the disposal of such goods otherwise than by way of sale, in the Government treasury.

9. If the order of imposition of penalty under sub-section (4) or of detention of goods under sub-section (2) is in the mean time set aside or modified in appeal or other proceedings, the officer detaining the goods or imposing the penalty, as the case may be, shall also pass consequential orders for giving effect to the order in such appeal or other proceedings, as the case may be.

10. Where the detained goods are sold or otherwise disposed of under this section, the owner thereof shall be liable to pay the expenses and other incidental charges incurred in detaining and disposing the same.

11. If the sale proceeds of any goods sold or the amount obtained on the disposal of any goods otherwise than by way of sale under the provisions hereinbefore contained exceeds the penalty imposed in respect of such goods, such excess amount after deducting the expenses, and incidental charges referred to in sub-section (10) shall be returned by the officer who conducted the sale or otherwise disposed of the goods, to the owner of the goods.

12. At every station of transport of goods, bus-stand or any other station or place of loading or unloading of goods, other than a post office, when so required by the Commissioner or any officer not below the rank of Assistant Excise and Taxation Officer, the owner or person incharge of the goods or the driver or other person incharge of the goods carrier shall produce for examination transport receipts and all other documents and account books concerning the goods carried, transported, loaded, unloaded, consigned or received for transport, to be maintained by him in the prescribed manner and the Commissioner or the person so appointed shall have, for the purpose of examining that such transport receipts and other documents and account books are in respect of the goods carried, transported, loaded, unloaded or consigned or received for transport, the power to break open any package or packages of such goods. If the Commissioner or other officer as mentioned above is satisfied that it is necessary for the purposes of investigation or verification, he may seize the transport receipts, documents or account books so produced for examination or found lying at such a station of transport of goods, bus stand or any other station or place of loading or unloading of goods. The officer seizing the transport receipts, documents or account books shall forthwith grant a receipt for the same and shall return to the person from whose custody these were seized after examination or completion of investigation or verification within a period of sixty days. Where the transport receipts, documents or account books so seized are required to be retained beyond the aforesaid period of sixty days, the authority so retaining them shall record the reasons, in writing and shall obtain the approval of the Commissioner for so doing.

13. Except in accordance with such conditions, as may be prescribed, with a view to ensuring that there is no evasion of tax imposed by or under this Act—

(a) no driver or person incharge of a goods carrier or any person in charge of a place of loading or unloading of goods, other than a post office, shall accept any consignment of goods for transport or give delivery of any consignment of such goods, other than personal luggage or goods for personal consumption ;

(b) no importer or any person including a carrier of goods acting on behalf of an importer shall, take delivery of, or transport from any station of transport of goods, bus stand or any other station or place of loading or unloading of goods, airport or any other place, whether of similar nature or otherwise other than a post office, any consignment of goods referred to above.

14. Any person transporting goods through a pipeline or cable or a similar means of conveyance shall install such equipment and measuring instruments at the receiving end as would precisely measure the quantity of goods received and shall keep such equipment and instruments in working order and open to inspection and checking at all times by any officer not below the rank of Assistant Excise and Taxation Officer.

16. Every clearing or forwarding house or agency, transporting agency, railway out-agency, shipping out-agency, courier service in the State shall submit to the assessing authority of the area such returns as may be prescribed in respect of all goods cleared, forwarded, transported or shipped by it into the concerned local area. The assessing authority concerned shall have the power to call for and examine the books of accounts or other documents in the possession of such agency with a view to verify the correctness of the return submitted. Forwarding agency, etc. to submit returns.

17. The owner or other person incharge of a goods carrier shall, in respect of the goods transported by him in such goods carriers submit to the assessing authority having jurisdiction over the local area in which the goods are delivered, such particulars thereof within such time and manner as may be prescribed. Submission of certain records by owners, etc., of goods carriers.

CHAPTER VI

MISCELLANEOUS

18. (1) No person, who is not a registered importer, shall collect any amount by way of tax under this Act on entry of any goods into a local area and no registered importer shall make any collection except in accordance with this Act and the rules made thereunder. Collection of tax by registered importer.

(2) Where any amount is collected by way of tax or purporting to be by way of tax by any person in contravention of sub-section (1),

such person shall pay the amount so collected to the assessing authority as if the said amount has been collected as tax payable under this Act and if the said person fails to make the payment, he shall, in addition to making the payment of the said amount, be liable to pay, by order of the assessing authority passed after giving him opportunity of being heard, a penalty which may extend equal to the said amount.

(3) Any amount collected by any person considering the same to be tax payable under this Act, to the extent it is not due as tax, be forfeited to the State Government and, if not paid, be recovered from him and such payment or recovery shall discharge him of the liability to refund the amount to the person from whom it was collected.

(4) Where any amount is paid by or recovered from any person under sub-section (2) or sub-section (3), refund of such amount or any part thereof can be claimed from the State Government by the person from whom it was realised by way of tax provided an application in writing in the prescribed form is made within one year from the date of realisation of tax from him, to the Commissioner or to such other officer not below the rank of Deputy Excise and Taxation Commissioner, as is authorised by the Commissioner either generally or subject to such restrictions and conditions, as he may impose, in this behalf. On receipt of any such application, the Commissioner or other officer, as the case may be, shall hold such inquiry as he deems fit and if he is satisfied that the claimant has not further passed on the burden on tax to any other person whether directly or indirectly, the claim is valid and admissible and the amount claimed as refund is actually paid or recovered, he shall refund the amount or any part thereof, which is found due to the person concerned.

Offences and penaltie

19. (1) Whosoever contravenes, or fails to comply with any of the provisions of this Act or the rules made thereunder or any order or direction made or given thereunder, shall, if no interest, penalty or best judgement assessment is provided under this Act for such contravention or failure, be liable to imposition of a penalty, not exceeding two thousand rupees or such other higher amount which shall not be more than five thousand rupees, as may be prescribed, and where such contravention or failure is a continuing one, to a daily penalty not exceeding fifty rupees or such other higher amount which shall not be more than two hundred rupees, as may be prescribed, during the period of continuance of the contravention or failure.

(2) An assessing authority or an officer not below the rank of an Assistant Excise and Taxation Officer may, after affording to the person concerned a reasonable opportunity of being heard, impose the penalty mentioned in sub-section (1).

Investigation of [illegible]

20. An officer not below the rank of Assistant Excise and Taxation Officer [illegible] checking under this Act [illegible] inquiry [illegible] conferred by the Code of Criminal Procedure, 1973 (Act 2 of 1974), upon an officer-in-charge of a police station for the investigation of a cognizable offence.

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Refund.

21. (1) The assessing authority or an officer not below the rank of Assistant Excise and Taxation Officer shall, in the prescribed manner, refund to an importer or to any other person the amount of tax or penalty or interest paid by him in excess of the amount due from him under this Act, either by a refund voucher, or, at the option of the importer by adjustment of the amount so paid against the amount due from him in respect of any other period ;

Provided that the assessing authority referred to in sub-section (1) shall first adjust the amount to be refunded towards the recovery of any amount due, on the date of adjustment from the importer and shall then refund the balance, if any.

(2) Where an amount required to be refunded by the assessing authority to any person by virtue of an order issued under this Act is not so refunded to him within the period as may be prescribed, such person shall be entitled to interest at such rates and on such terms and conditions as may be prescribed.

Utilisation of proceeds of tax.

22. The tax collected under this Act shall be distributed by the State Government amongst the local bodies to be utilised for the development of local areas.

Protection of action taken in good faith.

23. No suit, prosecution or other legal proceedings shall lie against any officer of Government for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

Rounding off of tax.

24. The amount of tax, penalty, interest or any other sum payable, and the amount of refund due, under the provisions of this Act, shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise, then if such part is fifty paise or more, it shall be increased to one rupee and if such part is less than fifty paise, it shall be ignored :

Provided that nothing in this section shall apply for the purposes of collection by an importer of any amount by way of tax under this Act.

Power to amend Schedule.

25. The State Government may, after giving by notification, a reasonable notice, ordinarily of not less than ten days of its intention to do so, by notification, add to, or omit, or otherwise amends Schedule and the Schedule shall be deemed to be amended accordingly.

Power to make rules.

26. (1) The State Government may, subject to the condition of previous publication, make rules by notification to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

(a) all matters expressly required or allowed by this Act to be prescribed ;

(b) the assessment to tax in respect of a business which is discontinued or the ownership of which has changed;

(c) the assessment to tax in respect of a business owned by minors and other incapacitated persons residing outside the State of Haryana;

(d) the assessment of tax under this Act of any goods which have escaped assessment ;

(e) procedure for registration of importers ;

(f) refund of tax collected if the goods have not been consumed or used within the local area ;

(g) compelling the submission of returns and the production of documents and enforcing the attendance of persons and examining them on oath or affirmation ;

(h) the duties and powers of officers appointed for the purpose of enforcing the provisions of this Act ;

(i) generally regulating the procedure to be followed, and the norms to be adopted in proceedings under this Act ;

(j) deductions admissible to an importer or any other person for calculating his taxable turnover from gross turnover;

(k) any other matter including levy of fees for which there is no provision or no sufficient provision in this Act and for which provision is in the opinion of the State Government, necessary for giving effect to the purpose of this Act.

Laying of rules and notifications before the State Legislature.

27. Every rule made under this Act and notification issued under the provisions of this Act shall be laid as soon as may be after it is published before the State Legislative Assembly while it is in session for a total period of fourteen days which may be comprised in one session or two or more successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following, the Legislative Assembly agrees that the rules should be either modified or annulled, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power to remove difficulties.

28. If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by notification, make such provision as appears to it to be necessary or expedient for removing the difficulty.

Repeal and saving.

29. (1) The Haryana Local Area Development Tax Ordinance, 2000 (Haryana Ordinance No. 10 of 2000), is hereby repealed.

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

SCHEDULE 'A'

[*See* sections 3(1) and 5(1) (a)]

1. Bajra, Jowar and Maize.
2. Cattle feed and poultry feed.
3. Celery seeds.
4. Common salt.
5. Cotton seed.
6. Electric energy.
7. Flowers.
8. Fresh vegetables, fruits, milk, meat including meat on hoof, poultry, fish and eggs.
9. Gram.
10. Hand spun yarn.
11. Kikar bark.
12. Newsprint and other materials used in the printing of newspapers, periodicals, magazines etc. registered with Registrar of News-papers of India.
13. Sugarcane.
14. Textiles, tobacco and sugar on which additional excise duty in lieu of sales tax is leviable notwithstanding that the rate of such duty is nil.
15. Tyres, tubes and flaps of animal drawn vehicles."

L. N. MITTAL,

Secretary to Government, Haryana,
Legislative Department.

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PART I

LEGISLATIVE DEPARTMENT

Notification

The 26th June, 2001

No. Leg. 11/2001.— The following Act of the Legislature 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 II A

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

(a) "accessories" means air-conditioners, music system and any other articles fitted to a motor vehicle not included in the original invoice;

(b) "bring motor vehicle into a local area" means causing the entry of motor vehicle into a local area 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 a motor vehicle into a local area" with all its grammatical variations and cognate expressions means entry of motor vehicle into a local area 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 Vehicles 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 other charges incidentally levied on the purchase of a motor vehicle:

Provided that if purchase value of a motor vehicle is not ascertainable 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 shall be the market 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 Vehicles 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 along with Registration No., wherever applicable. The importer of a 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 for the remaining period beginning with the day following the date of registration of the motor vehicles under the 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 its 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.".

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

(2) Notwithstanding such repeal, 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.

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PART I

LEGISLATIVE DEPARTMENT

Notification

No. Leg. 20/2002.—The following Act of the Legislature of the State of Haryana received the assent of the Governor of Haryana on the 6th December, 2002 and is hereby published for general information :—

Haryana Act No. 18 of 2002

THE HARYANA LOCAL AREA DEVELOPMENT TAX (AMENDMENT) ACT, 2002

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-third Year of the Republic of India as follows :--

1. (1) This Act may be called the Haryana Local Area Development Tax (Amendment) Act, 2002. Short title and commencement.

(2) It shall come into force with effect from 1st November, 2002.

2. In sub-section (1) of section 3 of the Haryana Local Area Development Tax Act, 2002, for the words "not exceeding four per cent", the words "not exceeding ten per cent" shall be substituted. Amendment of section 3 of Haryana Act 13 of 2000.

R. S. MADAN,
Secretary to Government Haryana,
Legislative Department.

HARYANA GOVERNMENT

LEGISLATIVE DEPARTMENT

Notification

The 30th September, 2003

No. Leg. 20/2003.—The following Act of the Legislature of the State of Haryana received the assent of the Governor of Haryana on the 23rd September, 2003, and is hereby published for general information :—

Haryana Act No. 18 of 2003

THE HARYANA LOCAL AREA DEVELOPMENT TAX (AMENDMENT) ACT, 2003

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-fourth Year of the Republic of India as follows :—

Short title.

1. This Act may be called the Haryana Local Area Development Tax (Amendment) Act, 2003.

Amendment of section 2 of Haryana Act 13 of 2000.

2. In section 2 of the Haryana Local Area Development Tax Act, 2000 (hereinafter referred to as the principal Act,)—

(i) for clause (7), the following clause shall be substituted and shall be deemed to have been substituted with effect from 1st April, 2003, namely :—

'(7) "Commissioner" means the Commissioner appointed under sub-section (1) of section 55 of the Haryana Value Added Tax Act, 2003 (Act 6 of 2003);';

(ii) for clause (23), the following clause shall be substituted and shall be deemed to have been substituted with effect from 1st April, 2003, namely :—

'(23) "Sales Tax" means the tax leviable in the State under the Haryana Value Added Tax Act, 2003 (Act 6 of 2003) or under the Central Sales Tax Act, 1956 (Central Act 74 of 1956);'.

Amendment of section 3 of Haryana Act 13 of 2000.

3. In sub-section (1) of section 3 of the principal Act, for the words "not exceeding ten per cent of the value of the goods", the words "not exceeding twenty per cent of the value of petroleum based fuels and not exceeding ten per cent of the value of other goods" shall be substituted.

Amendment of section 5 of Haryana Act 13 of 2000.

4. In sub-section (1) of section 5 of the principal Act, --

(i) for clause (e), the following clause shall be substituted, namely :--

"(e) the value of plant, machinery, equipment and tools, brought or received on lease for use in manufacture or processing of goods;";

(ii) in clause (f),—

(I) for the words and signs "the value of goods left in the stock, whether as such or in different form, lying with him in the local area,", the words and signs "the value of goods brought or received in a local area for resale or for use or consumption therein in the manufacture or processing of goods, left in stock whether as such or in different form, lying with him in the local area," shall be substituted;

(II) for the second proviso, the following proviso shall be substituted, namely :—

"Provided further that the value of plant, machinery, equipment and tools, for use in manufacture or processing of goods, if forming part of the turnover, may form part of the closing stock, if capitalised; and".

Amendment of section 12 of Haryana Act 13 of 2000.

5. In sub-section (1) of section 12 of the principal Act, for the words, sign and figures "under the Haryana General Sales Tax Act, 1973", the words, sign and figures "under the Haryana Value Added Tax Act, 2003" shall be substituted and shall be deemed to have been substituted with effect from 1st April, 2003.

Amendment of section 22 of Haryana Act 13 of 2000.

6. To section 22 of the principal Act, the following explanation shall be added, namely :—

"*Explanation.*—In this section "the development of local areas" means developing and maintaining infrastructure facilities useful for free flow of trade and commerce.".

R.S. MADAN,
Secretary to Government Haryana,
Legislative Department.

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PART - I

HARYANA GOVERNMENT

LEGISLATIVE DEPARTMENT

Notification

The 30th March, 2007

No. Leg. 5/2007.—The following Act of the Legislature of the State of Haryana received the assent of the Governor of Haryana on the 28th March, 2007, and is hereby published for general information :—

HARYANA ACT NO. 4 OF 2007

THE HARYANA LOCAL AREA DEVELOPMENT TAX (AMENDMENT) ACT, 2007

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-eighth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Haryana Local Area Development Tax (Amendment) Act, 2007.

Amendment of section 2 of Haryana Act 13 of 2000.

2. After clause (4) of section 2 of the Haryana Local Area Development Tax Act, 2000 (hereinafter called the principal Act), the following clause shall be inserted, namely:—

'(4A) "Board" means Haryana Local Area Development Board constituted under section 22A of this Act;'.

Substitution of section 22 of Haryana Act 13 of 2000.

3. For section 22 of the principal Act, the following section shall be substituted and shall be deemed to have been substituted with effect from the 5th May, 2000, namely:—

"22. **Utilisation of proceeds of tax.**— The tax collected under this Act shall be utilised by the State Government through the local bodies in such manner that a substantial portion of the tax collected, not less than sixty percent is utilized for development facilitating free flow of trade and commerce of the payers of the tax individually or as a class.

Explanation.— In this section "development facilitating free flow of trade and commerce" means developing and maintaining

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infrastructure facilities facilitating the free flow of trade and commerce such as roads, bridges, culverts, sewerage, drainage, sanitation, waste management, electricity, drinking water and other infrastructural facilities.".

Insertion of section 22A in Haryana Act 13 of 2000.

4. After section 22 of the principal Act, the following section shall be inserted, namely:—

"**22A. Constitution of Board and its functions.**— (1) There shall be a Board consisting of a Chairman and following ex officio members:—

(a)	Chief Minister, Haryana	: Chairman
(b)	Chief Secretary, Haryana	: ex officio member
(c)	Finance Secretary, Haryana	: ex officio member
(d)	Financial Commissioner and Secretary to Government, Haryana, Excise and Taxation Department	: ex officio member
(e)	Financial Commissioner and Secretary to Government, Haryana, Development and Panchayats Department	: ex officio member
(f)	Commissioner, Urban Local Bodies, Haryana	: ex officio member
(g)	Excise and Taxation Commissioner, Haryana	: Member Secretary
(h)	Additional Excise and Taxation Commissioner/Joint Excise and Taxation Commissioner, Haryana	: Chief Executive Officer

(2) The Headquarter of the Board shall be at Chandigarh.

(3) The Board shall perform the following functions:—

(i) It shall ensure balanced development of the local areas falling within the domain of the urban as well as rural local bodies.

(ii) It shall identify the areas which require immediate development/maintenance of infrastructure facilities out of proceeds of tax.

(iii) It shall accordingly recommend allotment of proceeds of tax for developing and maintaining infrastructure facilities like roads, bridges, culverts, sewerage, drainage, sanitation, waste management, electricity, drinking water and other infrastructural facilities.

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(iv) it shall recommend changes in the rate of tax in order to keep the levy as per the guidelines issued in this behalf from time to time.

(v) it shall ensure that the proceeds of tax collected under this Act are not much more than the amount actually required for development of local areas.".

Repeal and saving.

5. (1) The Haryana Local Area Development Tax (Amendment) Ordinance, 2007 (Haryana Ordinance No.1 of 2007), is hereby repealed.

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

M. S. SULLAR,
Secretary to Government, Haryana,
Legislative Department.