




Legislative Assembly of Goa

The Goa Tax on Entry of Goods (Amendment) Bill, 2001

(Bill No. 17 of 2001)

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To be introduced in the Legislative Assembly of Goa

**GOA LEGISLATURE SECRETARIAT
ASSEMBLY HALL, PORVORIM
JANUARY, 2001.**

THE GOA TAX ON ENTRY OF GOODS
(AMENDMENT) BILL, 2001

(BILL NO. 17 OF 2001)

A

BILL

*to amend the Goa Tax on Entry of Goods Act, 2000
(Goa Act 14 of 2000).*

Be it enacted by the Legislative Assembly of Goa in the Fifty-first Year of the Republic of India as follows:—

1. *Short title and commencement.*— (1) This Act may be called the Goa Tax on Entry of Goods (First Amendment) Act, 2001.

(2) It shall come into force at once.

2. *Amendment of section 1.*— In section 1 of the Goa Tax on Entry of Goods Act, 2000 (Goa Act 14 of 2000) (hereinafter referred to as the "principal Act"),—

(i) for the expression "Short title, extent and commencement", the expression "Short title, extent, commencement, duration and savings" shall be substituted;

(ii) after sub-section (3), the following sub-section shall be inserted, namely:—

"(4) It shall remain in force upto the 31st day of March, 2002, but it's expiry under the operation of this sub-section shall not affect,—

(a) the previous operation of, or anything duly done or suffered under, this Act or any rule made thereunder or any order made under any such rule, or

(b) any right, privilege, obligation or liability acquired, accrued or incurred under this Act or any rule made thereunder or any order made under any such rule, or

(c) any penalty, forfeiture or punishment incurred in respect of any offence under this Act or any contravention of any rule made under this Act or of any order made under any such rule, or

(d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid.

any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not expired.

3. *Amendment of section 2.*— In section 2 of the principal Act, in clause (A), in sub-clause (t), the expression "inclusive of charges borne by him as cost of transport, packing, forwarding and handling charges, commission, insurance, taxes, duties and the like," shall be omitted.

4. *Amendment of section 3.*— In sub-section (3) of section 3 of the principal Act, in item 2, after the expression "the Goa Sales Tax Act, 1964 (Act 4 of 1964)", the expression "and under the Central Sales Tax Act, 1956 (Central Act 74 of 1956)" shall be inserted.

5. *Insertion of new sections 3A and 3B.*— After section 3 of the principal Act, the following sections shall be inserted, namely:—

" 3A. *Refund of tax in respect of tax paid goods.*— Subject to such restrictions and conditions as may be prescribed, tax paid under

this Act on value of goods which have become liable for sales tax under the Goa Sales Tax Act, 1964 (Act 4 of 1964) or under the Central Sales Tax Act, 1956 (Central Act 74 of 1956), shall be refunded to the dealer.

Notwithstanding anything contained hereinabove, the Commissioner may adjust the amount due to be refunded under this section towards recovery of any amount due from the dealer on the date of adjustment and then refund the balance, if any.

3B. *Set-off in respect of tax paid goods in certain circumstances.*— Subject to such restrictions and conditions as may be prescribed, a set off of proportionate amount of tax paid under this Act on inputs used in the manufacture of goods actually exported out of the country shall be allowed in proportion of goods used in such manufacture."

6. *Amendment of section 9.*— In section 9 of the principal Act, for clause (d), the following shall be substituted, namely:—

"(d) "Motor vehicle" means any mechanically propelled vehicle adapted for use upon roads, whether the power of propulsion is transmitted thereto from an external or internal source, and includes a chassis where a body has not been attached, a trailer and two/three wheelers but does not include earth moving machinery such as dumpers, excavators, rollers, cranes, ambu-lift, tractors, and vehicle running upon fixed rails or a vehicle of special type adapted for use only in a factory or in any other enclosed premises;"

Statement of Objects and Reasons

The Goa Tax on Entry of Goods Act, 2000 (Act 14 of 2000), has been enforced in the State with effect from 1.9.2000. On implementation of the said Act, certain difficulties have been experienced due to some shortcomings in the said Act. To remove these shortcomings, it has become necessary to amend the definition of the term "value of goods" as defined in section 2(A)(t) of the Act so as to exclude from its purview transportation, packing, forwarding, handling, commission, insurance, taxes, duties from the tax base. Similarly, the definition of the expression "motor vehicle" as defined in section 9(d) of the Act, was adopted from the Motor Vehicles Act, 1988, which causes problem as the said definition brings within its compass mining machinery such as dumpers, loaders, etc. Hence, a new definition of the term "motor vehicle" has been provided in the Bill.

It is also necessary to make provision for refund of entry tax in case sales tax is paid on the said goods. So also, proportionate set-off needs to be provided if the entry tax paid goods are used in the manufacture of goods to be exported. Accordingly, new sections 3A and 3B are proposed to be inserted in the Act, 2000. Exemption from entry tax is available if goods becomes liable for tax under the Goa Sales Tax Act, 1964 (Act 4 of 1964). This facility needs to be extended to goods on which Central sales tax becomes payable. Hence, section 3 of the Act is accordingly proposed to be amended.

The levy of entry tax is a short term measure. This Act needs to be repealed once VAT is introduced for which scheduled date is 1.4.2002. To make this position clear, it is necessary to incorporate a provision in the Act to the effect that the Goa Tax on Entry of Goods Act, 2000 (Act 14 of 2000) shall remain in force upto 31-3-2002.

This Bill seeks to achieve the above objects.

Panaji, Goa.
18 January, 2001.

MANOHAR PARRIKAR
Chief Minister

Financial Memorandum

No financial implications are involved towards implementation of the provisions of this Bill since no additional expenditure will be incurred on account of the proposed amendments.

Memorandum Regarding Delegated Legislation

Proposed new section 3A provides for framing of rules as regards the restrictions and conditions subject to which the tax paid under the said Act, 2000, shall be refunded to the dealer.

Similarly, proposed new section 3B provide for framing of rules as regards the restrictions and conditions subject to which a set-off of proportionate amount of tax paid under the said Act, 2000, shall be allowed.

Assembly Hall,
Porvorim, Goa.
18 January, 2001.

R. KOTHANDARAMAN
Secretary (Legislature)

Governor's recommendation under Article 207 of
the Constitution.

In pursuance of article 207 of the Constitution of India, I, Mohd. Fazal, Governor of Goa hereby recommend to the Legislative Assembly of Goa the introduction and consideration of the Goa Tax on Entry of Goods (Amendment) Bill, 2001.

ANNEXURE

.....
EXTRACT OF THE GOA TAX ON ENTRY OF GOODS
(AMENDMENT) ACT, 2000
(GOA ACT NO. 14 OF 2000)
.....

Section 2. Definitions.—

(A) In this Act, unless the context otherwise requires,—

- (a).....
- (b).....
- (c).....
- (d).....
- (e).....
- (f).....
- (g).....
- (h).....
- (i).....
- (j).....
- (k).....
- (l).....
- (m).....
- (n).....
- (o).....
- (p).....
- (q).....
- (r).....
- (s).....

(t) "value of goods" shall mean the purchase value of such goods, that is to say, the purchase price at which a dealer has purchased the goods inclusive of charges borne by him as cost of transport, 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;

- (u).....
- (v).....
- (B).....

Section 3 Levy of tax.- (1) There shall be levied and collected a tax on entry of any goods specified in SCHEDULE I hereto, into a local area upon use of any facilities/infrastructure or any other amenities belonging to or provided by the State for consumption, use or sale therein, at such rates not exceeding the rate as provided for such goods under the Goa Sales Tax Act, 1964 (Act 4 of 1964) as may be specified retrospectively or prospectively by the Government by notification, and different dates and different rates may be specified in respect of different goods or different classes of goods or different local areas.

(2) The tax levied under sub-section (1) shall be paid by every registered dealer or a dealer liable to get himself registered under this Act who brings or causes to be brought into a local area the goods using any facilities/infrastructure or any other amenities belonging to or provided by the State whether on his own account or on account of his principal or any other person or who takes delivery or is entitled to take delivery of such goods on its entry into a local area.

Explanation.— Where the goods are taken delivery of on its entry into a local area or brought into a local area by a person other than a dealer, the dealer who takes delivery of the goods from such person shall be deemed to have brought the goods into the local area.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), no tax shall be levied on and collected from a dealer who brings or causes to be brought into a local area any goods,-

1. in respect of which tax has been paid or has become payable in any other local area under sub-section (1), or

2. in respect of which tax has been paid or has become payable under the Goa Sales Tax Act, 1964 (Act 4 of 1964).

Explanation.— For the purposes of this section, tax paid or become payable should be on goods in the same form in which they are brought or caused to be brought into the local area.

(4) No Tax shall be levied under this Act on any goods specified in SCHEDULE II hereto on its entry into a local area for consumption, use or sale therein.

(5) No tax shall be levied on a defence unit or establishment which causes entry of any goods liable to tax under this Act, into a local area for use by it in the manufacture, repair or research and development of defence and defence related goods only if it is brought in directly by the establishment itself.

(6) Every manufacturer who brings or causes to be brought any goods into the State, the aggregate value of which is less than one lakh rupees in a year and any other dealer who brings or causes to be brought any goods into a local area, the aggregate value of which is less than two lakhs rupees, shall not be liable to pay tax for that year:

Provided that every non-residential dealer including his agent or manager, or every occasional dealer shall be liable to pay tax each year at the rates specified irrespective of the aggregate value of the goods brought or caused to be brought into the local area during the year.

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

(8) Subject to such rules as may be made the assessing authority may assess a dealer for any year, as if, the aggregate value of the goods brought or caused to be brought into a local area in such year had been received as in the previous year.

(9) The tax shall be in addition to tax levied and collected as octroi by a Municipal Council, Zilla Panchayat, or Village Panchayat or any other local authority, as the case may be, within its local areas.

Section 4.....

Section 5.....

Section 6.....

Section 7.....

Section 8.....

Section 9. **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 and which are not included in the original invoices;

(b) "entry of motor vehicle into a local area from outside the State" with all its grammatical variations and cognate expressions, means entry of motor vehicle, into a local area from any place outside the State for use or sale therein;

(c) "importer" means a person who brings a motor vehicle into a local area from any place outside the State for use or sale therein and who owns the vehicle at the time of its entry into a local area;

(d) "motor vehicle" means motor vehicle as defined in clause (28) of section 2 of the Motor Vehicles Act, 1988 (Central Act 59 of 1988);

(e) "person" includes any company or association or body of individuals, whether incorporated or not, and also a Hindu Undivided family, a firm, a society, a club, an individual, the Central Government or the Government of any other State, Union Territory, or a local Authority;

(f) "purchase value" 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, where 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 shall be at the value or price of being sold in open market;

(g) "State" means the State of Goa.

Section 10. **Levy of Tax.**- (1) Notwithstanding anything contained in section 3, there shall be levied and collected a tax on the entry of any motor vehicle into a local area for use or sale therein by an importer which is liable for registration, or assignment of a new registration mark in the State under the Motor Vehicles Act, 1988 (Central Act 59 of 1988).

(2) The tax shall be levied on the purchase value of the motor vehicles at such rate as may be fixed by the Government by Notification but not exceeding the rates specified in respect of motor vehicles under the Goa Sales Tax Act, 1964 (Act 4 of 1964):

Provided that, no tax shall be levied and collected in respect of a motor vehicle which is registered in any Union Territory or any other State under the Motor Vehicles Act, 1988, (Central Act 59 of 1988), fifteen months prior to the date on which a new registration mark is assigned in the State under the Act.

(3) The tax levied under this Act shall be paid by the importer in such manner and within such time as may be prescribed.

Assembly Hall,
Porvorim, Goa.
18 January, 2001.

R. KOTHANDARAMAN
Secretary (Legislature)