




**Legislative Assembly of the State of Goa**

**The Goa Sales Tax ( Second  
Amendment ) Bill, 2001**

(Bill No. 62 of 2001)

  
\_\_\_\_\_  
(~~For~~ introduced in the Legislative Assembly of the  
State of Goa)  
\_\_\_\_\_

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

The Goa Sales Tax (Second Amendment)  
Bill, 2001

(Bill No. 62 of 2001)

A

BILL

*further to amend the Goa Sales Tax Act, 1964  
(Act 4 of 1964).*

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

1. *Short title and commencement.*— (1) This Act may be called the Goa Sales Tax (Second Amendment) Act, 2001.

(2) It shall be deemed to have come into force with effect from the first day of April, 2001.

2. *Amendment of section 7B.*— For sub-section (1) of section 7B of the Goa Sales Tax Act, 1964 (Act 4 of 1964) (hereinafter referred to as the "principal Act"), the following shall be substituted, namely:—

"(1) The tax payable under section 7 shall be increased by the surcharge calculated at the rate of five percent of such tax:

Provided that no surcharge shall be payable on petroleum products sold by dealers liable for additional tax under section 7A of this Act and on declared goods specified under section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956)."

3. *Amendment of section 11A.* — For existing section 11A of the principal Act, the following shall be substituted, namely:-

"11A. *Renewal of registration certificate.* — No dealer registered under section 11, shall carry on business unless he renews his registration certificate on payment of charges specified in the Thirtieth Schedule within ninety days from the commencement of the year to which renewal applies.

Notwithstanding anything contained hereinabove, the Commissioner of Sales Tax or any other officer empowered by him in that behalf may extend the said period to a further period of ninety days on payment of penalty of 1% per month or part thereof only in relation to the year 2001-02."

4. *Amendment of Sixth Schedule.*— For the existing Sixth Schedule to the principal Act, the following Schedule shall be substituted, namely:-

"THE SIXTH SCHEDULE

(See clause (v) of sub-section (1) of section 7)

Sales of cooked food and non-alcoholic drinks served or sold or supplied for consumption at or outside any hotel including bar and restaurant shall be taxed at the following rates:-

Sr. No.	Category of dealers	Rate of tax applicable
(1)	(2)	(3)
(1)(A)	Hotels including bar and restaurant:-	10% on sale price of cooked food and non-alcoholic drinks.

- (a) attached to hotel classified as three star and above by the Director of Tourism, Government of India.

(1)	(2)	(3)
(b)	attached to the hotel located in 'A' grade municipal area or coastal village including Time Sharing/Rent back accommodation having swimming pool.	
(c)	attached to the hotel classified as 'A' or 'B' grade under the Goa, Daman and Diu Registration of Tourist Trade Act, 1982 (Act 10 of 1982), having swimming pool.	
(B)	Any other hotel in 'A' grade municipal area or in coastal village not covered by (a), (b) and (c) above, having turnover of cooked food and non-alcoholic drinks in excess of rupees twenty lakhs during the previous year.	
(2)	Hotels including bar and restaurant located in 'A' grade municipal area or coastal village and those attached to hotel classified as 'A' or 'B' grade under the Goa, Daman and Diu Registration of Tourist Trade Act, 1982 (Act 10 of 1982), not covered by (1) above but excluding those having turnover below rupees three lakhs per annum and cold drink houses.	2% on sale price of cooked food and non-alcoholic drinks

(1)	(2)	(3)
(3)	Hotels including bar and restaurant not covered under serial numbers (1) and (2) above, having annual turnover of rupees three lakhs and above during previous year.	1% on sale price of cooked food and non-alcoholic drinks.
(4)	Any other hotel including bar and restaurant, food stall/pantry hawking or otherwise, serving cooked food and non-alcoholic drinks and beverages having turnover below rupees three lakhs during previous year.	Exempted from payment of sales tax.

N.B. For computing turnover of Rs.3 lakhs for the purposes of items at serial numbers (2), (3) and (4) above, entire sales turnover of the hotel including bar and restaurant shall be taken into account."

5. *Amendment of Thirtieth Schedule.*— For the existing Thirtieth Schedule to the principal Act, the following Schedule shall be substituted, namely:—

**"THE THIRTIETH SCHEDULE**

Registration/renewal charges under the Goa Sales Tax Act, 1964 (Act 4 of 1964)

(See sections 11(2) and 11A)

Category of dealers	Amount of registration charges/renewal charges
(1)	(2)

(I) Special category

- |     |   |            |
|-----|---|------------|
| (1) | Petrol pumps and dealers primarily in petroleum products. | Rs. 2000/- |
|-----|---|------------|

(1)	(2)	(3)
(2)	Dealers primarily in cooking gas (LPG)	Rs. 2000/-

(II) Hotels, bar and restaurant

- |     |  |              |
|-----|--|--------------|
| (1) | Hotels including bar and restaurant:—  | Rs. 25,000/- |
| (a) | attached to hotel classified as three star and above by the Director of Tourism, Government of India.  |              |
| (b) | attached to the hotel located in 'A' grade municipal area or coastal village including time sharing/rent back accommodation having swimming pool.  |              |
| (c) | attached to the hotel classified as 'A' or 'B' grade under the Goa, Daman and Diu Registration of Tourist Trade Act, 1982 (Act 10 of 1982), having swimming pool.  |              |
| (d) | Any other hotel in 'A' grade municipal area or in coastal village not covered by (a), (b) and (c) above having turnover of cooked food and non-alcoholic drinks in excess of rupees twenty lakhs during the previous year. |              |
| (2) | Hotels including bar and restaurant located in 'A' grade municipal area of coastal village and those attached to hotel classified as 'A' or 'B' grade under the Goa, Daman and Diu Registration of Tourist Trade Act,      | Rs. 10,000/- |

1982 (Act 10 of 1982) not covered by (1) above but excluding those having turnover below rupees three lakhs per annum and cold drink houses.

- (3) Hotels including bar and restaurant not covered under serial numbers (1) and (2) above, having annual turnover of rupees three lakhs and above during previous year. Rs. 5,000/-
- (4) Any other hotel including bar and restaurant, food stall/pantry hawking or otherwise, serving cooked food and non-alcoholic drinks and beverages having turnover below rupees three lakhs during previous year. Rs. 500/-

**(III) Other dealers**

- (1) Turnover limit — upto Rs.1 lakh Rs. 250/-
- (2) Above Rs.1 lakh but below Rs.3 lakhs Rs. 500/-
- (3) Rs.3 lakhs but below Rs.10 lakhs Rs. 1,000/-
- (4) Rs.10 lakhs but below Rs.40 lakhs Rs. 2,000/-
- (5) Rs.40 lakhs but below Rs.100 lakhs Rs. 4,000/-
- (6) Rs.100 lakhs but below Rs.500 lakhs Rs. 6,000/-
- (7) Rs.500 lakhs but below Rs.1000 lakhs Rs.10,000/-
- (8) Rs.10 crores but below Rs.20 crores Rs.25,000/-
- (9) Rs.20 crores and above Rs.50,000/-.

**6. Repeal and saving.**— (1) The Goa Sales Tax (Amendment) Ordinance, 2001 (Ordinance No.2 of 2001), 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.

## Statement of Objects and Reasons

The Goa Sales Tax (Amendment) Ordinance, 2001 (Ordinance No.2 of 2001), was promulgated by the Governor of Goa on 24-5-2001, so as to amend section 7B of the Goa Sales Tax Act, 1964 (Act 4 of 1964), to provide for surcharge to be calculated at the rate of five percent of tax payable.

After enforcement of the provisions of the Goa Sales Tax (Amendment) Act, 2001 (Goa Act 23 of 2001), the hoteliers and other dealers represented to the Government their grievances relating to registration and renewal charges and also tax payable. They also sought more time for effecting the payment for registration and renewal charges.

On considering the representations, it is felt necessary to introduce certain changes in the Sixth Schedule and Thirtieth Schedule appended to the said Act, 1964 and also incorporate provision for extending the period specified in section 11A for renewal of registration, by suitably amending said section 11A of the said Act, 1964.

This Bill seeks to achieve the above objects.

## Financial Memorandum

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

## Memorandum Regarding Delegated Legislation

Clause 3 of the Bill seeks to empower the Commissioner of Sales Tax or any other Officer empowered by him to extend the period specified for renewal of registration subject to payment of penalty at 1% per month or part thereof only in respect of the year 2001-02.

This delegation is of normal character.

Porvorim-Goa  
9 July, 2001.

MANOHAR PARRIKAR  
Chief Minister

Assembly Hall,  
Porvorim-Goa,  
9 July, 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, Mohammed Fazal, the Governor of Goa, hereby recommend to the Legislative Assembly of Goa, the introduction and consideration of the Goa Sales Tax (Second Amendment) Bill, 2001.

ANNEXURE

Extract of the Goa Sales Tax Act, 1964 (Act 4 of 1964)

- i) *Section 7B. Levy of Surcharge.*— (1) The tax payable under section 7 shall be increased by the surcharge calculated at the rate of five paise of such tax:

Provided that no surcharge shall be payable on petroleum products sold by dealers liable for additional tax under section 7A of this Act and on declared goods specified under section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956).

(2) The provisions of this Act and the rules made thereunder including those relating to refund of or exemption from tax shall, so far as may be, apply in relation to the levy, assessment and collection of surcharge payable under sub-section (1) as they apply in relation to the levy, assessment, and collection of sales tax under this Act.

- ii) *"11A. Renewal of registration certificate.*— No dealer registered under section 11, shall carry on business unless he renews his registration certificate on payment of charges specified in the Thirtieth Schedule within ninety days from the commencement of the year to which renewal applies."

iii) "THE SIXTH SCHEDULE

(See clause (v) of sub-section (1) of section 7)

Sales of cooked food and non-alcoholic drinks served or sold or supplied for consumption at or outside any hotel

including bar and restaurant shall be taxed at the following rates:—

Sr. No.	Category of dealers	Rate of Tax applicable
1.	Hotels including bar and restaurants in 'A' grade municipal area or coastal villages, having air conditioning, partly or wholly, or restaurant attached to hotels classified as 'A' grade, 'B' grade under the Goa, Daman and Diu Registration of Tourist Trade Act, 1982 (Act 10 of 1982).	10% of sale of cooked and non-alcoholic drinks.
2.	Hotels including bar and restaurants located in 'A' grade municipal area or coastal villages, without air condition and restaurant in any other municipal area other than those attached to hotels classified as 'A' or 'B' grade under Goa, Daman and Diu Registration of Tourist Trade Act, 1982 (Act 10 of 1982).	2% of sale of cooked and non-alcoholic drinks
3.	Hotels including bar and restaurants not covered under Sr.Nos. (1) and (2) above having annual turnover of Rs. 3 lakhs and above.	1% of sale of cooked and non-alcoholic drinks
4.	Any other hotels including bar and restaurants having turnover below rupees 3 lakhs per annum.	Exempted from payment of sales tax

N.B. For computing turnover of Rs. 3 lakhs for the purposes of items at Sr. Nos. (3) and (4)

above, entire turnover of hotels including bar and restaurants shall be taken in to account.

iv) "THE THIRTIETH SCHEDULE

Registration/Renewal Charges under the Goa Sales Tax Act, 1964 (Act 2 of 1964)

[See section 11(2) and 11A]

Category of dealers	Amount of Registration charges/renewal charges
---------------------	--

(I) Special Category

- |   |            |
|---|------------|
| (1) Petrol pumps and dealers primarily in petroleum products. | Rs. 2000/- |
| (2) Dealers primarily in cooking gas(LPG)                     | Rs. 2000/- |

(II) Hotels, Bar and Restaurants

- |  |             |
|--|-------------|
| (1) Hotels including Bar and restaurants in 'A' grade municipal area or coastal villages, having air conditioning, partly or wholly, or restaurant attached to hotels classified as 'A' grade/'B' grade under the Goa, Daman and Diu Registration of Tourist Trade Act, 1982 (Act 10 of 1982). | Rs.25,000/- |
| (2) Hotels including bar and restaurants located in 'A' grade municipal area or coastal villages, without  | Rs.10,000/- |

Category of dealers	Amount of Registration charges/renewal charges
---------------------	--

aircondition and restaurant in any other municipal area other than those attached to hotels classified as 'A' or 'B' grade under the Goa, Daman and Diu Registration of Tourist Trade Act, 1982 (Act 10 of 1982).

- |   |            |
|---|------------|
| (3) Hotels including bar and restaurants not covered under Sr. Nos. (1) and (2) above having annual turnover of Rs.3 lakhs and above. | Rs. 5000/- |
| (4) Any other hotels including bar and restaurants having turn-over below Rs. 3 lakhs per annum.                                      | Rs. 500/-  |

(III) Other dealers

- |  |                |
|--|----------------|
| (1) Turnover limit – Rs. 30000/- to Rs. 1 lakh | Rs. 250/-      |
| (2) Above Rs. 1 lakh but below Rs.3 lakhs      | Rs. 500/-      |
| (3) Above Rs. 3 lakhs but below Rs.10 lakhs    | Rs. 1,000/-    |
| (4) Above Rs. 10 lakhs but below Rs. 40 lakhs  | Rs. 2,000/-    |
| (5) Above Rs. 40 lakhs but below Rs.100 lakhs  | Rs. 4,000/-    |
| (6) Above Rs. 100 lakhs but below Rs. 5 crores | Rs. 6,000/-    |
| (7) Above Rs. 5 crores but below Rs. 20 crores | Rs. 25,000/-   |
| (8) In excess of Rs. 20 crores                 | Rs. 50,000/-". |