



Legislative Assembly of the State of Goa

**THE GOA SALES TAX (AMENDMENT)
BILL, 2001**

(Bill No. 51 of 2001)

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~~To~~ be introduced in the Legislative Assembly of the
State of Goa)

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

The Goa Sales Tax (Amendment) Bill, 2001

(Bill No. 51 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 (Amendment) Act, 2001.

(2) It shall come into force with effect from 1.4.2001.

2. *Amendment of section 2.*— In section 2 of the Goa Sales Tax Act, 1964 (Act 4 of 1964) (hereinafter referred to as the "principal Act"), for clause (aaaa), the following clause shall be substituted, namely:-

"(aaaa). 'Commissioner' means the Commissioner of Sales Tax appointed under sub-section (1) of section 3 and includes Additional Commissioner of Sales Tax;";

(ii) after clause (aaaaaaaa), the following clause shall be inserted, namely:-

"(aaaaaaaa). 'coastal village' means the village or part of the village as specified in the

Thirty First Schedule and shall include such other village as may be notified by the Government, from time to time;"

(iii) the existing clause (ee) shall be re-numbered as clause (eee) thereof and before clause (eee) as so re-numbered, the following clause shall be inserted, namely:-

" (ee) 'hotel' means and includes any eating house, restaurant, refreshment room or boarding establishment which is not a shop or establishment conducted primarily for sale of sweetmeats, confectionary, cakes, biscuits, and pastries;"

3. *Amendment of section 4.*— In section 4 of the principal Act, for sub-sections (2), (3) and (4), the following shall be substituted, namely:—

"(2) Every dealer to whom sub-section (1) does not apply, shall, if his gross turnover during the previous year or during the current year exceeds Rs.30,000/- or the dealer holds stock of Rs.50,000/- at any time during the current year, be liable to pay tax under this Act, on all sales effected from the first day of the current year or after the date on which the specified limit of gross turnover or stock exceeds, as the case may be:

Provided that the non-resident dealer or casual trader shall be liable to pay tax on all sales effected by him in course of business.

(3) Every dealer who has become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years and for

such further period as may be specified by the Commissioner and after the date of such expiry of this later period, his liability to pay tax shall cease. In respect of casual trader or non-resident dealer, however, liability to pay tax under this Act shall cease on expiry of the year in which he has been granted registration unless he continues to be in business.

(4) Every dealer whose liability to pay tax under this Act has ceased under the provisions of sub-section (3), shall, if his gross turnover calculated from the commencement of any year again exceeds the specified limit under sub-section (2) at any time within such year, be liable to pay such tax after the date on which his gross turnover again exceeds such specified limit.";

(ii) sub-section (5) shall be omitted.

4. *Omission of section 5.*— Section 5 of the principal Act shall be omitted.

5. *Amendment of section 7A.*— For section 7A of the principal Act, the following shall be substituted, namely:-

"7A. *Levy of additional tax.*— (1) There shall be levied and collected from every dealer liable to pay tax under this Act whose gross turnover of sales on petroleum products exceeds fifteen crores of rupees in a year, an additional tax at the rate of twenty five paise in the rupee on the sales tax payable by such dealer for that year under this Act.

(2) Notwithstanding anything contained in this section, no dealer shall be entitled to collect any

sum by way of additional tax payable by him under this section.

(3) The provisions of this Act and the rules made thereunder shall, so far as may be, apply in relation to the additional tax as they apply in relation to the tax payable under this Act."

6. *Insertion of new section 7B.*— After section 7A of the principal Act, the following section shall be inserted, namely:—

"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."

7. *Amendment of section 11.*— In section 11 of the principal Act, for sub-sections (1) and (2), the following shall be substituted, namely:—

"(1) No dealer shall, while being liable to pay tax under section 4 or section 6 or sub-section (6) of section 24 of the Act, carry on business as

a dealer unless, he has filed an application in accordance with sub-section (2) or has been registered and possesses a registration certificate under this Act.

However, in respect of dealers having annual gross turnover not exceeding rupees three lakhs, receipted copy of the challan towards payment of charges for registration or renewal shall be treated as registration certificate and such dealer shall not be subjected to registration procedure as provided hereafter unless he voluntarily seeks such registration.

(2) Every dealer required under sub-section (1) to be registered shall make an application in this behalf in the prescribed manner and within thirty days from the date of accruing of liability to pay tax under this Act to the prescribed authority on payment of fees specified in the Thirtieth Schedule.

8. *Insertion of new section 11A.*— After section 11 of the principal Act, the following section shall be inserted, 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 sixty days from the commencement of the year to which renewal applies."

9. *Omission of sections 12 and 14.*— Sections 12 and 14 of the principal Act shall be omitted.

10. *Amendment of section 15.*— In sub-section (7) of section 15 of the principal Act, in clause (b), for the existing proviso, the following proviso shall be substituted, namely:—

" Provided that, notwithstanding anything contained in this Act and in the rules made thereunder, but subject to such conditions as the Government or the Commissioner, as the case may be, if it or he thinks fit, may by general or special order specify, where the dealer to whom incentive by way of 50% subsidy and 50% tax payment scheme has been granted by virtue of eligibility certificate, and when 50% portion representing tax payable under the Act has been deposited in accordance with the provisions of this Act and the rules made thereunder, the remaining 50% of such tax shall be deemed to have been paid."

11. *Insertion of new section 17B.*— After section 17A of the principal Act, the following section shall be inserted, namely:—

"17B. Change in the rate of interest for delayed payment of tax and other dues. — The rate of interest for delayed payment of tax and other dues by the dealer, wherever provided for under this Act, shall be calculated at 15% per annum.

Explanation:— For the purpose of calculation of interest payable, part of the month, if any, shall be treated as full calendar month."

12. *Insertion of new section 29A.*— After section 29 of the principal Act, the following section shall be inserted, namely:—

" 29A. *Appearance before any authority in proceeding.*— Any person who is entitled to appear before any authority, other than the High Court or Tribunal, in connection with any proceeding under this Act may be represented before such authority,—

(a) by his relative or a person regularly employed by him, if such relative or person is duly authorized by him in writing in this behalf;

(b) by a legal practitioner; or

(c) subject to such conditions as may be prescribed, by an Accountant, or by a person enrolled in the prescribed manner as a Sales Tax practitioner by the Commissioner and duly authorized by the person whom he represents."

13. *Amendment of section 30.*— In sub-section (1) of section 30 of the principal Act,—

(i) after clause (aa), the following clause shall be inserted, namely:—

"(aaa). carries on business as dealer in contravention of section 11A; or";

(ii) in clause (k) for the figures and word "11, 12 and 13", the figures and word "11 and 13" shall be substituted.

14. *Substitution 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.	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 food 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 into account.

15. *Insertion of new Schedules.*— After the Twenty-Ninth Schedule appended to the principal Act, following Schedules shall be inserted, namely:-

"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
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(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.25000/- |
| (2) Hotels including bar and restaurants located in 'A' | Rs.10000/- |

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 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. 5,000/-

(4) Any other hotels including bar and restaurants having turnover 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. 1000/-

(4) Above Rs.10 lakhs but below Rs.40 lakhs Rs. 2000/-

(5) Above Rs.40 lakhs but below Rs.100 lakhs Rs. 4000/-

(6) Above Rs.100 lakhs but below Rs.5 crores Rs. 6000/-

(7) Above Rs.5 crores but below Rs.20 crores Rs.25000/-

(8) In excess of Rs. 20 crores Rs.50000/-

THE THIRTY-FIRST SCHEDULE

(See section 2)

LIST OF COASTAL VILLAGES

- (1) Sinkerim
- (2) Calangute
- (3) Candolim
- (4) Baga
- (5) Arpora
- (6) Vagator
- (7) Anjuna
- (8) Tiracol
- (9) Bambolim
- (10) Arambol
- (11) Assagao
- (12) Reis-Magos(Verem)
- (13) Nerul
- (14) Varca
- (15) Majorda
- (16) Cavellossim
- (17) Bogmalo
- (18) Cansaulim
- (19) Betalbatim
- (20) Colva
- (21) Benaullim
- (22) Betul
- (23) Velim
- (24) Palolem
- (25) Cortalim
- (26) Uttorda
- (27) Ponsulem."

Statement of Objects and Reasons

The Finance Minister/Chief Minister in his Budget Speech 2001-02 has proposed abolition of additional tax payable by the dealers except for those dealers dealing in petroleum products having gross turnover of sales during the year in excess of Rs.15 crores. To compensate the loss, the Finance Minister/Chief Minister has also proposed introduction of surcharge at the rate of 5% of the tax payable.

It is also proposed to levy registration charges and renewal charges for all dealers having turnover in excess of Rs.30,000 during previous year or current year or holding stock during current year of an amount exceeding Rs.50,000/-. For benefit of industrial units entitled for exemption, a scheme for 50% subsidy and 50% tax payment is proposed to be introduced. The portion towards subsidy needs to be considered as deemed payment for which suitable provision needs to be introduced.

The rate of interest for delayed payment of tax and other dues is proposed to be charged uniformly at 15% per annum. The practitioners and persons appearing before the authorities are proposed to be registered with the Sales Tax Department. The rate Schedule applicable to the cooked food and non-alcoholic drinks is proposed to be modified substantially which needs replacement. The tax rate for cooked food is also made subject to place where the hotel is situated. The definition of the 'Coastal Village' has been provided so also list of coastal villages.

Other amendments are of consequential nature.

This Bill seeks to achieve the above objects.

Financial Memorandum

An expenditure of Rs. 3 lakhs per annum is required to meet the expenses relating to salaries, allowances and other dues on creation of post of Additional Commissioner as proposed in the Budget Speech. The existing machinery will carry out any additional work arising out of present amendment.

Memorandum Regarding Delegated Legislation

Proposed sub-section (2) of section 11 empowers the Government to frame rules to specify the manner of making application and specify the authority to whom such application is to be made.

Proposed proviso to clause (b) of section 15(7) empowers the Government or the Commissioner to specify the conditions for the purpose of said proviso.

Clause (c) of proposed section 29A empowers the Government to frame rules to specify the conditions subject to which an Accountant may represent any person who is entitled to appear before any authority and also specify the manner of enrolling a person as a sales tax practitioner.

Porvorim-Goa
28th March, 2001

MANOHAR PARRIKAR
Chief Minister

Assembly Hall,
Porvorim-Goa
28th March, 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, the Governor of Goa, hereby recommend to the Legislative Assembly of Goa the introduction and consideration of the Goa Sales Tax Act (Amendment) Bill, 2001.

ANNEXURE

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

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

(a).....

(aa).....

(aaa).....

(aaaa) 'Commissioner' means the Commissioner of Sales Tax appointed under sub-section (1) of section 3;

(aaaaa).....

(aaaaaa).....

(aaaaaaa).....

(aaaaaaaa).....

Section 4. Incidence of Tax.-

(1).....

(2) Every dealer to whom sub-section (1) does not apply, shall, if his gross turnover calculated from the commencement of any year exceeds the taxable quantum at any time within such year, be liable to pay tax under this Act, on the expiry of one month from the date on which such gross turnover first exceeds the taxable quantum, on all sales effected after such expiry.

Provided that a non-resident dealer or a casual trader shall be liable to pay tax on all sales effected after the date on which his gross turnover first exceeds the taxable quantum;

(3) Every dealer who has 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 his gross turnover has failed to exceed the taxable quantum and such further period after the date of such expiry as may be prescribed, and on the expiry of this latter period his liability to pay tax shall cease.

(4) Every dealer whose liability to pay tax under this Act has ceased under the provisions of sub-section (3), shall, if his gross turnover calculated from the commencement of any year again exceeds the taxable quantum at any time within such year, be liable to pay such tax on the expiry of one month from the date on which such gross turnover again first exceeds the taxable quantum on all sales effected after such expiry:

Provided that a non-resident dealer or a casual trader shall be liable to pay tax on all sales effected after the date on which his gross turnover again exceeds the taxable quantum.

(5) In this Act the expression 'taxable quantum' means:-

(a) in relation to any dealer who imports or brings for sale into the State or to whom any taxable goods are dispatched from any place outside the State for sale or who manufactures or produces any taxable goods for sale, and the value of such taxable goods imported or brought, or manufactured, or produced by him or dispatched to him, during the year is not less than Rs.5000/- (Rupees five thousand), ... Thirty thousand rupees;

(b)

c) in relation to a non-resident dealer and a casual trader where the value of taxable goods sold by such dealer or trader during the year is not less than Rs.5,000/- (Rupees five thousand),....Rupees ten thousand;

(d) in relation to any other dealer, where the value of taxable goods sold by such dealer during the year is

not less than Rs. 5,000/- (Rupees five thousand)..... one lakh rupees.

Provided that if the State Government is of opinion that having regard to the difficulty in maintaining accounts or for other sufficient cause the taxable quantum in respect of any class of dealers falling under clause (a), (b) or (c) should be increased, the State Government may fix in respect of such class of dealers such taxable quantum not exceeding one lakh rupees as may be specified in the notification.

Section 5. LIABILITY AFTER CANCELLATION OF REGISTRATION.

Any dealer whose certificate of registration granted under section 11, 12, 13 or 14 has been cancelled shall, if his gross turnover calculated from the commencement of any year or from any date within the year exceeds the taxable quantum at any time within such year, be liable to pay such tax on the expiry of one month from the date on which such gross turnover again first exceeds the taxable quantum on all sales, effected after such expiry, of goods imported from outside Goa or manufactured therein.

Provided further that a non-resident dealer and a casual trader shall be liable to pay tax on all sales effected after the date on which his gross turnover again exceeds the taxable quantum.

Section 7A. LEVY OF ADDITIONAL TAX.-

(1) There shall be levied and collected from every dealer liable to pay tax under this Act whose gross turnover of sales exceeds two crores of rupees in a year, an additional tax at the rate indicated below:

- | | | |
|----|--|---|
| i) | In respect of dealers whose gross turnover of sales exceeds two crores of rupees but does not exceed seven crores of rupees; | At the rate of 15 paise in the rupee on sales tax payable by such dealers for that year under this Act. |
|----|--|---|

- | | |
|--|---|
| ii) In respect of dealers whose gross turnover of sales exceeds seven crores of rupees but does not exceed fifteen crores of rupees; | At the rate of 20 paise in the rupee on sales tax payable by such dealers for that year under this Act. |
| iii) In respect of dealers whose gross turnover of sales exceeds fifteen crores of rupees; | At the rate of 25 paise in the rupee on sales tax payable by such dealers for that year under this Act. |

Provided that, in calculating the additional tax payable by the dealer, the tax payable under this Act in respect of sales of declared goods specified under section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956), shall not be taken into consideration:

Provided further that in calculating the gross turnover for purpose of levy of additional tax, the sales which are shown to the satisfaction of the Commissioner to have taken place outside the State shall be excluded.

(2) Notwithstanding anything contained in this section, no dealer shall be entitled to collect any sum by way of additional tax payable by him under this Section.

(3) The provision of this Act and the Rules made thereunder shall, so far as may be, apply in relation to the additional tax as they apply in relation to the tax payable under this Act.

Section 11. REGISTRATION OF DEALERS.-

(1) No dealer shall, while being liable to pay tax under section 4, or section 4A, or section 4B, or section 6, or sub-section (6) of section 24 of the Act carry on business as a dealer unless he has filed an application in accordance with sub-section (2) or has been registered and possesses a registration certificate under this Act.

(2) Every dealer required by sub-section (1) to be registered shall make application in this behalf in the

prescribed manner and within the prescribed time to the prescribed authority.

Section 12. VOLUNTARY REGISTRATION.-

(1) Any dealer other than a dealer who deals exclusively in one or more classes of goods specified in the Second Schedule, whose gross turnover during a year exceeds thirty thousand rupees, may, notwithstanding that he may not be liable to pay tax under section 4, apply in the prescribed manner to the prescribed authority for registration under this Act.

(2) The provisions of sub-section (3), (4), (5), (6), (7), (9) and (10) of section 11 shall apply in respect of applications for registration under this section.

(3) Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act.

(4) The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(5) Subject to the provisions of sub-section (4), a dealer registered upon application made under this section may apply in the prescribed manner not less than six months before the end of a year to the authority which granted him a certificate of registration to take effect at the end of the year in which the application for such cancellation is made; and the said authority shall, unless the dealer is liable to pay tax under section 4, cancel the registration accordingly.

Section 14. SPECIAL REGISTRATION.—

(1) No dealer shall, while being liable to pay tax under section 5, carry on business as a dealer unless he has applied for a special certificate of registration.

(2) Every dealer required by sub-section (1) to be registered shall make an application in this behalf in the prescribed manner to the prescribed authority.

(3) If the said authority is satisfied that the application for special certificate is in order, it shall, in accordance with such rules as may be prescribed, grant a special certificate to the applicant in the prescribed form:

Provided that the special certificate shall not specify the class or classes of goods for the purposes of clause (II) of sub-section (3) of section 7.

(4) The prescribed authority may from time to time amend any special certificate in accordance with the information furnished under section 23 or otherwise received by him.

(5) The provisions of sub-section (3) of section 4 and sub-section (6) and (7) of section 11 shall apply for registration under this section.

Section 15.

(a)

(b) Any amount of tax or penalty or interest which remains unpaid after the date prescribed for payment or the date specified in the notice for payment, or in the order of imposition of penalty, or after the extended date of payment and any instalments not duly paid shall be recoverable as arrears of land revenue:

Provided that, notwithstanding anything contained in this Act or in the rules made thereunder but subject to

such conditions as the State Government or the Commissioner, as the case may be if it or he thinks fit may by general or special order specify, where a dealer to whom incentives by way of deferment of sales tax has been granted by virtue of eligibility certificate, and where a loan liability equal to the amount of any such tax payable by such dealer has been raised by the Economic Development Corporation/Maharashtra State Financial Corporation/Scheduled Bank, then such tax shall be deemed to have been paid.

Section 30. OFFENCE AND PENALTIES.—

1. Whoever

(a).....

(aa).....

(b).....

(c).....

(d).....

(e).....

(f).....

(ff).....

(g).....

(h).....

(i).....

(j).....

(k) fails to furnish the security demanded under section 11, 12 and 13 or contravenes any other provision of this Act or notification issued thereunder.

shall be punishable with simple imprisonment which may extent to six months or with fine or with both, and when the offence is a continuing one, with a daily fine not exceeding fifty rupees during the period of the continuance of the offence:

Provided that no prosecution for an offence against this Act shall be instituted in respect of the same facts in respect of which a penalty has been imposed under section 17 or section 31 or section 31A.

(2).....

(3).....

THE SIXTH SCHEDULE

(See clause (v) of sub-section 7 of Goa Sales Tax Act)

1. Sales of cooked food and non-alcoholic drinks served or sold or supplied for consumption at or outside any eating house, restaurant, hotel, refreshment room or boarding establishment which is not a shop or establishment conducted primarily for sale of sweetmeats, confectionery, cakes, biscuits or pastries shall be taxed at the following rates:—

Sr.No.	Conditions subject to which rate in Column (3) is applicable	Rate of tax
1.	2.	3.

- | | |
|---|----|
| (1) Where the average price per item/dish does not exceed Rs.15/- and or the maximum price for any individual Item/dish does not exceed Rs.25/- | 4% |
|---|----|

1.	2.	3.
(2)	Where the average price per item/dish exceeds Rs.15/- but does not exceed Rs.60/- and/or the maximum price for any individual item/dish exceeds Rs.25/- but does not exceed Rs. 100/-	8%
(3)	Where the average price per item/dish exceeds Rs.60/- but does not exceed Rs.120/- and/or the maximum price for any individual item/dish exceeds Rs.100/- but does not exceed Rs. 200/-	10%
(4)	Where the average price per item/dish exceeds Rs.120/- and/or the maximum price for any individual item/dish exceeds Rs. 200/-	12%

II. (a) Every registered dealer effecting sales of cooked food and non-alcoholic drinks shall make a declaration before the appropriate assessing authority within 30 days from the commencement of the year, specifying the item/dishes normally sold or served or supplied by him alongwith their respective prices prevailing on the last day of the previous year. If no such declaration is made within the time stipulated, the rate of tax applicable for the entire year shall be the rate applicable to the next higher slab provided for in this Schedule.

(b) If there is any change in the rates of items on the menu card, subsequent to 31st day of March, in any year, revised menu card with changes incorporated therein shall have to be filed within 30 days from the date of effectivity of the changes.

(c) If, as per prevailing practice, seasonal menu cards are operated, then, for the purpose of calculating the average rate, the menu card with maximum highest rate items will be considered.

Notes:

(1) The average price per item/dish shall be calculated by dividing the sum total of the prices prevailing on the last day of the previous year in respect of highest priced

15 items/dishes. In case the total number of item/dishes on the menu card are less than 15, then the division shall be made by actual number of item/dishes covered by the menu card.

(2) In calculating taxable turnover sales of cooked food and non-alcoholic drinks purchased locally on payment of tax shall be excluded.