



## **The Uttarakhand Tax on Entry of Goods into Local Areas Act, 2008**

Act 13 of 2008

Keyword(s):

Business, Dealer, Entry of Goods, Tax, Value of Goods

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**THE UTTARAKHAND TAX ON ENTRY OF GOODS INTO LOCAL  
AREAS  
Act, 2008**

In pursuance of the provision of clause(3) of Article 348 of the Constitution of India , the Governer is pleased to order the publication of the following English translation of “ The Uttarakhand Tax on Entry of Goods into local Areas Act, 2008”( Uttarakhand Adhiniyam Sankhaya 13 of 2008):

As passed by the Uttarakhand Legislative Assembly and assesnted to by the Governer on 24 December, 2008

**No.217/ XXXVI (3)/30/2008**

**Dated Dehradun, December 26,2008**

**NOTIFICATION**

**Miscellaneous**

**THE UTTARAKHAND TAX ON ENTRY OF GOODS INTO LOCAL  
AREAS  
Act, 2008**

**(Uttarakhand Act No. 13 of 2008)**

**An  
Act**

To provide for levy and collection of tax on entry of goods into a local area for consumption, use or sale therein and for matters connected therewith or incidental thereto-

Be it enacted by the Uttarakhand Legislative Assembly in the Fifty-ninth year of the Republic of India as follows:-

**CHAPTER I  
Preliminary**

- |   |   |
|---|---|
| <b>1 Short title,<br/>extent<br/>and<br/>commencement</b> | (1) This Act may be called the Uttarakhand Tax on Entry of Goods into Local Areas Act, 2008.<br>(2) It extends to the whole of Uttarakhand.<br>(3) It shall be deemed to have come into force on 09 <sup>th</sup> November, 2000.   |
| <b>2. Definitions</b>                                     | (1) - In this Act, unless there is anything repugnant in the subject or context:-<br>(a) " <b>Business</b> " includes-<br>(i) any trade, commerce or manufacture or any adventure or concern in the nature of trade, commerce or manufacture, whether or not such trade, commerce, manufacture, adventure or concern is carried on with a motive to make profit and whether or not any profit accrues from such trade, commerce, manufacture, adventure or concern;<br>(ii) the execution of any works contract or the transfer of the right to use any goods for any purpose (whether or not for a specified period), and<br>(iii) any transaction in connection with or incidental or ancillary to or resulting from such |

trade, commerce, manufacture, adventure or concern or works contract or lease,

**(b) "dealer"** 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 or causes to be brought into a local area any goods or takes delivery or is entitled to take delivery of goods on its entry into a local area and includes-

(i) a local authority, body corporate, company, any co-operative society or other society, club, firm, Hindu undivided family or other association of persons which carries on such business;

(ii) a factor, broker, arhati, commission agent, del credere agent or any other mercantile agent, by whatever name called and whether of the same description as hereinbefore mentioned or not, who carries on the business of buying, selling, supplying or distributing goods belonging to any principal, whether disclosed or not;

(iii) an auctioneer who carries on the business of selling or auctioning goods belonging to any principal, whether disclosed or not, and whether the offer of the intending purchaser is accepted by him or by the principal or nominee of the principal;

(iv) a Government which, whether in the course of business or otherwise, buys, sells, supplies or distributes goods, directly or otherwise for cash or for deferred payment or for commission, remuneration or other valuable consideration;

(v) every person who acts within the State as an agent of a dealer residing outside the State and buys, sells, supplies or distributes goods in the State or acts on behalf of such dealer as-

(a) a mercantile agent as defined in the Sale of Goods Act, 1930(Central Act No. 3 of 1930); or

(b) an agent for handling of goods or documents of title relating to goods; or

(c) an agent for the collection or the payment of the sale price of goods or as a guarantor for such collection or such payment;

(vi) a firm or a company or other body corporate, the principal office or headquarters whereof is outside the State, having a branch or office in the State, in respect of purchases or sales, supplies or distribution of goods through such branch or office;

(vii) every person who carries on the business of transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;

(viii) every person who carries on business of transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;

(ix) any person who, in the course of occasional transactions of business nature, whether on his own account or on account of a principal or any other person brings or causes to be brought into a local area any goods or takes delivery or is entitled to take delivery of goods on its entry into local area;

**Explanation:-** For the purposes of this Act the expression "in the course of business" shall include in the course of establishment or commencement of business.

**(c) "Entry of goods"**, with all its grammatical variations and cognate expressions, means, entry of goods;

(i) into a local area from any place outside such area;

(ii) into a local area from any place outside the State;

(iii) into a local area from any place outside the Territory of India, for consumption, use or sale therein;

**(d)"local area"** means the territorial area of-

(i) a Municipal Corporation under the Uttar Pradesh Municipal Corporation Act,1959; (As applicable to the State of Uttarakhand)

- (ii) a Municipality under the Uttar Pradesh Municipalities Act, 1916; (As applicable to the State of Uttarakhand)
- (iii) a Zila Panchayat or a Kshetra Panchayat under the Uttar Pradesh Kshetra Panchayats and Zila Panchayats Adhiniyam, 1961; (As applicable to the State of Uttarakhand)
- (iv) a Gram Panchayat under the United Provinces Panchayat Raj Act, 1947; (As applicable to the State of Uttarakhand)
- (v) a Cantonment under the Cantonments Act, 1924; (As applicable to the State of Uttarakhand)
- (vi) any Industrial Development Area under the Uttar Pradesh Industrial Area Development Act, 1976; (As applicable to the State of Uttarakhand)
- (vii) an Industrial Township by whatever name called,
- (viii) any other local authority by whatever name called under an Act of the Parliament or the State Legislature.

(e) "**Schedule**" means a Schedule appended to this Act;

(f) "**Scheduled Goods**" means any goods mentioned in the Schedule to this Act;

(g) "**Tax**" means tax leviable under this Act;

(h) "**Value of goods**" means the value of any goods as ascertained from original purchase invoice or bill and includes value of packing material, packing and forwarding charges, insurance charges, amounts representing excise duty, countervailing duty, custom duty and other like duties, amount of any fee or tax charged, transport charges, freight charges and any other charges relating to purchase and transportation of such goods into the local area in which goods are being brought or received for consumption, use or sale therein:

Provided that where any goods have been-

- (i) purchased and the value thereof is not ascertainable on account of non availability or non production of any document; or
- (ii) purchased and the value declared by the dealer or the person incharge is not verifiable on account of non-availability or non production of any document; or
- (iii) purchased and a document produced in support of purchase price or transport charges and other charges, is not worthy of credence; or
- (iv) acquired or obtained otherwise than by way of purchase, the 'value of goods' shall mean the value or the price at which the goods of the like kind or like quality is sold or is capable of being sold at wholesale price in the open market in the local area in which goods are being brought or received for consumption, use or sale.

**Explanation** :- For the purpose of ascertaining whole sale price of any goods under this clause the whole sale price shall include any amount paid or payable by the purchaser as excise duty or any other duty but shall not include any amount charged for anything done to the goods after entry of goods into the local area or any amount of fee or tax including tax under this Act payable in respect of sale of the goods of the like kind or like quality.

(a) "**Fund**" means the Uttarakhand Trade Development Fund.

(b) **Words and expressions** used in this Act, but not defined shall have the meanings assigned to them in the The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007 or the rules framed thereunder.

### 3. Authorities under this Act

(1) For carrying out the purposes of this Act,-

- (a) the Commissioner of Commercial Tax, Additional Commissioner of Commercial Tax and Joint Commissioner of Commercial Tax of the Commercial Tax Department shall be the Commissioner, Additional Commissioner and Joint Commissioner respectively, and they will be designated as Commissioner of Entry Tax, Additional Commissioner of Entry Tax and Joint Commissioner of Entry Tax respectively;
- (b) appellate authority and Chairman and members of the Tribunal appointed by the State Government under The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007 shall function as appellate authority and the Chairman and members of Tribunal of Entry Tax respectively;

(c) all Deputy Commissioners and the Assistant Commissioners posted in the Department of the Commercial Tax shall be the Deputy Commissioners and Assistant Commissioners of Entry Tax and likewise all Commercial Tax Officers posted in the Department of Commercial Tax shall be the Entry Tax Officers;

(d) any officer not below the rank of a Commercial Tax Officer, posted in a Commercial Tax Circle either by the State Government or the Commissioner Commercial Tax, Officers authorised by the State Government or the Commissioner Commercial Tax to exercise powers under Sections 42 and 43 of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007 and Officers, not below the rank of Commercial Tax Officer, posted at a Check-Post established under section 47 of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007, shall exercise the powers of the assessing authority under this Act;

(e) All officers or authorities under this Act except Chairman and the members of the Tribunal shall work under the Administrative control of the Commissioner and the Commissioner shall be competent to exercise powers vested in any officer under his administrative control except appellate authority.

(2) The territorial jurisdiction of authorities under this Act shall be the same as may be fixed or determined by the State Government or the Commissioner of Commercial Tax for the purpose of carrying out purposes of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007.

#### **4. Levy of tax**

(1) For the purpose of development of trade, commerce and industry in the State, there shall be levied and collected a tax on entry of goods specified in the Schedule into a local area for consumption, use or sale therein, from any place outside that local area, at such rate not exceeding five percent of the value of the goods as may be specified by the State Government by notification and different rates may be specified in respect of different goods or different classes of goods;

Provided that the State Government may by notification amend the Schedule and upon issue of any such notification, the Schedule shall, subject to the provisions of sub-section (10), be deemed to be amended accordingly.

(2) The tax levied under sub-section (1) shall be continued to be levied till such time as is required to improve infra-structure within the State such as power, road, market condition etc. with a view to facilitate better market conditions for trade, commerce and industry.

(3) The tax levied under sub-section (1) shall be payable by a dealer who brings or causes to be brought into the local area such goods, whether on his account or on the account of his principal or takes delivery or is entitled to take delivery of such goods on its entry into a local area:

Provided that the State Government may by notification, permit any Power Project Industrial Unit engaged in generation, transmission and distribution of power, having aggregate capital investment of rupees one thousand crore or more to own the liability of payment of tax of other dealers on the entry of such goods into a local area from any place out side that local area as are used and consumed by the said unit subject to such conditions as may be specified in the notification.

**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 or caused to have brought the goods into the local area.

- (4) The State Government may by notification remit the amount of tax to the extent necessary to ensure that effective rates of tax on entry of goods into a local area, from any place outside the local area for consumption or use in a Power Project Industrial Unit, do not exceed the respective rates applicable as on the date of commencement of State Energy Policy subject to the conditions as may be notified in such notifications.
- (5) No dealer who brings or causes to be brought any goods into a local area shall be liable to tax, if during the assessment year the aggregate value of such goods is less than five lakh rupees or such larger amount as the State Government may by notification specify in that behalf either in respect of all dealers in any goods or in respect of a particular class of such dealers:

Provided that the provisions of this sub-section, shall not apply in respect of value of the goods brought into a local area from outside Uttarakhand.

- (6) Notwithstanding anything contained in sub-section (1) or sub-section (3), no tax shall be levied on and collected from a dealer who brings or causes to be brought into a local area any goods which are sold by him within the local area for the purpose of being taken out of that area and are actually taken out:

Provided that where at the time of entry of any goods into a local area, the quantity or value of goods to be sold within such local area for the purpose of being taken outside the local area without consumption, use or sale in such local area is not ascertainable, the dealer shall pay amount of tax on the value of total quantity of goods and after the goods are sold within the local area for the purpose of being taken outside such local area and are actually taken out, the dealer may claim refund of the amount paid as tax in respect of such goods, in the manner provided in section 5 of this Act:

Provided further that the burden of proving the fact that any goods after entry into a local area were sold for the purpose of being taken outside the local area for consumption, use or sale outside such area and were actually taken outside such local area shall lie on the dealer selling the goods.

- (7) Where a single consignment of goods, partially meant for consumption, use or sale within a local area and partially meant for transfer to any place outside such local area, is brought or received by a dealer into such local area and where value of the goods to be consumed, used or sold in the local area is not ascertainable, the dealer shall pay tax on the value of all goods of the consignment and shall, after any goods are transferred as aforesaid, may claim refund of the amount, paid as tax in respect of goods so transferred in the manner provided in section 5 of this Act:

Provided that the burden of proving the fact that any goods, after bringing or receiving into a local area, has been transferred outside such local area without consumption, use or sale therein shall lie on the dealer claiming refund.

- (8) Where tax, in respect of entry of any goods into a local area, is payable and has been so paid by the agent, the principal shall not be liable for payment of tax and likewise where tax, in respect of entry of any goods into a local area, is payable and has been so paid by the principal, the agent shall not be liable for payment of tax.

- (9) Where in respect of any-  
(1) purchased scheduled goods-

- (a) value of such goods is not ascertainable or value of such goods, as declared by the dealer or the person in- charge of the goods, as the case may be, is not verifiable on account of non-availability or non-production of any document; or
- (b) any document produced in support of purchase price or transport charges and other charges, is not worthy of credence; or

(2) scheduled goods, acquired or obtained otherwise than by way of purchase, value of such goods disclosed by the person in-charge of the goods or the dealer, as the case may be, does not appear to be reasonable and worthy of credence, then the whole-sale price, in the open market in a local area in which such goods are being brought, reasonably determined by the assessing authority, after affording reasonable opportunity of being heard to the person in-charge of the goods or the dealer, as the case may be, shall be deemed to be, the value of goods, and for this purpose in reference to clause (i), the assessing authority shall assume that goods have been acquired or obtained otherwise than by way of purchase.

(10) Every notification made under this section shall, as soon as may be after it is made, be laid before the State Legislature, while it is in session, for a total period of not less than fourteen days, extending in its one session or more than one successive sessions and shall unless some later date is appointed take effect from the date of its publication in Gazette subject to such modifications or annulments as the Legislature may during the said period agree to make, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done thereunder except that any imposition, assessment, levy or collection of tax or penalty shall be subject to the said modification or annulment.

## 5. Reversal of levy of tax

(1) Where any dealer has brought or has caused to be brought or has taken delivery of any goods notified under sub-section (1) of section 4 on its entry into a local area, for consumption, use or sale therein and has paid tax in respect of entry of such goods into such local area, such levy of tax shall stand reversed and subject to provisions of sub-section (3), the amount, paid by the dealer as tax, shall be refunded to such dealer in the following circumstances:-

- (a) Where purchased goods, without using them in such local area, are returned to the selling dealer within a period of six months from the date of purchase;
- (b) Where goods, without using them in such local area, are consigned to any place outside the State;
- (c) Where goods, without using them in the local area, are consigned to any place in any other local area for consumption, use or sale therein;
- (d) Where goods are re-sold either in the course of inter-state trade or commerce or in the course of the export of the goods out of the territory of India;
- (e) Where any scheduled goods are sold for being taken outside such local area and are actually taken out.

**Explanation:** Sections 3 and 5 of the Central Sales Tax Act, 1956, (Act No.74 of 1956) shall apply for the purpose of determining whether or not any goods has been sold by a dealer in the course of inter-state trade or commerce and whether or not any goods has been sold in the course of the export of the goods out of the territory of India.

(2) Where a dealer has paid tax in respect of entry of any goods into any local area but goods are destroyed before entry into the local area, any amount paid as tax shall, subject to provisions of sub-section (3), be refunded to the dealer.

(3) Any amount found refundable to a dealer in accordance with provisions of sub-section (1) or sub-section (2) shall first be adjusted towards any amount outstanding against the dealer and the balance amount, if any, shall be refunded to the dealer:

Provided that where goods, without use or sale in any local area, are consigned for

delivery to self in any other local area for consumption, use or sale therein, the amount, found refundable, shall be adjusted towards the amount of tax payable in respect of entry of such goods in such other local area.

#### **6. Rebate**

Where in respect of any scheduled goods notified under sub-section (1) of section 4, tax is payable in respect of a sale or purchase of such goods under The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007, by a dealer registered under the said Act, and liability for payment of tax has accrued before entry of such goods into any local area, the State Government may, by notification and subject to such conditions and restrictions, as may be specified therein, allow a rebate up to the full amount of tax leviable under this Act.

#### **7. Exemption**

Where the State Government is satisfied that it is expedient in the public interest so to do, it may, by notification, exempt subject to such conditions and restrictions as may be specified in the notification, any goods or class of goods from levy of tax, or class of dealers from the payment of the tax.

#### **8. Registration**

(1) Subject to the provisions of sub-section (2) every dealer liable to pay tax shall apply to the assessing authority for grant of registration certificate in the prescribed manner along with proof of deposit of Registration fee within thirty days from the date on which he becomes liable to pay tax under this Act:

Provided that a dealer who holds a registration certificate granted under the provisions of the Uttaranchal (The Uttar Pradesh Trade Tax Act, 1948) Adaptation and Modification Order, 2002 or under The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007, if, furnishes required information in the prescribed form of application within the aforesaid time, shall not be liable to obtain separate registration certificate under this Act and for all purposes of this Act, such dealer shall be deemed to be a registered dealer:

Provided further that a Government shall not be required to obtain registration certificate under this Act if such Government Department is not engaged in regular business.

(2) Where a dealer has no fixed place of business within the State of Uttarakhand, he shall not be liable for obtaining registration under this Act.

(3) In respect of grant of registration certificate under this Act, provisions of Sections 15, 16, 17, 18, 19, 20, 21 and Section 22 of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007, shall mutatis mutandis apply as they apply to grant of Registration Certificate under that Act.

#### **9. Submission of returns and assessment of tax**

(1) Every dealer liable to obtain registration under this Act, shall submit such returns of value of scheduled goods along with proof of deposit of amount of tax shown payable in the return to its assessing authority in such manner, for such tax periods and within such time as may be prescribed:

Provided that the assessing authority on the application of the dealer may, for sufficient reason, allow the dealer to submit return beyond prescribed time.

(2) Every dealer liable to pay tax, other than a dealer referred in sub-section (2) of section 8, shall submit to the assessing authority for each assessment year, an annual return of self assessed tax in such manner and within such time as may be prescribed:

Provided that the assessing authority on the application of the dealer may, for sufficient reason, extend the time for submitting the return up to a period of ninety



days.

(3) Where-

(a) a dealer has submitted returns for all tax periods referred to in sub-section (1) and the annual return of self assessed tax referred to in sub-section (2);

(b) prima facie there is no reason to believe that the dealer has suppressed value of any scheduled goods or has otherwise evaded payment of tax; and

(c) the dealer has neither claimed refund of any amount deposited as tax nor has, in respect of any scheduled goods, claimed reversal of amount of tax under section 5,

the assessing authority shall, without requiring appearance of the dealer, accept the return of self assessed tax:

Provided that where the assessing authority is of the view that-

- (i) tax shown payable in the return has not been computed at the applicable rate of tax; or
- (ii) there is mathematical error in computation of tax; or
- (iii) any exemption or concession has been claimed on the basis of any certificate or any prescribed certificate or declaration but such form of declaration or certificate has not been submitted, he shall issue notice to the dealer for submitting revised annual return of self assessment within fifteen days from the date of service of the notice and if the assessing authority is satisfied with the revised return of self assessment, he shall accept the revised return of self assessment:

(4) In case of a dealer other than the dealer in whose case self assessment of tax is to be accepted by the assessing authority under sub-section (3), the assessing authority shall, after making such enquiry as it may deem fit and after affording reasonable opportunity of being heard to the dealer, determine the value of the scheduled goods brought or received by the dealer into any local area for consumption, use or sale therein and the amount of tax payable by the dealer:

Provided that nothing shall prevent the assessing authority from determining such value of scheduled goods and the amount of tax payable by the dealer according to its best judgment assessment where-

- (a) the dealer has not maintained account books in respect of scheduled goods; or
- (b) the dealer has not produced accounts and documents maintained by him in respect of scheduled goods; or
- (c) accounts and documents produced by the dealer are not found worthy of credence by the assessing authority; or
- (d) value of scheduled goods brought or received in any local area is not verifiable from the accounts and documents produced by the dealer.

## **10 Provisional assessment of tax**

(1) Where a dealer to whom sub-section (1) of section 9 applies fails to submit return of value of the scheduled goods and tax payable on entry of such goods into a local area within the time prescribed or allowed under that section or does not furnish proof of deposit of tax shown payable in such return, or the return submitted is, in the opinion of assessing authority, incorrect or incomplete or contains wrong particulars, the assessing authority may, without prejudice to the provisions of section 9 but after giving reasonable opportunity of being heard to the dealer, make provisional assessment of value of scheduled goods and the tax payable thereon.

(2) Where the assessing authority has made a provisional assessment under sub-section (1), it shall not, by reason of such assessment, be precluded from re-determining the value of the scheduled goods and making the assessment of tax for the whole year.

**11 Composition of** (1) Where in respect of any scheduled goods, a dealer is liable for payment of tax under

## tax

this Act but does not fall within the definition of a dealer as defined under sub-section (11) of section 2 of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007, he may, subject to other provisions of this section, opt for payment of tax in respect of such scheduled goods on the estimated value of the goods before bringing or receiving or before taking delivery of such goods into a local area.

(2) Every dealer having no fixed place of business within the State of Uttarakhand shall, subject to other provisions of this section, make payment of tax in respect of scheduled goods on the estimated value of the scheduled goods before bringing or receiving or before taking delivery of such goods into a local area.

(3) Every person or dealer, who does not fall under sub-section (1) or sub-section (2) and who is liable for payment of tax under this Act, may opt for payment of tax in respect of such scheduled goods on the estimated value of the goods before bringing or receiving or before taking delivery of such goods into a local area.

(4) Once a dealer or a person, as the case may be, referred to in sub-sections (1), (2) and (3), opts for payment of tax under this section for any assessment year, he shall not be entitled to change his option for payment of tax in any other manner for any period of that assessment year.

(5) Any dealer, who makes payment of tax under provisions of this section, shall not be liable for submission of returns referred to in section 9.

(6) Where payment of tax in respect of any goods has been made under this section, no assessment of tax under section 9 shall be made in respect of such goods.

(7) Provisions of sub-section (9) of section 4 shall apply to all goods in respect of entry of which into a local area, payment of tax is to be made under this section.

## 12 Realization of tax through manufacturer

(1) Notwithstanding anything contained in any other provision of this Act, any person who intends to bring into a local area from any manufacturer within the State, any goods specified in the Schedule, as may be notified by the State Government, shall, at the time of taking delivery of the goods from the manufacturer, pay to the manufacturer the tax payable on entry of such goods into the local area and the manufacturer shall receive the tax so paid. The manufacturer shall not give such goods to the purchaser unless the amount of such tax has been paid by the purchaser.

(2) The manufacturer receiving the tax under sub-section (1) shall submit to the assessing authority a return in respect of the goods supplied, and the tax received, by him under sub-section (1) and deposit the tax so received, in such manner and within such time as may be prescribed.

(3) Where any manufacturer fails to deposit, the tax under this section he shall be liable to pay the tax along with the interest and penalty, if any, payable thereon which shall be recoverable as arrears of land revenue.

(4) Where the assessing authority is satisfied that any goods referred to in sub-section (1) is lost or destroyed after its delivery by the manufacturer and before its entry into the local area, it shall direct that the tax paid in respect of such goods shall be refunded to the person who had paid the tax under sub-section (1):

Provided that no claim for such refund shall be entertained after the expiry of six months from the date of the loss or destruction of the goods.

(5) Provisions regarding imposition of penalty in respect of amount of tax deducted under section 35 of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007, and provisions regarding payability of interest under sub-section (4) of section 34 of the said Act shall mutatis mutandis apply to amounts collected by manufacturers from purchasers under this section.

## 13 Applicability

The following provisions of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005)

**of certain provisions of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007**

Adaptation and Modification Order, 2007, shall mutatis mutandis apply to all dealers and proceedings under this Act:-

- (i) Section 3(7)(e)(i) and (ii) Liability of new firms and firms discontinuing business;
- (ii) Section 8 liability of a proprietary concern;
- (iii) Section 9 Liability in case of a firm etc.,
- (iv) Section 10 Liability in case of minors and incapacitated persons;
- (v) Section 11 Liability in case of court of Wards, etc.;
- (vi) Section 16 voluntary registration;
- (vii) Sub-section (11) of Section 17 Information to be furnished regarding change of business;
- (viii) Section 20 Security in the interest of revenue;
- (ix) Sub-section (10) of Section 25 Assessment of tax where rate is varied during the assessment year;
- (x) Section 29 Assessment of escaped turnover;
- (xi) Section 30 Rectification of mistakes;
- (xii) Section 31 Power to set aside an order of assessment;
- (xiii) Section 33 Rounding off, of turnover, tax etc.
- (xiv) Section 34 Payment and recovery of tax;
- (xv) Sub-section (20) of Section 34 Recovery or refund of petty amounts to be ignored;
- (xvi) Section 36 Refund;
- (xvii) Section 40 Procedure for disbursement of amount wrongly realized by dealer as tax;
- (xviii) Section 42 Power to order production of accounts and powers of entry and inspection;
- (xix) Section 43 Power to seize;
- (xx) Section 46 Power to seek assistance from police etc.
- (xxi) Section 47 Establishment of check posts and barriers;
- (xxii) Section 48 Imports of goods into the State against declaration;
- (xxiii) Section 49 Imports of goods into the State by Rail, River, Air and Post;
- (xxiv) Section 50 Transit of goods by road through the State and issue of authorization for transit of goods;
- (xxv) Section 51 first appeal;
- (xxvi) Section 52 Revision by the Commissioner;
- (xxvii) Section 53 Appeal to the Appellate Tribunal;
- (xxviii) Section 55 Revision by the High Court;
- (xxix) Section 56 Order against which no appeal or revision shall lie;
- (xxx) Section 57 Determination of disputed question;
- (xxxi) Section 58 Offences and Penalties;
- (xxxii) Section 59 Maintenance of Accounts;
- (xxxiii) Section 64 Objections to Jurisdiction;
- (xxxiv) Section 66 Burden of Proof;
- (xxxv) Section 67 Additional evidence in appeal;
- (xxxvi) Section 68 Indemnity;
- (xxxvii) Section 69 Bar to certain proceedings;
- (xxxviii) Section 70 Certain information to be confidential;
- (xxxix) Section 72 Power to issue notifications with retrospective effect;
- (xxxx) Section 73 Transfer to defraud revenue void;
- (xxxxi) Section 74 Fees in certain cases;
- (xxxxii) Section 75 Power to grant instalment;
- (xxxxiii) Section 77 Facility for sick industrial units;

Any reference to turnover of purchase or of sale or of both, as the case may be, under the provisions of The Uttarakhand (The Uttaranchal Value Added Tax Act, 2005) Adaptation and Modification Order, 2007, shall be deemed reference to value of the scheduled goods under this Act.

**14 Utilization of the proceeds of the levy under this Act**

(1) The proceeds of the levy under this Act shall be appropriated to the Fund and shall be utilized exclusively for the development or facilitating the trade, commerce and industry in the State of Uttarakhand which shall include the following:-

- (a) construction, development and maintenance of roads and bridges for linking the market and industrial areas;
- (b) providing finance, aids, grants and subsidies to financial, industrial and commercial units;
- (c) creating infrastructure for supply of electricity and water to industries, marketing and other commercial complexes;
- (d) creation, development and maintenance of other infra-structure for the furtherance of trade, commerce and industry in general;
- (e) providing finance, aids, grants and subsidies for creating, developing and maintaining pollution free environment in the concerned areas;
- (f) any other purpose connected with the development of trade, commerce and industry or for facilities relating thereto which the State Government may specify by notification;
- (g) providing finance, aids, grants and subsidies to local bodies and government agencies for the purposes specified in clauses (a), (c), (d), (e) and (f);

(2) The entry tax levied and collected under this Act shall be credited to the Uttarakhand Trade Development Fund and shall exclusively be used for facilitating trade, commerce and industry. The amount realised as entry tax shall not be used for the purposes other than those specified in sub-section (1).

(3) The State Government shall, by notification, specify the manner of deposit of tax under appropriate Heads of Accounts and the manner in which the proceeds of the levy shall be utilized exclusively for the development of trade and commerce in the State of Uttarakhand.

**15 Power to remove difficulties**

(1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order published in the official Gazette, make such provisions, not inconsistent with the provisions of this Act as appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the date this Act is notified.

(2) The provisions made by any order under sub-section (1) shall have effect as if enacted in this Act and any such order may be made so as to be retrospective to any date not earlier than the date of commencement of this Act.

(3) Every order made under sub-section (1) shall, as soon as may be after it is made, be laid before the State Legislature and the provisions of sub-section (1) of section 23-A of the Uttar Pradesh General Clauses Act, 1904 shall apply as they apply in respect of rules made by the State Government under any Uttarakhand Act.

**16 Power to make**

The State Government may make rules for carrying out the purposes of this Act.

• **rules**

**17 Validation**

(1) Notwithstanding any judgment, decree or order of any Court, Tribunal or Authority, all actions taken, things done, rules made, notifications issued or purported to have been taken, done, made or issued and entry tax levied, assessed, collected, realised, received or liability accrued under the Uttarakhand (Uttar Pradesh Tax on Entry of Goods Act, 2000) Adaptation and Modification Order, 2007, shall be deemed to have been validly taken, done, made, issued, levied, assessed, collected, realised, received or accrued under this Act, as if this Act were in force at all material times and no suit or other proceedings shall be maintained or continued in any Court or before Tribunal or any Authority for the refund of entry tax.

(2) For the removal of doubts it is hereby declared that nothing in sub-section (1) shall be construed as preventing any person from claiming refund of entry tax paid by him in excess of the amount due from him under the Act provided the burden of tax has not been passed on.

**18 Repeal and saving**

(1) The Uttarakhand (Uttar Pradesh Tax on Entry of Goods Act, 2000) Adaptation and Modification Order, 2007, is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken in exercise of the powers under the said Act, shall be deemed to have been done or taken in the exercise of the powers conferred by or under this Act as if this Act were in force at all material times.

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## The Schedule

- 1- Crude oil as defined in Section 14 of the Central Sales Tax Act, 1956.
- 2- Machinery and spare parts of machinery valuing Rupees ten lakhs or more.
- 3- Natural Gas.
- 4- Non levy sugar.
- 5- Tobacco in the form of cigarette.
- 6- Paper meant for writing, printing or packing purpose excluding newsprint.
- 7- Pan masala containing tobacco(gutka).
- 8- Cement.
- 9- Coal.
- 10- Wood and timber of all kinds and of all trees, of whatever species including ballies and bamboos, whether growing or cut or sawn imported from outside India.
- 11- High speed diesel, low sulphur high speed diesel, ultra low sulphur high speed diesel, light diesel oil, superior kerosene oil, furnace oil, residual fuel, low sulphur heavy stocks, heavy petroleum stocks and all its variants but excluding kerosene oil of public distribution system.
- 12- Clinker.
- 13- Motor vehicles of all kinds including chassis thereof but excluding tractors.
- 14- Iron and steel as defined in section 14 of the Central Sales Tax Act, 1956.
- 15- Aluminium and its products excluding aluminium utensils.
- 16- Cables of all kinds.
- 17- Laptops, computer system and peripherals, TV including LCD TV.
- 18- Tyres and tubes excluding tyres and tubes of cycles, cycle-rickshaw and animal driven vehicles.
- 19- Marble stones and their tiles.
- 20- Refrigerators, Air-conditioners and Air-conditioning plants.

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