

THE GOA ENTERTAINMENT TAX (AMENDMENT) BILL, 2015

(Bill No. 25 of 2015)

A

BILL

further to amend the Goa Entertainment Tax Act, 1964 (Act 2 of 1964).

BE it enacted by the Legislative Assembly of Goa in the Sixty-sixth Year of the Republic of India, as follows:-

1. Short title and commencement.- (1) This Act may be called the Goa Entertainment Tax (Amendment) Act, 2015.

(2) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint.

2. Omission of section 3D.- Section 3D of the Goa Entertainment Tax Act, 1964 (Act 2 of 1964) (hereinafter referred to as the “principal Act”), shall be omitted.

3. Amendment of section 3K.- In section 3K of the principal Act, after sub-section (6), the following sub-section shall be inserted, namely:-

“(7) Whenever a owner or person in charge of any premises, stall or space, agrees to allow any other person to carry out entertainment in such premises, stall or space, he shall inform to the Commissioner about the same within reasonable time, not less than seven days, in advance, before the date on which such entertainment/event shall take place, failing which such owner or person shall be fully liable to pay the entertainment tax on such entertainment/event as if he himself has conducted the same.”.

4. Amendment of section 6C.- In section 6C of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:-

“(4) Notwithstanding anything contained in sub-section (1), the time limit specified in this Act for assessment, re-assessment and/or for the levy of penalty shall not apply to a proprietor or person, as the case may be, who has

evaded payment of tax in respect of any period or periods by not recording or recording in an incorrect manner, any transaction of receipts or turnover of receipts or where the claim was otherwise fraudulent:

Provided that no such assessment, re-assessment shall be carried out and/or penalty shall be levied without prior approval of the Government.”.

Statement of Objects and Reasons

The Bill seeks to omit section 3D of the Goa Entertainment Tax Act, 1964 (Act 2 of 1964) (hereinafter referred to as the “said Act”), so as to withdraw the composition of tax benefit available to the river cruises / boat cruises.

The Bill seeks to insert sub-section (7) in section 3K of the said Act so as to seek the details of events / entertainments carried out in the rented premises in order to prevent the revenue loss / avoidance of tax payments.

The Bill seeks to insert sub-section (4) in section 6C of the said Act so as to assess those proprietors or persons who have either not recorded a transaction of receipts / turnover of receipts or recorded it in an incorrect manner, or where the claim is otherwise fraudulent, beyond the period of limitation specified thereof, with prior approval of the Government.

This Bill seeks to achieve the above objects.

Financial Memorandum

An increase in revenue collection is expected by this amendment Bill, quantum of which cannot be ascertained as of now.

Memorandum Regarding Delegated Legislation

No delegated legislation is envisaged in this Bill.

Porvorim, Goa.
11th August, 2015

SHRI LAXMIKANT PARSEKAR
Chief Minister/Finance Minister

Assembly Hall,
Porvorim, Goa.
11th August, 2015

N. B. SUBHEDAR
Secretary to the Legislative Assembly of Goa

**Governor's Recommendation under Article 207 of the
Constitution of India**

In pursuance of Article 207 of the Constitution of India, I, Mridula Sinha, the Governor of Goa hereby recommend to the Legislative Assembly of Goa, the introduction and consideration of the Goa Entertainment Tax (Amendment) Bill, 2015.

RAJ BHAVAN
Date: 11/08/2015

SMT. MRIDULA SINHA
Governor of Goa

ANNEXURE

Bill No. 25 of 2015

Extract of the Goa Entertainment Tax Act, 1964 (Act 2 of 1964)

3D. Composition of tax payable on entertainment provided by way of river cruises/boat cruises under section 3.-

In lieu of tax payable under section 3 for entertainment provided by way of river cruises/boat cruises, the proprietor may, at his option and in such manner as may be prescribed, pay the tax by way of composition at 50% or any lower rate of percentage that the Government may notify for such period of the aggregate value of notional receipts receivable for admission worked out as under:-

Aggregate notional receipts = total capacity of the boat or vessel by way of number of persons, on which entertainment is provided by way of river cruises/boat cruises X rate per ticket per adult person X number of trips.

3K. Special provision regarding liability in certain cases.-

(1) Where a proprietor or person liable to pay tax under this Act, dies, then:

- (a) if the activity of providing entertainment carried on by the proprietor or person is continued after his death by his legal representative or any other person, such legal representative or other person shall be liable to pay the tax including any penalty due from such proprietor or person under this Act in the like manner and to the same extent as the deceased proprietor or person;
- (b) if the activity of providing entertainment carried on by the proprietor or person is discontinued, whether before or after his death, his legal representative shall be liable to pay out of the estate of the deceased, in the like manner and to the same extent as the deceased proprietor or person would have been liable to pay if he had not died, the tax including any penalty due from such proprietor or such person under this Act, whether such tax including any penalty has been assessed before his death but has remained unpaid or is assessed after his death.

Explanation.- For the purpose of this sub-section, the expression “legal representative” has the meaning assigned to it in clause (11) of section 2 of the Code of Civil Procedure, 1908 (Central Act 5 of 1908).

- (2) Where a proprietor or a person liable to pay tax under this Act is a Hindu undivided family and the joint property is partitioned amongst the various members or group of members, then, each member or group of members shall be jointly and severally liable to pay the tax including any penalty/interest due from the proprietor or the person, under this Act, upto the time of partition whether such tax including any penalty/interest has been assessed before partition but has remained unpaid or is assessed after partition.
- (3) Where a proprietor or person liable to pay tax under this Act is a firm and the firm is dissolved, then every person who was a partner shall be jointly and severally liable to pay to the extent to which he is liable under section 3J, the tax including any penalty/interest due from the firm under this Act upto the time of dissolution, whether such tax including any penalty/interest has been assessed before such dissolution but has remained unpaid or is assessed after dissolution.

- (4) Where a proprietor or person, liable to pay tax under this Act, transfers or otherwise disposes of his business in whole or in part or effects any change in the ownership thereof, in consequence of which he is succeeded in the business or part thereof by any other person, then, the proprietor or person and the person succeeding shall jointly and severally be liable to pay the tax including any penalty/interest due from the proprietor or person under this Act upto the time of such transfer, disposal or change, whether such tax including any penalty/interest has been assessed before such transfer, disposal or change but has remained unpaid or is assessed thereafter.
- (5) Where a proprietor or a person liable to pay tax under this Act,-
- (a) is the guardian of a ward on whose behalf the business is carried on by the guardian; or
- (b) is a trustee who carries on the business under a trust for a beneficiary, then, if the guardianship or trust is terminated, the ward or, as the case may be, the beneficiary, shall be liable to pay the tax including any penalty/interest due from the proprietor or person, upto the time of termination of the guardianship or trust, whether such tax including any penalty/interest has been assessed before the termination of the guardianship or trust, but has remained unpaid, or is assessed thereafter.
- (6) Where a proprietor or person liable to pay the tax under this Act is succeeded in the business by any person in the manner described in clause (a) of sub-section (1) or in sub-section (4), then such person, unless he already holds a certificate of registration, shall, within 30 days thereof, apply for registration.

6C. Re-assessment of turnover escaping assessment, under assessed, etc.-

- (1) If a proprietor or a person has been assessed under section 6A for any year or part thereof and where for any reason the whole or any part of the turnover of receipts in respect of that year or part thereof has escaped assessment, or has been under-assessed or assessed at a lower rate, or any deduction has been wrongly made, then, the Commissioner may, at any time within three years of the end of that year, after giving the proprietor or the person a reasonable opportunity of being heard, proceed to assess or re-assess, to the best of his judgement, the amount of tax due from such proprietor or person:

Provided that, the amount of tax shall be assessed at the rates at which it would have been assessed had there been no under-assessment or escapements:

Provided further that, where in respect of such turnover of receipts an order has already been passed in appeal or revision under this Act, the Commissioner shall make a report to the appropriate appellate or revisional authority under this Act, which shall thereupon after giving the proprietor or the person concerned a reasonable opportunity of being heard, pass such order as it deems fit.

- (2) Nothing in sub-section (1) shall apply to any proceeding (including any notice issued) under section 6D or section 6G.
- (3) Nothing in sections 6D and 6G shall affect any proceeding under this section.