

**THE GUJARAT STATE TAX ON PROFESSIONS, TRADES,  
CALLINGS AND EMPLOYMENTS (AMENDMENT) BILL, 2021.**

**GUJARAT BILL NO. 17 OF 2021.**

*A BILL*

*further to amend the Gujarat State Tax on Professions, Trades, Callings  
and Employments Act, 1976.*

It is hereby enacted in the Seventy-second Year of the Republic of  
India as follows:-

1. (1) This Act may be called the Gujarat State Tax on Professions,  
Trades, Callings and Employments (Amendment) Act, 2021.

**Short title and  
commencement.**

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



Amendment  
of Schedule  
I to  
President's  
Act No. 11  
of 1976.

2. In the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976, in Schedule I, after the entry at Sr. No. 7, the following entry shall be inserted, namely:-

President's  
Act No. 11  
of 1976.

**SCHEDULE I**

(See section 3 and section 5(3))

*Rates of tax on Professions, Trades, Calling and Employments.*

Sr. No.	Class of Persons	Maximum Rate of Tax (in ₹)
1	2	3
"7A.	Supplier as defined in the Gujarat Goods and Services Tax Act, 2017 (Guj. 25 of 2017) whose turnover in State is -	
	(i) not more than ₹ 2,50,000/-	Zero
	(ii) more than ₹ 2,50,000/- but not more than ₹ 5,00,000/-	₹ 2500/- per annum
	(iii) more than ₹ 5,00,000/- but not more than ₹ 10,00,000/-	₹ 2500/- per annum
	(iv) more than ₹ 10,00,000/-	₹ 2500/- per annum".
	<b>Explanation:</b> For the purpose of this entry, the term "turnover in State" shall mean turnover in State as defined in the Gujarat Goods and Services Tax Act, 2017 (Guj. 25 of 2017) during any financial year or part thereof.	



## STATEMENT OF OBJECTS AND REASONS

The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 (President's Act No. 11 of 1976) was enacted with a view to making a provision for levy and collection of tax on professions, trades, callings and employments.

As per entry 7 of Schedule I of the Act, dealers as defined in the Gujarat Value Added Tax Act, 2003 (Guj. 1 of 2005) (VAT Act) are liable to pay tax under the Act on the basis of annual gross turnover. However, from the 1<sup>st</sup> July, 2017, the Gujarat Goods and Services Tax Act, 2017 (GGST Act) has been implemented and the VAT Act is applicable to only six commodities viz. High Speed Diesel, Motor Spirit (commonly known as petrol), Petroleum Crude, Aviation Turbine Fuel, Natural Gas and Alcoholic Liquor for human consumption.

Consequently, a new entry Sr. No. 7A is required to be inserted for those suppliers who were erstwhile covered under the VAT Act and now covered under the GGST Act. Therefore, Schedule I of the Act is proposed to be amended in line with the introduction of the GGST Act.

The Gujarat State Tax on Professions, Trades, Callings and Employments (Amendment) Bill, 2021, *inter alia*, provides to cover those suppliers as defined in the Gujarat Goods and Services Tax Act, 2017 whose turnover in State exceeds ₹ 2.5 lakh.

This Bill seeks to amend the said President's Act No. 11 of 1976 to achieve the aforesaid object.

**NITIN PATEL,**

## MEMORANDUM REGARDING DELEGATED LEGISLATION

This Bill provides for delegation of legislative power in the following respects:-

**Clause 1.-** Sub-clause (2) of this clause empowers the State Government to appoint by notification in the *Official Gazette*, the date on which the Act shall come into force.

The delegation of legislative power, as aforesaid, is necessary and is of a normal character..

Dated the 25<sup>th</sup> March, 2021.

**NITIN PATEL.**



STATEMENT OF WORK TO ACHIEVE

The Client has engaged the Contractor to provide a professional service to assist in the development of a business plan for the proposed project. The Contractor shall provide a written report detailing the findings of the study and the recommendations of the Contractor.

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ARTICLE 1

DEFINITIONS AND INTERPRETATION

The following definitions shall apply to this contract unless otherwise specified.

1.1 "Client" shall mean the person or entity who has entered into this contract with the Contractor.

1.2 "Contractor" shall mean the person or entity who has entered into this contract with the Client.

ARTICLE 2

SCOPE OF WORK







**GUJARAT LEGISLATURE SECRETARIAT**

**GUJARAT BILL NO. 17 OF 2021.**

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Professions, Trades, Callings and Employments  
Act, 1976.*

**[ SHRI NITIN PATEL,  
MINISTER FOR FINANCE]**

**( As published in the Gujarat Government  
Gazette of the 25<sup>th</sup> March, 2021)**

**D.M.PATEL,**  
Secretary,  
Gujarat Legislative Assembly.  
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