



KARNATAKA LEGISLATIVE ASSEMBLY
FIFTEENTH LEGISLATIVE ASSEMBLY
SIXTH SESSION

THE KARNATAKA MOTOR VEHICLES TAXATION (AMENDMENT) BILL, 2020
(LA Bill No. 20 of 2020)

A Bill further to amend the Karnataka Motor Vehicles Taxation Act, 1957.

Whereas it is expedient further to amend the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act 35 of 1957) for the purpose hereinafter appearing:

Be it enacted by the Karnataka State Legislature in the seventy first year of the Republic of India as follows:

1. Short title and commencement: (1) This Act may be called the Karnataka Motor Vehicles Taxation (Amendment) Act, 2020.

(2) It shall come into force with effect from the first day of April, 2020.

2. Amendment of the Schedule.- In the Karnataka Motor Vehicles Taxation Act, 1957: (Karnataka Act 35 of 1957) in the Schedule,-

(1) in Part-A,-

(i) in item No. 5, in sub-item (a),-

(a) in clause (i), in column (2), for the figures "12", the figures "20" shall be substituted;

(b) after clause (ii) and the entries relating thereto, the following shall be inserted, namely:-

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| "(iii) | Motor vehicles (Contract carriages) plying for hire or reward and constructed or adopted to carry more than 12 passengers but not more than 20 passengers (excluding driver and conductor/attendant) and comply with Rule 151(2) of the Karnataka Motor Vehicles Rules, 1989, for every passenger. | 900.00" |
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(ii) in item No. 6, for sub-item (b), the following shall be substituted, namely:-

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| "(b) | Motor vehicles (Sleeper Coaches) plying for hire or reward and constructed or adopted to carry passengers (excluding driver and conductor/attendant) and comply with Rule 125(c) with AIS 119 standards of the Central Motor Vehicles Rules, 1989, granted permits under section 88 (9) of the Motor Vehicles Act 1988, for every sleeper. | 4000.00" |
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(2) in part A1, in the notes, in item 3, in sub item (a),-

(i) the words "sales tax" shall be omitted and for the words "entry tax", the words "Goods and Services Tax" shall be substituted;

ii) after the words "as payable in the State of Karnataka", the words "whichever is higher" shall be inserted.

(3) in part A5, in the notes, in item 3, in sub item (a),-

(i) the words "sales tax" shall be omitted and for the Words "entry tax", the words "Goods and Services Tax" shall be substituted;

(ii) after the words "as payable in the State of Karnataka", the words "whichever is higher" shall be inserted.

(4) in part A7, in the notes, in item 3, in sub item (a),-

(i) the words "sales tax" shall be omitted and for the words "entry tax", the words "Goods and Services Tax" shall be substituted;

(ii) after the words "as payable in the State of Karnataka", the words "whichever is higher" shall be inserted.

(5) in part A8, in the notes, in item 2, in sub item (a),-

- (i) the words "sales tax" shall be omitted and for the words "entry tax", the words "Goods and Services Tax" shall be substituted;
- (ii) after the words "as payable in the State of Karnataka", the words "whichever is higher" shall be inserted.

STATEMENT OF OBJECTS AND REASONS

To give effect to the proposals made in the Budget Speech of 2020-21 (Para No 304,305,306 and 307) it is considered necessary to amend the Karnataka Motor Vehicles Taxation Act, 1957, (Karnataka Act No.35 of 1957)

Hence, the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure.

Laxmana Savadi

Deputy Chief Minister
and Minister for Transport

M.K. Vishalakshi

Secretary (I/c)
Karnataka Legislative Assembly

ANNEXURE

Extract of the Karnataka Motor Vehicle Taxation Act, 1957
(Karnataka Act No.35 of 1957)

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SCHEDULE XX PART-A

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| 5 1[(a)(i) | Motor vehicles (contract carriages) plying for hire or reward and constructed or adopted to carry more than 12 passengers (excluding-driver and conductor/ attendant) 1[XXX]1 and complying with rule 151(2) of the Karnataka Motor Vehicles Rules, 1989, for every passenger | 1500.00 |
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| (ii) | Motor vehicles(contract carriages) plying for hire or reward and constructed or adopted to carry more than 12 passengers (excluding-driver and conductor/ attendant) 1[other than those liable to be taxed under item 5(a)(i)]1 for every passenger | 2500-00 |
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XXX XXX XXX

Part A1

See Section3 (1)

Lifetime Tax for Two Wheelers

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| | <p>3. Cost of the vehicle in relation to a motor vehicle means –</p> <p>(a) In respect of a vehicle manufactured in India, cost of the vehicle as per the purchase invoice issued either by the manufacturer or by the dealer of the vehicle including the excise duty, sales tax, surcharge or cess, entry tax etc., as payable in the State of Karnataka.</p> | |
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XXX XXX XXX

Part A5**See Section 3 (1)****Lifetime Tax for Motor Cars, Jeeps, Omni Buses and Private Service vehicles**

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| | <p>3 .Cost of the vehicle in relation to a motor vehicle means –</p> <p>(a) In respect of a vehicle manufactured in India, cost of the vehicle as per the purchase invoice issued either by the manufacturer or by the dealer of the vehicle including the excise duty, sales tax, surcharge or cess, entry tax etc., as payable in the State of Karnataka; and</p> | |
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XXX XXX XXX

Part A7**See Section 3(1)**

Lifetime Tax for Construction Equipment Vehicles (As defined under Rule 2(ca) of the Control Motor Vehicle Rules, 1989) And vehicles fitted with Air Compressor and Generators

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| | <p>3. Cost of the vehicle in relation to a motor vehicle means –</p> <p>(a) In respect of a vehicle manufactured in India, cost of the vehicle as per the purchase invoice issued either by the manufacturer or by the dealer of the vehicle including the excise duty, sales tax, surcharge or cess, entry tax etc., as payable in the State of Karnataka; and</p> | |
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1[Part-A8**[See Section 3 (1)]**

Lifetime Tax for Motor Cabs the cost of 2[which exceeds Rupees fifteen lakhs] 2 3[other than those registered outside the State and covered with a permit issued under sub-section (9) of section 88 of the Motor Vehicles Act, 1988 (Central Act 59 of 1988)

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| | <p>2. Cost of the vehicle in relation to a motor vehicle means; –</p> <p>(a) In respect of a vehicle manufactured in India, cost of the vehicle as per the purchase invoice issued either by the manufacturer or by the dealer of the vehicle including the excise duty, sales tax, surcharge or cess entry tax etc., as payable in the State of Karnataka;</p> | |
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