

THE KERALA TAXATION LAWS (AMENDMENT) BILL, 2014

(As passed by the Assembly)

A

*BILL*

*further to amend the Kerala Stamp Act, 1959, the Kerala Plantation Tax Act, 1960, the Kerala Land Tax Act, 1961, the Kerala General Sales Tax Act, 1963, the Kerala Motor Vehicles Taxation Act, 1976, the Kerala Tolls Act, 1976, the Kerala Value Added Tax Act, 2003 and the Kerala Finance Act, 2008.*

*Preamble.*—WHEREAS, it is expedient further to amend the Kerala Stamp Act, 1959, the Kerala Plantation Tax Act, 1960, the Kerala Land Tax Act, 1961, the Kerala General Sales Tax Act, 1963, the Kerala Motor Vehicles Taxation Act, 1976, the Kerala Tolls Act, 1976, the Kerala Value Added Tax Act, 2003 and the Kerala Finance Act, 2008, for the purposes hereinafter appearing;

BE it enacted in the Sixty-fifth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Taxation Laws (Amendment) Act, 2014.

(2) Clause (a) of sub-section (2) of section 8 shall be deemed to have come into force on the 3rd day of September, 2014, sections 3 and 4 shall be deemed to have come into force on the 30th day of September, 2014, section 5, sub-section (1) and clause (b) of sub-section (2) of section 8 and section 9 shall be deemed to have come into force on the 8th day of October, 2014, section 7 shall be deemed to have come into force on the 30th day of October, 2014, sub-section (1) of section 2 and section 6 shall be deemed to have come into force on the 13th day of November, 2014 and the remaining sections shall come into force at once.

KNPP. 1557/2014.

2. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) in section 28A, after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) After the publication of the increased fair value of land under sub-section (1B), any person aggrieved by the fixation of fair value of land in an appeal under sub-section (4) may, within a period of one year from the date of publication of the notification under sub-section (1B), file an application to the Collector to review the order passed in appeal and the Collector shall dispose of the same in such manner and within such period as may be prescribed.”;

(2) in section 45B, in sub-section (3), for the words “two years” the words “five years” shall be substituted;

3. *Amendment of Act 17 of 1960.*—In the Kerala Plantation Tax Act, 1960 (17 of 1960),—

(1) in section 3, the proviso to sub-section (1) shall be omitted;

(2) for Schedule I, the following Schedule shall be substituted, namely:—

“SCHEDULE I  
[See section 3 (1)]

	<i>Rate</i>
1. Where the aggregate extent of plantations held by a person does not exceed two hectares	Nil
2. Where the aggregate extent of plantations held by a person is,—	
(a) above two hectares and up to four hectares	two hundred rupees for each one hectare above two hectares
(b) above four hectares and up to eight hectares	three hundred rupees for each one hectare above two hectares

- |   |   |
|---|---|
| (c) above eight hectares and up to fifteen hectares       | four hundred rupees for each one hectare above two hectares     |
| (d) above fifteen hectares and up to twenty five hectares | five hundred rupees for each one hectare above two hectares     |
| (e) above twenty five hectares                            | seven hundred rupees for each one hectare above two hectares.”. |

4. *Amendment of Act 13 of 1961.*—In the Kerala Land Tax Act, 1961 (13 of 1961), in section 6, for sub-section (1) and its proviso, the following sub-section and proviso shall be substituted, namely:—

“(1) Subject to the provisions of sub-section (2) of section 7, the basic tax charged and levied under section 5 shall be at the rate of five rupees in Panchayat areas, ten rupees in Town Panchayat and Municipal Council areas and twenty rupees in Municipal Corporation areas, per Are per annum:

Provided that, where the aggregate extent of land held by a land holder does not exceed 8.1 Ares in a Panchayat area, 2.43 Ares in Town Panchayat and Municipal Council Area and 1.62 Ares in Municipal Corporation area, the basic tax charged and levied on such land shall be at the rate of two rupees and fifty paise in the Panchayat area, five rupees in the Town Panchayat and Municipal Council area and ten rupees in the Municipal Corporation area, per Are per annum.”.

5. *Amendment of Act 15 of 1963.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963), in the SCHEDULE, in serial number “2. Foreign Liquor”,—

(i) against item “(i) Beer and Wine”, under the heading “Rate of tax (per cent)”, for the figure “50”, the figure “70” shall be substituted;

(ii) against item “(ii) other than Beer and Wine, for which purchase value incurred is rupees 400 per case or more,” under the heading “Rate of tax (per cent)”, for the figure “115”, the figure “135” shall be substituted;

(iii) against item “(iii) other Foreign Liquor, not covered under items (i) and (ii) above”, under the heading “Rate of tax (per cent)”, for the figure “105”, the figure “125” shall be substituted.

6. *Amendment of Act 19 of 1976.*—In the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976),—

(1) in section 4, after sub-section (8), the following proviso shall be added, namely:—

“Provided that the provisions of clause (b) of sub-section (3) and sub-section (7) and sub-section (8) shall not be applicable for remitting the tax at the reduced or modified rate allowed by the Government under section 22 of this Act in cases where the tax due was not paid within the prescribed period.”;

(2) in ANNEXURE I, in serial number A,—

(a) for serial number 7 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

“7. Motor Cars and Private Service Vehicles 15% of the purchase for Personal Use (Non Transport value of the vehicle Vehicles) having purchase value of more than rupees fifteen lakh and up to rupees twenty lakh.

7A. Motor Cars and Private Service Vehicles 20% of the purchase for Personal Use (Non Transport value of the vehicle”; Vehicles) having purchase value of more than rupees twenty lakh.

(b) for serial number 8 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

“8. Motor Cabs having cubic capacity below 6% of the purchase 1500cc and having purchase value up to value of the vehicle rupees twenty lakh.

8A. Motor Cabs having cubic capacity below 20% of the purchase value of the vehicle”;  
1500cc and having purchase value more value of the vehicle”;  
than rupees twenty lakh.

(c) for serial number 10, and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

“10. Tourist Motor Cabs having cubic 10% of the purchase  
capacity below 1500cc and having value of the vehicle  
purchase value above rupees ten lakh  
and up to rupees twenty lakh.

10A. Tourist Motor Cabs having cubic 20% of the purchase  
capacity below 1500cc and having value of the vehicle”;  
purchase value more than rupees  
twenty lakh.

(d) for serial number 12 and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

“12. Motor Cabs and Tourist Motor Cabs 15% of the purchase  
having cubic capacity 1500cc and above value of the vehicle  
and having purchase value of more than  
rupees fifteen lakh and up to rupees  
twenty lakh.

12A. Motor Cabs and Tourist Motor Cabs 20% of the purchase  
having cubic capacity 1500cc and above value of the vehicle.”.  
and having purchase value of more than  
rupees twenty lakh.

7. *Amendment of Act 6 of 1977.*— In the Kerala Tolls Act, 1976 (6 of 1977), in section 2, for clause (a), the following clause shall be substituted, namely:—

“(a) “bridge” means any bridge on a highway, but does not include a bridge the cost of construction of which (including the cost of land acquisition and construction of approach roads necessary for connecting the bridge to the highway) is less than ten crore rupees;”.

8. *Amendment of Act 30 of 2004.*—In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in clause (a) of sub-section (1) of section 6, in the Table, against serial number 1, under the heading “Rates of tax in percentage” in column (4), for the figure “22”, the figure “30” shall be substituted;

(2) in section 8,—

(a) in clause (a),—

(i) in sub-clause (i), for the words, figures and brackets “six per cent of the whole contract amount along with tax under sub-section (2) of section 6”, the words “seven per cent of the whole contract amount” shall be substituted;

(ii) in the proviso to sub-clause (i), for the words, figures and brackets “four per cent of the whole contract amount along with tax under sub-section (2) of section 6”, the words “five per cent of the whole contract amount” shall be substituted;

(iii) in sub-clause (ii), for the words, figures and brackets “at three per cent of the whole contract amount along with tax under sub-section (2) of section 6”, the words “at the rate of four per cent of the whole contract amount” shall be substituted;

(iv) the fourth proviso to sub-clause (ii) shall be omitted.

(b) in clause (h), for the figure “20”, the figure “30” shall be substituted.

9. *Amendment of Act 21 of 2008.*—In the Kerala Finance Act, 2008 (21 of 2008), in section 6,—

(a) for sub-section (2A), the following sub-section shall be substituted, namely:—

“(2A) (a) There shall be levied and collected from the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited, a cess, on the

tax payable by them under clause (b) of sub-section (1) of section 5 of the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(i) at the rate of one per cent, to be called a *Medical Cess* to fulfil the commitment of the Government to provide generic medicine free of cost to the patients of the Government Hospitals, who are not income tax payers;

(ii) at the rate of five per cent, to be called a *Rehabilitation Cess* to fulfil the commitment of the Government to provide for rehabilitation of bar hotel workers who had lost employment pursuant to the closure of bar hotels in the State as per Abkari policy;

(b) The cess so collected shall be in addition to the cess collected under sub-section (1).”.

(b) in sub-Section (3), for the words “*Social Security Cess* and the *Medical Cess*”, the words “*Social Security Cess, Medical Cess* and the *Rehabilitation Cess*” shall be substituted.

10. *Repeal and saving.*—(1) The Kerala Value Added Tax (Amendment) Ordinance, 2014 (21 of 2014), the Kerala Land Tax (Amendment) Ordinance, 2014 (22 of 2014), the Kerala Plantation Tax (Amendment) Ordinance, 2014 (23 of 2014), the Kerala Taxation Laws (Amendment) Ordinance, 2014 (24 of 2014), the Kerala Tolls (Amendment) Ordinance, 2014 (26 of 2014), the Kerala Stamp (Amendment) Ordinance, 2014 (29 of 2014) and the Kerala Motor Vehicles Taxation (Amendment) Ordinance, 2014 (30 of 2014) are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Kerala Stamp Act, 1959 (17 of 1959), the Kerala Plantation Tax Act, 1960 (17 of 1960), the Kerala Land Tax Act, 1961 (13 of 1961), the Kerala General Sales Tax Act, 1963 (15 of 1963), the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976), the Kerala Tolls Act, 1976 (6 of 1977), the Kerala Value Added Tax Act, 2003 (30 of 2004) and the Kerala Finance Act, 2008 (21 of 2008) as amended by the said Ordinances shall be deemed to have been done or taken under the said Acts respectively as amended by this Act.

---