

The Maharashtra Casinos (Control and Tax) Act, 1976

MAHARASHTRA

India

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Act 31 of 1976

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The Maharashtra Casinos (Control and Tax) Act, 1976 Maharashtra Act No. 31 of 1976 [Dated 22nd July, 1976] For Statement of Objects and Reasons, see Maharashtra Gazette, 1976, Part 5, Page 288. An Act to provide for the control and regulation of casinos, and to impose a tax on betting in casinos, in the State of Maharashtra. Whereas it is expedient to provide for the control and regulation of casinos, and to impose a tax on betting in casinos, in the State of Maharashtra; It is hereby enacted in the Twenty-seventh Year of the Republic of India as follows:-

1. Short title, extent and commencement.

(1) This Act may be called the Maharashtra Casinos (Control and Tax) Act, 1976. (2) It extends to the whole of the State of Maharashtra. (3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

2. Definitions.

- In this Act, unless the context otherwise requires, -(a) "casino" means a public place which provides or is used or is intended to be used for playing, organising or exhibiting casino games. (b) "casino games" means all or any of such games of wagering or betting, including games of chance played by means of any machine or instrument, as may be prescribed from time to time; (c) "place" includes a building or a room or any other portion of a building, or a tent, enclosure, space, vehicle or vessel; (d) "public place" includes a place to which the public have or are permitted to have access, whether on payment or otherwise; (e) "prescribed" means prescribed by rules made under this Act.

3. Licensing of casinos and exemption of licensed casinos from Bombay IV of 1887.

(1) No casino games shall be played, organised or exhibited by any person at any public place, except at a casino in respect of which a licence is granted in accordance with the provisions of this Act and

such licence is in force.(2)Nothing in the Bombay Prevention of Gambling Act, 1887, shall apply to a casino licensed under this Act or to any casino games played, organised or exhibited at such casino.

4. Application for licence for casino and grant or refusal of such licence.

(1)Every person desiring to obtain a licence referred to in sub-section (1) of section 3 shall make an application in writing to the State Government, in such form and manner as may be prescribed.(2)On receipt of such application, the State Government may, after making such inquiry as it considers necessary, by order in writing, either grant the licence or refuse to grant the licence without assigning any reasons:Provided that, where the State Government refuses to grant a licence, it shall put on its record a brief statement of the reasons for such refusal.(3)The fees on payment of which, the period for which, and the conditions subject to which, a licence may be granted shall be such as may be prescribed.(4)The State Government may, on application made to it, renew the licence granted under this Act, on payment of the fee prescribed for renewal of a licence or refuse to renew any such licence without assigning any reasons; but the reasons for such refusal shall be stated on its record.

5. Power to suspend or cancel licences.

(1)The State Government may, at any time, after giving the holder of any licence under this Act a reasonable opportunity of being heard, suspend or cancel the licence on any one or more of the following grounds, namely:-(a)that there has been a breach of any of the conditions subject to which the licence was granted;(b)that the holder of the licence has contravened any of the provisions of this Act or the rules made thereunder.(2)Whenever a licence is suspended or cancelled, the State Government shall record a brief statement of the reasons for such suspension or cancellation and furnish a copy thereof to the person whose licence has been suspended or cancelled.

6. Penalty for contravention of conditions of licences.

- Without prejudice to the provisions of the last preceding section, if the holder of any licence under this Act or any person acting on his behalf has committed a breach of any of the conditions of the licence, he shall, on conviction, be punished with fine which may extend to five thousand rupees.

7. Levy of tax on betting at casinos.

(1)There shall be levied and collected and paid to the State Government, out of all moneys paid or agreed to be paid by the participants by way of stakes or bets at any casino game played at any casino licensed under this Act, a tax, at such rate not exceeding 25 per cent, of all such moneys as the State Government may, by notification in the Official Gazette, specify in this behalf. Such portion of such moneys as is equal to the amount of tax so levied shall be deemed to have been paid by the participants on account of the tax and shall be collected by the licensee at every game on behalf of the State Government and paid to the State Government or an officer authorised by the State Government in this behalf in such manner as may be prescribed.(2)The tax payable under this

Act shall be recoverable from the licensee as arrear of land revenue.

8. Licence holder to keep accounts and submit the same to Government or authorised officer.

- Every holder of a licence under this Act shall keep accounts relating to the casino in such manner and submit to the State Government or to an officer authorised by the State Government in this behalf a statement of accounts in such form and at such intervals as may be prescribed. Such accounts shall in particular show the moneys paid by way of stakes or bets at every casino game played at the casino and such other particulars as may be prescribed.

9. Penalty for failure to keep and submit accounts.

- If any person liable under has last preceding section to keep accounts or to submit statements of accounts fails to keep accounts or to submit statements of accounts as required by that section or keeps accounts or submits statements of accounts which are false and which he either knows or believes to be false or does not believe to be true, without prejudice to the provisions of section 5, he shall, on conviction, be punished with fine which may extend to five thousand rupees.

10. Best judgment assessment of tax in certain cases.

(1)Where an officer authorised by the State Government in this behalf is not satisfied about the correctness or completeness of the accounts kept by any licensee or where any licensee fails to submit any statement of accounts as required by this Act, the said officer shall after giving a reasonable opportunity to the licensee to be heard and after taking into account all relevant material which he may have gathered, make the assessment of the tax payable by the licensee to the best of his judgment and call upon the licensee by order in writing to pay the amount of tax so assessed on or before such date as may be specified in the order.(2)Any licensee aggrieved by any order made under sub-section (1) may appeal against the order to the State Government within a period of sixty days from the date of receipt of such order and the order passed by the State Government in appeal shall be final and shall not be called in question in any Court.

11. Penalty for contravention of conditions of licence or of rules by persons playing casino games and exhibition of conditions of licence by licensee.

(1)If any person other than a licensee while playing any casino games at a casino licensed under this Act commits a breach of any of the conditions of the licence as exhibited under sub-section (2) or of the rules to be observed in playing such games, he shall, on conviction, be punished with fine which may extend to one thousand rupees.(2)Every licensee shall exhibit at a prominent place within the casino the conditions subject to which the licence is granted to him.

12. Offences by companies.

(1)Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of, the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly: Provided that, nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence. (2)Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly. Explanation. - For the purposes of this section, - (a) "company" means a body corporate, and includes a firm or other association of individuals; and (b) "director" in relation to a firm, means a partner in the firm.

13. Compounding of offences.

(1)The State Government or any officer authorised by it in this behalf may, either before or after the institution of proceedings for any offence punishable under this Act or any rules made thereunder, accept from any person charged with such offence by way of composition of the offence such sum not exceeding double the maximum amount of fine to which he is liable on conviction for such offence, as may be determined by the State Government or the authorised officer, as the case may be. (2)On payment of such sum as may be determined under sub-section (1), no further proceedings shall be taken against the accused person in respect of the same offence.

14. Power to require production of accounts or to inspect accounts.

- The State Government or any officer authorised by it in this behalf may, for the purposes of this Act, at all reasonable times, - (i) require any licensee to produce before it or him accounts or other documents or to furnish any other information; or (ii) inspect the accounts of any licensee.

15. Power of entry and search.

(1)It shall be lawful for any police officer, not below the rank of Assistant Commissioner of Police or Deputy Superintendent of Police, authorised by the State Government in this behalf by general or special order in writing, - (a) to enter, if necessary, by force, whether by day or night, with such assistants as he considers necessary, any casino where he has reason to believe that any provisions of this Act or the rules made thereunder are or are being or are likely to be contravened or a breach of any of the conditions or the licence is or is being or is likely to be committed; (b) to search the place and the persons whom he may find therein; (c) to take into custody and produce before a Magistrate all such persons as are concerned or against whom a reasonable complaint has been

made or credible information has been received or a reasonable suspicion exists of having been concerned with any contravention or breach referred to in clause (a), and(d)to seize all things found therein which are intended to be used or are reasonably suspected to have been used in connection with such contravention or breach.(2)All searches under this section shall be made in accordance with the provisions of the Code of Criminal Procedure, 1973.

16. Offences to be cognisable and bailable.

- All offences under this Act shall be cognisable and bailable.

17. Protection of action taken under this Act.

- No suit, prosecution or other legal proceeding shall lie against the State Government or any officer of Government for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

18. Power to make rules.

(1)The State Government may, by notification in the Official Gazette, and subject to the condition of previous publication, make rules for carrying out the purposes of this Act.(2)In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:-(a)the games of wagering or betting which shall be casino games for the purposes of this Act and the rules to be observed in playing such games;(b)the form and manner of making application for a licence and the fees to be paid for its grant or renewal and the conditions subject to which it may be granted;(c)the manner of keeping accounts relating to a casino, the other particulars to be shown in the accounts, and the form in which and the intervals at which they shall be submitted to the State Government, or to the officer authorised;(d)the restrictions or conditions with regard to the age of the persons who may be admitted to, or employed in, a casino or who may be permitted to play casino games or otherwise take part in the organisation or exhibition of such games;(e)the other restrictions or conditions with regard to the admission of the participants and guests to a casino and the fees, if any, to be charged for their admission;(f)the hours and days when a casino may be kept open;(g)the types and specifications of the places which may be used for housing a casino and the localities where casinos may be situated and the maximum number of licences which may be granted in any area or locality;(h)the types of notices to be exhibited and the manner in which they are to be exhibited in or outside a casino;(i)the restrictions or conditions with regard to the advertisements pertaining to a casino;(j)the restrictions or conditions with regard to providing credit facilities by the licensee to the participants in casino games and the prohibition or regulation of participation by proxy in casino games;(k)any other matter which is required to be or may be prescribed.(3)In making any rule the State Government may direct that a breach thereof by a licensee or by any person acting on his behalf shall, on conviction, be punished with fine not exceeding five thousand rupees and a breach thereof by any other person shall, on conviction, be punished with fine not exceeding one thousand rupees.(4)Every rule made under this section shall be laid as soon as may be after it is made before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two successive

sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, and notify such decision in the Official Gazette, the rule shall from the date of publication of such notification have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule.