

Punjab General Sales Tax Act, 1948

PUNJAB

India

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Act 46 of 1948

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1. [Repealed by THE PUNJAB GENERAL SALES TAX (AS IN FORCE IN THE UNION TERRITORY OF CHANDIGARH) REPEAL ACT, 2005 (Act 48 of 2005) on 14 December 2005]

Punjab General Sales Tax Act, 1948 Punjab Act No. 46 of 1948 [20th November, 1948] An Act to provide for the levy of a general tax on the Sale or Purchase of goods in Punjab and for the repeal of the Punjab General Sales Tax Act, 1941. It is hereby enacted as follows :

1. Short Title, Extent and Commencement.

(1) This Act may be called the Punjab General Sales Tax Act, 1948. (2) It extends to the whole of the State of Punjab. (3) It shall come into force on the 1st May, 1949.

2. Definitions.

- In this Act, unless there is anything repugnant in the subject or context:- (a) "Assessing Authority" means any person authorised by the State Government to make any assessment under the Act. (b) "Commissioner" means the Excise and Taxation Commissioner appointed under sub-section (1) of section 3. (c) [Omitted] (d) "Dealer" means any person including a Department of Government who in the normal course of trade sells or purchases any goods [-] [Words 'that are actually delivered for the purposes of consumption' omitted by Pb. Act 3 of 1973 dated 1.4.1960.] in the State of Punjab, irrespective of the fact that the main place of business of such person is outside the said State and where the main place of such person is outside the said state and where the main place of business of any such person is not in the said State, "Dealer" includes the local manager or agent of such person in Punjab in respect of such business and also includes a person engaged in the business of:- (i) [transfer otherwise than in pursuance of a contract of property in any goods for cash, deferred payment or other valuable consideration] [Sub-clause (i) of clause (d) inserted by Punjab Act 8 of 1987 dated 13.4.1987.]; (ii) transfer of property in goods (whether as goods or in some other

form) involved in the execution of works contract;(iii)delivery of goods on hire-purchase or any system of payment by instalments;(iv)transfer of the right to use any goods for any purpose (whether or not for a specified period) for the cash, deferred payment or other valuable consideration; and(v)supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating), where such supply or service is for cash, deferred payment or other valuable consideration;Explanations. - (1) A Co-operative Society or a club or any association which sells or supplies goods to its members or purchases goods specified in Schedule C [-] [Words 'for use in the manufacture of goods for sale' omitted by Punjab Act 18 of 1960 dated 1.4.1960.] is a dealer within the meaning of this clause.(2)A factor, a broker, a commission agent, a dealer's agent, an auctioneer or any other mercantile agent by whatever name called and whether of the same description as here-in-before mentioned or not, who carries on the business of selling, supplying or purchasing goods and who has in the customary course of business, authority to sell goods belonging to principals or to purchase goods on their behalf is a dealer.(3)For the purpose of this clause "Government" will include the Central Government or Government of any other State.(dd)["declared goods" means goods declared under section 14 of the Central Sales Tax Act, 1956, to be of special importance in inter-State trade or commerce] [Inserted by Punjab Act 7 of 1967.]:(e)["Goods" means all kinds of movable property and goods consumed at business premises other than newspapers, actionable claims, stocks, shares or securities and includes all materials, commodities and articles including the goods (whether as goods or in some other form) involved in the execution of a works contract or those goods which are used in the fitting out, improvement or repair of movable property:] [Substituted by Punjab Act 8 of 1987 dated 13.4.87.](ee)["Goods vehicle" means any mechanically propelled vehicle adapted for use upon roads whether the power of propulsion is transmitted thereto from an external or internal source and includes a chassis to which a body has not been attached and a trailer constructed or adapted for use for the carriage of goods and any vehicle not so constructed or adapted when used for the carriage of goods solely or in addition to passengers and also includes animal driven or man driven vehicle used for the carriage of goods but does not include a vehicle running upon fixed rails or a vehicle of a special type adapted for use only in a factory or any other enclosed premises and road transport plying in collaboration with rail transport.] [Inserted by Punjab Act 1 of 1994 w.e.f. 29.9.1993.](f)"prescribed" means prescribed by rules made under this Act.(ff)"Purchase" with all its grammatical or cognate expressions means that acquisition of goods specified in Schedule C [or of goods on the purchase whereof tax is payable under any provisions of this Act] [Inserted by Punjab Act 3 of 1973 w.e.f. 15.11.1972.] for cash or deferred payment or other valuable consideration otherwise than under a mortgage, hypothecation, charge or pledge' [and includes : [Inserted by Punjab Act 8 of 1987 w.e.f. 2.2.1983.](i)transfer otherwise than in pursuance of a contract, or property in any goods for cash, deferred payment or other valuable consideration;(ii)transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;(iii)delivery of goods on hire-purchase or any system of payment by instalments;(iv)transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;(v)supply by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating) where such supply or service is for cash, deferred payment or other valuable consideration; and such transfer, delivery or supply of any goods shall be deemed to be a purchase

of these goods by the person to whom such transfer, delivery or supply is made from the person by whom the transfer, delivery or supply is made;](g)"registered" means registered under this Act;(h)["sale" means any transfer of property in goods other than goods specified in Schedule "C" for cash, deferred payment or other valuable consideration and includes :- [Substituted by for the words 'Sale-means' any transfer of property in goods other than goods specified in Schedule 'C' for the cash or deferred payment or other valuable consideration, but does not include a mortgage, hypothecation, charge or pledge; by Punjab Act 8 of 1987 dated 13.4.1987.](i)transfer, otherwise than in pursuance of a contract of property in any goods for cash, deferred payment or other valuable consideration;(ii)transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;(iii)delivery of goods on hire-purchase or any system of payment by instalments;(iv)transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;(v)supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration;(vi)supply by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating) where such supply or service is for cash, deferred payment or other valuable consideration;and such transfer, delivery or supply of any goods shall be deemed to be a sale of these goods by the person making the transfer, delivery or supply to a person to whom such transfer, delivery or supply is made but does not include a mortgage, hypothecation, charge or pledge;](hh)["Tribunal" means the Tribunal constituted under section (3-A)] [Inserted by Punjab Act 7 of 1967.](i)["turnover" includes the aggregate of the amounts of sales and purchases and parts of sales and purchases actually made by any dealer during the given period, less any sum allowed as cash discount and trade discount according to ordinary trade practice, but including any sum charged for anything done by the dealer in respect of the goods at the time of or on before, delivery thereof.] [Inserted by Punjab Act 8 of 1987 dated 13.4.87.]Explanation (1) - The proceeds of any sale made outside the State of Punjab by a dealer, who carries on business both inside and outside Punjab shall not be included in the turnover.Explanation (2) - The turnover of any dealer in respect of a transaction of forward contract, in which goods are actually not delivered, shall not be included in the turnover.Explanation (3) - In respect of transactions covered under sub-clause (iii) of clause (ff) and sub-clause (iii) of clause (h) the amount to be included in the turnover shall be the total sum payable by the hirer under a hire purchase agreement in order to complete the purchase of, or the acquisition of property in the goods to which the agreement related and includes any sum as payable by the hirer under the hire-purchase agreement by way of deposit or other initial payment, or credited or to be credited to him under such agreement on account of any such deposit or payment whether that sum is to be or has been paid to owner or to any person or is to be or has been discharged by payment of money or by transfer or delivery of goods or by any other means : but does not include any sum payable as a penalty or as compensation or damages for breach of the agreement.Explanation (4) - The amount to be included in the turnover in respect of movable goods agreed to be sold under a works contract, shall be its sale price.](j)"Year" means the financial year.(k)"Import" means the bringing of goods into Punjab from any place outside its limits.(l)["Trade" includes :- [Inserted by Punjab Act 34 of 1973 dated 10.7.1973.](i)any trade, commerce or manufacture for any adventure or concern in the nature of trade, commerce or manufacture, whether or not such trade, commerce, manufacture, adventure or concern is carried on with the motive to make profit and whether or not any profit accrues from such trade, commerce,

manufacture, adventure or concern; and(ii)any transaction in connection with, or ancillary or incidental to, such trade, commerce, manufacture, adventure or concern](m)["Works contract" includes any agreement for carrying out, for cash, deferred payment or other valuable consideration, the building, construction, manufacturing, processing, fabrication, erection, installation, fitting out, improvement, modification, repairs or commissioning of any movable or immovable property.]
[Inserted by Punjab Act 8 of 1987 dated 13.4.1987.]

3. Taxing Authorities.

(1)For carrying out the purposes of this Act, the State Government may appoint a person to be Excise and Taxation Commissioner, and such other persons to assist him as it thinks fit.(2)Persons appointed under sub-section (1) shall exercise such powers as may be conferred and perform such duties as may be required by or under this Act.(3)All persons appointed under sub-section (1) and the Presiding Officer of the Tribunal shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

3A. Constitution of Tribunal.

(1)The State Government shall, by notification in the Official Gazette, constitute one or more Tribunals, as the State Government may deem fit, to exercise the functions conferred by this Act.(2)A Tribunal shall consist of one person only to be appointed by the State Government.(3)A person shall not be qualified for appointment as a Presiding Officer of a Tribunal, unless -(a)he is a serving or a retired Judge of the High Court, or(b)he is serving or a retired member of the Indian Administrative Service who is or has been a Financial Commissioner.(4)No person shall be appointed or continue as a Presiding Officer of a Tribunal, if he has attained the age of sixty-five years.(5)Subject to the provisions of sub-section (4), the term of the Office of the Presiding Officer of a Tribunal shall be three years and he shall not be eligible for re-appointment.(6)The Presiding Officer of a Tribunal shall be entitled to such salaries and allowances and shall be governed by such conditions of service as may be prescribed.(7)The Presiding Officer of a Tribunal may be removed from the office by the State Government, if -(a)he is adjudged an insolvent; or(b)he takes up employment outside the duties of his office; or(c)in the opinion of the State Government -(i)he has become incapable of acting on account of unsoundness of mind or any other reason; or(ii)he is guilty of such misconduct as could render him unfit to continue as Presiding Officer; or(d)he is convicted of an offence involving moral turpitude.(8)The Presiding Officer of a Tribunal may, at any time, by writing under his hand addressed to the State Government resign his office, but his resignation shall take effect from the date on which it is accepted.(8-A) Nothing in sub-sections (5), (6), (7) and (8) will apply to a serving Judge of the High Court or to a serving member of the Indian Administrative Service appointed as Presiding Officer of a Tribunal and they shall be governed by such conditions of service as are applicable to them as Judge of the High Court or member of the Indian Administrative Service, as the case may be :Provided that the term of office shall not in either case exceed three years.(9)A vacancy in the office of the Presiding Officer of a Tribunal shall be filled by the State Government as soon as practicable in accordance with the provisions of the Act and the proceeding before a Tribunal may be continued from the stage at which the vacancy is filled.(10)No order made and no act done or proceedings taken under this Act by or before a Tribunal shall be

called in question in any manner on the ground merely of any defect in the constitution of the Tribunal.(11)Subject to such conditions and limitations as may be prescribed, a Tribunal shall have power to award costs, and the amount of such costs shall be recoverable from the person ordered to pay the same as arrears of land revenue.(12)Subject to any rules that may be made in this behalf, a Tribunal shall follow such procedure as it may deem fit.(13)A Tribunal shall, subject to any direction given by the State Government, sit at such place or places within its jurisdiction as it may be deemed fit.(14)The State Government may appoint such officers and servants as may be required to enable a Tribunal to carry out its functions under the Act.(15)The administrative expenditure of a Tribunal including all salaries, allowances and pensions, if any, payable to or in respect of the Presiding Officer, Officers and servants of a Tribunal shall be charged upon the Consolidated Fund of the State.

3B. Jurisdiction of Tribunals in case there are more Tribunals than one.

- In the event of the State Government constituting more Tribunals than one, the State Government shall, by notification, define the local limits of jurisdiction of each Tribunal and where an appeal, application or revision pending before a Tribunal relates to the local limits of an area which, as a result of the issue of such a notification, has fallen within the jurisdiction of another Tribunal, such an appeal, application or revision shall stand transferred to and be heard and decided by the other Tribunal.

3C. Dissolution of Tribunal.

- Notwithstanding anything contained in sub-section (5) of section 3-A, where there are more Tribunals than one, the State Government may, at any time by reason of insufficiency of work pending before the Tribunals, dissolve any Tribunal and no Presiding Officer of the Tribunal affected by such dissolution shall have any claim against the State Government.

4. Incidence of taxation.

(1)Subject to the provisions of Sections 5 and 6, every dealer except one dealing exclusively in goods declared tax-free under section 6 whose gross turnover during the year immediately preceding the commencement of this Act exceeded the taxable quantum shall be liable to pay tax under this Act on all sales effected after the coming into force of this Act and purchases made after the commencement of the East Punjab General Sales Tax (Amendment) Act, 1958 :Provided that the tax shall not payable on sales involved in the execution of a contract which is shown to the satisfaction of the assessing authority to have been entered into before the commencement of this Act.(2)Every dealer to whom sub-section (1) does not apply or who does not deal exclusively in goods declared to be tax free under section 6 shall be liable to pay tax under this Act on the expiry of 30 days after the date on which his gross turnover during any year first exceeds the taxable quantum :Provided that in the case of a dealer who imports any goods for sale or use in manufacturing or processing, or who manufactures or processes any goods for sale, the liability to pay tax shall commence with effect from the date on which gross turnover during any year first exceeds the taxable quantum.(2-A) Notwithstanding anything contained in sub-sections (1) and (2) no tax on the sale of any goods shall

be levied if a tax on their purchase is payable under this Act.(3)Every dealer who has become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years during each of which his gross turnover has failed to exceed the taxable quantum and such further period after the date of such expiry as may be prescribed, and on the expiry of this later period his liability to pay tax shall cease.(4)Every dealer whose liability to pay tax has ceased under the provisions of sub-section (3) shall again be liable to pay tax under this Act with effect from the date on which his gross turnover first exceeds the taxable quantum.(5)In this Act expression "taxable quantum" means :-(a)In relation to any dealer who imports for sale or use in manufacturing or processing any goods in Punjab, Nil :Provided that the provisions of this clause shall not apply to a dealer who had placed orders for import of goods before the 8th August, 1952, but received such goods on or after that date and his gross import for sale or use in manufacturing or processing any goods in Punjab did not exceed Rs. 5,000 during the year and he did not make any other import of goods after the said date : (b)in relation to any dealer, who himself manufactures or produces any goods for sale, [1,00,000] [Substituted for '40,000/-' by Punjab Act 15 of 1993 w.e.f. 3.5.1993. Earlier Rs. 40,000/- was substituted for Rs. 10,000/- by Punjab Act 32 of 1976 w.e.f. 20.7.1976.] rupees : (bb)in relation to any dealer, who runs a tandoor, loh, dhaba, hotel restaurant, halwai shop, bakery or other similar establishment wherein Indian food preparations, including tea, are served, [1,00,000] [Substituted for Rs. '40,000/-' by Punjab Act 15 of 1993 w.e.f. 3.5.1993. Earlier Rs. 40,000/- was substituted for Rs. 10,000/- by Punjab Act 32 of 1976 w.e.f. 20.7.1976.] rupees : (c)in relation to any particular classes of dealers not falling within clauses (a), (b) and (bb) such sum as may be prescribed; or (d)in relation to any other dealer [5,00,000] [Substituted for Rs. 3,00,000/- by Punjab Act 3 of 1996.] rupees :Provided that the registration of dealers already registered under this clause shall not be cancelled until their turnover in each of three consecutive years does not entitle them to cancellation under clause (b) of sub-section (6) of section 7.

4A. Liability of dealer registered under Parliament Act No. 74 of 1956 to pay tax.

- A dealer registered under the Central Tax Act, 1956 (Parliament Act 74 of 1956), who is not liable to pay tax under section 4 shall nevertheless be liable to pay tax under this Act on any sale or purchase made by him inside the State of Punjab :Provided that nothing herein shall apply to a dealer who deals exclusively in goods declared tax-free under section 6.

4B. [Levy of Purchase tax on certain goods. [Section 4-B inserted by Punjab Act No. 3 of 1973 w.e.f. 15.11.1972.]

- Where a dealer who is liable to pay tax under this Act purchases any goods other than those specified in Schedule B, from any source and: (i)uses them within the State in the manufacture of goods specified in Schedule B; or (ii)uses them within the State in the manufacture of any goods other than those specified in Schedule B, and sends the goods so manufactured outside the State in any manner other than by way of sale in the course of inter-State trade or commerce or in the course of export out of the territory of India; or (iii)uses such goods for a purpose other than that of resale within the State or sale in the course of inter-State trade or commerce or in the course of export out

of the territory of India; or (iv) sends them outside the State other than by way of sale in the course of inter-State trade or commerce or in the course of export out of the territory of India; and no tax is payable on the purchase of such goods under any other provisions of this Act, there shall be levied a tax on the purchase of such goods at such rate not exceeding the rate specified under sub-section (1) of section 5 as the State Government may direct.]

4C. [Prohibition against charging of tax in certain cases. [Inserted by Act 4 of 1993 dated 21.1.1993.]

(1) If any person contravenes the provisions of sub-section (1), the Commissioner or any person appointed to assist him under sub-section (1) of section 3, may, after affording such a person an opportunity of being heard, impose a penalty not exceeding one thousand rupees or double the amount of tax charged by him, whichever is more : Provided that where a penalty has been imposed by a person appointed to assist the Commissioner under sub-section (1) of section 3, the order imposing penalty shall not be final unless it is confirmed by the Commissioner.]

5. Rate of Tax.

(1) Subject to the provisions of this Act, there shall be levied on the [taxable turnover of a dealer] [Substituted for words 'taxable turnover every year of a dealer' by Punjab Act 28 of 1965 w.e.f. 1.4.1966.] a tax at such rates, not exceeding [eight paise] [Substituted for 'seven paise' by Punjab Act 3 of 1990 dated 19.3.90.] in a rupee as the State Government may by notification direct: Provided that a tax at such rate, exceeding [twelve paise] [Substituted for ten paise by Punjab Act 3 of 1990 dated 19.3.1990.] in a rupee, as may be so notified, may be levied on the sale of [-] [Words 'luxury' omitted vide Punjab Act No. 11 of 1976.] goods as specified in Schedule 'A' appended to this Act from such date as the Government may by notification direct. The State Government after giving by notification not less than [twenty days] [Substituted for 'three months' by Punjab Act No 7 of 1967.] notice of its intention so to do may by like notification add to or delete from this Schedule, and thereupon this Schedule shall be deemed to have been amended accordingly : [Provided further that the rate of tax shall not exceed four paise in a rupee in respect of any declared goods] [Proviso substituted for second and third proviso by Punjab Act 23 of 1975 w.e.f. 17.7.1975. The rate of tax on declared goods raised from 3% to 4%.] [Omitted] [Third proviso omitted by Punjab Act 24 of 1993 dated 28.6.1993. Proviso which was inserted by Punjab Act 7 of 1967, provided - 'Provided further that Government may by notification in the Official Gazette declared that in respect of any goods or class of goods the dealer may pay such lumpsum by way of composition of the tax payable under this Act, as the Government may notify from time to time'.] [Explanation :- The amount of tax shall be calculated to the nearest rupee by ignoring fifty paise or less and counting more than fifty paise as one rupee.] [Explanation inserted by Punjab Act 9 of 1974.] [(1-A) The State Government may by notification direct] [Section 5(1-A) inserted by Punjab Act No. 28 of 1965.] that [in respect of such goods other than declared goods] [Substituted for 'in respect of such goods' by Punjab Act No. 7 of 1967 w.e.f. 16.12.1965.] and with effect from such date as may be specified in the notification, the tax under sub-section (1) shall be levied at the first stage of sale thereof, and on the issue of such notification the tax on such goods shall be levied accordingly : Provided that no sale of such goods at a subsequent stage shall be exempted from tax under this Act unless the dealer effecting the sale at

such subsequent stage furnishes to the assessing authority in the prescribed form and manner a certificate duly filled in and signed by the registered dealer, from whom the goods were purchased:[Provided further that in the case of a dealer whose gross turnover does not exceed ten lac rupees in a year or a sum as may be notified by the State Government from time to time in this behalf, and whose amount of tax is assessed under sub-section (1) of Section 11 of this Act, the certificate referred to in the preceding proviso shall not be required.] [Substituted vide Punjab Act No. 12 of 1998.]Explanation. - For the purpose of this sub-section, the first stage of sale in respect of any goods in relation to any class of dealers shall be such as may be specified by the State Government in the notification.[(1-B) On and with effect from the 1st day of April, 1973, tax on margarine under sub-section (1) shall be levied at the first stage of sale thereof which stage shall :-](a)in the case of dealer who brings into the State margarine from any place outside the State, be the stage of sale when such dealer sells margarine for the first time within the State;(b)in the case of a dealer who manufactures margarine within the State, be the stage of sale when such dealer sells margarine for the first time in the State; and(c)in the case of any other dealer who has not purchased margarine from a dealer referred to in the preceding clause, be the stage at which such dealer sells margarine for the first time in the State :Provided that no sale of margarine at a subsequent stage shall be exempted from tax under this Act unless the dealer effecting the sale at such subsequent stage furnishes to the assessing authority in the prescribed form and manner a certificate duly filled and signed by the registered dealer, from whom the margarine was purchased.] [Inserted by Punjab Act 2 of 1978 w.e.f. 31.8.1977.](2)In this Act, the expression 'taxable turnover' means that part of a dealer's gross turnover during that period which remains after deducting therefrom:(a)his turnover during that period on-(i)the sale of goods declared tax free under Section 6;(ii)[sales to a registered dealer of goods other than sales of goods liable to tax at the first stage under sub-section (1-A)] [Substituted for the words 'sales to a registered dealer of goods' by Punjab Act 28 of 1965.], declared by him in a prescribed form as being intended for resale in the State of Punjab or sale in the course of inter-State trade or commerce or sale in the course of export of goods out of territory of India, or of goods specified in his certificate of registration for use by him in the manufacture in Punjab of any goods, other than goods declared tax-free under section 6, for sale in Punjab, or sale in the course of inter-State trade or commerce, or sale in the course of export of goods out of the territory of India and on sales to a registered dealer of containers or other materials for the packing of such goods :Provided that in case of [such sales other than those made on commission basis by a commission agent to the registered dealer] [Substituted for 'such sales' by Punjab Act 22 of 1994 w.e.f. 27.9.1994.], a declaration duly filled up and signed by the registered dealer to whom the goods are sold and containing prescribed particulars on a prescribed form obtained from the prescribed authority is furnished by the dealer who sells the goods :[Provided further that in the case of a dealer whose gross turnover does not exceed] [Proviso substituted by Punjab Act 15 of 1993 dated 3.5.1993.] [ten lac rupees] [Substituted for 'five lac rupees' by SO/54/PA.46/48/S.5/94 dated 5.8.1994.] in a year or a sum as may be notified by the State Government from time to time in this behalf, and whose amount of tax is assessed under sub-section (1) of section 11 of this Act, the declaration referred to in the preceding proviso shall not be required](iii)[Omitted by Punjab Act 6 of 1952.](iv)Sales to any undertaking supplying electrical energy to the public under a licence or sanction granted or deemed to have been granted under the Indian Electricity Act, 1910, of goods for use by it in the generation or distribution of such energy;(v)Sales or purchases of goods falling under section 29;(vi)[] [Clause (vi) substituted by

Punjab Act 18 of 1960 w.e.f. 1.4.1960.] the purchase of goods which are sold not later than six months after the close of the year to a registered dealer, or in the course of inter-State trade or commerce or in the course of export out of the territory of India: Provided that in the case of such a sale to a registered dealer, a declaration, in the prescribed form and duly filled and signed by the registered dealer to whom the goods are sold is furnished by the dealer claiming deduction. (vii) such other sales [or purchases] [Words 'or purchases' inserted by Punjab Act 9 of 1974.] as may be prescribed; (b) the amount of sales tax included in the gross turnover. (3) [(a) Tax on declared goods shall be leviable and payable at the stage of sale or purchase, as the case may be, and under the circumstances specified against such goods in Schedule 'D' (b) The State Government, after giving by notification not less than twenty day notice of its intention so to do, may by like notification add to or delete from schedule D any declared goods and thereupon Schedule D shall be deemed to be amended accordingly.] (4) [] [Inserted by Punjab Act 24 of 1993 dated 19.8.1993 w.e.f. 28.6.1993.] Notwithstanding anything contained in any provision of this Act, the Government, if satisfied that it is necessary or expedient so to do in the public interest, may by notification in the official gazette, direct that in respect of any goods or class of goods a dealer [may, at his option, pay] [Substituted by Punjab Act No. 4 of 1995 w.e.f. 23.12.1994.] such lump sum tax and subject to such conditions, as the Government may specify in the notification.

5A. [Levy of additional tax. [Section 5-A inserted by Punjab Act 21 of 1971 w.e.f. 15.11.1971.]

(1) Notwithstanding anything contained in this Act, there shall be levied and collected on the taxable turnover of a dealer an additional tax which shall be calculated at the rate of [ten] [] [Substituted by Punjab Act 15 of 1993 dated 3.5.1993. Earlier this section read as under :- Notwithstanding anything contained in this Act :- (a) in respect of declared goods, tax shall be levied at one stage and that stage shall be :- (i) in the case of goods liable to sales tax, the stage of sale of such goods by the last dealer liable to pay tax under this Act; (ii) in the case of goods other than wheat, liable to purchase tax, the stage of purchase of such goods by the last dealer liable to pay tax under this Act; (iii) in the case of wheat liable to purchase tax, the stage of purchase of wheat by the first dealer liable to pay tax under this Act; and (b) The taxable turnover of any dealer for any period shall not include his turnover during the period on any sale or purchase of declared goods at any stage other than the stage referred to in sub-clause (i), [sub-clause (ii) or, as the case may be, sub-clause (iii)].] per cent of the tax payable by him under this Act: Provided that the aggregate of the tax and surcharge payable under this Act shall not exceed in respect of goods declared to be of special importance in inter-State trade or commerce by section 14 of the Central Sales Tax Act, 1956, the rate fixed by section 15 of that Act. (2) Except as otherwise provided in sub-section (2), the provisions of this Act shall, so far as may be, apply in relation to the additional tax leviable under sub-section (1) as they apply in relation to the tax leviable under any other provision of this Act.]

6. [Tax free goods. [Section 6 substituted by Punjab Act No. 24 of 1959.]

(1) No tax shall be payable on the sale of goods specified in the first column of Schedule B subject to the conditions and exception, if any, set out in the corresponding entry in the second column thereof and no dealer shall charge sale tax on the sale of goods which are declared tax free from time to time

under this section.(2)The State Government, after giving by notification not less than [twenty days] notice of its intention so to do, may by like notification add to or delete from Schedule B and thereupon Schedule B shall be deemed to be amended accordingly.]

7. Registration of dealers.

(1)No dealer shall, while being liable to pay tax under this Act, carry on business as a dealer unless he has been registered and possesses a registration certificate.(2)Every dealer required by sub-section (1) to be registered shall make application in this behalf in the prescribed manner to the prescribed authority.(3)If the said authority is satisfied that an application for registration is in order, he shall, in accordance with such rules and on payment of such fees as may be prescribed, register the applicant and grant him a certificate of registration in the prescribed form which may specify the class or classes of goods for the purposes of sub-clause (ii) of clause (a) of sub-section (2) of section 5.(4)[] [Substituted by Punjab Act No. 28 of 1965 w.e.f. 1.4.1966.] The Commissioner may from time to time, by order, amend or cancel any certificate or registration on -(a)information furnished under section 16; or(b)information received that the dealer has violated any provision of this Act or the rules made thereunder; or(c)any other sufficient cause including misuse of the certificate or cessation of liability to payment to tax under this Act :Provided that no order affecting any person adversely shall be made under this sub-section without affording him a reasonable opportunity of being heard.(5)When any dealer [has paid the amount of penalty imposed under section 23] [Substituted for 'has been convicted or has paid compensation money under section 24' by Punjab Act No. 7 of 1967.] in respect of any contravention of subsection (1) of this section, the Commissioner shall register such dealer and grant him a certificate of registration, and such registration shall take effect as it had been made under sub-section (3) of this section on the dealer's application.(6)When-(a)any business in respect of which a certificate has been granted upon application made under sub-section (2) has been discontinued or transferred; or(b)the gross turnover of any such business has during each of three consecutive years failed to exceed the taxable quantum; or(c)the certificate of registration granted under the Central Sales Tax Act, 1956, to a dealer liable to pay tax by virtue of the provisions of section 4-A but who is not otherwise liable to pay tax under section 4 has been cancelled:the Commissioner shall cancel the registration and the cancellation shall come into force after the expiry of such period as may be prescribed.

8. Voluntary Registration.

(1)Any dealer except one dealing exclusively in goods declared tax-free under section 6 whose gross turnover during a year exceeds 15,000 rupees may, notwithstanding that he may not be liable to pay tax under section 4, apply in the prescribed manner to the prescribed authority for registration under this Act.(2)The provisions of sub-sections (3) and (4) and clause (a) of sub-section (6) of section 7 shall apply in respect of application for registration under this section.(3)Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act whether his gross turnover exceeds the taxable quantum or not.(4)The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.(5)Subject to the provisions of sub-section (4), a dealer

registered upon application made under this section may apply in the prescribed manner not less than six months before the end of a year to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made; and the said authority shall, unless the dealer is liable to pay tax under section 4, cancel the registration accordingly.

9. [Security from certain class of dealers. [Substituted by Punjab Act No. 9 of 1974.]

(1)The Commissioner or any other person appointed to assist him under sub-section (1) of section 3, if it appears to him to be necessary so to do for the proper realisation of the tax levied under this Act, may for reasons to be recorded in writing, impose as a condition of the issue of a certificate of registration to a dealer, or of the continuance in effect, of such a certificate, a requirement that the dealer shall give security in the manner prescribed for such amount as may be specified in the order.(2)No dealer shall be required to furnish security under sub-section (1) unless he has been given an opportunity of being heard and the amount of security that may be required to be furnished by any dealer under the aforesaid sub-section shall not exceed [fifteen thousand rupees](3)Where the security furnished by a dealer under sub-section (1) is in the form of surety bond and the surety becomes insolvent or is otherwise incapacitated or dies or withdraws, the dealer shall within fifteen days of the occurrence of any of the aforesaid events, inform the authority granting the certificate of registration and shall within thirty days of such occurrence furnish a fresh surety bond.(4)The authority granting the certificate of registration may, by an order in writing, for good and sufficient cause, forfeit the whole or any part of the security furnished by a dealer for realising any amount of tax or penalty payable by a dealer :Provided that no order shall be passed under this sub-section without giving the dealer a reasonable opportunity of being heard.(5)Where by reason of an order under sub-section (4), the security furnished by any dealer is rendered insufficient, he shall make up the deficiency in such manner and within such time as may be prescribed.(6)The authority granting a certificate of registration may, on application by the dealer, order the refund of security furnished by him or any part thereof, if the same is not required for the purposes of this Act.]

10. Payment of tax and returns.

(1)Tax payable under this Act shall be paid in the manner hereinafter provided at such intervals as may be prescribed.(2)The Commissioner may, in such circumstances and subject to such conditions as may be prescribed, accept from any dealer, in lieu of the amount of the general tax payable during any period, a lump sum by way of composition determined in the prescribed manner.(3)[Such dealers as may be required so to do by the assessing authority by notice served in the prescribed manner and every registered dealer shall -. (i)furnish such returns by such dates and to such authority as may be prescribed; and(ii)file a declaration in respect of the goods which have been purchased from a registered dealer within the State of Punjab in such manner and form and to such authority as may be prescribed.](4)Before any registered dealer furnishes the returns required by sub-section (3), he shall in the prescribed manner, pay into Government Treasury or the Reserve Bank of India or at the District Excise and Taxation Office, the full amount of tax due from him under the Act according to such returns and shall furnish alongwith the returns receipt from such

treasury, Bank or District Excise and Taxation Office showing the payment of such amount :Provided that no payment of such amount shall be accepted at the District Excise and Taxation Office made through a bank draft or crossed cheque drawn on a local scheduled bank in favour of the assessing authority.(5)If any dealer discovers any omission or other error in any returns furnished by him, he may at any time before the date prescribed for the furnishing of the next return by him furnish, a revised return and if the revised return shows a greater amount of tax to be due than was shown in the original return, it shall be accompanied by receipt showing payment in the manner provided in sub-section (4) of the extra amount.(6)[] [Substituted by Punjab Act No. 32 of 1976 w.e.f. 1.10.1976.] If a dealer fails to pay in the manner laid down in sub-section (4), the amount of tax due from him under the Act in accordance with the returns or revised returns submitted by him under sub-section (4) or sub-section (5), as the case may be, the Commissioner or any other person appointed to assist him under sub-section (1) of section 3, may after giving such dealer reasonable opportunity of being heard, direct him to pay, by way of penalty, in addition to the amount of tax due from him, a sum not exceeding one and half-times but not less than ten per centum of the amount of tax to which he is assessed or is liable to be assessed on the basis of such returns or revised returns excluding such amount of tax, if any, as has already been paid by him under the aforesaid sub-section.(7)If a dealer has maintained false or incorrect accounts with a view to suppressing his sales, purchases or stock of goods or has concealed any particulars of his sales or purchases or has furnished to, or produced before, any authority under this Act or the rules made thereunder any account, return or information which is false or incorrect in any material particular, the Commissioner or any person appointed to assist him under sub-section (1) of section 3 may, after affording such dealer a reasonable opportunity of being heard, direct him to pay, by way of penalty in addition to the tax to which he is assessed or is liable to be assessed, [a sum not exceeding two times but no less than fifty per centum] [Substituted for the words 'a sum not exceeding one and half times but not less than twenty-five per centum' by Punjab Act 1 of 1994 w.e.f. 29.9.1993.] of the amount of tax to which he has been assessed or is liable to be assessed excluding the amount to which he has been assessed or is liable to be assessed on the basis of the aforesaid false or incorrect accounts or concealed particulars or false or incorrect account, return or information.

10A. [Deferment of Tax. [Inserted w.e.f. 19.3.90 by Punjab Act No. 3 of 1990.]

- Notwithstanding anything to the contrary contained in this Act, the State Government, if satisfied that it is necessary or expedient so to do in the interest of industrial development of the State may defer the payment of tax due against such class of industries, for such period, either prospectively or retrospectively and subject to such conditions, as may be prescribed.] [Substituted by Punjab Act No. 7 of 1982 w.e.f. 29.1.1982.]

10B. [Deemed payment of tax. [Section 10-B inserted by No. 14-Legislative/95 dated 25.7.1995.]

- Notwithstanding anything contained in this Act, the State Government or the Commissioner or any person appointed to assist him under sub-section (1) of Section 3, not below the rank of an Assistant Excise and Taxation Commissioner, may pass order, with regard to a unit, which came into production for the first time on or after the first day of April, 1989 or wherein modernisation,

expansion or diversification has been carried out and to whom incentives by way of deferment of tax, under the Industrial Policy, 1989 of the State Government, have been granted by virtue of deferment certificate, and where a loan liability equal to the amount of any such tax as aforesaid payable by such unit, has been raised by the appropriate authority of the Department of Industries of the Government of Punjab, that the tax payable by such unit shall in public interest, be deemed, to have been paid. Note. - The expressions and terms, used in this section, but not defined in the Act, shall have the same meaning as have been assigned to them under the Punjab General Sales Tax (Deferment and Exemption) Rules, 1991, as amended from time to time.]

10C. [Tax deduction from the amount payable to works contractor. [Added Vide Act No. 7 of 1997.]

(1) Notwithstanding anything contained in any of the provisions of this Act, every person responsible for making payment to any dealer (hereinafter in this section referred to as the contractor) for discharge of any liability on account of valuable consideration payable for the transfer of property in goods (whether as goods or in any other form) in pursuance of a works contract shall, at the time of making such payment to the contractor either in cash or in any other manner, deduct an amount equal to two per centum of such sum towards part or, as the case may be, full satisfaction of the tax payable under this Act on account of such works contract. (2) Any contractor responsible for making any payment or discharge of any liability to any sub-contractor, in pursuance of a contract with the sub-contractor, for the transfer of property in goods (whether as goods or in some other form) involved in the execution whether wholly or in part, of the work undertaken by the contractor, shall, at the time of such payment or discharge, in cash or by cheque or draft or by any other mode, deduct an amount equal to two per centum of such payment or discharge, purporting to be a part or full amount of the tax payable under this Act on such transfer from the bills or invoices raised by the sub-contractor as payable by the contractor. (3) The amount deducted under sub-section (1) or sub-section (2), shall be deposited into the Government Treasury by the person making such deduction in the manner prescribed. (4) Any deduction made in accordance with the provisions of this section and credited into the Government Treasury, shall be treated as payment of tax on behalf of the person from whose bills and invoices the deduction has been made and credit shall be given to him for the amount so deducted on the production of certificate prescribed in this regard, in the assessment for the relevant assessment year. (5) If any such person as is referred to in sub-section (1) or sub-section (2), fails to make the deduction, or after deducting such amount fails to deposit the amount so deducted, the assessing authority may, after giving to such person an opportunity of being heard, by order, in writing, direct that such person shall pay, by way of penalty, a sum not exceeding twice the amount deductible under this section but not so deducted and if deducted not so deposited into the Government Treasury. (6) Without prejudice to the provisions of sub-section (5), if any such person fails to make the deduction or, after deducting fails to deposit the amount so deducted, he shall be liable to pay simple interest at the rate of eighteen per centum per annum on the amount deductible under this section but not so deducted, and if deducted, not so deposited from the date on which such amount was deductible to the date on which such amount is actually deposited. (7) Where the amount has not been deposited after deduction, such amount together with interest referred to in sub-section (6) shall be a charge upon all the assets of the person concerned. (8) Payment by way of deduction in accordance with sub-section (1) or sub-section (2)

shall be without prejudice to any other mode of recovery of tax due under this Act from the contractor or sub-contractor, as the case may be. Explanation.- For the purpose of this section assessing authority shall be construed such authority having jurisdiction over the place where the business or residence of the person making deduction of tax is located.]

11. Assessment of tax.

(1) If the Assessing Authority is satisfied without requiring the presence of [dealer] [Substituted for 'registered dealer' by Punjab Act No. 28 of 1965.] or the production by him of any evidence that the returns furnished in respect of any period are correct and complete, [he shall pass an order of assessment on the basis of such returns within a period of three years from the last date prescribed for furnishing the last return in respect of such period] [Substituted vide Punjab Act No. 12 of 1998.](2) If the Assessing Authority is not satisfied without requiring the presence of [dealer] [Substituted for 'registered dealer' by Punjab Act No. 28 of 1965.] who furnished the returns or production of evidence that the returns furnished in respect of any period are correct and complete, he shall serve on such dealer a notice in the prescribed manner requiring him, on a date and place specified therein, either to attend in person or to produce or to cause to be produced any evidence on which such dealer may rely in a support of such returns.(3) On the day specified in the notice or as soon as afterwards as may be, the Assessing Authority shall, after hearing such evidence as the dealer may produce, and such other evidence as the Assessing Authority may require on specified points, [pass an order of assessment within a period of three years from the last date prescribed for furnishing the last return in respect of any period] [Substituted vide Punjab Act No. 12 of 1998.](4) If a dealer having furnished returns in respect of a period fails to comply with the terms of notice issued under sub-section (2), the Assessing Authority shall, [within a period of three years from the last date prescribed for furnishing the last return in respect of such period, pass an order of assessment to the best of his judgement.] [Substituted vide Punjab Act No. 12 of 1998.](5) [If a dealer does not furnish returns in respect of any period by the last date prescribed, the assessing authority shall within a period of three years from the last date prescribed for furnishing the last return in respect of such period and after giving the dealer a reasonable opportunity of being heard pass an order of assessment to the best of his judgement.] [Substituted vide Punjab Act No. 12 of 1998.](6) If upon information which has come into his possession, the Assessing Authority is satisfied that any dealer has been liable to pay tax under this Act in respect of any period but has failed to apply for registration, the Assessing Authority shall, within five years after the expiry of such period, after giving the dealer a reasonable opportunity of being heard, proceed to assess to the best of his judgment, the amount of tax, if any, due from the dealer in respect of such period and all subsequent periods and in case where such dealer has wilfully failed to apply for registration, the Assessing Authority may direct that the dealer shall pay by way of penalty, in addition to the amount so assessed a sum not exceeding one and a half times that amount.(7) [The amount of any tax, penalty or interest payable under this Act shall be paid by the dealer in the manner prescribed, by such date as may be specified in the notice issued by the Assessing Authority for the purpose and the date so specified shall not be less than fifteen days and not more than thirty days from the date of service of such notice :Provided that the Assessing Authority may, with the prior approval of the Assistant Excise and Taxation Commissioner, incharge of the district extend the date of such payment or allow payment by instalments against an adequate security or bank guarantee.]

[Substituted by Punjab Act No. 26 of 1978 w.e.f. 20.7.1978.](8)If the tax assessed under this Act or any instalment thereof is not paid by any dealer within the time specified therefor in the notice of assessment or in the order permitting payment in instalments, the Commissioner or any other person appointed to assist him under sub-section (1) of section 3 may, after giving such dealer an opportunity of being heard, impose on him a penalty not exceeding in amount the sum due from him.(9)Any assessment made under this section shall be without prejudice to any[penalty imposed] [Substituted for 'prosecution instituted for an offence' by Punjab Act No. 7 of 1967.] under this Act.(10)[The Commissioner may, for reasons to be recorded in the writing, extend the period of three years, for passing the order of assessment for such further period as he may deem fit.(11)Where the proceedings of the assessment are stayed by an order of any court, the period for which such stay remains in force, shall not count towards computing the period of three years specified under this section for passing the order of assessment.(12)The Assessing authority may, on his own motion, review any assessment order passed by him and such review shall be completed within a period of one year from the date of the order under review.] [Sub-sections 10, 11 and 12 inserted vide Punjab Act No. 12 of 1998.]

11A. Re-assessment of the tax.

(1)If in consequence of definite information which has come into his possession, the Assessing Authority discovers that the turnover of the business of a dealer has been under- assessed or escaped assessment in any year, the Assessing Authority may, at any time within five years following the close of the year for which the turnover is proposed to be reassessed and after giving the dealer a reasonable opportunity, in the prescribed manner of being heard, proceed to reassess the tax payable on the turnover which has been under-assessed or has escaped assessment.(2)An Assessing Authority or any such authority as may be prescribed, may, at any time, within one year from the date of any order passed by him and subject to such conditions as may be prescribed, rectify any clerical or arithmetical mistake apparent from the record.

11AA. [Review of certain assessments etc. of tax on declared goods. [Inserted by Punjab Act No. 7 of 1967.]

(1)Notwithstanding anything contained in this Act, the Assessing Authority shall (whether or not an application is made to him in this behalf), review all assessments and reassessments made before the commencement of the Punjab General Sales Tax (Amendment and Validation) Act, 1967, in respect to declared goods and make such order varying or revising the order previously made as may be necessary for bringing the order previously made into conformity with the provisions of this Act as amended by the Punjab General Sales Tax (Amendment and Validation) Act, 1967 :Provided that no proceeding for review shall be initiated without giving the dealer concerned a notice in writing of not less than thirty days.(2)Any dealer on whom a notice is served under sub-section (1) may within thirty days from the date of receipt of such notice intimate in writing to the assessing authority of his intention to abide by the assessment or reassessment sought to be reviewed and if he does so, the assessing authority shall not review such assessment or reassessment under this section.(3)No order shall be made under this section against any dealer without giving such dealer reasonable opportunity of being heard.(4)Notwithstanding anything contained in any judgment, decree or

order of any court or other authority to the contrary but subject to the provisions of the foregoing sub-sections any assessment, reassessment, levy or collection of any tax in respect of declared goods made or purporting to have been made, and any action or thing taken or done or purporting to have been taken or done in relation to such assessment, reassessment, levy or collection, under the provisions of this Act before the commencement of the Punjab General Sales Tax (Amendment and Validation) Act, 1967, shall be as valid and effective as if such assessment, reassessment, levy or collection or action or thing had been made, taken or done under this Act as amended by the Punjab General Sales Tax (Amendment and Validation) Act, 1967.]

11AAA. [Review of certain assessments etc. of tax. [Inserted by Punjab Act No. 3 of 1973, w.e.f. 15.11.1972.]

- Notwithstanding anything contained in this Act, the Assessing Authority shall review such assessments or reassessments made before the commencement of the Punjab General Sales Tax (Amendment and Validation) Act, 1972, as are not in conformity with the provisions of this Act as amended by the aforesaid Act and make such order varying or revising the order previously made as may be necessary for bringing the order previously made into conformity with the provisions of this Act as amended by the aforesaid Act :Provided that no order shall be made under this section against any dealer without giving him an opportunity of being heard.]

11AAAA. [Review of certain assessments of tax on margarine and validation of certain assessments. [Inserted by Punjab Act No. 2 of 1978 w.e.f. 31.8.1977.]

(1)Notwithstanding anything contained in this Act, the Assessing Authority shall review such assessments, reassessments made before the commencement of the Punjab General SalesTax (Amendment and Validation) Act, 1978, as are not in conformity with the provisions of this Act, as amended by the aforesaid Act, and make such order varying or revising the order previously made as may be necessary for bringing the order previously made into conformity with the provisions of this Act as amended by the aforesaid Act :Provided that no order shall be made under this section against any dealer without giving him an opportunity of being heard.(2)Notwithstanding anything contained in any judgment, decree or order of any court or other authority to the contrary but subject to the provisions of sub-section (1), any assessment, reassessment, levy or collection of any tax in respect of margarine made or purporting to have been made, and any action or thing taken or done or purporting to have been taken or done in relation of such assessment, reassessment, levy or collection under the provisions of this Act before commencement of the Punjab General Sales Tax (Amendment and Validation) Act, 1978, shall be as valid and effective as if such assessment, reassessment, levy or collection or action or thing had been made, taken or done under this Act as amended by the Punjab General Sales Tax (Amendment and Validation) Act, 1978.(3)For the removal of doubts it is hereby declared that nothing in sub- section (2) shall be construed as preventing any person -(a)from questioning in accordance with the provisions of the Act and rules made thereunder, the assessment, reassessment, levy or collection of tax on margarine for any period, or(b)from claiming refund of any tax paid by him in excess of the amount due from him

under the Act as amended by the Punjab General Sales Tax (Amendment and Validation) Act, 1978.]

11B. Tax and penalty recoverable as arrears of land revenue.

- The amount of any tax and penalty imposed [or interest payable] [Words in brackets inserted by Punjab Act No. 26 of 1978 w.e.f. 20.7.1978.] under this Act which remains unpaid after the due date, shall be recoverable as arrears of land revenue.

11C. [No time limit for completion of assessment or reassessment in certain cases. [Inserted by Punjab Act No. 3 of 1973 w.e.f. 15.11.1972.]

(1)Notwithstanding the period of limitation provided for assessment or re-assessment in section 11 or section 11-A or in any other provisions of this Act, assessment or re-assessment may be made at any time in consequence of or to give effect to any order made by any court or other authority, in exercise of the powers vested in it under the law for the time being in force.(2)Where the assessment proceedings relating to any dealer remained stayed under the orders of any court or other authority for any period, such period shall be excluded in computing the period of limitation for assessment or re-assessment provided under the Act.]

11D. [Payment of interest. [Inserted by Punjab Act 26 of 1978 w.e.f. 20.7.1978.]

(1)If any dealer fails to pay the amount of tax due from him as required by sub-section (4) of section 10, he shall, in addition to the amount of tax, be liable to pay simple interest on the amount of tax due from him at the rate of one per centum per month from the date immediately following the last date for the submission of the return under sub-section (3) of that section, for a period of one month and thereafter at the rate of [two per centum] per month till the default continues.(2)If the amount of tax or penalty due from a dealer is not paid by him within the period specified in the notice of demand or if no period is specified, within thirty days from the service of such notice, the dealer shall in addition to the amount of tax or penalty, be liable to pay simple interest on such amount at the rate of one per centum per month from the date immediately following the date on which the period specified in the notice or the period of thirty days, as the case may be, expires, for a period of one month and thereafter at the rate of one and half per centum per month till the default continues :Provided that where the recovery of any tax or penalty is stayed by an order of any court, the amount of tax or penalty shall, after the order of stay is vacated, be recoverable alongwith interest at the aforesaid rate on the amount ultimately found to be due and such interest shall be payable from the date the tax or penalty first became due.(3)The amount of interest under this section shall -(i)be calculated by considering part of month as one month [-] ['Words and any amount less than one hundred rupees as one hundred rupees' omitted by Punjab Act 22 of 1994 w.e.f. 27.9.1994.](ii)for the purposes of collection and recovery, be deemed to be tax under this Act;(iii)be in addition to the penalty, if any, imposed under this Act.Explanation. - If payment of the amount of tax is made by the any dealer through cheque and the same is dishonoured by the bank concerned, it will amount to failure on the part of the dealer to pay the amount of tax.]

12. [Refund. [Substituted by Punjab Act No. 26 of 1978 w.e.f. 20.7.1978.]

(1)The assessing authority shall in the prescribed manner refund to a registered dealer applying in this behalf any amount of tax, interest or penalty paid by such dealer under this Act : (a) if the amount of tax, penalty or interest so paid is in excess of the amount due from him under this Act; or (b) if the amount of tax so paid is in respect of the sale or purchase of any declared goods and such goods are sold in the course of inter-State trade or commerce; either by a refund voucher or, at the option of the dealer, by adjustment of the amount so paid with the amount due from him, in respect of any other period : Provided that the refund under clause (b) shall be subject to such conditions, as may be prescribed : Provided further that no refund under this section shall be allowed unless the claim for refund is made within a period of three years from the date on which such claim accrues. Explanation. - For the purposes of this sub-section the expression "in the course of inter-State trade or commerce" shall have the meaning assigned to it by section 3 of the Central Sales Tax Act, 1956. (2) Notwithstanding anything contained in sub-section (1), the assessing authority shall first adjust the amount to be refunded towards the recovery of any amount due from the dealer on the date of such adjustment, and shall thereafter refund the balance, if any. (3) Where any amount required to be refunded by the assessing authority to any person by virtue of an order issued under this Act is not refunded to him within ninety days of the date of the order, the dealer shall be entitled to get simple interest on such amount at the rate of one percentum per month from the date immediately following the date of expiry of the said period for a period of one month and thereafter at the rate of one and half percentum per month till the refund is made : Provided that for the purpose of calculation of the interest, part of a month shall be considered as one month and any amount less than one hundred rupees shall be considered as one hundred rupees. (4) If the delay in allowing refund within the aforesaid period of ninety days is for reasons beyond the control of the assessing authority or attributable to the dealer, whether wholly or in part, the period of such delay shall be excluded from the period for which interest is payable. (5) If any question arises whether any period is to be excluded for the purposes of calculation of interest under sub-section (4) the same shall be referred to the Commissioner or such other officer as the State Government may, by notification, appoint, whose decision shall be final. (6) Where an order allowing refund is the subject-matter of an appeal or further proceedings or where any other proceedings under this Act are pending, and the assessing authority is of the opinion that the refund is likely to adversely affect the recovery, the Assessing Authority may withhold the refund and refer the case to the Commissioner whose orders shall be final. (7) The period during which the refund remains withheld under sub-section (6) shall be excluded for the purpose of calculation of interest under this Section.]

13. Accounts.

(1) Every registered dealer or other dealer on whom a notice has been served to furnish returns under sub-section (3) of section 10, shall keep a true account of the value of goods bought and sold by him, and if the Assessing Authority considers that such accounts is not sufficiently clear and intelligible to enable him to make a proper check of the returns referred to in that sub-section, he may require such dealer by notice in writing to keep such accounts including records of sales as he may subject to anything that may be prescribed in that behalf in writing, direct. (2) Every registered dealer shall: (a) in respect of goods, exceeding [one hundred] [Substituted for 'Twenty five rupees' by

Punjab Act 15 of 1993 dated 3.5.1993.] rupees in value in any one transaction, sold by him or on his behalf, issue to the person to whom they are sold, a cash memorandum or bill serially numbered bearing the name and address of the dealer, the date of sale and the signature of such dealer, or his servant, manager or agent and showing the particulars of goods so sold and the price thereof; and(b)preserve a carbon copy of such cash memorandum or bill for a period of not less than five years from the date of issue thereof :Provided that the State Government may by notification exempt any class of registered dealers from the provisions of this sub-section.(3)Where any dealer contravenes the provisions of sub-section (1) or sub- section (2), the Commissioner or any person appointed to assist him under sub-section (1) of section 3 may, after affording such dealer a reasonable opportunity of being heard, impose upon him a penalty which may extend to [two thousand rupees] [Substituted for 'five hundred rupees' by Punjab Act 1 of 1994 w.e.f. 29.9.1993.].

14. Production and inspection of books, documents and accounts.

(1)The Commissioner or any person appointed to assist him under sub-section (1) of section 3 not below the rank of an [Excise and Taxation Officer] [Substituted for 'Assistant Excise and Taxation Officer' by Punjab Act No. 2 of 1978.] may for the purposes of this Act, require any dealer referred to in section 10 to produce before him any book, document or account relating to his business and may inspect, examine or copy the same and make such enquiries from such dealer relating to his business, as may be necessary :Provided that books, documents and accounts of a period more than five years prior to the year in which assessment is made shall not be so required.(2)Every registered dealer shall -(a)maintain day to day accounts of his business;(b)maintain a list of his account books, display it along with his registration certificate and furnish a copy of such list to the Assessing Authority.(c)produce, if so required, account books of his business before the Assessing Authority for authentication in the prescribed manner;(d)retain his account books at the place of his business, unless removed therefrom by an official for inspection, by any official agency or by auditors or for any other reason which may be considered to be satisfactory by the Assessing Authority.(3)If any officer referred to in sub-section (1) has reasonable ground for believing that any dealer is trying to evade liability for tax or other dues under this Act, and that anything necessary for the purpose of an investigation into his liability may be found in any book, account, register or document, he may seize such book, account, register or document as may be necessary. The officer seizing the book, account, register or document shall forthwith grant a receipt for the same and shall -(a)in the case of book, account, register or document which was being used at the time of seizing within a period of ten days from the date of seizure; and(b)in any other case, within a period of sixty days from the date of seizure,return it to the dealer or the person from whose custody it was seized after examination or after having such copies or extracts taken therefrom as may be considered necessary, provided the dealer or the aforesaid person gives a receipt in writing for the book, account, register or document returned to him. The officer may, before returning the book, account, register or document, affix his signatures and his official seal at one or more places thereon, and in such case the dealer or aforesaid person will be required to mention in the receipt given by him the number of places where the signature and seal of such officers have been affixed on each book, account, register or document.(4)For the purposes of sub-section (2) or sub-section (3) an officer referred to in sub-section (1) may enter and search any office, shop, godown vessel, vehicle, or any other place of business of the dealer or any building or place except residential houses where such officer has

reason to believe that the dealer keeps or is, for the time being, keeping any book, account, register or document or goods relating to his business.(5)The power conferred by sub-section (4) shall include the power to open and search any box or receptacle in which any books, accounts, registers or other relevant documents of the dealer may be contained.(6)Any officer empowered to act under sub-section (3) or sub-section (4) shall have power to seize any goods which are found in any office, shop, godown, vessel, vehicle or any other place of business or any building or place of the dealer, but not accounted for by the dealer in his books, accounts, registers, records and other documents.

14A. Assessee permitted to attend through authorised agent etc.

(1)Any assessee or dealer, who is entitled or required to attend before any authority in connection with any proceeding under this Act, may attend by a person authorised by him in writing in this behalf, being a relative or a person regularly employed by the assessee, or a lawyer or accountant or income-tax practitioner and not being disqualified by or under sub-section (3).(2)In this section an "Income Tax Practitioner" means any person, who before the 10th day of May, 1953 attended before any assessing or other sales tax authorities in connection with any proceedings under this Act or under the Punjab General Sales Tax Act, 1941, on behalf of any assessee otherwise than in the capacity of an employee or relative of that assessee, or who has passed any accountancy examination recognized in this behalf, by the Central Board of Revenue or holds a Degree in Commerce, Law, Economics or Banking including auditing conferred by any Indian University, incorporated by any law for the time being in force, Rangoon University, English and Welsh University and include a retired gazetted officer of the Punjab Excise and Taxation Department who has an experience of working as assessing authority, appellate authority or revisional authority under this Act for a minimum period of five years in one or more of the aforesaid capacities, provided a period of two years has elapsed since the date of his retirement from Government service.(3)No person, who has been dismissed from government service, shall be qualified to represent any dealer under sub-section (1).(4)If any practitioner or other person who represents an assessee, is found guilty of misconduct in any proceedings before any authority under this Act by the Commissioner, the Commissioner may direct that he shall be qualified to represent a dealer under sub-section (1):Provided that no such direction shall be made in respect of any person unless he is given a reasonable opportunity of being heard.(5)Any person against whom any direction is made under this section, may appeal to the Tribunal against such direction under and in accordance with the provisions of section 20.

14B. Establishment of check posts or barriers and inspection of goods in transit.

(1)If with a view to preventing or checking evasion of tax under this Act, the State Government considers it necessary so to do, it may by notification direct the establishment of a check post or the erection of a barrier or both at such place or places as may be notified.(2)The owner or person incharge of a goods vehicle or vessel shall carry with him a goods vehicle record, a trip sheet or a log book, as the case may be, and a bill of sale or a delivery note containing such particulars as may be prescribed, in respect of such goods meant for the purpose of trade as are being carried in the goods vehicle or vessel, as the case may be, and [furnish a copy each of the aforesaid documents to]

[Substituted for 'produce the same before' by Punjab Act 1 of 1994 w.e.f. 29.9.1993.] an Officer-in-charge of a check post or barrier or any other officer not below the rank of an Excise and Taxation Officer checking the vehicle or vessel at any place.(3)At every check post or barrier or at any other place when so required by any officer referred to in sub-section (2), the driver or any other person incharge of the goods vehicle or vessel shall stop the vehicle or vessel, as the case may be and keep it stationary as long as may reasonably be necessary and allow the officer incharge of the check post or barrier or the aforesaid officer to examine the contents in the vehicle or vessel by breaking open the packages, if necessary, and inspect all records relating to the goods carried which are in the possession of such driver or other person in-charge, who shall also furnish such other information as may be required by the aforesaid officer, and if considered necessary, such officer may also search the goods vehicle or vessel and the driver or other person incharge of the vehicle or vessel or of the goods.(4)The owner or person incharge of a goods vehicle or vessel entering the State limits or leaving the State limits shall also give in triplicate a declaration containing such particulars as may be prescribed, of the goods carried in such vehicle or vessel, as the case may be, before the Officer-in- Charge of the check post or barrier and shall produce the copy of the said declaration duly verified and returned to him by the said officer, before any other officer referred to in sub-section (2) at the time of checking :Provided that where a goods vehicle or vessel bound for any place outside the State passes through the State, the owner or person incharge of such vehicle or vessel shall furnish, in duplicate to the Officer-in-charge of the check post or barrier of his entry into the State, a declaration in the prescribed form and obtain from him a copy duly verified. The owner or person incharge of the goods vehicle or vessel, as the case may be, shall deliver within seventy-two hours the said copy to the Officer-in-charge of the check post or barrier at the point of its exit from the State, failing which he shall be liable to pay a penalty to be imposed by the officer incharge of the check post or barrier of the entry not exceeding two thousand rupees or twenty percentum of the value of the goods, whichever is greater:Provided further that no penalty shall be imposed unless the person concerned has been given a reasonable opportunity of being heard.(5)At every station of transport of goods, bus stand or any other station or place of loading or unloading of goods, other than rail head or post-office, when so required by Commissioner or any person appointed to assist him under sub-section (1) of Section 3, the driver or the owner of the goods vehicle or the employee of a transport company or goods booking agency, shall produce for examination transport receipts and all other documents and account-books concerning the goods carried, transported, loaded, unloaded, consigned or received for transport (maintained by him in the prescribed manner). The Commissioner or the person so appointed shall, for the purpose of examining that such transport receipt or other documents or account books are in respect of the goods carried, transported, loaded, unloaded or consigned or received for transport, have the powers to break open any package, or packages of such goods.(6)[If the officer incharge of the check post or barrier or other officer as referred to in sub-section (2) has reasons to suspect that the goods under transport are meant for trade and are not covered by proper and genuine documents as specified in sub-section (2) or sub-section (4), as the case may be, the driver or other person incharge of the goods vehicle or vessel required to stop the vehicle or vessel under sub-section (3), fails to stop the same, or that the person transporting the goods is attempting to evade payment of tax due under this Act, he may, for reasons to be recorded in writing and after hearing the said person concerned, order the detention of the vehicle or vessel alongwith the goods for such period as may reasonably be necessary and [shall allow the same to be transported only on the owner of

goods, if registered under this Act, furnishing a security or executing a bond with sureties in the prescribed form and manner to the satisfaction of the officer detaining the goods and in the case of other owner of goods furnishing a security in the form of cash or bank guarantee or crossed bank draft which shall not be less than fifteen per centum and not more than thirty per centum of the value of goods:] [Sub-section (6) of section 14-B substituted by Punjab Act 1 of 1994 w.e.f. 29.9.1993. Old sub-section (6) of section 14-B read as under :- (6) If the officer incharge of the check post or barrier or other Officer as mentioned in sub-section (2) has reasons to suspect that the goods under transport are meant for trade and are not covered by proper and genuine documents as mentioned in sub-section (2) or sub-section (4), as the case may be, or that the person transporting the goods is attempting to evade payment of tax due under this Act, he may for, reasons to be recorded in writing and after hearing the said person, order the unloading and detention of the goods for such period as may reasonably be necessary and shall allow the same to be transported only on the owner of goods or his representative or the driver or other person incharge of the goods vehicle or vessel on behalf of the owner of the goods furnishing to his satisfaction a security or cash security or bank guarantee or crossed bank draft for securing the amount of tax in the prescribed form and manner for an amount exceeding one thousand rupee or twenty per centum of the value of the goods whichever is greater, not exceeding one thousand rupees or twenty percentum of value of the goods, whichever is greater.] Provided that where any goods are detained a report shall be made immediately and in any case within twenty-four hours of the detention of the goods by the officer detaining the goods to the (Assistant Excise and Taxation Commissioner incharge of the district) seeking the latter's permission for the detention of goods for a period exceeding twenty-four hours as and when so required, and if no intimation to the contrary is received from the latter the former may assume that his proposal has been accepted. (7) The officer detaining the goods shall record the statement, if any, given by the owner of the goods or his representative or the driver or other person incharge of the goods vehicle or vessel and shall require him to produce proper and genuine documents as referred to in sub-section (2) or sub-section (4) as the case may be before him in his office on a specified date on which date the officer shall submit the proceedings alongwith the connected records to such officer as may be authorised in that behalf by the State Government for conducting necessary inquiry, in the matter. The said officer shall, before conducting the enquiry, serve a notice on the owner of the goods and give him an opportunity of being heard and if, after the enquiry, such officer finds that there has been an attempt to evade the tax due under this Act, he shall, by order, impose on the owner of the goods a penalty [which shall be not less than fifteen percentum and not more than thirty per centum of the value of the goods] [Substituted for 'not exceeding one thousand rupees or twenty percentum of the value of the goods, whichever is greater' by Punjab Act 1 of 1994 dated 21.1.1994 w.e.f. 29.9.1993.], and in case he finds otherwise, he shall order the release of the goods. (8) If the owner of the goods or his representative or the driver or other person incharge of the goods vehicle or vessel does not furnish security or does not execute the bond as required by sub-section (6) within ten days from the date of detaining the goods vehicle or vessel, the officer referred to in that sub-section may order further detention of the goods and in the event of the owner of the goods not paying the penalty imposed under sub-section (7) within twenty days from the date of the order imposing the penalty, the goods detained shall be made liable to be sold by the officer, who imposed the penalty, for the realisation of the penalty by public auction in the manner prescribed. If the goods detained are of a perishable nature or subject to speedy or natural decay or when the expenses of keeping them in custody are likely to exceed their value, the officer-in-charge

of the check post or barrier or any other officer referred to in sub-section (2) as the case may be, shall immediately sell such goods or otherwise dispose them of. The sale proceeds shall be deposited in the Government treasury and the owner of the goods shall be entitled to only the balance amount of sale proceeds after deducting the expenses and other incidental charges incurred in detaining and disposing of the goods.(9)The officer detaining the goods shall issue to the owner of the goods or his representative or the driver or the person-in-charge of the goods vehicle or vessel receipt specifying the description and quantity of the goods so detained and obtain an acknowledgement, from such person or if such person refuses to give acknowledgement, record the fact of refusal in the presence of the two witnesses.(10)If the order of detention of goods under sub-section (6) or imposition of penalty under sub-section (7) or sub-section (8) is in the meantime set aside or modified in appeal or other proceedings, the Officer detaining the goods and imposing the penalty, as the case may be, shall also pass consequential orders for giving effect to the orders in such appeal or other proceedings as the case may be.(11)No dealer or any person including a carrier of goods or agent of a transport company or booking agency acting on behalf of a dealer, shall take delivery of, or transport, from any vessel, station, airport or any other place, whether of similar nature or otherwise any consignment of goods other than personal luggage or goods for personal consumption, the sale or purchase of which is taxable under this Act, except in accordance with such conditions as may be prescribed with a view to ensuring that there is no evasion of the tax imposed by or under this Act :Provided that no place which is rail head or post office shall be so notified by the State Government.[Omitted] [Explanation (1) below sub-section (11) of Section 14-B omitted by Punjab Act 1 of 1994 dated 21.1.1994 w.e.f. 29.9.1993 old explanation (1) reads as - 'In this section the expression 'goods vehicle' has the same meaning as is assigned to it in clause (6) of section 2 of the Motor Vehicles Act, 1939, but does not include road transport plying in collaboration with rail transport'.][Explanation] [Explanation (2) renumbered as Explanation.] - For purposes of sub-section 7 service of notice on the representative of the owner or the driver or other person incharge of the goods vehicle or vessel shall be deemed to be a valid service on the owner of the goods.

14C. Power to call for information from banking companies etc.

- The Commissioner or any other person appointed to assist him under sub-section (1) of section 3 may, for carrying out the purposes of this Act, require any person, including a banking company, post office or any officer thereof to furnish any information or statement useful for, or relevant to any proceeding under this Act.

15. Delegation of powers.

- Subject to such restrictions and conditions as may be prescribed, the Commissioner may, by order in writing delegate any of his powers under this Act, except those under sub-section (1) of section 21 to any person appointed under section 3 to assist him.

16. Information to be furnished regarding change of business.

- If any dealer to whom the provisions of sub-section (3) of section 10 apply :-(a)sells or otherwise disposes of his business or any place of business; or(b)discontinues or transfers his business or changes his place of business or opens a new place of business; or(c)changes the name, constitution or nature of his business; or(d)wants to make any change in the class or classes of goods specified in his certificate of registration for use in the manufacture of any goods for sale, he shall within the prescribed time inform the prescribed authority accordingly and if any such dealer dies his legal representative shall in like manner inform the said authority.

17. Transfer of business.

- Where the ownership of the business of a registered dealer is entirely transferred and the transferee carries on such business either in its old name or in some other name, the transferee shall for all the purposes of this Act (except for liabilities under this Act already discharged by such dealer) be deemed to be and to have always been registered as if the certificate of registration of such dealer had initially been granted to the transferee; and the transferee shall on application to the prescribed authority be entitled to have the registration certificate amended accordingly.

17A. Liability to tax on stock in certain cases.

- Should his certificate of registration be cancelled under any provision of this Act, a dealer, save when he has transferred his business to some one else, and notwithstanding clause (ff) of section 2 but subject to the provisions of section 6, shall be liable to pay tax on goods purchased by him in the State of Punjab after registration, and remaining unsold at the time of cancellation of certificate at a rate leviable for the sale of such goods.

18. Liability to tax of a partitioned Hindu family/dissolved firm, etc.

(1)Where a dealer is an undivided Hindu family, firm, or association of persons, and such family, firm or association is partitioned, dissolved or disputed, as the case may be :(a)The tax payable under this Act by such family, firm or association of persons for the period up to the date of such partition, dissolution or disruption may be assessed as if no such partition, dissolution or disruption had taken place and all the provisions of this Act shall apply accordingly; and(b)Every person who was at the time of such partition, dissolution or disruption a member or partner of an undivided Hindu family, firm or association of persons shall, notwithstanding such partition, dissolution or disruption, be liable severally and jointly for the payment of the tax including interest and penalty, if any, payable under this Act by such family, firm or association of persons, whether assessment is made prior to or after such partition, dissolution or disruption.(2)Where the registration certificate of a dealer is cancelled under this Act in any case, other than that of a partition of undivided Hindu family or dissolution or disruption of a firm or association of persons, the tax payable under this Act by such dealer for the period up to the date of cancellation of the registration certificate may be assessed on such dealer as if no such cancellation had taken place and all the provisions of this Act

shall apply accordingly.

19. Bar of certain proceedings.

- No assessment made and no order passed under this Act or the rules made thereunder shall be called into question in any Civil Court.

20. Appeal.

(1)An appeal from every original order passed under this Act or the rules made thereunder shall lie -
 (a)if the order is made by an assessing authority or by an Officer-in-charge of the check post or barrier or any other Officer not below the rank of Excise and Taxation Officer, to the Deputy Excise and Taxation Commissioner;
 (b)if the order is made by the Deputy Excise and Taxation Commissioner, to the Commissioner;
 (c)if the order is made by the Commissioner or any Officer exercising the powers of the Commissioner, to a Tribunal.
 (2)An order passed in appeal by a Deputy Excise and Taxation Commissioner or by the Commissioner or any Officer on whom the powers of the Commissioner are conferred shall be further appealable to a Tribunal.
 (3)Every order of a Tribunal and subject only to such order, the order of the Commissioner or any Officer exercising the powers of the Commissioner or the order of the Deputy Excise and Taxation Commissioner or of the assessing authority if it was not challenged in appeal or revision shall be final.
 (4)No appeal shall be entertained unless it is filed within sixty days from the date of communication of the order appealed against, or such longer period as the appellate authority may allow, for reasons to be recorded in writing.
 (5)No appeal shall be entertained by an appellate authority unless such appeal is accompanied by satisfactory proof of the payment of the tax or of the penalty, if any, imposed or of both as the case may be :Provided that if such authority is satisfied that the dealer is unable to pay the tax assessed or the penalty, if any, imposed or both, he may, for reasons to be recorded in writing, entertain an appeal without the tax or penalty or both having been paid or after part payment of such tax or penalty or both.
 (6)Subject to such rules or procedure, as may be prescribed, an appellate authority may pass such order on appeal as it deems to be just and proper.

21. Revision.

(1)The Commissioner may of his own motion call for the record of any proceedings which are pending before, or have been disposed of by any authority subordinate to him, for the purpose of satisfying himself as to the legality or propriety of such proceedings or order made therein and may pass such order in relation thereto as he may think fit.
 (2)The State Government may by notification confer on any Officer the powers of the Commissioner under sub-section (1) to be exercised subject to such conditions and in respect of such areas as may be specified in the notification.
 (3)A Tribunal, on application made to it against an order of the Commissioner under sub-section (1) within ninety days from the date of communication of the order may call for and examine the record of any such case and pass such orders thereon as it thinks just and proper.
 (4)No order shall be passed under this section which adversely affects any person unless such person has been given a reasonable opportunity of being heard.

21A. [Rectification of mistakes. [Substituted by Punjab Act 7 of 1967.]

(1)The Commissioner or the Officer on whom powers of the Commissioner under sub-section (1) of section 21 have been conferred by the State Government may, at any time within two years from the date of any order passed by him, of his own motion, rectify any mistake apparent from the record, and shall within a like period rectify any such mistake which has been brought to his notice by any person affected by such order:Provided that no such rectification shall be made if it has the effect of enhancing the tax or reducing the amount of refund, unless the Commissioner or the Officer on whom the powers of the Commissioner under sub- section (1) of section 21 have been conferred by the State Government has given notice in writing to such person of his intention to do so and has allowed such person a reasonable opportunity of being heard.(2)The provisions of sub-section (1) shall apply to the rectification of a mistake by a Tribunal as they apply to the rectification of a mistake by the Commissioner.(3)Where any such rectification has the effect of reducing the amount of the tax or penalty, the Commissioner shall in the prescribed manner order the refund of the amount so due to such person.(4)Where any such rectification has the effect of enhancing the amount of the tax or penalty or reducing the amount of the refund, the Commissioner shall order the recovery of the amount due from such person in the manner provided for in sections 11 and 11-B.]

21B. Disposal of pending appeals and applications, etc.

(1)Any appeal or application under sub-section (1) of section 22 pending immediately before the commencement of the Punjab General Sales Tax (Amendment and Validation) Act, 1967, before the Financial Commissioner shall stand transferred to the Tribunal constituted under section 3-A.(1-A) Any case under sub-section (3) of section 21, as it existed immediately before 22nd of June, 1967, pending with the Financial Commissioner immediately before the aforesaid date, shall stand transferred to the Tribunal constituted under section 3-A and shall be disposed of by it as if it were an appeal made to the Tribunal under and in accordance with the provisions of section 20.(2)Any application for revision pending immediately before the commencement of the Punjab General Sales Tax (Amendment and Validation) Act, 1967, before the Financial Commissioner, the Commissioner or an Officer on whom the powers of the Commissioner are conferred shall stand transferred to the Tribunal and shall be disposed of by it as if it were an appeal made to the Tribunal under and in accordance with the provisions of section 20.(3)Subject to the provisions of section 20 and sub-sections (1) and (2), if a person is aggrieved by any order passed by any officer or authority before the commencement of the Punjab General Sales Tax (Amendment and Validation) Act, 1967, from which an appeal under sub-section (5) of section 14-A or a revision under section 21 or an application under sub-section (1) of section 22 was competent but was not filed and if the period of limitation prescribed therefor had not expired immediately before such commencement, he may file an appeal or revision, as the case may be, to the Tribunal against such order within the unexpired period or within thirty days next after such commencement whichever period expires later.

22. Statement of case to High Court.

(1) Within 60 days from the passing of an order under section 20 or 21 by Tribunal affecting any liability of any dealer to pay tax under this Act, such dealer or the Commissioner may, by application in writing accompanied by a fee of one hundred rupees in case the application is made by a dealer require, the Tribunal to refer to the High Court any question of law arising out of such order. (2) If for reasons to be recorded in writing, the Tribunal refuses to make such reference, the applicant may, within 30 days of such refusal either - (a) withdraw his application (and if he does so, the fee paid shall be refunded); or (b) apply to the High Court against such refusal. (3) If upon the receipts of an application under clause (b) of sub-section (2), the High Court is not satisfied of the correctness of the Tribunal's decision it may require the Tribunal to state the case and refer it, and on the receipt of such requisition, the Tribunal shall state and refer the case accordingly. (4) If the High Court is not satisfied that the statements in a case referred under this section are sufficient to enable it to determine the question raised thereby, it may refer the case back to the Tribunal to make such additions thereto or alterations therein as the court may direct in that behalf. (5) The High Court upon the hearing of any such case shall decide the question of law raised thereby, and shall deliver its judgment thereon containing the grounds on which such decision is founded and shall send to the Tribunal, a copy of such judgment under the seal of the court and the signature of the Registrar, and the Tribunal shall dispose of the case accordingly. (6) Where a reference is made to the High Court under this section, the cost (including the disposal of the fee) shall be the discretion of the court. (7) The payment of the amount, if any, of the tax due in accordance with the order of the Tribunal in respect of which an application has been made under sub-section (1), shall not be stayed pending the disposal of such application or any reference made in consequence thereof, but if such amount is reduced as the result of such reference, the excess tax paid shall be refunded in accordance with the provisions of section 12.

22A. Power of Tribunal or the Commissioner and his Assistants to take evidence on oath, etc.

- The Tribunal or the Commissioner or any person appointed to assist him under sub-section (1) of section 3 shall, for the purposes of this Act, have the same powers as are vested in a court under the Code of Civil Procedure, 1908 (V of 1908), when trying a suit in respect of the following matters, namely - (a) enforcing the attendance of any person and examining him on oath or affirmation; (b) compelling the production of documents and impounding or detaining them; (c) issuing commissions for the examination of witnesses; (d) requiring or accepting proof of facts by affidavits; (e) such other powers as may be prescribed; and any proceedings under this Act before the Tribunal or the Commissioner or any person appointed to assist him under sub-section (1) of section 3 shall be deemed to be a "judicial proceedings" within the meaning of sections 193 and 228 and for the purposes of section 199 of Indian Penal Code.

23. Penalty.

(1) Whosoever contravenes, or fails to comply with, any of the provisions of this Act or the rules

made thereunder or any order or direction made or given thereunder, shall, if no other penalty is provided under this Act for such contravention or failure, be liable to imposition of a penalty, not exceeding [five thousand rupees] [Substituted for 'two thousand rupees' by Punjab Act 1 of 1994 w.e.f. 29.9.1993.], and where such contravention or failure is a continuing one, to a daily penalty not exceeding fifty rupees during the period of the continuance of the contravention or failure.(2)An officer not below the rank of Excise and Taxation Officer appointed under sub-section (1) of section 3 may, after affording to the person a reasonable opportunity of being heard, impose the penalty mentioned in sub- section (1).

24.

[Omitted] [Omitted by Punjab Act No. 28 of 1965.]

25. Indemnity.

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

26. Returns etc., to be confidential.

(1)All particulars contained in any statement made, return furnished or accounts or documents produced in accordance with this Act, or in any record of evidence given in the course of any proceedings under this Act other than proceedings before a Criminal Court, shall, save as provided in sub-section (3) be treated as confidential, and notwithstanding anything contained in the Indian Evidence Act, 1872, no court shall, save as aforesaid be entitled to require any officer of the State Government to produce before it any such statement, return, account, document or record or any part thereof, or to give evidence before it in respect thereof.(2)If, save as provided in sub-section (3), any Officer of the State Government discloses any of the particulars referred to in sub-section (1), he shall be punishable with imprisonment which may extend to six months, and shall also be liable to fine.(3)Nothing in this section shall apply to the disclosure of any of the particulars referred to in sub-section (1) for the purpose of a prosecution under the Indian Penal Code, in respect of any such statement, return, accounts, documents or evidence, or for the purpose of a prosecution under this Act, or for departmental use of the officials of the Government of India or any State Government [or for the purposes of preparing data by the officials of the Regional Computer Centre, Chandigarh.] [Added vide Act No.7 of 1982.]

27. Power to make rules.

(1)The State Government may 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 prescribe -(a)the salaries, allowances and other conditions of service of the Presiding Officer of a Tribunal;(aa)the conditions and limitations subject to which a

Tribunal shall award costs under sub-section (11) of section 3-A;(b)the further period after the date of expiry of three consecutive years referred to in sub-section (3) of section 4;(c)the taxable quantum for particular classes of dealers under clause (c) of sub-section (5) of section 4;(cc)the particulars to be contained in a declaration under sub- clause (ii) of clause (a) of sub-section (2) of section 5; the form of such declaration, and the manner in which such declaration is to be furnished;(d)the other sales or purchases, turnover in respect of which may be deducted from a dealer's gross turnover in computing his taxable turnover as defined in section 5;(e)the authority to which applications for registration under section 7 or 8 shall be made;(f)the procedure for the payment of fees in respect of, and other matters incidental to the registration of dealers and granting of certificate of registration, and the form of such certificate under section 7 or section 8, and the manner in which security shall be furnished under section 9;(g)the intervals at which the conditions subject to which a lumpsum by way of composition may be accepted by the Commissioner from any dealer, the manner in which such lumpsum is to be determined and the manner in which the tax under this Act shall be payable under section 10;(h)the returns to be furnished under sub-section (3) of section 10, and dates by which, and the authority to which such returns shall be furnished;(hh)The manner of deposit under sub-section (3) and the certificate referred to in sub-section (4) of section 10-C-(i)the date by which returns for any period are to be furnished and the procedure to be followed for assessment under section 11;(ii)the manner of payment of tax, penalty or interest;(j)the manner in which refunds under section 12 shall be made;(k)the conditions, if any, for issue of direction under section 13;(l)the manner of authentication of account books under clause (c) of sub-section (2) of section 14;(ll)the particular of bills of sales or delivery notes referred to in sub-section (2) of section 14-B, the particulars of declaration to be given under sub-section (3) of that section, the form of transit slip (rahdari) referred to in the provision to that sub-section and the conditions on which delivery of consignment of goods shall be taken under sub-section (7) of that section;(m)the restrictions and conditions subject to which the Commissioner may delegate his powers under section 15;(n)the authority to which information shall be furnished under section 16;(o)the manner in which appeals may be preferred to under section 20;(p)the procedure for any other matters including fees incidental to the disposal of appeals and applications for revisions under sections 20 and 21;(pp)the authority by which and the manner in which cases may be transferred from one Assessing Authority to another and from one appellate authority to another;(q)any other matter which is to be or may be prescribed;(r)the manner in which and the time within which, applications shall be made, information furnished, and notice served, under this Act;(s)the procedure for the cancellation and return of certificate of registration.(t)[the determination of turnover and taxable quantum for the purposes of sub-clauses (i) to (v) of clause (ff) and (i) to (iv) of clause (h) of section 2.] [Inserted by the Punjab Act 8 of 1987 dated 13.4.87.]

27A. Transitional provisions.

- Turnover for the year 1949-50 shall be dealt with as under -(1)Separate returns shall be submitted by each dealer, one for the period from the 1st April, 1949, to the 30th April, 1949 and the other from the 1st May, 1949 to 31st March, 1950 as may be prescribed.(2)Each of these two periods shall be deemed to be a year for the purpose of assessment under this Act.(3)(i)Notwithstanding the repeal of the Punjab General Sales Tax Act, 1941, for dealing with turnover for the period from the 1st April, 1949 to the 30th April, 1949 the first part of sub-section (1) of section 3 of the repealed Act

shall be deemed to be in force subject to the following :- There shall be charged on the turnover every year a tax at the following rates that is to say :-

- | | |
|---|---|
| (a) If the turnover exceeds one thousand but does not exceed two thousand rupees. | Three annas for every one hundred rupees or fraction thereof. |
| (b) If the turnover exceeds two thousand rupees. | Four annas for every one hundred rupees or fraction thereof. |
- (ii) The returns for the period from the 1st May, 1949 to the 31st March, 1950 shall be dealt with in accordance with the provisions of this Act.

27B.

- Notwithstanding anything contained in sub-section (3) of section 4 and in sub-section (4) of section 8; (a) the registration of a dealer mentioned in clause (e) of sub-section (5) of section 4, effected before the 30th September, 1949 under section 7 on the ground that his gross turnover during the year 1948-49 exceeded 20,000 rupees shall be cancelled with effect from the 1st April, 1950, if his gross turnover during the year 1948-49 did not exceed 30,000 rupees and he applies for the cancellation of his registration certificate on or before the 31st December, 1949; and (b) the registration of all dealers effected under section 8 before the 30th September, 1949 shall stand cancelled with effect from the 1st April, 1950, and all such dealers shall surrender their registration certificates to the appropriate Assessing Authority on or before the 31st December, 1949.

28. Repeal.

- The Punjab General Sales Tax Act, 1941 (iv of 1941), is hereby repealed: Provided that anything done under the said Act which could have been done under this Act if it had been in force shall be deemed to have been done under this Act.

29. Provisions in case of inter-State trade etc.

(1) Notwithstanding anything contained in this Act - (a) a tax on the sale or purchase of goods shall not be imposed under this Act - (i) where such sale or purchase takes place outside the State of Punjab; or (ii) where such sale or purchase takes place in the course of import of the goods into, or export of the goods out of, the territory of India; (b) a tax on the sale or purchase of any goods shall not, after the 31st day of March, 1951, be imposed where such sale or purchase takes place in the course of inter-State trade or commerce except in so far as Parliament may by law otherwise provide.

30. Power to exempt.

(1) The State Government, if satisfied that it is necessary or expedient so to do in the interest of cottage industries, may by notification exempt any class of co-operative societies, or persons from the payment of tax under this Act on the purchase or sale of any goods subject to such conditions as

may be specified in such notification.(2)[Omitted] [Omitted by Punjab Act No. 8 of 1975.](3)Every notification made under sub-section (1) shall as soon as may be after it is made, be laid before the State Legislature.

30A. [Power to exempt certain class of Industries. [Inserted by Punjab Act No. 3 of 1990 dated 19.3.1990.]

- The State Government may, if satisfied that it is necessary or expedient so to do in the interest of industrial development of the State, exempt such class of industries from the payment of tax, for such period and subject to such conditions, as may be prescribed:][Provided that in the case of industries which came into production for the first time on or after the first day of April, 1989, or wherein modernisation, expansion or diversification has been carried out in accordance with the Industrial Policy, 1989, the Government may exempt such industries from the payment of tax with effect from the first day of April, 1989, subject to such conditions as may be prescribed :Provided further that in the case of industries which came into production for the first time after the 24th day of June, 1991, or wherein expansion, modernisation or diversification has been carried out in accordance with the Electronics Policy, 1991, the Government may exempt such industries from the payment of tax with effect from the 24th day of June, 1991, subject to such conditions, as may be prescribed.Explanation. - For the purpose of this section -(i)the Industrial Policy 1989 shall mean the Industrial Policy of 1989, notified by the Government of Punjab in the Department of Industries, as amended from time to time;(ii)the Electronics Policy, 1991, shall mean the Electronics Policy of 1991 notified by the Government of Punjab in the Department of Industries as amended from time to time.]

31. Power to amend Schedule 'C'.

- The State Government after giving by notification not less than twenty days' notice of its intention so to do, may by notification, add to, or delete from, Schedule C any goods, and thereupon Schedule C shall be deemed to be amended accordingly.[Retrospective effect to certain provisions, validation and exemption.] [Inserted by Punjab Act 8 of 1987 dated 13.4.87.] - (1) The provisions of the Principal Act relating to tax on the sale or purchase of goods shall be deemed to include, and shall be deemed always to have included, a tax (hereinafter in this section referred to as the aforesaid tax) on the supply, by way of or as part of any service or in any other manner whatsoever, goods being food or any other article for human consumption or any drink (whether or not intoxicating) for cash, deferred payment or other valuable consideration, and every transaction by way of supply of the nature referred to above made before or after the commencement of the Constitution (Forty - sixth Amendment) Act, 1982, shall be deemed to be, and shall be deemed always to have been, a transaction by way of sale, with respect to which the person making such supply is the seller and the person to whom such supply is made, is the purchaser, and notwithstanding any judgment, decree or order of any Court, Tribunal or authority, no provision of the Principal Act which imposed or authorised the imposition of, or purported to impose or authorise the imposition of the aforesaid tax shall be deemed to be, invalid or ever to have been invalid, and accordingly :(a)the aforesaid tax levied or collected or purporting to have been levied or collected under the Principal Act shall be deemed always to have been validly levied or collected in accordance with law;(b)all acts,

proceedings or things done or actions taken in connection with the assessment and reassessment of the aforesaid tax by any officer appointed by the State Government under the Principal Act shall be and shall always be deemed to have been done or taken in accordance with law;(c)no suit or other proceedings shall be maintained or continued in any court or before any Tribunal or authority for the refund of, and no enforcement shall be made by any court, Tribunal or authority of any decree or order directing the refund of, any such aforesaid tax which has been collected;(d)assessment, re-assessment and recoveries of aforesaid tax if not already made, shall be made in accordance with the Principal Act, as amended by this Act, notwithstanding anything contained in the Principal Act.(2)Notwithstanding anything contained in sub-section (1), any supply of the nature referred to therein shall be exempt from the aforesaid tax :(a)where such supply has been made by any restaurant or eating house (by whatever name called) at any time or on after the 7th day of September, 1978 and before the commencement of the Punjab General Sales Tax (Amendment) Act, 1987, and the aforesaid tax has not been collected on such supply on the ground that no such tax could have been levied or collected at that time; or(b)where such supply, not being any such supply by any restaurant or eating house (by whatever name called) has been made before at any time or after the 4th day of January, 1972, and before such commencement and the aforesaid tax has not been collected on such supply on the ground that no such tax could have been levied or collected at that time :Provided that the burden of proving that the aforesaid tax was not collected on any supply of the nature referred to in clause (a) or, as the case may be, clause (b), shall be on the person claiming the exemption under this sub-section.(3)(a)Sub-clause (i) each of clauses (d), (ff) and (h) of section 2 of the Principal Act shall be deemed to have been substituted with effect from the 2nd day of February, 1993;(b)Notwithstanding anything contained in any judgment, decree or order of any court, Tribunal or other authority, all taxes levied or collected or purported to have been levied or collected from the said date in relation to the goods referred in the said sub-clause (i) of each of the aforesaid clauses, shall be deemed to be and to have always been validly levied or collected in accordance with law as if this provision had been in force at all material times when such tax was levied or collected accordingly;(i)all acts, proceedings or things done or taken in connection with the levy or collection of such tax by the person appointed by the State Government under the Principal Act shall, for all purpose, be deemed to be and to have always been validly done or taken in accordance with law;(ii)no suit or other proceedings shall be maintained or continued in any court or before any tribunal or other authority for the refund of any tax so paid;(iii)no court, tribunal or other authority shall enforce any decree or order directing the refund of any tax so paid.(4)For the removal of doubts, it is hereby declared that nothing in sub- section (1) and clause (b) of sub-section (3) shall be construed as preventing any person -(i)from questioning in accordance with the provisions of the Principal Act, the assessment, reassessment, levy or collection of the aforesaid tax; or(ii)from claiming refund of the aforesaid tax paid by him in excess of the amount due from him under any such law.

'A'

[See Section 5(1)]List of Goods(1)Motor vehicles including their chassis and assessories, motor tyres and tubes, components and spare parts of motor vehicles.(2)Motor cycles and motor cycle combinations, motor scooters, motorettes and tyres (and tubes, and accessories) components, and spare parts of motor cycles, motor cycle combinations, motor scooter and

motorettes.(3)Refrigerators and air conditioning plants and component parts thereof.(4)[(i) Wireless reception instruments and apparatus including televisions, radios and radio gramophones and spare-parts and accessories thereof; and(ii)Electric valves, accumulators, amplifiers and loudspeakers and spare parts and accessories thereof.](5)Cinematographic equipment including cameras, projectors and sound recording and reproducing equipments, lenses, films and parts and accessories required for use therewith.(6)Photographic and other cameras and enlargers, lenses, films and plates, papers and cloth and other parts and accessories required for use therewith.(7)All clocks, time pieces and watches and parts thereof.(8)All furniture of iron and steel, including safes and almirahs.(8-A) All furniture other than that of iron and steel.(9)All arms including rifles, revolvers, pistols and ammunition for the same but not including Kirpans.(10)Cigarette cases and lighters.(11)Dictaphone and other similar apparatus for recording sound and spare parts thereof.(12)Sound transmitting equipment including telephones and loud-speakers and spare parts thereof.(13)Typewriters, tabulating machines, calculating machines and duplicating machines and parts thereof.(14)Binoculars, telescopes and opera glasses.(15)Gramophones and component parts thereof and records.(16)[Cosmetics and toilet goods excluding tooth paste, tooth powder, kum kum and soap] [Substituted for cosmetic, perfumery and toilet goods excluding toothpaste, tooth powder, kum kum and soap by S.O. 73/P.A.46/48/S.5/Amd/79 dated 28.9.1979.][(16-A)] [Inserted by S.O. 73/P.A.46/48/S.5/Amd/79.] Perfumery [-] [Words 'including dhoop and aggarbati' omitted by S.O. 84/P.A. 46/48/S.5/Amd/92 dated 30.10.1992.](17)Electrical goods other than electrical plant, equipment and their accessories including service meters required for generation, transmission and distribution.(18)Pile carpets.(19)Cutlery (table).(20)Vacuum flasks.(21)Sanitary goods and fittings.(22)Leather goods but not including footwear.(23)[Glassware excluding bangles made of glass] [Words of item 23 substituted for 'Glassware' by S.O. 84/P.A.46/48/S.5/Amd/92 dated 30.10.1992.], glazedware and chinaware[excluding] [Substituted for the word 'including' vide Punjab Government LSP III dated 15-12-1995.] crockery.(24)Foreign Liquor as defined in sub-paragraph (2) of paragraph 2 of the Punjab Excise Liquor Definitions, 1954.(25)Picnic sets.(26)[Foam rubber products.(27)Furs and articles of personal and domestic use made from furs.(28)Articles and wares made wholly or principally of stainless steel except razor blades and surgical instruments.(29)All tiles including mosaic tiles (but excluding roofing tiles) laminated sheets and sunmica sheets.(30)Perambulators] [Items (26) to (30) added by S.O. 88/P.A. 46/48/S.5/73 dated 14.12.1973.](31)[[Added by S.O. 33/P.A. 46/48/S.5/76 dated 26.7.1976.] [-] [Words 'Plastics excluding bangles made of plastic' in item 31 omitted by S.O. 3/P.A. 46/48/S.5/93 dated 4.1.1993. Earlier, these words were substituted for 'Plastic' by S.O. 84/P.A. 46/48/S.5/Amd/92 dated 30.10.1992.] Celluloid, bakelite goods and goods of similar substance except toys for children and plastic footwear(32)[Aerated water.] [Added by S.O. 28/P.A. 46/48/S.5/74 dated 17.6.1974.](33)[Aeroplanes and components parts, spare parts and accessories thereof including tyres and tubes required for such aeroplanes.(34)Lifts whether operated by electricity or hydro-electric power and component parts, spare parts and accessories thereof.] [Items 33 and 34 added by S.O. 17/P.A.46/48/S.5/Amd/91 dated 5th April, 1991.](35)[Cement.] [Added by S.O. 116/P.A.46/48/S.5/Amd/93 dated 16.11.1993.](36)[Single Digit Lottery tickets where a prize is provided on any single digit occurring in the number of the lottery ticket.] [Added by S.O. 45/P.A. 48/48/S.5/Amd/95 dated 15.11.95](37)[Washing Machines, Vacuum Cleaners, Wires and Transformers.(38)Mobile oil and other lubricants.] [Item 37 and 38 added vide draft notification dated 6th July 1998.]

'B'

[See Section 6]Tax Free Goods

(1-14)[Omitted] [Words 'except paddy husk, rice bran and de-oiled rice bran' omitted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]

15. [] [Item 17 substd. by SO. 36/PA. 46/48/S.6/75 dated 20.5.1975]Husk of all food grains and pulses[-] [[Words 'except paddy huskrice bran and de-oiled rice bran' omitted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]]

16. Vegetables (including wari-petha Shakkar-kandi Maizebhutta (chhallian) and lemon (nimboo)

Except when sold in tins bottles or cartons.

Except condensed and dried milk[or when purchased for use in the manufacture of any goods other than tax free goods for sale.]
[Item 17 substd. by SO. 36/PA. 46/48/S.6/75 dated 20.5.1975.]

17. Milk

18. [Meat and fish] [Item 18 substituted for 'meat fish and eggs' by S.O. 31/P.A.46/48/S.6/Amd/77 dated 19.5.1977.]

Except when sold in tins bottles or cartons

[18-A] [Item 18A inserted by S.O. 31/P.A.46/48/S.6/Amd/77 dated 19.5.1977.]. Eggs

19. Fresh fruits

20. [Common salt] [Words in item 20 'except when sold in sealed containers' omitted by SO. 49/PA.46/48/S.6/Amd/77 dated 2.8.1977.]

21. Flowers

21-A. Pan

22. Books

23. Periodicals

24. Exercise and drawing books

[24-A. Admission forms and prospectuses of the Punjab School Education Board and the Universities in the State.] [Item 24A inserted by S.O. 20/P.A.46/48/S.6/Amd/81 dated 10.4.1981.]

25. Writing slates and slate pencils.

26. Writing chalks and crayons.

27. Foot-rules of the type usually used in schools.

28. [Omitted] [Item 28 'bullion and specie other than ornaments and jewellery' omitted by Punjab Act 7 of 1958.]

29. [Omitted] [Item 29 'Cotton ginned or unginned' omitted by P.A. 7 of 1958.]

30. All varieties of cotton woollen or silken textiles including rayon artificial silk or nylon whether manufactured by handloom or powerloom or otherwise but not including carpets druggets[woollen durees] [In item 30 words in bracket substituted for 'woollen durees cotton floor durees' by S.O. 48/P.A.46/48/S.6/Amd/85 dated 13.9.1985.][-] [Words 'cotton floor durees' in entry 30 omitted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]and monofilament niwaar.

30A. All varieties of textiles covered by item 30 on whichknitting and embroidery work has been done.

30B. Such varieties of canvas cloth tarpaulins and similarother products manufactured with cloth as base as aremanufactured in textile mills powerloom factories and processingfactories.

30C. Leather cloth and inferior or imitation leather clothordinarily used in book-binding rubberised tissue or syntheticwater-proof fabrics whether single textured or double-textured;and book binding cotton fabrics.

31. Electric energy.

32. Motor spirit as defined in the Punjab Motor Spirit(Taxation of Sales) Act, 1939.

33. Photopraphs including X-Ray photographs

When sold by
photographers and
radiologists preparing
them.

34. [] [Item 34 substituted by S.O. 23/P.A.46/48/S.6/Amd/71 dated 15.4.1971.]Agricultural implements and parts thereof as per detail below :-

A. Ordinary Agricultural Implements

1. Hand Hoe or Khurpa.

2. Sickle

3. Spade

4. Baguri

5. Hand-wheel Hoe

6. Horticultural tools like budding, grafting knife, secateur,pruning shear or hook, hedge shear, sprinkler, rake

7. Sprayer, duster and sprayer-cum-duster.

8. Soil injector

9. Jandra

10. Wheel barro

11. Winnowing fan or winnower

12. Dibbler

13. Gandasa
14. Puddler
15. Fertilizer and broadcaster
16. Maize sheller
17. Groundnut decorticator
18. Manure or seed screen
19. Flame gun
20. Seed grader
21. Hand driven chaff-cutters
22. Tasla
23. Tangl

B. Bullock Drawn Agricultural Implements

1. Yoke
2. Plough
3. [] [Entry 3 under heading B providing 'Harrow' substituted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]Harrow and its following parts :
 - (1) Harrow frame
 - (2) Harrow spool
 - (3) Harrow axle
 - (4) Harrow scrappers
 - (5) Harrow Draw Bar
 - (6) Harrow Draw Bar 'U'
 - (7) Harrow clamp
 - (8) Harrow handle
 - (9) Harrow clutch
 - (10) Harrow Pathala
4. Cultivator or Triphali
5. Seed drill, fertilizer drill or seed cum fertilizer drill
6. Planter
7. Plank or float
8. Leveller or scoop
9. Ridger
10. Ditcher
11. Bund former
12. Thrasher or palla
13. Transplanter
14. Chaff-cutter

15. Persian wheel and bucket chain or washer chain

16. [] [Entry 16, providing 'Cart' substituted by S.O. 12/p.a. 46/48/s.6/95 Dated 31.3.1995.]Cart and its following parts :-

(1) ADV Rims

(2) ADV Axle

(3) Draw bar

(4) Hook

17. Reaper

18. Mower

19. Sugar-cane Crusher

20. Cane juice boiling pan and grating

21. Roller

[BB. Camel Drawn Cart] [Heading BB inserted by S.O. 10/P.A.46/48/S.6/77 dated 2.2.1977 w.e.f. 7.2.1977.]C. Tractor Drawn Agricultural Implements

1. [] [Entry 1 'Plough' under heading 'C' substituted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]Plough and its following parts :-

(1) Mould board plough assembly

(2) Disc plough covers

(3) Disc plough hubs

(4) Disc plough land wheels

(5) Disc plough shoes

(6) Disc plough bracket cap

(7) Disc plough bracket

(8) Disc plough assembly scrapper

(9) Disc plough bracket scrapper

(10) Disc plough bracket furrow wheel

(11) Disc plough assembly axle

(12) Disc plough spring cap

(13) Disc plough assembly - Spindle and Dust cap

(14) Disc plough furrow wheel

2. [] [Entry 2 'Harrow' under heading C substituted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]Harrow and its following parts :-

(1) Harrow frame

(2) Harrow spool

(3) Harrow bush

(4) Harrow C.I. Nut and Chunk Nut

(5) Harrow hub

(6) Harrow axle

- (7) Harrow nipple bolt
- (8) Harrow lock patti
- (9) Harrow scrapper
- (10) Harrow draw bar
- (11) Harrow draw bar 'U'
- (12) Harrow clamp
- (13) Harrow handle
- (14) Harrow clutch
- (15) Harrow patnals

3. [] [Entry 3 of heading C providing 'Cultivator or tiller' substituted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.] Cultivator or tiller and its following parts :-

- (1) Tiller tyne assembly
- (2) Tiller tyne
- (3) Tiller spring
- (4) Tiller shovel/phalla
- (5) Tiller pin
- (6) Tiller anchor pin
- (7) Tiller toggle assembly
- (8) Tiller link pin
- (9) Tiller tyne stop
- (10) Tiller assembly tool bar
- (11) Tiller 3 point linkage
- (12) Tiller twist patti
- (13) Tiller angle bracket
- (14) Tiller frame front and rear

4. [] [Entry 4 of heading C providing 'Seed drill, fertilizer drill or seed-cum-fertilizer drill' substituted by S.O. 12/P.A.46/48/48/S.6/95 dated 31.3.1995.] Seed drill, fertilizer drill or seed-cum-fertilizer drill and its following parts :-

- (1) Seed drill tyne
- (2) Seed drill shovel/phalla
- (3) Seed drill grari
- (4) Seed drill feeder (pistol)
- (5) Seed drill spout
- (6) Seed drill hopper assembly
- (7) Seed drill ground wheel

5. Fertilizer broadcaster

6. Planter

7. Plank or float

8. [] [Entry 8 of heading C providing 'Leveller or scoop' substituted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]Leveller or scoop and its following parts :-

- (1) Leveller frame assembly
 - (2) Leveller blade
 - (3) Leveller main frame
9. Bund former

10. [] [Entry 10 of heading C providing 'Ridger' substituted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]Ridger and its following parts :-

- (1) Ridger tyne
- (2) Ridger shoes
- (3) Ridger shovels/phalla

11. [] [Entry 11 of heading C providing 'Trailer' substituted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]Trailer and its following parts :-

- (1) ADV rims
- (2) ADV axles
- (3) Trailer draw bar
- (4) Trailer hook

12. Puddler.

13. Ditcher

14. Cage wheel

15. Sprayer, duster or sprayer-cum-duster

16. Roller

17. Hoe, rotary hoe or rotovator

18. Reaper or mover - harvester

19. Combine

20. Patato harvester or spinner

21. Groundnut digger shaker

22. Transplanter

D. Power Implements

1. [] [Entry 1 under heading 'D' providing 'Thrasher' substituted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]Thrasher and its following parts :-

- (1) Thrasher weight wheels
- (2) Thrasher jali
- (3) Thrasher sieve set
- (4) Thrasher 'U' clamp and beater
- (5) Thrasher rotor
- (6) Thrasher ground wheels

2. Chaff cutter
3. Maize sheller
4. Groundnut decorticator
5. Seed grader
6. Winnower
7. Seed treater
8. Power sprayer or duster
9. Self-propelled combine
10. Centrifugal pump
11. Poultry feed grinder and mixer
12. Transplanter
35. Spinning wheel (charkha) and its parts
36. All goods sold to the Indian Red Cross Society and St. John Ambulance Association.
37. [All goods, except foreign liquor as defined in sub-paragraph (2) of paragraph 2 of the Punjab Excise Liquor Definitions, 1954 on which duty is or may be levied under the Punjab Excise Act, 1914 or the Opium Act, 1878 subject to entry 37- A] [Item 37 substituted by S.O. 8/P.A.46/48/S.6/71 dated 15.2.1971.]
[37-A.] [Item 37-A inserted by S.O. 28/P.A.46/48/S.6/79 dated 3.5.1979 w.e.f. 1.4.1976.] Beer When sold by the country liquor licensee]
- [37-B.] [Item 37-B added by S.O. 7/P.A.46/48/S.6/Amd/81 dated 10.5.1981 w.e.f. 1.10.1980.] Indian made foreign liquor of 60 degree proof When sold to or by country liquor licensee]
38. [] [Item 38 omitted by Notification No. 3456/ET III/59/2723 dated 28.5.1958.] Omitted
39. Agricultural or horticultural produce sold by a person or a member of his family grown by himself or grown on any land in which he has an interest whether as owner or usufructuary mortgagee, tenant or otherwise.
40. Judicial and non-judicial stamps, entertainment duty stamps, passengers and goods tax stamps and standard water marked petition papers and [lottery tickets, except single digit lottery tickets where a prize is provided on any single digit occurring in the number of the lottery ticket.] [In item 40, words 'lottery tickets' added by S.O. 53/P.A.46/48/S.6/73 dated 10.7.1973 and further modified vide Punjab Government Legislative Supplement Part III dated 15-11-1995.]
41. Omitted.
42. Omitted.

43. Omitted.

[44] [Item 44 substituted by S.O. 92/P.A.46/48/S.6/Amd/93 dated 9.9.1993.]Fertilizers (except oil-cakes, bone meals, bone products[-] [Words 'paddy husk, rice bran and de-oiled rice bran' in entry 44 omitted by S.O. 12/P.A. 46/48/S.6/95 dated 31.3.1995.]

45. Omitted.

46. Hand-spun yarn

When sold by one who deals in hand-spun yarn exclusively.

47. Omitted.

48. Omitted.

48A. Crudely tanned leather called half-tanned leather, usually tanned by villagers in villages other than that tanned in a factory.

49. Omitted.

50. Articles ordinarily prepared by Halwais When sold by halwais exclusively

50A. Reori, Patashas, Gajaks, Misri, Candi or Cooza, Golies, Boora, Makhanas, Marunda, Ilachi Dana, Phullian, Murmure, Chirwasand Rice Layee.

51. Tobacco whether cured, uncured or manufactured and all its products including biris, cigarettes, cigars.

52. Artificial hearing aids and their accessories.

53. Vegetable seeds and samplings.

53A. Saplings of trees and plants.

54. [] [Item 54 substituted for 'fodder or every type dry or green except oil-cakes' by S.O.92/P.A.46/48/S.6/Amd/93 dated 9.9.1993.]Fodder of every type (dry or green) except oil-cakes[-] [Words 'paddy husk, rice bran and de-oiled rice bran' in item 54 omitted by S.O.12/P.A.46/48/S.6/95 dated 31.3.1995.]

55. Omitted.

56. Earthenware made by Kumhars.

57. Omitted.

58. Kikar bark.

59. Country-made Shoes (jooties)

When sold by the maker of such shoes himself or by any other member of his family provided that the maker does not employ any outside labour or use power at any stage for making the shoes.

60. [Takhties, geometry boxes, erasers, boards and sharpeners]
[In item 60, substituted for 'Takhties' by
S.O.12/P.A.46/48/S.6/95 dated 31.3.1995.]used by students in
schools.

61. Omitted.

62. Sugar.

63. Bakery goods prepared without using power or by
using mechanical devices run by electric motor of not more than
five horse power at any stage.

When sold, otherwise than in
containers and packets of metal or
cardboard by bakers dealing
exclusively in such goods.

64. Omitted

65. [] [Item 65 substituted for 'Bardana (packing material) and
containers, by SO. 25/PA.46/48/S.6/Amd/86 dated
27.6.1986.] Packing material containers but excluding Bardana
made of jute or fibres, Synthetic or of any other material.

When sold by a person who deals
exclusively in goods declared tax
free under section 6, but sells
packing material and containers
only as incidental to his main
business.

66. Kuth.

67. All articles of handicrafts and readymade garments made out
of handloom cloth by the industrial co-operatives.

When sold through the
Government emporium and the
Sales Depots of the Punjab
Weavers Apex Co-operative
Society Limited.

68. Straw covers

When sold by manufacturers
themselves or through their
labour unions.

69. Omitted

70. Edible oils produced from sarson, toria and till in indigenous
kohlus whether worked by animals or human being.

When sold by the owner of such
kohlus only.

71. Poultry feed that is to say a mixture of proteins, salts and
minerals, vitamins, antibiotics and coccidiostats, whether such
mixture contains carbohydrates or not.

72. Indian food preparations including Dahi, Lassi and
Tea, ordinary prepared by Tandoorwalas, Dhabawalas and
Lohwalas.

When sold by the persons
running Tandoors, Dhabas and
Lohs exclusively.

73. Eatables and drinks

When sold at such tea stalls
within the premises of a
Railway Station as are run, or for
which contracts have been given
by the Railway Authorities.

74. Water (other than aerated, mineral or tonic water).

75. Medicines.

When sold by medical practitioners of Allopathic, Ayurvedic and Unani and Homoeopathic systems of medicine, owing dispensaries in the course of dispensing medicines to their patients on their own prescriptions.

76. [All types of contraceptives] [Substituted for 'Condoms, Mala contraceptive pills and Saheli contraceptive pills' by S.O. 61/P.A.46/48/S.6/Amd/94 dated 21.9.1994.]

77. All goods produced by training-cum-production centres run by the Welfare Department.

When sold by these centres themselves.

78. Curd (Dahi)

79. Independence Jayanti badges.

80. All goods sold to the serving military personnel Ex-servicemen by the Canteen Stores Department direct or through the authorised canteen contractors or through unit run canteens.

80A. Omitted

81. Omitted.

82. Gems and Jewellery.

When sold to foreign tourists against foreign currency.

83. Philatelic stamps.

84. Mango stones and Mango kernels.

85. All articles of handicrafts prepared by the Tibetans Woollen Yarn Centre of his Holiness the Dalai Lama's Charitable Trust, Amritsar.

86. Parched groundnuts.

87. Artificial limbs (prosthetics), surgical appliances (orthotics) and other rehabilitation equipments or aids.

88. [Subsidised articles of food sold to workers within the precincts of a canteen established under the Factories Act, 1948, and the Punjab Factory Rules, 1952.] [Added by S.O. 34/P.A.46/48/S.6/79 dated 10.7.1979.]

89. [Liquor and other articles when sold at the duty free shop at the International Airport, Amritsar owned and operated by the Indian Tourism Development Corporation Limited, subject to the condition that the sales are paid for in foreign exchange] [Item 89 added by S.O. 37.P.A.46/48/S.6.Amd/82 dated 4.10.1982.].

90. [Omitted] [Item 90 omitted by S.O.

99/P.A.46/48/S.6/Amd/92 dated 16.12.1992. Old words 'Quality toys and equipment for educational institutions produced by the Indian Council of Social Welfare Wooden Educational Toys Unit at Mohali, were added in item 90 by S.O.

1/P.A.46/48/S.6/Amd/83 dated 7.1.1983.]

91. [Solar Cookers, Solar Heating panels, Bio-gas plants, photovoltaic panels and Wind Mills sold upto 31st March, 1989] [In item 91, figure 31.3.1989 substituted by S.O.

73/P.A.46/48/S.6/Amd/84 dated 20.10.1984.].

92. [Gobar Gas Plant and its accessories.] [Item 92 added by S.O. 31/P.A.46/48/S.6/Amd/83 dated 23.6.1983.]

93. [Bones (Raw material)] [Item 93 added by S.O.

6/P.A.46/48/S.6/Amd/85 dated 25.1.1985.].

94. [] [Item 94 added by S.O. 72/P.A.46/48/S.6/Amd/88 dated 4.7.1988 w.e.f. 15.7.1988.]UNICEF greeting cards and calendars

When sold by UNICEF

95. [Omitted] [Added by S.O. 54/P.A.46/48/S.6/Amd/89 dated 15.6.1989 is omitted by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995. Earlier this item read as 'All goods consumed in the execution of a works contract pertaining to printing, dyeing, bleaching or processing by the processor of cloth upto 31.3.92.]

96. [] [Added by SO. 5/PA.46/48/S.6/91 dated 25.1.1991.]All goods manufactured without employing any hired labour by an institution for the Blind, run for the social uplift of the handicapped and not on commercial basis.

When sold itself by an institution for the Blind

97. [Solid fuel from agro wastes] [Added by S.O.

86/P.A.46/48/S.6/Amd/93 dated 25.8.1993 w.e.f. 1.4.1992 to 31.3.1993]

98. [Bangles made of plastic or glass] [Added by S.O.

85/P.A.46/48/S.6/Amd/92 dated 30.10.1992.]

99. [] [Substituted vide Legislative Supplement Part III dated 1-4-1994, w.e.f. 1-7-1993 and shall remain in force upto

30-6-1996. Deemed to have been added w.e.f. 1-7-1996 vide Punjab Government Legislative Supplement Part III dated 13-12-1997.]Seed certified by the Certification Agency established under the Seeds Act 1966. (Central Act 54 of 1966)

When sold in sealed bags or containers.

100. [] [Items 100 to 106 added by S.O. 12/P.A.46/48/S.6/95 dated 31.3.1995.]Double roti (Bread) and biscuits.

101. Churi (Wand).

102. Fibre wastes.

103. Honey, bee-hive boxes alongwith attached equipments,bee-hive wax and pollen.

Subject to furnishing of a certificate issued by the Department of Soil Conservation, Punjab, to the effect that these pipes have been purchased by the consumer for bona fide use in underground irrigation purposes within the State of Punjab.

104. RCC/PVC pipes

105. Old gunny bags.

106. All goods consumed in the execution of a works contract pertaining to printing, dyeing, bleaching or processing by the processor of cloth.

107. ['Vaan' and 'rassi' produced from baggasse and green grass.] [Item 107 added vide SO 2/P.A. 46/48/S6/Amd /96 dated 30.6.1996.]

108. [] [Item 108 added by S.O. 6/P.A.46/48/56/Amd/97 dated 13.2.1997.]Pesticides and insecticides.

109. [] [Items 109 to 112 added by S.O. 111/P.A. 46/48/S.6/Amd/97 dated 11.9.1997.]Dhoop and Aggarbatis.

110. Kum-Kum

111. Kirpan

112. Pens and Ball Pens.

'C'

[See Section 2 (ff)]

(1) Cotton, that is to say, all kinds of cotton (indigenous or imported) in its unmanufactured state, whether ginned or unginned, baled, pressed, or otherwise but not including cotton waste.

(2) ****

(3) [] [Item (3) substituted by S.O.38/P.A.46/48/S.31/Amd/80 dated 18.6.1980.]Oil seeds that is to say :-

(i) Groundnut or peanut (Arachis Hypogaea);

(ii) Sesamum or til (Sesamum Orientale);

(iii) Soyabean (Glycine Seja);

(iv) Rapeseed and Mustard :

(1) Toria (Brassica Campestris) Var-Toria;

(2) Rai (Brassica Juncea);

(3) Jamba-taramira (Eruca Satiya);

(4) Sarson, yellow and brown (Brassica compestris)

- (5) Banarsi Rai or True Mustard (*Brassica Nigra*);
- (v) Linseed (*Linum usitatissimum*);
- (vi) Castor (*Ricinus communis*);
- (vii) Coconut (i.e. Copra excluding tender coconuts) (*CocosNucifers*);
- (viii) Sunflower (*Helianthus annus*);
- (ix) Nigar seed (*Guizotia byssinica*);
- (x) Neem, vepa (*Azadirachta Indica*);
- (xi) Mahua, Illupai Ippa (*Madhuca Indica M. Litifolia, Bassia; Lotifolia and Madhuca Longifolia Syn M. Longifolia*);
- (xii) Karanja, Pongam, Honga (*Pongania Pinnata Syn. P.Glabra*);
- (xiii) Kusum (*Schleichera Oleosa Syn. S. Trijuga*);
- (xiv) Punna (*Undi Calophyllum*);
- (xv) Kokum (*Carcinia Indica*);
- (xvi) Sal (*Shorearobusta*);
- (xvii) Tung (*Aleurites Fordii and A. Montaha*);
- (xviii) Red Palm (*Elacis quinensis*);
- (xix) Safflower (*Carthanus Tinctorius*)]
- (4) *****
- (5) *****
- (6) *****
- (7) *****
- (8) Rice.
- (9) [Paddy, including paddy when purchased by a dealer within the State of Punjab, unless the paddy so purchased is sold as such by the dealer] [Item 9 substituted for 'paddy' by GSR.No. 4/P.A46/48/S.31/Amd(64)/92 dated 9.1.1992.];
- (10) Bhabhar (Buggar)
- (11) Kahi
- (12) Chillies
- (13) Milk - when purchased for use in the manufacture of anygoods other than tax free goods for sale.
- (14) [Omitted] [Item 14 omitted by S.O. 70/P.A.46/48/S.31/Amd/92 dated 29.9.1992. Earlier the words 'Wheat including wheat when purchased by a dealer within the State of Punjab unless the wheat so purchased is sold as such by the dealer' were substituted by S.O. 54/P.A.46/48/S.31/93 dated 6.5.1993 w.e.f. 1.9.1992.]
- (15) [] [Item (15) added by S.O. 12/P.A. 46/48/S.31/91 dated 28.2.91.]All goods other than those specified in Schedule 'B'
- (i) when used in the manufacture of goods not sold in the State of Punjab or in the course of inter-State trade or[commerce or in the course of export out of the territory of India] [Words in item (15) clauses (i) and (ii) substituted for the words 'commerce' by S.O.

61/P.A.46/48/S.6/Amd/94 dated 21.9.1994.]; or

(ii) when within the State of Punjab but neither sold as such in the State of Punjab nor sold as such in the course of inter-State trade or commerce or in the course of export out of the territory of India] [Words in item (15) clause (i) and (ii) substituted for the words 'commerce' by S.O.

61/P.A.46/48/S.6/Amd/94 dated 21.9.1994.].

(16) [Sugarcane] [Added vide draft amendment dated 26 June, 1998.]

[Schedule 'D'] [Schedule D added by Punjab Act 15 of 1993 dated 3.5.1993.][See Section 5 (3)]

Sl. No.	Name of the declared goods	Circumstances under which tax shall be levied	Stage of levy of tax
(i)	*[Wheat and paddy]	(i) When purchased within the State by a dealer liable to pay a tax under this Act	First purchase
		(ii) in all other cases	First sale within the State by a dealer liable to pay tax under this Act
(ii)	All declared goods other than *[wheat and paddy] liable to purchase tax	In all cases	Last purchase within the State by a dealer liable to pay tax under this Act.
(iii)	Cotton yarn	In all cases	First sale
(iv)	All declared goods other than cotton yarn liable to tax	In all cases	Last sale

*Substituted for 'wheat' by S.O.57/P.A.46/48/S.5/Amd/94 dated 25.8.1994.[Clauses (i) and (ii) of item (4) substituted for 'Wireless reception instruments and apparatus, radio gramophones, electrical valves, accumulators, amplifiers and loud-speakers and spare parts and accessories thereof' by S.O. 11/P.A. 46/48/S.5/Amd/18 dated the 17th March, 1978.][Provisos and explanation (i) and (ii) in section 30-A added by Punjab Act 1 of 1993 dated 18.1.1993.]