

The Gujarat Tax on Luxuries (Hotels and Lodging Houses) Act, 1977

GUJARAT

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Act 24 of 1977

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The Gujarat Tax on Luxuries (Hotels and Lodging Houses) Act, 1977 Gujarat Act No. 24 of 1977 [Dated 10th August, 1977] For Statement of Objects and Reasons, See Gujarat Government Gazette, Extraordinary, Part-V, dated the 27th July, 1977, p.p. 352-353. This Act was assented to by the Governor on the 10th August, 1977. An Act to provide for the levy and Collection of a tax on luxuries provided in hotels and lodging houses and for matters connected therewith. It is hereby enacted in the Twenty-eight Year of the Republic of India as follows:-

1. Short title, extent and commencement.

(1) This Act may be called the Gujarat Tax on Luxuries (Hotels and Lodging Houses) Act, 1977. (2) It extends to the whole of the State of Gujarat. (3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

2. Definitions.

- In this Act, unless the context otherwise requires, - (a) "charges for lodging" include charges for air conditioning, [***] [Words 'telephone' deleted by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)], television, radio, music and extra beds and the like but do not include any charges for food, drink or other amenities. Explanation. - If any question arises whether any charges are charged for lodging, such question shall be referred to the State Government and the decision of the State Government shall be final and shall not be called in question in any court; (b) "Collector" includes any officer appointed by the State Government to exercise the powers and perform the functions of the Collector under this Act; (c) ["concessional rate" in relation to a luxury provided in a hotel means a rate lower than the normal rate fixed for such luxury by the hotel or lower than that fixed by the Government or any other authority under any law for the time being in force;] [Inserted by Gujarat

13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)](d) ["hotel" means a building or part of a building where lodging accommodation with or without board is provided for a monetary consideration and includes a club, lodging house, gymkhana, inn, motel, public house or any place, where residential accommodation is provided for a monetary consideration;] [Clause (d) was substituted for the original by Gujarat 8 of 1994, section 2(1) (w.r.e.f. 01-04-1994).](e)"luxury provided in a hotel" means accommodation for lodging provided in a hotel, the rate of charges for which (including charges for air conditioning, [***] [Word 'telephone' deleted by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)], television, radio, music or extra beds and the like but excluding charges for food, drink and other amenities) is [more than [five hundred rupees per room] [These words were substituted for the words 'not less than thirty five rupees', by Gujarat 8 of 1994, section 2(2).] per day;(f)"prescribed" means prescribed by rules made under this Act;(g)"proprietor" in relation to a hotel, includes the person who for the time being is in charge of the management of the hotel;(h)"tax" means the luxury tax levied and collected under this Act.

3. Levy and collection of luxury tax.

- [(1) Subject to the provisions of this Act, there shall be levied and collected a tax on luxury provided in a hotel in respect of a room under the occupation by any person at the rate specified in the Table below:--

Sr. No	Daily lodging charges per room	Occupancy	Rate of tax
1	Where the charges for lodging are not more than rupees five hundred	---	Nil.
2	Where the charges for lodging are more than rupees five hundred but not more than rupees two thousand	On consolidated payment 5 per cent made on the basis of 5Q per cent occupancy as per the average declared tariff	5 per cent
3.	Where the charges for lodging are more than rupees two thousand.	(a) On consolidated payment made on the basis of 50 per cent occupancy as per the average declared tariff, or (b) On payment made on the basis of actual occupancy as per the declared tariff	8 per cent 12.5 per cent

Explanation. - For the purpose of the Table, the expression "declared tariff" means the rate of charges declared by the proprietor under sub-section (1) of section 3B: Provided that where charges for lodging are levied otherwise than on daily basis per room, then, for the purpose of determining the tax liability of any person occupying the room under this section, the charges shall be computed as a day per room based on the period of lodging for which charges are payable and the number of rooms actually lodged or permitted to lodge according to the rules or custom of the hotel.]

[Sub-section (1) substituted by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)](2) where luxury is provided in a hotel to representatives or employees of any company and charges for such luxury are to be borne by the company, there shall be levied and collected the tax from such company. Explanation. - In this sub-section "Company" means any body corporate

and includes a firm or other association of persons.(3)The tax payable under this section shall be collected by the proprietor and be paid into a Government treasury within the time and in the manner provided in the Act.(4)In computing the amount of tax payable under this section, the amount shall, if it is not a multiple of five paise, be increased to the next higher multiple of five paise.

3A. [Consolidated payment of tax. [Sections (3A) and (3B) inserted by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)]

(1)The Collector may, on an application made in the prescribed form by the proprietor of any hotel in respect of which tax is payable under the category at serial No. 3 of the Table below sub-section (1) of section 3, allow such proprietor on such conditions as the Collector may impose, to pay the consolidated tax in respect of such hotel at the rate of 8 per cent, on the basis of 50 per cent occupancy as per the declared tariff.(2)The application under sub-section (1) shall be made by the proprietor within ninety days from the date of commencement of the Gujarat Tax on Luxuries (Hotels and Lodging Houses) (Amendment) Act, 2006 (Gujarat 13 of 2006) and any person who becomes a proprietor on any day after the date of such commencement, may exercise such option within ninety days from the day on which he becomes the proprietor:Provided that an application under sub-section (2) may be entertained by the Collector after the expiry of the period of ninety days if the applicant satisfies the Collector that he had sufficient cause for not making the application within such period.(3)On an application made under sub-section (1), the Collector may grant permission and thereupon subject to sub-section (4), the payment of tax shall be made accordingly.(4)A proprietor of a hotel who has been granted permission for payment of tax under sub-section (3), may at any time but not before the expiry of a period of twelve months from the date of commencement of option, give a notice to the Collector in such form as may be prescribed, to revoke his option.(5)The Collector, on receipt of notice under sub-section (4) shall revoke the option granted to the proprietor under sub-section (3) and on such revocation, the proprietor of a hotel shall be liable to pay tax in accordance with the provisions of this Act.

3B. Declaration of rate of charges.

(1)Every proprietor shall declare in writing to the Collector the rate of charges for any luxury provided in the hotels in respect of every room.(2)Where any proprietor intends to revise the rate of charge for any luxury provided in the hotel, he shall intimate in writing to the Collector seven days prior to the date of giving effect to such revised rates and the proprietor shall be liable to pay the tax at the revised rate after the expiry of seven days from the date of receipt of such intimation by the Collector.]

4. Mode of collection of Tax.

(1)Where the rate of charges for luxury provided in a hotel is inclusive of the charges for food or drink or other amenities, if any (being amenities referred to in clause (e) of section (2),) then the Collector may, from time to time, after giving the opportunity of being heard, fix separate rates of

charges for such luxury and for food or drink or other amenities, if any, being amenities referred to in clause (e) of section 2 for the purpose of calculating the tax under this Act.(2)Where, in addition to the charges for luxury provided in a hotel, service charges are levied and appropriated to the proprietor and not paid to the staff, then, such charges shall be deemed to be part of the charges for luxury provided in a hotel.(3)[Where luxury provided in a hotel in any room to any person (not being an employee of the hotel) is not charged at all or is charged at a concessional rate, then, there shall be levied and collected the tax on such luxury, as if full charges for such luxury were paid to the proprietor of the hotel.] [Sub-section (3) inserted by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)][***] [Sub-sections (4) was deleted by Gujarat 2 of 1997, section 4 (w.r.e.f. 18-06-1996).](5)where any proprietor fails or neglects to collect the tax payable under this Act, the tax shall be paid by the proprietor as if the tax was recovered by the proprietor from the person to whom the luxury was provided and who was accordingly liable to pay the same.

4A. [Registration. [Sections 4A and 4B were inserted by Gujarat 10 of 2000, section 3 (w.e.f. 01-04-2000).]

(1)No proprietor of a hotel liable to pay tax under section 3 shall provide luxury to a person in a hotel without obtaining a valid certificate of registration from the Collector:Provided that the provisions of this sub-section shall not be deemed to have been contravened, if the proprietor having applied for such registration as provided in this section, within six months from the date of the commencement of the Gujarat Tax on Luxuries (Hotels and Lodging Houses) (Amendment) Act, 2000, provides luxury to a person in a hotel.(2)Every proprietor providing luxury in a hotel shall apply to the Collector in such form, in such manner and on payment of such fee, as may be prescribed.(3)If the Collector is satisfied that the requirements of provisions of this Act and the rules made thereunder have been complied with, he may issue a certificate of registration in such terms and conditions as may be prescribed.

4B. Power to revoke or suspend the certificate of registration.

- In the event of any contravention by the holder of certificate of registration of any of the terms and conditions of the certificate of registration or of any of the provisions of this Act or rules made thereunder, the Collector may revoke the certificate of registration or suspend it for such period as he may think fit:Provided that no certificate of registration shall be revoked or suspended without giving a reasonable opportunity of being heard to the holder thereof.]

5. Returns.

(1)Every proprietor liable to pay tax under this Act shall furnish a monthly return in the prescribed form to the Collector within [fifteen day] [These words were substituted for the words 'eight days' by Gujarat 2 of 1997, section 5 (w.r.e.f. 18-06-1996).] after the expiry of the month to which the return relates.(2)Every such return shall show the number of rooms or other accommodation in the hotel which is intended to be occupied, the number of persons who occupied such rooms or accommodation, the periods of their stay, the days of their arrival and departure, the amount of

charges recovered from them together with such other information as may be prescribed.(3)A proprietor furnishing a return as required by sub-section (1) shall first pay into Government treasury in the manner prescribed, the whole amount of tax due from him according to such return and enclose a receipt of such payment with the return.(4)Every return shall be verified in the prescribed manner.

6. Assessment and collection of tax.

(1)If the Collector is satisfied that the return furnished under sub-section (1) of section 5 is complete and he has no reason to believe that it is incorrect, he shall assess the amount of tax due from the proprietor on the basis of such return.(2)(a)If the Collector is not satisfied that the return furnished under sub-section (1) of section 5 is complete or he has reason to believe that it is incorrect and he thinks it necessary to require the presence of the proprietor or the production of further evidence, he shall serve on such proprietor in the prescribed manner a notice requiring him on a date and at a place specified therein either to attend and produce or cause to be produced all evidence on which such proprietor relies in support of his return or to produce such evidence as is specified in the notice.(b)On the date specified in the notice, or as soon as may be thereafter, the Collector shall, after considering all the evidence which may be produced, assess the amount of tax due from the proprietor.(c)If the proprietor fails to comply with the terms of the notice issued to him under clause (a) the Collector shall assess to the best of his judgement, the amount of tax due from him.(3)If a proprietor liable to pay tax under this Act fails to furnish a return in respect of any period within the period specified in sub-section (1) of section 5, the Collector shall, after giving the proprietor a reasonable opportunity of being heard, assess to the best of this judgement, the amount of tax if any, due from him.(4)Any assessment made under this section shall be without prejudice to any penalty or prosecution for an offence under this Act.

7. Imposition of penalty in certain cases.

- Where any proprietor liable to pay tax under this Act-(a)fails, without sufficient cause or neglects to furnish as return as required by sub-section (1) of section 5, or(b)While furnishing a return under sub-section (1) of section 5 fails, without sufficient cause, or neglects to pay into Government treasury the whole amount of tax due from him according to such return as required by subsection (2) of section 5, or(c)fails, without sufficient cause to comply with the terms of notice issued to him under clause (a) of sub-section (2) of section 6, or(d)has concealed the particulars of any transaction or has deliberately furnished inaccurate particulars of any transaction liable to tax, the Collector may impose upon such proprietor by way of penalty, in addition to any tax assessed under section 6, a sum not exceeding one and one half times the amount of the tax.

7A. [Liability of Proprietor to pay interest. [Section 7 A was inserted by Gujarat 8 of 1989, section 2 (w.r.e.f. 22-12-1988).]

- Where any proprietor does not pay the tax within the time and in the manner provided in the Act, he shall, without prejudice to any other consequences and liabilities which he may incur, be liable to

pay, in addition to the amount of tax, simple interest [at such rate not exceeding eighteen per cent per annum, as the State Government may, by notification in the Official Gazette, specify,] for the period for which the tax remains unpaid.]

8. Payment of [tax, penalty and interest] [These words were substituted for the words 'tax and penalty' by Gujarat 8 of 1989, section 3(3) (w.r.e.f. 22-12-1988).].

(1)(a)The amount of tax-(i)due where returns have been furnished without full payment therefor,(ii)assessed for any period under section 6 less any sum already paid by the proprietor in respect of such period;(b)the amount of penalty, if any, levied under section 7;(c)[the amount of interest, if any, payable under section 7A] [This clause was added, by Gujarat 8 of 1989, section 3(1)(a) (w.r.e.f. 22-12-1988).],shall be paid by the proprietor liable therefor into a Government treasury by such date as may be specified in the notice issued by the Collector for this purpose, being a date not earlier than thirty days from the date of service of notice:Provided that the Collector or the appellate authority in an appeal under section 9 may, in respect of any particular proprietor and for reasons to be recorded in writing, extend the date of payment, or allow him to pay the [tax, penalty or interest.] [These words were substituted for the words 'tax and penalty', by Gujarat 8 of 1989, section 3(1)(b) (w.r.e.f. 22-12-1988).] (if any) by instalments.(2)Any [tax, penalty or interest] [These words were substituted for the words 'tax and penalty', by Gujarat 8 of 1989, section 3(2) (w.r.e.f. 22-12-1988).] which remains unpaid as per the date specified in the notice of payment, or after the extended date of payment, and any instalment not duly paid, shall be recoverable as an arrear of land revenue.

8A. [Authorities for implementation of the Act. [Section 8A was inserted by Gujarat 1 of 1984, section 2 (w.r.e.f. 28-11-1983).]

(1)(a)For carrying out the purposes of this Act, the State Government may appoint;(i)the Commissioner of Luxury Tax for the whole of the State of Gujarat; and(ii)such number of other officers and persons (with suitable designation) as the State Government thinks necessary.(b)An officer appointed under paragraph (ii) of clause (a) shall, within the limits of such area, exercise such powers and duties conferred or imposed on any other officer by or under this Act, as the State Government may, by notification in the Official Gazette, specify.(c)The superintendence and control for the proper execution of the provisions of this Act and the rules made thereunder relating to the levy and collection of the tax shall, vest in the Commissioner of Luxury Tax.(2)It shall be lawful for the Commissioner of Luxury Tax and an officer duly authorised by the Commissioner of Luxury Tax to have access to, and to cause production and examination of books, registers, accounts or other documents maintained or required to be maintained by a proprietor for the purposes of this Act and such proprietors shall, whenever called upon to do so, produce such books, registers, accounts or documents, for inspection by any such officer.(3)The State Government may, by notification in the Official Gazette delegate to the Commissioner of Luxury Tax the powers conferred on it by Paragraph (ii) of clause (a) and by clause (b) of sub-section (1) and the Commissioner of Luxury Tax may exercise the powers] so delegated to him subject to such conditions as may be specified in such

notification.]

9. Appeal.

(1) Any proprietor aggrieved by the order of assessment made under section 6 [or under section 20c] [These words, figures and letters were inserted by Gujarat 2 of 1997, section 6 (w.r.e.f. 18-06-1996).] or by an order imposing penalty under section 7 [or by the order of the Collector under section 4A or 4B] [These words, figures and letters were inserted by Gujarat 10 of 2000, section 4 (w.e.f. 01-04-2000).] may within three months from the date of receipt of the order, make an appeal to the prescribed authority (hereafter referred to as "the appellate authority"). (2) On receipt of an appeal under sub-section (1) the appellate authority shall, after giving to the appellant an opportunity of being heard, confirm, annul or modify the assessment or penalty.

10. Revision.

(1) The State Government or such officer (not below the rank of a Deputy Secretary to Government) as may be designated by the State Government in this behalf (hereinafter referred to as the designated officer") may suo motu [[or on an application made in that behalf] [The words 'or on an application made in that behalf were deleted by Gujarat 1 of 1984, section 3 (a)(i) (w.r.e.f. 28-11-1983).]] call for and examine the record of the proceedings of any order made by the Collector or, as the case may be, the appellate authority and pass such order thereon as it or he thinks just and proper: [Provided that no record of any proceeding of the Collector shall be called for-(i) in a case where an appeal from the order passed the rein has been made, when such appeal is pending, and(ii) in a case where an appeal has not been made from such order, before the expiry of the time prescribed for making such appeal.] (2) [No order shall be revised under sub-section (1) after the expiry of two years from the date of such order unless the State Government or, as the case may be, the designated officer, is satisfied that the proprietor was prevented by sufficient cause from making the application within that period. Explanation. - In computing the period of limitation for the purpose of this subsection, -(a) any period during which the record of any proceeding has not been called for under the proviso to sub-section (T), and (b) any period during which any proceeding under this section is stayed by an order or injunction of any civil court, shall be excluded.] (3) No order which adversely affects any person shall be passed under this section, unless such person has been given a reasonable opportunity of being heard by the [State Government] [These words were substituted for the words 'by the State Government or, as the case may be, the designated officer' by Gujarat 1 of 1984, section 3(d) (w.r.e.f. 28-11-1983).] [or, as the case may be, the designated officer.] [These words were substituted for the words 'the designated officer or, as the case may be, the Commissioner of Luxury Tax' by Gujarat 2 of 1984, section 7(3).] (4) Where an appeal lies under section 9 and no appeal is made no proceedings in revision shall be entertained upon an application. (5) [Where the [State Government or, as the case may be, the designated officer] [Sub-section (5) was substituted for the original by Gujarat 1 of 1984 section 3(e) (w.r.e.f. 28-11-1983).] rejects any application for revision under this section, he shall record the reasons for such rejection.] [This sub-section was substituted for the sub-sections (2) and (2A) by Gujarat 2 of 1997. section 7(2) (w.r.e.f. 18-06-1996).]

11. Court fees on appeal and application for revision.

- Notwithstanding anything contained in [Gujarat Court-fees Act, 2004] [Substituted for 'the Bombay Court-fees Act, 1959' by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)], an appeal made under section 9 and an application for revision made under section 10 shall bear a court fee stamp of such value as may be prescribed.

12. [Refunds] [This marginal note was substituted for the marginal note 'Refund of tax', by Gujarat 8 of 1989, section 4(2) (w.r.e.f. 22-12-1988).]

(1) If any proprietor satisfied that the Collector on account of any clerical or arithmetical error in calculating the amount of tax, the amount of 4[tax, penalty or interest paid by him] or recovered from him in respect of any period exceeds the amount with which he is properly chargeable under this Act for that period, he shall be entitled to a refund of the excess so paid or recovered. (2) Where as a result of an order passed under section 9 or 10 the refund of any amount becomes due to a proprietor, the Collector shall refund such amount to him. (3) The refund may be given either by cash payment or by deduction of such excess from the amount of tax due from such proprietor in respect of any other period.

13. Offences.

(1) Any person who, being a proprietor liable to pay tax under this Act, -(a) furnishes or allows or causes to be furnished an incorrect or incomplete return or fails to submit the returns as required by or under the provisions of this Act, or (b) fraudulently evades or allows to be evaded the payment of any tax due from him, or (c) fraudulently makes or causes or allows to be made wrong entry in, or fraudulently omits or causes or allows to be omitted any entry from, any statement furnished or any accounts or register, or (d) knowingly collects from any person any amount by way of tax in excess of the amount of tax payable by him under the provisions of this Act, or (e) wilfully acts in contravention of any of the provisions of this Act or the rules made thereunder or any lawful orders passed in accordance therewith, shall, on conviction, be punished with imprisonment for a term which may extend to six months or with fine which may extend to [ten thousand rupees] [These words were substituted for the words 'one thousand rupees' by Gujarat 2 of 1997, section 8 (w.r.e.f. 18-06-1996).] or with both. (2) No court shall take cognizance of any offence punishable under sub-section (1) except upon a report in writing of the facts constituting such offence made by the Collector.

14. Offences by Companies.

(1) Where an offence under this Act has been committed by a company; every person who, at the time when the offence was committed, was in charge of, and was responsible to the company, for the conduct of the business of the company, as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly: Provided that, nothing contained in this sub-section shall render any such person liable to any punishment provided in this

Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.(2)Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be liable to be proceeded against and punished accordingly.Explanation. - For the purposes of this section-(a)"company" means a body corporate, and includes a firm or other association of individuals, and(b)"director", in relation to a firm means a partner in the firm.

15. Compounding of offences.

(1)Subject to such conditions as may be prescribed, the Collector may, either before or after the institution of proceedings for an offence under this Act, permit any person charged with the offence to compound the offence on payment of such sum, not exceeding double the amount of tax to which the offence relates, as the Collector may determine.(2)On payment of such sum as may be determined by the Collector under subsection (1), no further proceedings shall be taken against the person in respect of the same offence.

16. Powers to enforce attendance, etc.

- All authorities under this Act shall, for the purposes of this Act, have the same powers as are vested in a Court under the Code of Civil Procedure, 1908 (5 of 1908), while trying a suit, in respect of enforcing the attendance of, and examining, any person on oath or affirmation or for compelling the production of any document.

17. Powers of inspection of accounts and documents and search of hotels.

(1)The Collector may, subject to such conditions as may be prescribed, require any proprietor to produce before him the working records of accounts, registers or other documents or to furnish any information relating to the business of the hotel as may be necessary for the purposes of this Act.(2)All working records of accounts, registers or other documents relating to the business of any hotel shall, at all reasonable times, be open to inspection by the Collector, and the Collector may take or cause to be taken such copies or extracts of such records as may be necessary for the purposes of testing the accuracy of the charges for such luxury or for informing himself as to the particulars regarding which information is required for the purposes of this Act or any rules thereunder as would appear to him necessary.(3)If the Collector has reason to believe that any proprietor has evaded or is attempting to evade the payment of tax due from him, he may for reasons to be recorded in writing, seize such records of accounts, registers or other documents of the proprietor as may be necessary and shall grant a receipt for the same and shall retain the same so long as may be necessary in connection with any proceeding under this Act or for a prosecution.(4)For the purposes of this Act, the Collector may enter and search any hotel or any place of business of the proprietor or any other place where the Collector has reason to believe that the proprietor keeps, or is for the time being keeping, any records of account, registers or other

documents of his business in relation to the hotel.

18. Certain provision of Limitation Act to apply to appeal and revision applications.

- The provisions of sections 4, 5 and 12 of the Limitation Act, 1963 (36 of 1963) shall, as far as may be, apply in computing the period for making an appeal under section 9 or an application for revision under section 10.

19. Bar of proceedings.

(1) No suit shall lie in any Civil Court to set aside or modify any assessment made or order passed under this Act. (2) No suit, prosecution or other legal proceeding shall lie against the State Government or any officer or employee of the State Government for anything which is in good faith done or intended to be done in pursuance of this Act or any rules made thereunder.

20. Delegation of powers.

- The Collector may delegate to any officer not lower in rank than that of a Deputy Collector, all or any of the powers conferred or duties imposed on him by or under this Act.

20A. [Power to reduce rate of tax. [Sections 20A, 20B and 20C were inserted by Gujarat 2 of 1997, section 9 (w.r.e.f. 18-06-1996).]

(1) The State Government may, by notification in the Official Gazette, reduce any rate of tax specified in sub-section (1) of section 3. (2) Every notification issued under sub-section (1) shall be laid for not less than thirty days before the State Legislature as soon as possible after it is issued and shall be subject to rescission by the State Legislature or to such modification as the State Legislature may make, during the session in which it is so laid or the session immediately following. (3) Any rescission or modification so made by the State Legislature shall be published in the Official Gazette and shall thereupon take effect.

20B. Exemption.

(1) The State Government may, if it considers necessary so to do in the public interest, by notification in the Official Gazette, exempt any person or persons to whom any luxury is provided by such hotel or class of hotels from payment of whole or part of the tax, subject to such conditions as may be specified therein. (2) Every notification issued under sub-section (1) shall be laid for not less than thirty days before the State Legislature as soon as possible after it is issued and shall be subject to rescission by the State Legislature or to such modification as the State Legislature may make during the session in which it is so laid or the session immediately following. (3) Any rescission or modification so made by the State Legislature shall be published in the Official Gazette and shall thereupon take effect.

20C. Liability to pay tax in event of breach of conditions of exemption.

(1)Where any person or persons to whom luxury is provided in a hotel or class of hotels is exempted under section 20B from whole or any part of the tax subject to any condition, then, in the event of breach of any such condition, the proprietor of such hotel shall, notwithstanding such exemption, be liable to pay tax in relation to the luxury provided in such hotel.(2)if the Collector has reason to believe that the proprietor is liable to pay tax under sub-section (1), he shall serve on the proprietor a notice requiring him on a date and place specified therein, either to attend and produce or cause to be produced all evidence on which such proprietor relies in connection with his liability under this section or to produce such evidence as specified in the notice. On the date specified in the notice, or as soon as may be thereafter, the Collector shall, after considering all the evidence which may be produced, assess to the best of his judgement, the amount of tax so due from the proprietor.] [This proviso was inserted by Gujarat 1 of 1984, section 3(a)(ii) (w.r.e.f. 28-11-1983).]

21. Power to make Rules.

(1)The State Government may, by notification in the Official Gazette make rules for carrying out the purposes of this Act.(2)In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:-[(a-i) the form in which the proprietor shall apply under sub-section (1) of section 3A; [Inserted by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)](a-ii) the form in which the proprietor shall give notice for revocation of option under sub-section (4) of section 3A;][(a-iii)] [Re-numbered by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)] The form in which, the manner in which and fee on payment of which the proprietor shall apply under sub-section (2) of section 4A;[(a-iv)] [Re-numbered by Gujarat 13 of 2006, dated 31st March, 2006 (w.e.f 01-04-2006)] The form in which and the terms and conditions subject to which certificate of registration may be issued under sub-section (3) of section 4A;(a)the form in which a monthly return shall be furnished by a proprietor under sub-section (1) of section 5, the other information which shall be shown in a return under sub-section (2) of that section, the manner in which the proprietor shall pay tax into the Government treasury under sub-section (3) of that section and the manner in which a return shall be verified under sub-section (4) of that section;(b)the manner in which notice under clause (a) of sub-section (2) of section 6 shall be served on the proprietor;(c)the authority to which an appeal under section 9 shall be made;(d)the value of court fee stamp which an appeal and an application for revision shall bear, under section 11;(e)the conditions subject to which the Collector may compound an offence, under sub-section (1) of section 15;(f)the conditions which the State Government may impose under sub-section (1) of section 17;(g)any other matter which is to be, or may be, prescribed under this Act.(3)The power to make rules conferred by this section shall be subject to the condition of the rules being made after previous publication.(4)All rules made under this section shall be laid for not less than thirty days before the State Legislature as soon as may be after they are made and shall be subject to rescission by the State Legislature or to such modification as the State Legislature may make during the session in which they are so laid or the session immediately following.(5)Any rescission or modification so made by the State Legislature shall be published in the Official Gazette and shall thereupon take effect.