

Bihar Finance Act, 2010

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Act 8 of 2010

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Bihar Finance Act, 2010(Bihar Act 8 of 2010)Published in Bihar Gazette (Extraordinary) No. 258, dated 9.4.2010.An Act to amend the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), the Bihar Motor Vehicle Taxation Act, 1994 (Bihar Act 8 of 1994) and the Bihar Entertainment Tax Act, 1948 (Bihar Act XXXV of 1948).Be it enacted by the Legislature of the State of Bihar in the sixty first year of the Republic of India as follows :-

1. Short title, extent and commencement.

(1)This Act may be called the Bihar Finance Act, 2010.(2)It shall extend to the whole of the State of Bihar(3)It shall come into force at once.Part-I Amendment in Bihar Value Added Tax Act, 2005

2. Amendment in Section 15 of the Act.

(a)After sub-section (1) of Section 15 of the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), a new sub-section (1A) shall be added in the following way, namely :-(1A) Notwithstanding anything to the contrary contained in the subsection (1), the State Government may, by notification and subject to such conditions and restrictions as may be prescribed, permit any class of registered dealers, whose gross turnover does not exceed the limit specified in the notification to pay a fixed amount in lieu of the tax payable by the dealer under the Act:Provided that no such permission shall be granted to a manufacturer or a person who imports any goods from any place outside the State of Bihar for the purpose of his business:Provided further that the amount so specified shall be in addition to any tax that may be payable by the dealer under Section 4."(b)After sub-section (2) of Section 15 of the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), a new sub-section (2A) shall be added in the following way, namely :-(2A) The dealers to whom the provisions of sub-section (1A) apply shall -(a)not charge any tax on the sale of goods specified in Schedule I;(b)not charge any tax on sale of goods effected by him; and(c)not be entitled to issue tax invoices in respect of sales made by them."(c)In sub-section (3) of Section 15 of the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), after the words, bracket and figures 'under sub-section (1)', the words, bracket and figures 'and

under sub-section (1 A)' shall be inserted.

3. Amendment in Section 24 of the Act.

(a)In clause (b) of sub-section (1) of Section 24 of the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), after the words, bracket and figures 'under sub-section (1)', a comma shall be inserted and after the comma so inserted the words, bracket and figures 'under sub-section (1 A)' shall be inserted.(b)In clause (b) of sub-section (1) of Section 24 of the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), after the words 'at a fixed rate', the words 'or a fixed amount' shall be inserted".(c)After sub-section (4) of Section 24 of the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), a new sub-section (4A) shall be added in the following way, namely :-(4A) Every dealer who has been permitted to pay tax under sub-section (1 A) of Section 15 shall furnish to the prescribed authority an annual statement, in the form and manner prescribed, in respect of every financial year by the 31st day of July of the year following the year to which such statement relates."(d)After sub-section (9) of Section 24 of the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), a new sub-section (9A) shall be added in the following way, namely :-(9A) Notwithstanding anything contained in sub-section (9) of this Section, every dealer permitted to pay tax under sub-section (1 A) of Section 15 of the Act shall deposit the fixed amount required to be paid by him in one instalment and attach evidence of such payment along with the application required to be furnished by him for paying tax under sub-section (1A) of Section 15 of the Act."

4. Addition of a new Section 24A in the Act.

- After Section 24 of the Bihar Value Added Tax Act, 2005 (Act 27 of 2005), a new Section 24A shall be added in the following way, namely :-"24A. Returns of certain classes of dealers. - Notwithstanding anything to the contrary contained in Section 24, every dealer to whom the provisions of clause (b) of sub-section (5) of Section 15 apply, shall furnish to the prescribed authority an annual return, in the form and manner prescribed, in respect of every financial year by the 31st day of July of the year following the year to which such return relates."Part-II Amendment in Bihar Motor Vehicles Taxation Act, 1994

5. Amendment of Section 5 of Bihar Motor Vehicles Taxation Act, 1994 (Bihar Act 8 of 1994).

- (I) After Section 5(3) a new sub-section (4) shall be inserted in the following way namely :-(4) : A rebate of fifty percent of total tax payable, including Additional Tax, shall be allowed on all motor vehicles which fall under the definition of 'Battery Operated Vehicle' as defined in the Central Motor Vehicles Rules, 1989."(II)After Section 5(4) a new sub-section (5) shall be inserted in the following way namely :-(5) : A rebate of fifty percent of total tax payable, including Additional Tax, shall be allowed on such stage carriages not more than one year old from the date of first registration at the time of applying for the rebate, with seating capacity not less than 13 persons and plying on routes within the limits of Municipal Corporation as notified by the Government of Bihar:Provided that this rebate shall not be available for such vehicles more than ten years old from the date of first

registration."(III)After Section 5(5) a new sub-section (6) shall be inserted in the following way namely :-(6) : A "Green Tax" at the rate of ten percent of tax payable, including Additional Tax, shall be payable by every owner of a registered transport vehicle more than 12 years old except on three wheelers, tractors and trailers."

6. Amendment of Section 7 of Bihar Motor Vehicles Taxation Act, 1994 (Bihar Act 8 of 1994).

- After Section 7(7) a new sub-section (8) shall be inserted in the following way namely :-(8) : (a) One-time tax for the life time of the vehicle shall be levied on tractors used or kept for use for other than agricultural purpose at the rate of one percent of the cost of the vehicle excluding Value Added Tax. Provided one time tax payable by tractors already registered shall be calculated after deducting the tax amount already paid. (b) A one time tax of Rs. 4,000.00 shall be payable by all trailers up to 3,000 kgs registered laden weight and Rs. 6,000.00 shall be payable by all trailers more than 3,000 kgs registered laden weight used or kept for use along with tractors for other than agricultural purpose : Provided one time tax payable by trailers already registered shall be calculated after deducting the tax amount already paid."

7. Amendment to Section 10 of Bihar Motor Vehicles Taxation Act, 1994 (Bihar Act 8 of 1994).

- In Section 10 of Bihar Motor Vehicles Taxation Act, 1994 "5%" shall be substituted by "10" percent.

8. Amendment of Schedule I of Bihar Motor Vehicle Taxation Act, 1994 (Bihar Act 8 of 1994).

- The following shall substitute serial no. (3)(a)(i), a new serial number 3(c) shall be inserted after serial number 3(b), and serial no. 5 shall be deleted -

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Part C – [See sub-section (3) of Section 7]

3. Motor cabs and omnibuses-

(a) Seating not more than 4 persons (excluding the driver) - (i) Three wheelers - (a) A one-time tax of Rs. 5,000.00 on all three wheelers up to one year of age at the time of registration for a period of ten years from the date of first registration in the State: Provided one time tax payable by three wheelers already registered shall be calculated after deducting the tax amount already paid: Provided further that no one time tax shall be payable if the vehicle has already paid more than Rs. 5000.00 as taxes. (b) A one time tax of Rs. 5,000.00 for a period of five years on three wheelers which are more than ten years old : Provided one time tax payable by such three wheelers shall be calculated after

deducting the tax amount already paid after the ten year period.(c)Three wheelers with seating upto 7 persons (excluding the driver -(a)A one-time tax of Rs. 7,500.00 on all three wheelers up to one year of age at the time of registration for a period of ten years from the date of first registration :Provided one time tax payable by three wheelers already registered shall be calculated after deducting the tax amount already paid:Provided further that no one time tax shall be payable if the vehicle has already paid more than Rs. 7,500.00 as taxes.(b)A one time tax of Rs. 7,500.00 for a period of five years on three wheelers which are more than ten years old :Provided one time tax payable by such three wheelers shall be calculated after deducting the tax amount already paid after the ten year period.

5. Tractors deleted.

9. Amendment of Schedule II of Bihar Motor Vehicle Taxation Act, 1994 (Bihar Act 8 of 1994).

- The following parts of Schedule II shall be deleted from Bihar Motor Vehicle Act, 199. -

Serial No.

1. -Rebate --- -deleted
- 2(a). ----- -deleted.
3. -Rebate --- -deleted

Part-III Amendment in Bihar Entertainment Tax Act, 1948

10. Amendment in Section 2 of the Bihar Entertainment Tax Act, 1948.

(a)After sub-clause (iv) of Sub-Section (g) of Section 2 of the Bihar Entertainment Tax Act, 1948 an explanation shall be inserted in the following way, namely -"Explanation. - Payment for admission' shall not include maintenance fee specified by the Urban Development Department."(b)After sub-section (q) of Section 2 of the Act a new sub-section (r) shall be added in the following way, namely -"(r) 'Gross collection capacity' shall mean the amount collected in respect of the total seating capacity and includes payment for admission, tax realized at rates notified from time to time under sub-section (1) of Section (3), any fee or surcharge realized in respect of any right of entry to an entertainment or any service or facility extended, or in respect of any goods in connection therewith, in respect of any entry to an entertainment but does not include any maintenance fee specified by the Urban Development Department."

11. Repeal of Section 3A of the Act.

- Section 3A of the Bihar Entertainment Tax Act, 1948 shall be repealed and the word, figure and letter "Section 3A", wherever appearing in the said Act, shall be repealed.

12. Substitution of Section 3AAA of the Act.

- Section 3AAA of the Bihar Entertainments Tax Act, 1948 (Bihar Act XXXV of 1948) shall be substituted by the following :-"3AAA. Notwithstanding any thing contained in the Act, there shall be levied, and paid by every entertainment provider to the State Government, a tax, in such manner as may be prescribed, not exceeding twenty-five per centum of the gross collection, but not below fifteen per centum of the gross collection, in respect of the entertainment provided by him, as may be specified by the State Government in a notification published in the Official Gazette.Explanation.
- For the purposes of this Section, the expression "gross collection" shall mean the aggregate of the amount of payments received by the entertainment provider from the subscriber receiving signals through the Set Top Box."