

The Punjab Entertainment Duty Act, 1955

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Act 16 of 1955

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The Punjab Entertainment Duty Act, 1955 Act 16 of 1955 Statement of Objects and Reasons - "The Punjab Entertainment Duty Act, 1936, has many loopholes. Many of the mal-practices indulged in by the proprietors of entertainment houses at present go unpunished for want of suitable provisions under the existing Act. This is resulting in considerable evasion and loss of revenue to Government. In order to avoid this loss of revenue, it has now become necessary to revise the Punjab Entertainment Duty Act, 1936. The Bill is accordingly designed to met this purpose." (Published vide Punjab Government Gazette Extraordinary, dated the 31st March, 1953, p. 335). Statement of Objects and Reasons. - Though the Punjab Entertainments Duty Act, 1955, empowers the State Government to grant total exemption from the payment of entertainments duty, there is no enabling provision for partial exemption. The authority vested with the departmental officers to penalise the defaulting managements of entertainment houses, having been challenged in the Court, has further necessitated the deletion of sub-section (1) of Section 15 of the Act and revision of Section 14-A. Hence the Bill. Published vide Punjab Government Gazetted (Extra.) dated 11.12.1972 page 1484. "Statement of Objects and Reasons. - This Bill is designed to replace the Punjab Entertainment (Amendment) Ordinance, 1978 (Punjab Ordinance No. 5 of 1978) when promulgated to raise the limit of Entertainment Duty from hundred per cent to one hundred and twenty-five per cent, and also to take power lower rate of Entertainments Duty on such seats in front rows close screen up to such number or upto such percentage of the total numbers seats as may be specified in the notification. Published vide Punjab Government Gazetted (Extra.) dated 21.8.1978 page 1384. For Statement of Objects and Reasons, see Punjab Government Gazette Extraordinary, dated the 31st March, 1954, page 335. Received the assent of the Government of Punjab on the 3rd November, 1955, and was first published in the Punjab Government Gazette Extraordinary, dated the 4th November, 1955. An Act to provide for the levy of an entertainment duty in respect of admission to public entertainments. Be it enacted by the Legislature of the State of Punjab in the Sixth Year of the Republic of India as follows:

1. Short title, extent and commencement.

(1) This Act may be called the Punjab Entertainments Duty Act, 1955. (2) [it extends to the whole of the State of Punjab.] [Substituted by Punjab Act 32 of 1957, section 2.] (3) It shall come into force at once.

2. Definitions.

- In this Act unless the context otherwise requires - (a) ['admission to an entertainment' includes admission to any place in which the entertainment is being held or is to be held and where television exhibition is being provided with the aid of any type of antenna with a cable network attached to it or cable television in residential or non-residential areas for which persons are required to make payment by way of contribution or subscription or installation and connection charges or any other charges collected in any manner, whatsoever.] [Substituted vide Act No. 23 of 1994.] (aa) ['antenna' means an apparatus which received television signals which enable viewers to tune into transmissions including national or international satellite transmissions and which is erected or installed for exhibition of films or moving pictures or series of pictures by means of transmission of television signals by wire where subscriber's television sets at the residential or non-residential place are linked by metallic coaxial cable or optio-fibre cable to a central system called the head-end, on payment by the connection holder of any contribution or subscription or installation and connection charges or any other charges collected in any manner whatsoever. (aaa) ['cable television' means a system organised on payment by a connection holder of any contribution or subscription or installation and connection charges or any other charges collected in any manner whatsoever, for exhibition of films or moving pictures or series of pictures by means of transmission of television signals by wire where subscriber's television set is linked by metallic coaxial cable or optio-fibre cable to a central system called the head-end, by using a video cassette or disc or both, recorder or player or similar such apparatus on which prerecorded vide cassettes or discs or both are played or replayed and the films or moving pictures or series of pictures which are viewed and heard on the television receiving set at a residential or non-residential place of a connection holder.] [Clause (aa and (aaa inserted vide Act No. 23 of 1994.)] (b) 'Commissioner' means the Excise and Taxation Commissioner, Punjab, for the time being; (c) 'Entertainment Tax Officer' means the officer appointed as such under this Act; (d) ['entertainment' includes any exhibition, performance, amusement, game, sport or race to which persons are ordinarily admitted on payment for exhibition of films, or moving pictures or series of pictures which are shown on the television receiving set, with the aid of any type of antenna with a cable network attached to it or cable television for which persons are required to make payment by way of contribution or subscription or installation and connection charges or any other charges collected in any manner whatsoever.] [Substituted vide Act No. 23 of 1994.] (e) 'payment for admission' includes - (i) any payment made by a person admitted to any part of a place of entertainment and in a case where such person is subsequently admitted to another part thereof for admission to which an additional payment is required, such additional payment, whether actually made or not; (ii) [in cases of free, surreptitious, unauthorised or concessional entry, whether with or without the knowledge of the proprietor, the payment which would have been made if the person concerned had been admitted on payment of the full charges ordinarily chargeable for such admission;] [Substituted by Punjab Act 10 of 1955, section 2.] (iii) any

payment for any purpose whatsoever connected with an entertainment which a person is required to make as a condition of attending or continuing to attend the entertainment in addition to the payment, if any, for admission to the entertainment;(iv)[any payment made by a person by way of contribution or subscription of installation and connection charges or any other charges collected in any manner whatsoever for television exhibition with the aid of any type of antenna with a cable net work attached to it or cable television.] [Inserted vide Act No. 23 of 1994.](f)'prescribed' means prescribed by rules made under this Act;(g)['proprietor' in relation to any entertainment includes the owner, partner or a person responsible for the management thereof and any person responsible for or for the time being incharge of the management for providing cable connection from any type of antenna or cable television.] [Substituted vide Act No. 23 of 1994.](h)'Government' means the Government of the State of Punjab; and(i)'ticket' means the pass or token for the purpose of securing admission to an entertainment.

3. Duty on payments for admission to entertainments.

(1)A person admitted to an entertainment shall be liable to pay an entertainment duty at a rate [not exceeding one hundred and twenty five per centum of the payment for admission] [See Punjab Act 13 of 1978.] which the Government may specify, by a notification in this behalf, and the said duty shall be collected by the proprietor and rendered to the Government in the manner prescribed.[(1-A) Notwithstanding anything contained in sub-section (1), the Government may, by notification, levy lumpsum entertainment duty at a rate not exceeding, -(a)eight thousand rupees per annum in the local area of a City constituted as such under the Punjab Municipal Corporation Act, 1976, or of a Municipality declared as such under the Punjab Municipal Act, 1911; and(b)Six thousand rupees per annum in areas other than the local areas specified in clause (a);[in respect of entertainments arranged by a proprietor by replay of video cassette player or video record player and the lumpsum duty so levied shall be recoverable from the proprietor,] [Inserted vide Act No. 4 of 1986.](2)A draft of the proposed order specifying the rate of entertainments duty referred to in sub-section (1) shall be notified for the information of all persons likely to be affected thereby and it shall take effect only after the Government has considered all objections received within a period of thirty days from the date of such publications, and has notified the same again, with or without modification:Provided that if the Government consider that such an order should be brought into force at once, the final notification may issue without previous publication:Provided further that Government may impose an entertainments duty on complimentary tickets at a different from that imposed on other kinds of payment for admission subject to the maximum specified in sub-section (1).(3)Until such time as the duty referred to in sub-sections (1) and (2) has been finally notified, the entertainments duty shall be levied at the rates in force in this behalf immediately before the commencement of this Act.(3A)[Notwithstanding anything in this section, the amount of duty shall be calculated to the nearest multiple of 5 naye paise by ignoring 2 naye paise or less and counting more than 2 naye paise as 5 naye paise] [Inserted by Punjab Act 28 of 1963, section 2 and later omitted vide Punjab Act 17 of 1974..](4)The final notification specifying the rates of entertainment duty shall be laid before the [-] [Adaptation of Laws Orders, 1970.] Legislature at the session immediately following its publication.

3A. [Entertainment duty is not liviable in case tax is paid under Punjab Act 8 of 1954. Notwithstanding anything contained in this Act, no entertainment duty shall be leviable on the proprietor who is able to pay entertainment tax under the Punjab Entertainment Tax (Cinematograph Shows) Act, 1954.] [Inserted vide Punjab Act No 21 of 1994]

(3B)[Notwithstanding anything contained in Sub-sections (1), (1-A), (2) and (3), in the case of entertainment provided with the aid of antenna or cable television to a connection holder, the proprietor of such entertainment shall pay entertainment duty at such rate per connection per month as the state Government may specify from time to time by a notification in the Official Gazette but not exceeding seventy-five rupees per months per connection] [Inserted vide Act No. 23 of 1994]

4. Payment made in a consolidated sum.

- Where the payment for admission to an entertainment is made in a consolidated sum in the form of a subscription or contribution to any society or a season ticket or a right of admission to an entertainment or series of entertainments during a specified period, or a privilege, right, or facility combined with the right of admission without further payment, or a reduced charge, the entertainments duty shall be paid on the amount of the consolidated sum, but where the Entertainment Tax Officer is of the opinion that the payment of a consolidated sum or any payment for a ticket includes payment for other privileges, rights or facilities besides the admission to an entertainment, or is intended to secure admission to an entertainment, during a period when the duty has not been in operation, they duty shall be charged on such amount as appears to the Entertainment Tax Officer to represent the right of admission to entertainment for which a duty is payable.

5. Deposit of security by the proprietor.

- The prescribed authority may, in the manner prescribed, require the proprietor of any entertainment to deposit as security for payment of entertainment duty under this Act, an amount not exceeding [twenty thousand rupees] [Punjab Act 8 of 1982.] in a Government treasury, and the same shall be so deposited.

6. Entertainment Tax Officer and other taxing authorities.

- For carrying out the purposes of this Act, the Government may appoint a person as Entertainment Tax Officer and such other persons as it thinks fit to assist the Commissioner.

7. Posting of tables of rates of payments of admission at conspicuous places.

- The proprietor of an entertainment shall, in the manner prescribed, exhibit at the place of entertainment, the rates of the payments for admission and the amount of entertainments duty payable on such rates.

8. Penalty for non-payment of duty.

(1) Except as otherwise provided in this Act, no person shall enter an entertainment unless he is in possession of ticket or a complimentary ticket or a pass or a badge supplied by the employer under this Act and no person liable to pay entertainments duty shall so enter without having paid, in the manner prescribed, the duty payable under this Act. (2) A person who enters an entertainment without permission or surreptitiously, with intent to evade the duty payable under this Act shall, on conviction by a magistrate, be punishable with fine which may extend to Rs. 200 (rupees two hundred) and, in addition, be liable to pay such duty.

9. Admission of persons without payment.

- Nothing in this Act shall apply to bona fide employees of the proprietor, who are on duty in connection with the entertainment, or to the proprietor when on such duty.

10. Method of levy.

(1) Save as otherwise provided by this Act no person shall be admitted on payment to any entertainment where the payment for admission is subject to entertainments duty except with a ticket stamped with an impressed, embossed, engraved or adhesive stamp (not used before) issued by the Government for the purposes of revenue and denoting that the proper entertainments duty has been paid. (2) The Government may, on the application of the proprietor of any entertainment, in respect of which the entertainments duty is payable, permit the proprietor, on such conditions as the Government may prescribe, to pay the entertainments duty -(a) by a consolidated payment [not exceeding one hundred and twenty five per centum of the gross payment for admission] [Punjab Act 13 of 1978.] to the entertainment at the rate in force during the period concerned; or (b) in accordance with the returns of the payments for admission to the entertainment; (c) in accordance with the results recorded by any mechanical contrivance that automatically registers the number of persons admitted.

11. Entertainments exempted from payment of duty.

(1) No entertainments duty shall be levied on payment for admission to any entertainment where the Commissioner is satisfied on application made in this behalf in the prescribed manner that the whole of the net proceeds of the entertainment will be devoted to philanthropic, charitable, educational or scientific purposes which have been approved as such by the Government. (2) Nothing in this Act apply to any entertainment provided by the staff or students, or both of an academic institution when the proceeds are intended for academic or charitable purposes. (3) The Government may, for promotion of peace and international goodwill or encouragement of arts and crafts, sports

or other public interest, by general or special order, exempt any entertainment or class of entertainments from liability to pay [either whole or any portion of] [Punjab Act 2 of 1973.] duty under this Act.(4)[The Government may, in the case of entertainment by public cinematograph exhibition, by notification, direct that persons admitted to such an entertainment and occupying seats in the front rows close to the screen up to such number or upto such proportion of the total number of seats as may be specified in the notification shall be liable to pay entertainment duty at such lower rate as may be specified therein, provided all the front rows comprising seats up to such a number or proportion, as the case may be, are closer to the screen than every other row.] [Punjab Act 8 of 1982.][11A. Appeal. - (1) Any person aggrieved by an order made by the prescribed authority under [-] [Inserted by Punjab Act 10 of 1965, section 3.] section 14-A may, in the prescribed manner, appeal to such higher authority as may be prescribed within thirty days of such order:]Provided that no appeal shall be entertained by such higher authority unless it is satisfied that the amount of duty due and the penalty, if any, imposed on the person has been paid:Provided further that if such higher authority is satisfied that the person is unable to pay the duty due or the penalty, if any, imposed or both, it may, for reasons to be recorded in writing, entertain the appeal without the duty or penalty or both having been paid.(2)Subject to such rules of procedure as may be prescribed, the higher authority may pass on such appeal such orders as it may think fit.

12. Powers of revision.

- The Commissioner or such other officer, as the Government may, by notification, appoint in this behalf may, of his own motion or on application made, call for the record of any proceedings or order of any authority subordinate to him for the purpose of satisfying himself as to the legality or propriety or such proceedings or order, and may pass such order in reference thereto as he may deem fit:[Provided that the Commissioner or the other officer may, before deciding such application, direct the applicant to deposit, in whole or in part, the amount of duty due, and the penalty, if any, imposed on him under this Act.] [Inserted by Punjab Act 10 of 1965, section 4.]

13. Production and inspection of accounts and documents.

(1)The proprietor of an entertainment shall, on being required to do so by an officer authorised by the Government in this behalf, produce before any officer of the Excise and Taxation Department, not below the rank of a Sub-Inspector as may be prescribed, any accounts or documents, relevant to the sales of tickets including complimentary tickets and realisation of the entertainments duty due as may be necessary for the purposes of this Act.(2)If any officer of Government mentioned in sub-section (1) has reason to suspect that the proprietor of any entertainment is attempting to evade the payment of an entertainments duty due from him under this Act, he may, for reasons to be recorded in writing, seize such accounts, registers or documents of the proprietor, as may be necessary and shall grant a receipt for the same and shall retain the same only for so long as may be necessary for examination thereof.

14. Entry into and Inspection of places of entertainments.

(1) Any officer not below such rank as may be prescribed, may enter into, inspect and search any place of entertainment while the entertainment is proceeding at any reasonable time, for the purpose of ensuring that the provisions of this Act or any rules made thereunder are being complied with, and while doing so, such officer shall not be deemed to be a person, admitted to the entertainment. (2) The proprietor of every entertainment shall give every reasonable assistance to the aforesaid officer in the performance of his duties under sub-section (1). [14A. Power to impose penalties on proprietor of entertainments. - (1) If the proprietor of an entertainment-] [Punjab Act 2 of 1973.] (a) evades the payment of any duty due under this Act, or (b) obstructs any officer making any inspection, a search or seizure under this Act, or (c) acts in contravention of, or fails to comply with any of the provisions of this Act or the rules made thereunder, the prescribed authority may after affording such proprietor a reasonable opportunity of being heard direct him to pay by way of penalty in addition to the duty due if any a sum not exceeding [ten thousand rupees] [Punjab Act 8 of 1982.].

15. [Cognizance of offences. [Punjab Act 2 of 1973.]

(1) No Court shall take cognizance of an offence under this Act except on a complaint made by a person authorised in this behalf by the Government and no Court inferior to that of a Judicial Magistrate of the first class shall be competent to try such an offences.]

16. Power to compound offences.

(1) The prescribed authority may, at any time, accept from a person, who has committed an offence under this Act, by way of composition of such offence, a sum of money not exceeding [-] [Punjab Act 2 of 1973.] fifty rupees or double the amount of duty payable under this Act, whichever is greater. (2) On payment of such sum of money as may be determined under sub-section (1), the prescribed authority shall, where necessary, report to the court that the offence has been compounded and thereafter no further proceedings shall be taken against the offender in respect of the same offence and the said court shall discharge or acquit the accused, as the case may be.

17. Recoveries.

- Any sum due under this Act shall be recoverable as arrears of land revenue.

18. Delegation of Powers by the Government.

(1) Government may delegate all or any of its powers under this Act except those conferred upon it by sub-section (2) of section 10, section 20 and this section, to any person or authority subordinate to it. (2) The exercise of any power delegated under sub-section (1) shall be subject to such restrictions, limitations, or conditions, if any as may be laid down by the Government and shall also be subject to control and revision by it.

19. Bar of certain proceedings.

- No action shall lie against Government or any of its officer or servant for any act done or purporting to be done in good faith under this Act.

20. Power to make rules.

(1)The State Government may make rules generally carrying out the provisions of his Act.(2)In particular and without prejudice to the generality of the foregoing power it may make rules -(a)for the supply and use of stamps or stamped tickets if required in connection with the levy of entertainments duty or for the stamping of tickets sent to be stamped, and for securing the defacement of stamps when used;(b)for the use of tickets covering the admission of more than one person and the calculation of the duty thereon for the payment of the duty on the transfer from one part of a place of entertainment to another.(c)for controlling the use of mechanical contrivances (including the prevention of the use of the same mechanical contrivances for payment of a different amount) and for securing proper records of admission by means of mechanical contrivances;(d)for the checking of the admission, the keeping of accounts and furnishing of returns by the proprietors of entertainments in respect of which entertainments duty is payable in accordance with the provisions of this Act;(e)for renewal of damaged or spoiled stamps and for the procedure to be followed on applications for refund;(f)for the keeping of account of all stamps used under this Act;(g)for prescribing the form of a ticket, pass or token authorising admission to an entertainment;(h)for the presentation and disposal or applications for exemption for payment of the entertainments duty or for the refund thereof;(i)for the exemption from the entertainments duty on military personnel in uniform;(j)for the collection of entertainments duty under this Act and the powers to be exercised by the officers of Government in that behalf;(k)[Omitted by Punjab Act 10 of 1965, section 6(1).](l)for specifying the authorities who would be competent to compound offences under section 16.(m)[for laying down procedure for the hearing and disposal of appeals under section 11-A and applications under section 12 and all other matters incidental thereto.] [nserted by Punjab Act 10 of 1965, section 6(2).](3)All rules made under this Act shall be laid before [-] [Adaptaion of Laws Order, 1970.] the State Legislature during the session next ensuing after the publication thereof and may be confirmed, amended or revoked by it.

21. Repeal and savings.

- The Punjab Entertainments Duty Act, 1936 (Punjab Act III of 1936), is hereby repealed.Notwithstanding such repeal, anything done or any action taken including any order, notifications or rules made or issued in exercise of powers conferred by or under the repealed Act shall to the extent of being consistent with the provisions of this Act be deemed to have been done/taken in exercise or the powers conferred by or under this Act.[The Schedule Omitted by Punjab Act 32 of 1957, section 3.]