

Rajasthan Finance Act, 2002

RAJASTHAN

India

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Act 7 of 2002

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Rajasthan Finance Act, 2002(Act No. 7 of 2002)Last Updated 22nd May, 2019Statement of Objects and Reasons - A. Amendments in the Rajasthan Sales Tax Act, 1994. - A dealer applying for provisional and voluntary registration is required to make payment of fee of Rs. 100/-. With the use of computers and other modern techniques and other cost factors, the registration fee fixed about half a decade ago needs upward revision. With this objective sub-section (3) of Section 17 has already been amended in March, 2001. In consonance with the said amendment, sub-section (1) of Section 18 and sub-Section (1) of Section 19 providing for the fee for provisional registration and voluntary registration respectively, are required to be amended to empower the State Government to prescribe such fee in accordance with the prevalent circumstances. Section 71 provides for the prosecution of any person in the contingencies specified in sub-Section (1). As per clause (e) of sub-section (1), prosecution for deliberately disregarding the notice issued by the Assessing Authority for recovery of demand, prosecution can be launched. However, similar powers are not available for the non-compliance of the notice issued by the Commissioner under section 93 of the Act to call for certain information. Therefore, clause (e) of sub-section (1) of Section 71 is proposed to be amended. To protect the interest of the consumers, it is being proposed to make it mandatory to issue bill or cash memorandum by every registered dealer on each sales of goods, other than the exempted goods, of value of rupees two hundred or more. Failure to do so will incur penalty of a sum equal to five times of the amount of tax leviable on the sale in question or rupees five hundred, whichever is higher. With these objectives the existing Section 76 is proposed to be suitably amended. To have a check on the evasion of tax by unscrupulous dealers/transporters by nondisclosure of the details of the goods at the nearest border check-posts established under sub-section (1) of Section 78, the existing clause (b) of the Section 78 is being amended to make it mandatory to bring the vehicle or carrier at the nearest border check-post while entering or leaving the State. Failure to do so has been made subject to penalty by adding a new sub-Section (10-A) in Section 78. While filing first appeal, the appellant is required to deposit the admitted amount of tax or other admitted amount or ten per cent of the tax or the other amount assessed and in case of an appeal from an ex-parte assessment order five per cent of the tax or the other amount assessed, whichever is higher. The section is proposed to be amended suitably to encourage rightful appeals to be filed. Section 87 provides for power of revision to Commissioner in case an order passed by the

subordinate authorities is erroneous as well as prejudicial to the interest of the revenue. Both these conditions have to be satisfied for exercising these powers. Even in case of patently erroneous order passed by such authorities cannot be questioned except at the appellate forum, which may result in substantial delay in getting the grievances redressed. Therefore, by amending sub-section (1) of Section 87 of the Act, it is proposed that the powers of revisions can be exercised on fulfilment of either of the above two conditions. As per present provisions of sub-section (2) of Section 93 the Commissioner can ask for submission of specific information from dealers but not from other persons. For effective enforcement of the provisions of the Act, it is proposed to include words "any person" in the aforesaid sub-section.

Statement of Objects and Reasons - B. Amendment in the Rajasthan Tax on Entry of Goods into Local Areas Act, 1994. - In view of non-levy of sales tax on certain goods and also to safeguard the interest of the local trade and industry vis-a-vis the goods being imported from outside the State, it is proposed to revise the upper ceiling of taxation from ten percent to twenty percent by amending sub-Section (1) of Section 3 of the Rajasthan Tax on Entry of Goods into Local Areas Act, 1999.

Statement of Objects and Reasons - C. Amendment in the Rajasthan Tax on Luxuries (Tobacco and its Products) Act, 1994. - The existing fifteen percent ceiling on tax rates under the Rajasthan Tax on Luxuries (Tobacco and its Products) Act, 1994 has to be revised to compensate the losses in respect of certain goods not to be taxed under the Sales Tax Act of the State. For this purpose sub-Section (1) of Section 4 of the Act is sought to be amended to raise the above ceiling to twenty percent.

Statement of Objects and Reasons - D. Amendments in the Rajasthan Stamp Law (Adaptation) Act, 1952. - (i) The documents of agreement between the land owner and the promoter/developer are taking place in big cities. Hence a new clause (bbbb) in Article 5 is sought to be added and the stamp duty on such agreements is proposed to be 1% of the market value of the property. (ii) It is considered proper that where any person, other than the brother or sister or son or daughter or wife or grand son or grand daughter of the executor of the power of attorney, is authorised to transfer immovable property using power of attorney, a stamp duty of Rs. 500/- should be imposed, therefore, a new clause (cc) in Article 48 is sought to be added. The Bill seeks to achieve the aforesaid objectives. Hence the Bill.]

Published in the Rajasthan Gazette, Extraordinary, Part III-A, dated 22.3.2002 at page 59(14). (Received the assent of the Governor on the 4th day of May, 2002). An Act further to amend the Rajasthan Sales Tax Act, 1994, the Rajasthan Tax on Entry of Goods into Local Areas Act, 1999, the Rajasthan Tax on Luxuries (Tobacco and its Products) Act, 1994 and the Rajasthan Stamp Law (Adaptation) Act, 1952 in order to give effect to the financial proposals of the State Government for the financial year 2002-2003 and to make certain other changes. Be it enacted by the Rajasthan State Legislature in the Fifty-third year of the Republic of India, as follows :-

Chapter-1 Preliminary

1. Short title.

- This Act may be called the Rajasthan Finance Act, 2002.

2. Declaration under Section 3, Rajasthan Act No. 23 of 1958.

- In pursuance of Section 3 of the Rajasthan Provisional Collection of Taxes Act, 1958 (Act No. 23 of 1958), it is hereby declared that it is expedient in the public interest that this Act shall have immediate effect under the said Act.

Chapter - II Amendments in the Rajasthan Sales Tax Act, 1994

3. Amendment of Section 18, Rajasthan Act No. 22 of 1995.

- In sub-Section (1) of Section 18 of the Rajasthan Sales Tax Act, 1994 (Act No. 22 of 1995), hereinafter referred to, in this chapter, as the principal Act, for the existing expression "payment of fee of rupees one hundred", the expression "payment of such fee as may be notified by the State Government from time to time" shall be substituted.

4. Amendment of Section 19, Rajasthan Act No. 22 of 1995.

- In sub-Section (1) of Section 19 of the principal Act, for the existing expression "payment of a fee of rupees one hundred", the expression "payment of such fee as may be notified by the State Government from time to time" shall be substituted.

5. Amendment of Section 71, Rajasthan Act No. 22 of 1995.

- In clause (e) of sub-section (1) of Section 71 of the principal Act, for the existing expression "under Section 53", the expression "under Sections 53 and 93" shall be substituted.

6. Amendment of Section 76, Rajasthan Act No. 22 of 1995.

- For the existing Section 76 of the principal Act, following shall be substituted, namely: - "76. Registered dealers to issue bill or cash memorandum. - (1) Every registered dealer shall, for each sale of goods exceeding rupees two hundred in value made by him, issue to the purchaser, a bill or a cash memorandum signed and dated by such dealer or his manager, agent or servant showing such particulars as may be prescribed, and a counterfoil or duplicate of such bill or cash memorandum shall be kept by him. (2) Notwithstanding anything contained in sub-Section (1), where a registered dealer deals exclusively in goods not liable to tax, he shall not be required to issue a bill or cash memorandum. (3) Where a registered dealer contravenes the provisions of sub-Section (1), the assessing authority may either on receipt of any complaint in this behalf or otherwise, after giving such dealer a reasonable opportunity of being heard, direct him to pay by way of penalty a sum equal to five times the amount of tax leviable on the sale in respect to which a bill or cash memorandum has not been issued, or rupees five hundred, whichever is higher."

7. Amendment of Section 78, Rajasthan Act No. 22 of 1995.

- In Section 78 of the principal Act, - (i) for the existing clause (b) of sub-section (2), the following shall be substituted, namely: - "(b) stop the vehicle or carrier at every check-post, and while entering and leaving the limits of the State, bring and stop the vehicle at the nearest check-post, set-up under sub-section (1);"; (ii) in sub-Section (5), for the existing expression "the person-in-charge of the goods", the expression "the owner of the goods or a person authorised in writing by such owner or the person-in-charge of the goods" shall be substituted; and (iii) after sub-section (10) and before sub-section (11), the following new sub-section (10-A) shall be inserted, namely: - "(10-A) Notwithstanding anything contained in this section, where the driver of the person in-charge of the

vehicle or the carrier abstains from bringing or stopping the vehicle or carrier at the nearest check-post as provided under clause (b) of sub-Section (2), the incharge of the check-post or the officer empowered under sub-Section (3) may detain such vehicle or carrier and, after affording an opportunity of being heard to the owner or a person duly authorised by such owner or the driver or the person in-charge of the vehicle or carrier, may impose a penalty equal to fifty percent of the value of such goods."

8. Amendment of Section 84, Rajasthan Act No. 22 of 1995.

- In sub-Section (3) of Section 84 of the principal Act, for the existing expression "or ten percent of the tax or other amount assessed, or in case of an appeal from an ex-parte assessment order, five percent of the tax or the other amount assessed, whichever is higher.", the expression "and, in case of an appeal from an ex-parte assessment order, five percent of, and in other cases, ten percent of, the remaining demand over and above the admitted tax or other amount." shall be substituted.

9. Amendment of Section 87, Rajasthan Act No. 22 of 1995.

- In sub-Section (1) of Section 87 of the principal Act, for the existing expression "is erroneous and is prejudicial", the expression "is erroneous or is prejudicial" shall be substituted.

10. Amendment of Section 93, Rajasthan Act No. 22 of 1995.

- In sub-section (2) of Section 93 of the principal Act, after the existing expression "any class of dealers" and before the expression "to furnish such information", the expression "or any person" shall be inserted. Chapter - III Amendment in the Rajasthan tax on Entry of Goods into Local Areas Act, 1999

11. Amendment of Section 3, Rajasthan Act No. 13 of 1999.

- In sub-Section (1) of Section 3 of the Rajasthan Tax on Entry of Goods into Local Areas Act, 1999 (Act No. 13 of 1999), for the existing expression "ten per cent", the expression "twenty per cent" shall be substituted. Chapter - IV Amendment in the Rajasthan tax on Luxuries (Tobacco and its Products) Act, 1994

12. Amendment of Section 4, Rajasthan Act No. 11 of 1994.

- In sub-section (1) of Section 4 of the Rajasthan Tax on Luxuries (Tobacco and its Products) Act, 1994 (Act No. 11 of 1994), for the existing expression "fifteen per cent", the expression "twenty per cent" shall be substituted. Chapter - V Amendment in the Rajasthan Stamp Law (Adaptation) Act, 1952

13. Amendment of the Second Schedule, Rajasthan Act No. 7 of 1952.

- In the second schedule to the Rajasthan Stamp Law (Adaptation) Act, 1952 (Act No. 7 of 1952),-(i)in Article 5, after the existing clause (bbb) and before existing clause (c), the following new clause shall be inserted, namely:-"(bbbb) if following new clause shall be inserted, namely:-

"(bbbb) if relating to giving authority or power to a promoter or a developer, by whatever name called, for construction on, or development of, any immovable property;	One percent of the market value of the property."
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(ii)in Article 48, after the existing clause (c) and before the existing clause (d), the following new clause shall be inserted, namely:-

"(cc) when authorising any person (except a power of attorney executed in favour of father or mother or brother or sister or wife or husband or son or daughter or grandson or grand daughter) to transfer any immovable property;	Rupees five hundred."
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