

An Act to consolidate and amend the law relating to levy of a tax on motor vehicles in the State of Andhra Pradesh.

enacted by the Legislature of the State of Andhra Pradesh in the Fourteenth Year of the Republic of India , as follows:

**1 . Short title, extent and commencement:** - (1) This Act may be called the Andhra Pradesh Motor Vehicles Taxation Act, 1963.

(2) It extends to the whole of the State of Andhra Pradesh .

(3) It shall come into force on such date as the Government may, by notification in the Andhra Pradesh Gazette, appoint.

**2. Definitions:** - In this Act, unless the context otherwise requires-

» "Government" means the State Government;

» "Laden weight in relation to motor vehicle or a trailer attached to it" means, if a permit is issued to the motor vehicle under the Motor Vehicle Act, 1939 (hereinafter referred to as Motor Vehicles Act) the maximum laden weight specified for the motor vehicle or the trailer in such permit; if no such permit is issued, the maximum laden weight specified for the motor vehicle or the trailer in the certificate of registration of the motor vehicle and in case such weight is not specified in such certificate, the maximum laden weight of the motor vehicle or the trailer determined in such manner as may be prescribed;

» "Licensing officer" means an officer appointed by the Government as such for the purposes of this Act;

» "Notification" means a notification published in the Andhra Pradesh Gazette and the expression 'notified' shall be construed accordingly;

» "Prescribed" means prescribed by the rules made under this Act';

» "Registered owner" means the person in whose name a motor vehicle is registered under the Motor Vehicle Act;

» "State" means the State of Andhra Pradesh ;

» "Tax" means the tax leviable under the Act;

» "Year" means the financial year; "half-year" means the first six months or the second six months of such year; and "quarter" means the first three months or the second three months of such half-year;

» Words and expressions used but not defined in this Act, shall have the meanings assigned to them in the Motor Vehicles Act.

**3. Levy of tax on motor vehicles:** - (1) The Government may, by notification, from time to time, direct that a tax shall be levied on every motor vehicle used or kept for use, in a public place in the State.

(2) The notification issued under sub-section (1) shall specify the class of motor vehicles on which, the rates for the periods at which, and the date from which, the tax shall be levied:

Provided that the rates of tax shall not exceed the maximum specified in column (2) of the First Schedule in respect of the classes of motor vehicles fitted with pneumatic tyres specified in the corresponding entry in column (1) thereof; and one and a half times the said maximum in respect of such classes of motor vehicles as are fitted with non-pneumatic tyres:

Provided further that in the case of motor cycles (including motor scooters and cycles with or without attachment), invalid carriages, motor cars and jeeps and other non-transport vehicles

not exceeding 2286 kgs in unladen weight and omnibuses with a seating capacity of (8) eight persons in all but not exceeding (10) ten persons in all and their chassis, the tax shall be levied at the rates specified in the Third Schedule.

Provided also that in respect of chassis of a motor vehicle passing through this State from a manufacturer to a dealer under a temporary certificate of registration for a period not exceeding seven days, the rate of tax shall be one twentieth of the tax payable for quarter.

Provided also that in respect of motor vehicles operated with battery / compressed natural gas / solar energy, no tax shall be levied for a period of five years from the date to be notified.

**4. Payment of tax and grant of licence: -** (1) (a) The tax levied under this Act shall be paid in advance and in the manner specified in Section 11, by the registered owner of the motor vehicle or any other person having possession control thereof, at his choice, either quarterly, half-yearly or annually on a licence to be taken out by him for that quarter, half-yearly, or year, with fifteen days from the commencement of the quarter, half-year or year as the case may be, tax for a half yearly licence shall not exceed twice, and tax for an annual licence shall not exceed four times, the tax for a quarterly licence. The Government may grant such rebates as may be prescribed in case of half-yearly and annual licences.

(aa) Notwithstanding anything in clause (a), the tax levied under the second provision to sub-section (2) of Section 3 shall be for the life time of the motor vehicle and shall be paid in advance in lumpsum by the registered owner of the motor vehicle or any other person having possession or control thereof:

Provided that if the tax in respect of the motor vehicles referred to in the second to sub-section (2) of Section 3 has already been paid under sub-section (2) of Section 3 prior to the 1 st April, 1987 the tax specified under the aforesaid second proviso shall be levied after expiry of the period for which the tax was so paid and such tax shall be paid within one month from the date of the expiry of the said period.

(b) Where the tax for any motor vehicle has been paid for any quarter, half-year or year and the motor vehicle has not been used during the whole of that quarter, half-year or year or a continuous part thereof not being less than one month, a refund of the tax at such rates as may, from time to time, be notified by the Government, shall be payable subject to such conditions as may be specified in such notification.

(bb) Notwithstanding, anything in clause (b), where lumpsum tax has been paid as specified in clause (aa) a refund of the tax at such rates as may be from time to time be notified by the Government, shall be payable subject to such conditions as may be specified in the notification in the case of removal of the vehicle to any other State on transfer or ownership or change of address.

(2) Notwithstanding anything in sub-section (i), no person shall be liable to pay tax in respect of a motor vehicle for a particular period, if the tax due in respect of that motor vehicle for that period has already been paid by some other person.

» (a) Where a tax in respect of a motor vehicle is paid by any person for a particular period or if no such tax is payable therefore, the licensing officer shall, -

(i) Grant to such person a licence, in such form as may be notified by the Government, to use the motor vehicle in any public place in the State during the said period; and

(ii) Record in the certificate of registration in respect of the motor vehicle for which such certificate is granted under the Motor Vehicles Act, if no such certificate of registration is granted in respect of a motor vehicle, in a certificate in such form as may be notified by the Government that the tax is payable, in respect of the motor vehicle for the said period.

Provided that where a lumpsum tax is payable under this Act, payment of such tax by any person shall be recorded in the certificate of registration and no licence shall be granted to such person.

(b) Every licence granted under clause (a) of this sub-section shall be valid throughout the State.

(4) Notwithstanding anything in Section 3 or sub-section (1), the Government may, by notification from time to time, direct that a temporary licence for a period not exceeding thirty days at a time may be issued in respect of a motor vehicle any class on payment of such tax, and subject to such conditions as may be specified in such notification :

Provided that the rate of tax shall not exceed the maxima specified in columns (2) and (3) of the Second Schedule in respect of the classes of motor vehicles fitted with pneumatic tyres specified in the corresponding entry in column (1) thereof, and one and a half times the said maxima in respect of such classes of motor vehicles as are fitted with non-pneumatic tyres.

(5) No motor vehicle shall be used in any public place in the State at any time after the issue of a notification under sub-section (1) of Section 3, unless a licence permitting its use during such time has been obtained as specified in clause (a) of sub-section (1) or sub-section (4).

**5. Display of licence on the motor vehicle and duty to stop it on demand by certain**

**officers:** - (1) (a) No motor vehicle shall be used in any public place, unless the licence granted in respect thereof under clause (a) of sub-section (3), of Section 4, or under sub-section (4) of that Section, is displayed on the motor vehicle in such manner as may be notified by the Government.

(b) If the licence is not so displayed on the motor vehicle, the registered owner or the person having possession or control thereof shall be punishable with fine which may extend to fifty rupees.

2 (a) Any Officer of the Transport Department not below such rank as may be notified or any police officer in uniform not below the rank of a Sub-Inspector, or such other officer as may be prescribed, may require the driver of any motor vehicle in any public place to stop that motor vehicle and cause it to remain stationary so long as may reasonably be necessary for the purpose of satisfying himself that a licence has been duly obtained in respect of such motor vehicle.

» Any person who willfully fails to stop a motor vehicle when required to do so by an officer under clause (a) of this sub-section or resists such officer, shall be punishable with fine which may extend to fifty rupees.

**6. Penalty for failure to pay Tax:** - If the tax due in respect of any motor vehicle has not been paid as specified in Section 4, the registered owner or the person having the possession or control thereof shall, in addition to payment of the tax due be liable to penalty which may extend to twice the quarterly tax in respect of the vehicle, to be levied by such officer, by order in writing and in such manner as may be prescribed.

Provided that if the lumpsum tax under this Act has not been paid, the registered owner or the person having possession or control thereof shall, in addition to payment of the tax due, be liable to penalty which may extend to twice the lumpsum tax payable under clause (aa) of sub-section (1) of Section 4.

**6-A. Levy of tax on certain motor vehicles based on gross traffic earnings: -**

Notwithstanding anything in Sections 3,4,5 and 6, -

(1) Every registered owner, who owns or keeps in his possession or control more than two thousand motor vehicles for plying on hire or reward, shall pay in respect of all such motor vehicles a tax at such rate, not exceeding fifteen percentum of the gross traffic earnings, as may be specified by the Government, by notification from time to time.

Explanation : - For the purposes of this Section,-

» The term "gross traffic earning" shall mean the total amount collected towards fares, freights, including luggage charges and any amount collected towards hire or reward by or on behalf of such registered owner, either directly or indirectly, in respect of all the motor

vehicles, as may be determined in the manner prescribed;

» While computing the "percentum of the gross traffic earning", the Government shall, as far as practicable, take into account the amount of tax collected for the preceding year from such owner, the changes in the rates of tax under clause (3) during the current year if any; and the approximate growth in the traffic during the current year.

(2) In order to determine the amount of tax payable under this Section in any year, the registered owner shall make and deliver a declaration, within such time to such authority and in such form as may be prescribed, stating the gross traffic earning for the preceding year, together with ten percentum of such gross traffic earning and containing any other prescribed particulars, in respect of all motor vehicles used or kept for use by him in the State in the preceding year;

(3) On receipt of such declaration, the prescribed authority shall, on the basis of such declaration, determine the amount of tax to be paid by such registered owner provisionally and communicate the same to the registered owner by issuing an order of provisional assessment of tax for the year within such period and in such form as may be prescribed.

Provided that it shall be open to the prescribed authority to review any order of provisional assessment of tax for the year, in any case where it is considered necessary so to do and pass a fresh order of provisional assessment of tax.

(4) The amount of tax provisionally determined under clause (3) shall be paid by the registered owner of the motor vehicles or any other person having possession or control thereof, to the prescribed authority in twelve equal monthly installments, to be paid on or before the fifteenth day for the month of April and on or before the tenth day for the remaining months in the calendar year, in the manner specified in Section 11.

(5) The registered owner shall thereafter deliver within the prescribed time, the final declaration stating the gross traffic earning of the year and containing such other particulars as may be prescribed, such declaration shall be accompanied, by the details of provisional payment of tax paid to the prescribed authority in pursuance of the order of provisional assessment issued for the year and by such other documents as may be prescribed.

(6) On receipt of such final declaration, the prescribed authority shall verify the number of motor vehicles used or kept for use by the registered owner during the year for which the tax is payable, the amount of fares, freights, luggage charges and hire or rewards collected and such other particulars as may be deemed necessary and shall finally determine the amount of tax leviable at the rate fixed under clause (1), and communicate the same to the registered owner by issuing an order of final assessment of tax for the year in such form as may be prescribed.

(7) Where the amount of tax is finally determined under clause (6), taking into consideration the amount paid by the registered owner or other person under clause (4), the difference, if any, that may be due shall be paid by, or refunded to, the registered owner in such manner and within such time as may be prescribed.

(8) The prescribed authority may, for purposes of this section require the registered owner of the motor vehicle or the person having the possession or control thereof, to produce before it any accounts, registers, records or other documents or to furnish any information and examine the accounts, registers records or other documents; and the registered owner or other person shall comply with the such requisition so made.

(9) The registered owner or other person having the possession or control of the motor vehicle who commits default in the payment of tax as required under this section, shall be liable to pay such amount towards penalty, not exceeding one-fourth of the amount of the tax payable, as may be levied by the prescribed authority.

**7. Recovery of tax, penalty or fine as an arrear of land revenue:-** Any tax, penalty or fine due under this Act may be recovered in the same manner as an arrear of land revenue; the motor vehicle in respect of which the tax, penalty or fine is due or its accessories may be

distraigned and sold, whether and sold, whether or not such motor vehicle or accessories are in the possession or control of the person liable to pay the tax, penalty or fine.

**8. Power to seize and detain motor vehicles in case of non-payment of tax:** - Without prejudice to the provisions of Sections 6 and 7, where any tax due in respect of any motor vehicle has not been paid as specified in Section 4, such officer as may be prescribed, may seize and detain the motor vehicle in respect of which the tax is due under this Act and for this purpose take or cause to be taken any steps he may consider necessary for the temporary safe custody of the vehicle, until the tax due in respect of the vehicle is paid.

**9. Exemption, reduction or other modification of tax:** - The Government may, by notification, -

» Grant an exemption, make a reduction in the rate or order other modification not involving an enhancement in the rate of the tax payable,-

» by any person or class of persons, or

(ii) in respect of any motor vehicle or class of motor vehicles or motor vehicles running in any particular area; and

» Cancel or vary such exemption, reduction or other modification.

(2) Any notification issued under sub-section (1) shall be laid, as soon as may be after it is issued, on the table of the Legislative Assembly of the State while it is in session for a total period of fourteen days which may be comprised in one session or in two successive sessions

**10. Provisions of this Act not to apply to the motor vehicles designed and used solely for agricultural and mining purposes:-** (1) Nothing in this Act shall apply to a motor vehicle registered in the name of the owner or occupier of any agricultural land or mine if such land is under his personal cultivation or if such mine is being worked personally by him and such motor vehicle is designed and used solely for carrying out agricultural or mining operations on such land or mine or within a distance of fifteen miles from the limits of such land or mine.

(2) Notwithstanding anything contained in the Act, a tax at rupees twenty five per quarter shall be levied on any vehicle specified in sub-section (1), when the vehicle is not used solely for carrying out such agricultural or mining operations but is used by its registered owner for any other purpose of his own.

Explanation I: - For the purpose of this Section, the expression "agricultural operation" shall mean tilling, sowing, harvesting, crushing of agricultural produce or any other similar operation carried out for the purpose of agriculture; but shall not include the transporting of persons, manure of materials for the purpose of agriculture or the transporting of agricultural produce except when such transporting is made by the owner or occupier of the land for his own purposes, -

» Within a distance of fifteen miles from the limits of such land, or

(ii) To or from the nearest market place irrespective of the distance of such market from the limits of such land.

Explanation II: - For the purpose of this Section, "personal cultivation" means by a person of his own land and on his own account,-

(1) by his own labour;

(2) by the labour of any member of his family; or

(3) by servants on wages payable in cash or kind or both by hired labour under his personal supervision or under the personal supervision of any of his relatives.

Explanation III: - For the purpose of this Section, the expression "mining operation" operation

undertaken for the purpose of winning any mineral.

**11. Manner of payment of dues under this Act:** - Payment of every amount due under this Act shall be made by the production before the licensing officer, of a demand draft obtained from any scheduled Bank as defined in the Reserve Bank of India Act, 1934 (Central Act 2 of 1934) to the value for which payment is required or in such other manner as may be prescribed.

**12. Appeal:** - Any person aggrieved, -

» By an order of levy made under Section 6, or

» By the seizure made under Section 8,

May, within a period of thirty days from the date of communication to him of the order of levy or the date of seizure as the case may be, appeal to such authority in manner and on payment of such fees, as may be prescribed.

**13. Protection of acts done in good faith:** - No suits, prosecution, of other legal proceeding shall be instituted against any person for anything which is in good faith, done or intended to be done under this Act or under the rules made there under.

**14. Trial of offences:** - No court inferior to that of a second class Magistrate shall try any offence punishable under this Act.

**15. Procedure in certain cases:** - (1) A court taking cognizance of an offence punishable under sub-section (1) or under sub-section (2) of Section 5, in so far as it relates to willful failure to stop a motor vehicle when required to do so by an officer, may state upon the summons to be served on the accused person that he, -

» May appear by pleader and not in person, or

» May, by a specified date prior to the hearing of the charge, plead guilty to the charge by a registered letter addressed to the court and remit to the court such sum not exceeding fifty rupees, as the court, may specify.

(2) Where an accused person pleads guilty and remits the sum specified by the court, no further proceedings in respect of the offence shall be taken against him.

**16. Power to make rules:** - (1) The Government may, by notification make rules for carrying out all or any of the purposes of this Act.

(2) Any rule made under sub-section (1) may provide that a breach thereof shall be punishable with fine which may extend to fifty rupees,

(3) Every rule made under this Section shall, immediately after it is made, be laid before each House of the State Legislature if it is in session and if it is not in session, in the session immediately following, for a total period of fourteen days which may be comprised in one session or in two successive sessions, immediately following, both Houses agree in making any modification in the rule or in the annulment of the rule shall thereafter have effect only in such modified form or stand annulled as the case may be; so, however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

**17. Power to amend Schedules:** - (1) The Government may, by order amend the Schedules,

(2) A draft of any order proposed to be made under sub-section (1) shall be laid on the table of the Legislative Assembly of the State and the order shall not be made, unless the Assembly approves the draft either without any modification or addition or with any modification or addition, and upon such approval, the order may be made in the form in which it has been so approved and such order, on being so made, shall be published in the Andhra Pradesh Gazette.

(3) When a Schedule is so amended, any reference to the Schedule in this Act shall be construed as a reference to Schedule as so amended.

**18. Repeals and savings:** - The following Acts are hereby repealed, -

» The Andhra Pradesh (Andhra Area) Motor Vehicles Taxation Act, 1931,

(ii) The Andhra Pradesh (Telangana Area) Motor Vehicles Taxation Act, 1955, and

(iii) The Andhra Pradesh Motor Vehicles (Taxation of Passengers and Goods) Act, 1952:

Provided that such repeal shall not affect the previous operation of the said Acts or any rights, privilege, obligation or liability already acquired, accrued or incurred there under, and subject thereto, anything done or any action taken (including any appointment, notification, notice, order, rule, form, certificate, licence or permit) in the exercise of any power conferred by or under the said Acts shall be deemed to have been done or taken in the exercise of the powers conferred by or under done or action was taken and all arrears of tax and other amounts due at the commencement of this Act may be recovered as if they had accrued under this Act.

**19. Powers to remove difficulty:** - If any difficulty arises in giving effect to the provisions of this Act in consequence of the transition to the said provisions from the corresponding provisions of the Acts in force immediately before the commencement of this Act or otherwise, the Government may, after previous publication by order published in the Andhra Pradesh Gazette, make such provisions, not inconsistent with the purposes of this Act, as appear to them to be necessary or expedient of removing the difficulty.

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