



LEGISLATIVE ASSEMBLY OF GOA

The Goa Sales Tax (Amendment)
Bill, 2000

(Bill No. 14 of 2000)

⁴³
~~(To)~~ be introduced in the Legislative Assembly of Goa)

GOA LEGISLATURE SECRETARIAT
ASSEMBLY HALL, PORVORIM-GOA
MARCH, 2000.

The Goa Sales Tax (Amendment) Bill, 2000

(Bill No. 14 of 2000)

A

BILL

further to amend the Goa Sales Tax Act, 1964.

Be it enacted by the Legislative Assembly of Goa in the Fifty-first Year of the Republic of India as follows:—

1. *Short title and commencement.*— (1) This Act may be called the Goa Sales Tax (Amendment) Act, 2000.

(2) It shall be deemed to have come into force with effect from 1st day of April, 1999.

2. *Amendment of section 7.*— In section 7 of the Goa Sales Tax Act, 1964 (Act 4 of 1964), in sub-section (3), the existing clause (IV) shall be omitted.

3. *Validation of the collection of sales tax.*— Notwithstanding anything contained in the Goa Sales Tax Act, 1964, no imposition, collection or levy of tax on sales of any goods for use by the undertaking, supplying electrical energy in the generation, distribution of such energy, effected under the said Act with effect from 1st day of April, 1999, onwards shall be deemed to be invalid or to have been invalid merely by reason of the fact of the existence of clause (IV) of sub-section 3 of section 7 in the said Act.

Statement of Objects and Reasons

Clause (IV) of sub-section 3 of section 7 of the Goa Sales Tax Act, 1964, allows deduction from the turnover of selling dealer towards sales of goods effected by the undertaking supplying electrical energy to the public of goods for use by it in the generation and distribution of electrical energy subject to certain conditions.

This clause is existing in the said Act from its inception and during this period the distribution of electrical energy was carried out only by the Government Department namely, Electricity Department. During the year, generation of electrical energy and its supply to Government is privatised. On account of this development, existence of the clause (IV) of sub-section 3 of section 7 of the said Act is found not necessary as it will entail loss to the exchequer.

This Bill seeks to delete the said clause and validate the levy and collection of sales tax with effect from 1-4-1999, on sales of goods used in the generation and distribution of electricity energy by the undertaking supplying such energy to the public or to the Government.

Financial Memorandum

No financial implications are involved towards implementation of the provisions of the Bill since no additional expenditure will be incurred on account of the proposed amendment.

Porvorim,
28th March, 2000.

FRANCISCO SARDINHA
Chief Minister

Assembly Hall,
Porvorim,
29th March, 2000.

P. N. RIVANKAR
Secretary to the Legislative
Assembly of Goa.

Governor's recommendation under Article 207 of the Constitution.

In pursuance of Article 207 of the Constitution the Governor of Goa has recommended to the Legislative Assembly of Goa the introduction and consideration of the Goa Sales Tax (Amendment) Bill, 2000.

(Annexure to Bill No. 14 of 2000)

The Goa Sales Tax (Amendment) Bill, 2000

The Goa Sales Tax Act, 1964
(Act 4 of 1964)

7. RATE OF TAX.—

(1) The tax payable by a dealer under this Act shall be levied on the taxable turnover at the following rates, namely:—

- (i) in respect of goods specified in the First Schedule, at the rate of twelve paise in the rupee;
- (ii) in respect of goods specified in the Third Schedule, at the rate of four paise in the rupee;
- (iii) in respect of goods specified in the Fourth Schedule, at the rate of twenty five paise in the rupee;
- (iv) in respect of goods specified in the Fifth Schedule, at the rate of seventeen paise in the rupee;
- (v) in respect of goods specified in the Sixth Schedule, at the rate specified under column 3 therein;
- (vi) in respect of goods specified in the Seventh Schedule, at the rate specified under column 3 therein;
- (vii) in respect of goods specified in the Eighth Schedule, at the rate of half paise in the rupee;
- (viii) in respect of the goods specified in the Ninth Schedule, at the rate of one paise in the rupee;
- (ix) in respect of the goods specified in Tenth Schedule, at the rate of two paise in the rupee;
- (x) in respect of the goods specified in the Eleventh Schedule, at the rate of three paise in the rupee;

- (xi) in respect of goods specified in the Twelfth Schedule, at the rate of five paise in the rupee;
- (xii) in respect of goods specified in the Thirteenth Schedule, at the rate of six paise in the rupee;
- (xiii) in respect of goods specified in the Fourteenth Schedule, at the rate of seven paise in the rupee;
- (xiv) in respect of goods specified in the Fifteenth Schedule, at the rate of nine paise in the rupee;
- (xv) in respect of goods specified in the Sixteenth Schedule, at the rate of ten paise in the rupee;
- (xvi) in respect of goods specified in the Seventeenth Schedule, at the rate of eleven paise in the rupee;
- (xvii) in respect of goods specified in the Eighteenth Schedule, at the rate of thirteen paise in the rupee;
- (xviii) in respect of goods specified in the Nineteenth Schedule, at the rate of fourteen paise in the rupee;
- (xix) in respect of goods specified in the Twentieth Schedule, at the rate of fifteen paise in the rupee;
- (xx) in respect of goods specified in the Twenty-first Schedule, at the rate of sixteen paise in the rupee;
- (xxi) in respect of goods specified in the Twenty-second Schedule, at the rate of eighteen paise in the rupee;
- (xxii) in respect of goods specified in the Twenty-third Schedule, at the rate of nineteen paise in the rupee;
- (xxiii) in respect of goods specified in the Twenty-fourth Schedule, at the rate of twenty paise in the rupee;
- (xxiv) in respect of goods specified in the Twenty-fifth Schedule, at the rate of twenty one paise in the rupee;

- (xxv) in respect of goods specified in the Twenty-sixth Schedule, at the rate of twenty two paise in the rupee;
- (xxvi) in respect of goods specified in the Twenty-seventh Schedule, at the rate of twenty three paise in the rupee;
- (xxvii) in respect of goods specified in the Twenty-eighth Schedule, at the rate of twenty four paise in the rupee;
- (xxviii) in respect of goods specified in the Twenty-ninth Schedule, at the rate of 100 paise in the rupee);
- (xxix) in respect of any other goods, at the rate of eight paise in the rupee:

Provided that the State Government may, by Notification in the Official Gazette, add to or omit from, or otherwise amend any of the Schedule, without affecting the entries in the Second Schedule:

Provided further that if in respect of any goods or class of goods the State Government is of opinion that it is expedient in the interest of the general public so to do, it may, by Notification in the Official Gazette, direct that the tax in respect of the taxable turnover of such goods or class of goods shall, subject to such conditions as may be specified, be levied at such modified rate not exceeding the rate applicable under this sub-section, as may be specified in the Notification.

(2)(a) The Commissioner may, in such circumstances and subject to such conditions in the Scheme formulated for the purpose of this sub-section, permit any dealer to pay in lieu of the amount of tax payable by such dealer under the provisions of this Act, in respect of any year, a lumpsum, determined in the prescribed manner, by way of compounding of tax, and, on payment of such lumpsum by such date as may be prescribed, the dealer shall be deemed to have been assessed under section 17 for that year.

(b) Where any such dealer contravenes any of the provisions of the rules made under this sub-section or of the Scheme formulated for the purpose and the Commissioner is of the opinion that such contravention has resulted in loss of

revenue of an amount which is not less than 25% of the lumpsum so payable, then the Commissioner may, at any time within 5 years from the end of the year for which lumpsum amount was payable and after giving the dealer a reasonable opportunity of being heard, proceed to assess, levy and collect tax, penalty and interest, if any, from such dealer in respect of the said year in accordance with the provisions of section 17.

(3) In this Act, the expression "taxable turnover" means that part of a dealer's gross turnover during any period which remain after deducting therefrom his turnover during that period on—

(I) the sale of goods declared tax-free under section 10;

(II) sales to a registered dealer—

(a) of goods of the class or classes of goods declared to be taxable at the second or any other point of sale in the series of sales by successive dealers in pursuance of Notifications in the Official Gazette under Section 8 and which are specified in the registration certificate of such dealers as being intended for—

(i) re-sale by him within Goa;

(ii) re-sale by him in the course of inter-state trade or commerce;

(iii) re-sale in the course of export out of India or re-sale after such export or;

(iv) use by him within Goa as raw materials for the manufacture of goods for sale, and;

(b) of containers of other materials for the packing of goods of the class or classes so specified for sale:

Provided that no deduction shall be allowed unless the dealer who sells the goods furnishes in the prescribed manner—

(a) in the case of sales falling within sub-items (i) and (iv) of item (a) and within item (b) a declaration duly filled up and signed by the registered dealer to whom the goods are sold and containing the prescribed particulars in the prescribed form; and

(b) in the case of sales falling within sub-items (ii) and (iii) of item (a), a certificate in the prescribed form from the dealer to whom the goods are sold, that the goods are purchased for re-sale in the course of inter-state trade or commerce or for re-sale in the course of export out of India or for re-sale after such export, and that such goods will be so re-sold by himself or by any other registered dealer to whom he re-sells the goods within nine months from the date of such purchase or such further period as may be prescribed:

⁴Provided further that where any goods specified in the Certificate of Registration are purchased by a registered dealer for any of the purposes specified in item (a) or (b) but are utilised by him for any other purpose, or are not resold in the manner and within the period prescribed, the price of the goods so purchased shall be allowed to be deducted from the gross turnover of the selling dealer, but the Commissioner or any person appointed under sub-section⁵(2) of Section 3 to assist him shall, after giving a reasonable opportunity of being heard, impose penalty upon the purchasing dealer not exceeding the amount of tax which would result if such goods were subject to sales tax at the rate leviable on them at the time of their purchase;

(III) Sales of goods purchased within the State on payment of tax at the first point, provided that in cases of such sales proof of payment of tax at the point of purchase of such goods is adduced by the dealer to the satisfaction of the Commissioner:

Provided that where a manufacturer is not liable to pay tax on the first sale of goods manufactured by him, under entry 68 or 85 of the Second Schedule, the first point for the purpose of this clause shall be the point of sale effected by the subsequent dealer who has purchased the goods from such manufacturer.”

(IV) Sales to any undertaking supplying electrical energy to the public under a licence or sanction granted or deemed to have been granted under the Indian Electricity Act, 1910 of goods for use by it in the generation or distribution of such energy;

²(V) Sales of goods which are shown to the satisfaction of the Commissioner not to have taken place in Goa, ³or to have taken place in the course of inter-state trade or commerce

within the meaning of Section 3 of the Central Sales Tax Act, 1956, (74 of 1956) or in the course of import of the goods into or export of the goods out of the Territory of India, within the meaning of Section 5 of the said Central Sales Tax Act;

⁴(VI) Goods utilised in the course of works contract by any dealer on which tax has already been paid at the point of sale/purchase by such dealer in Goa;

⁵(VII) Value of goods sold through commission agent in the State, subject to production of satisfactory proof of payment of tax by such commission agent in case the goods sold are liable to tax under this Act.

⁶(VIII) Such other sales as may be prescribed.

Assembly Hall,
Porvorim,
29th March, 2000.

P. N. RIVANKAR,
Secretary to the Legislative
Assembly of Goa.