

**Andhra Pradesh Entertainments Tax (Amendment) Act,  
1984**

**24 of 1984**

**[22 May 1984]**

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**Andhra Pradesh Entertainments Tax (Amendment) Act,  
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An Act further to amend the Andhra Pradesh Entertainment Tax Act, 1939. Be it enacted by the Legislature of the State of Andhra Pradesh in the Thirty fifth year of the Republic of India as follows:-

\* Received the Assent of the Governor on the 20th May, 1984. For Statement of Objects and Reasons, please see the Andhra Pradesh Gazette, Part 1V-A, Extraordinary, dated the 16th March, 1984, page 20.

**1. Short Title And Commencement :-**

(1) This, Act may be called the Andhra Pradesh Entertainments Tax

(Amendment) Act, 1984.

(2) Sections 3, 6, and 13 shall be deemed to have come into force on the 23rd March, 1984 and the remaining provisions except section 16 shall be deemed to have come into force on the 1st January, 1984.

## **2. Amendment Of Section 23 Act X Of 1939 :-**

In section 3 of the Andhra Pradesh Entertainments Tax Act, 1939 (hereinafter referred to as the principal Act), in clause (6), for sub clause (a), the following sub-clause. shall be substituted, namely:-

"(a) in the city of Hyderabad and in the city of Secunderabad, excluding the cantonment area, the Municipal Corporation of Hyderabad and in the city of Vijayawada, the Municipal Corporation of Vijayawada and in the city of Visakhapatnam, the Municipal Corporation of Visakhapatnam and in any other municipality, the municipal council concerned."

## **3. Substitution Of New Section For Section 4 :-**

For section 4 of the principal Act, the following section shall be substituted, namely:-

"4. Tax on entertainments.-(1) There shall be levied and paid to the State Government a tax on the gross collection capacity on every show (hereinafter referred to as the entertainments tax), in respect of entertainments held in the theaters specified in column (2) of the Table below and located in the local areas specified in the corresponding entry in column (1) of the said Table, calculated at the rates specified in the corresponding entry in column (3) thereof.

	THE TABLE			
	Local Area.		Theatre.	Rate of tax of the grosse collection capacity pe show.
	(1)		(2)	3)
(a)	Municipal Corporations and the Secunderabad cantonment area and the contiguous area of two Kilometers thereof.	(i)	Air Conditioned	29%
		(ii)	Air Cooled. .. ..	28%
		(iii)	Ordinary (other than air conditioned	25%

			and aircooled).	
(b)	Selection Grade Municipalities and the contiguous area of two kilometers thereof.	(i)	Air Conditioned	%
		(ii)	Air Cooled	27%
		(iii)	Ordinary (other than Air-conditioned and Air Cooled).	24%
(c)	Special Grade Municipalities and the contiguous area of two Kilometers thereof.	(i)	Air Conditioned....	27% .
		(ii)	Air Cooled	26%
		(iii)	Ordinary (other than Air-Conditioned and Air-Cooled).	23%
(d)	First Grade Municipalities and the contiguous area of two Kilometers thereof.	(i)	Air Conditioned	26%
		(ii)	Air Cooled	25%
		(iii)	Ordinary (other than Air-Conditioned and Air-Cooled).	22%
(e)	Second Grade Municipalities and the contiguous area of two Kilometers thereof		All Categories	21%
(f)	Third Grade Municipalities and the contiguous area of two Kilometers thereof.		All categories	20%
(g)	Gram Panchayats, Selection Grade Gram-Panchayats, Town ships and any other local area.	(i)	Permanent and Semi-permanent	20%
		(ii)	Touring and Temporary	19%

Explanation:-For the purpose of this section and section 5, the term gross collection capacity per show shall mean the national aggregate of all payments for admission, the proprietor would realise per show, if all the seats or accommodation as determined by the licensing authority under the Andhra Pradesh Cinemas (Regulation) Act, 1955(Presidents Act, IV of 1955) in respect of the place of entertainment are occupied and calculated at the maximum rate of payments for admission as determined by the said licensing authority.

(2) The amount of tax under sub-section (1) shall be payable by the proprietor on

the actual number of shows held by him in a week.

(3) The amount of tax due under this section shall be rounded off to the nearest rupee and for this purpose, where such amount contains a part of a rupee consisting of paise, then if such part is fifty paise or more it shall be increased to one rupee and if such part is less than fifty paise, it shall be ignored.

(4) Where a proprietor fails to pay the amount of tax on the due date, such amount of tax shall be recoverable with interest calculated at such rate as may be prescribed.

(5) No proprietor shall collect or cause to be collected any amount in excess of the payment for admission taken into consideration for calculating the gross collection capacity of the entertainment".

#### **4. Amendment Of Section 4-A :-**

In section 4-A of the principal Act;-

(1) for sub-section (1), the following sub-section shall be substituted, namely:-

"(1) In addition to the tax under section 4 there shall be levied and paid to the State Government in the case of entertainments held in the local area specified In colum (1) of the Table below, a tax calculated at the rates specified in the corresponding entry in column [2] thereof:-

THE TABLE	
Local areas.	Rate of tax for every show.
(1)	(2)
(a) Municipal Corporations and the Secunderabad contonment area and the contiguous area of two Kilometers thereof	.. Six rupees.
(b) Selection Grade, Special grade and first grade municipalities and the contiguous area of two Kilometers thereof	.. Six rupees.
(c) Second Grade and Third grade municipalities and the contiguous area of two Kilometers thereof	.. Four rupees.
(d) Gram Panchayats, Selection grade gram Pancha-yats, townships and any other local area	.. Two rupees."

(2) in sub-section (3), the figure "7" shall be omitted

#### **5. Omission Of Section 4-C :-**

Section 4-C of the principal Act, shall be omitted.

#### **6. Substitution Of New Section For Section 5 :-**

For, section 5 of the principal Act, the following section shall be substituted, namely:-.

"5. Option to pay tax in lieu of tax payable under section 4.--

(1) In lieu of the tax payable under section 4, in the case of the entertainments held in the theaters specified in column (2) of the Table below and located in the local areas specified in the corresponding entry in column (1) of the said Table, the proprietor thereof may at his option and subject to such conditions as may be prescribed, pay the amount of tax to the State Government, every week as specified in the corresponding entry in column (3) thereof.

The-Table

	Local Area.		Theatres.	Amount of tax.
	(1)		(2)	(3)
(a)	Municipal Corporations and the Secunderabad cantonment area and the contiguous area of two Kilometers thereof.	(i)	Air-Conditioned	24% of the gross collection capacity per show multiplied by 22-
		(ii)	Air-Colled	23% of the gross collection capacity per show multiplied by 22
		(iii)	Ordinary (other than Air-Conditioned and Air-Cooled)	20% of the gross collection capacity per show multiplied by 22.
(b)	Selection grade municipalities and the contiguous area of two kilometers thereof.	(i)	Air-conditioned	23% of the gross collection capacity per show multiplied by 22.
		(ii)	Air-Cooled	22% of the gross collection capacity per show multiplied by 22.
		(iii)	Ordinary (other than Air-Conditioned and Air-Cooled)	19% of the gross collection capacity per show multiplied by 22.
(c)	Special Grade Municipalities and the contiguous area of two kilometers thereof.	(i)	Air-conditioned	22% of the gross collection capacity per show multiplied by 21.
		(ii)	Air-cooled	21% of the gross collection capacity per show multiplied by 21
		(iii)	Ordinary (other than Air-conditioned	18% of the gross collection capacity per show multiplied by 21.

			and air-cooled).		
(d)	First Grade municipalities and the contiguous area of two kilometers thereof.	(i)	Air-conditioned	21% of the gross capacity per show by 21.	collection multiplied
		(ii)	Air-cooled	20% of the gross capacity per show by 21.	collection multiplied
		(iii)	Ordinary (other than Air-conditioned and Air-cooled).	17% of the gross capacity per show by 21.	collection multiplied
(e)	Second Grade municipalities and the contiguous area of two kilometers thereof.		All categories.	16% of the gross capacity per show by 21.	collection multiplied
(f)	Third Grade municipalities and the contiguous area of two kilometers thereof.		All categories.	15 % of the gross capacity per show by 17.	collection multiplied
(g)	Gram Panchayats, Selection Grade Gram Panchayats, townships, and any other local area.	(i)	Permanent and Semi permanent.	15% of the gross capacity per show by 14.	collection multiplied
		(ii)	Touring and temporary.	14% of the gross capacity per show by 7.	collection multiplied

Explanation:-For the purposes of computing the gross collection capacity per show in respect of any place of entertainment, the maximum seating capacity or accommodation and the maximum rate of payment for admission determined by the licensing authority under the Andhra Pradesh Cinemas (Regulation) Act, 1955(Presidents Act IV of 1955) as on the date when the proprietor is permitted to pay tax under this section shall be taken into account.

(2) The amount of tax under sub-section (1) shall be payable by the proprietor irrespective of the actual number of shows held by him in a week.

(3) Any proprietor who opts to pay tax under this section shall apply in the prescribed form to the prescribed authority to be permitted to pay the tax under this section.

(4) On being so permitted, such proprietor shall pay the tax for every week as specified in sub-section (1).

(5) The option permitted under this section shall continue to be in force till the end of the financial year in which such option is permitted.

(6) It shall be lawful for the prescribed authority to vary the amount of tax payable by the proprietor under sub-section (1) during the period of option permitted under this section at anytime, if there is an increase in the gross collection capacity per show in respect of the place of entertainment by virtue of an upward revision of the rate of payment for admission therein or of the seating capacity or accommodation thereof or where the local area in respect of which permission is granted is upgraded or if it is found for any reason that the amount of tax has been fixed lower than the correct amount.

(7) Every proprietor who has been permitted to pay the tax under this section shall intimate to the prescribed authority forthwith such increase in the gross collection capacity per show in respect of the place of entertainments, failing which it shall be open to the prescribed authority by giving fifteen days notice to cancel the option so permitted.

(8) Where a proprietor fails to pay the amount of tax on the due date, such amount of tax shall be recoverable with interest calculated at such rate as may be prescribed.

(9) The amount of tax due under this section shall be rounded off to the nearest rupee and for this purpose, where such amount contains part of a rupee consisting of paise, then if such part is fifty paise or more it shall be increased to one rupee and if such part is less than fifty paise, it shall be ignored".

## **7. Substitution Of New Section For Section 6 :-**

For section 6 of the principal Act, the following section shall be substituted, namely:-

"6. Admission to entertainments (1) No person shall be admitted on payment to an entertainment except with a ticket issued in such manner and subject to such conditions as may be prescribed.

(2) No person shall be admitted on payment to any entertainment unless the proprietor has with the previous approval of the prescribed authority made arrangements for furnishing returns of the payments for admission to the entertainment, and has, for the payment of the entertainment tax, given such security and in such manner as may be specified by the prescribed authority.

(3) Nothing in sub-section (2) shall be deemed to preclude the prescribed authority from requiring security from the proprietor of an entertainment for the payment of the entertainment tax in any other case".

## **8. Omission Of Section 7 :-**

Section 7 of the principal Act, shall be omitted.

## **9. Amendment Of Section 9-A :-**

In section 9-A of the principal Act:-

(1) for sub-section (1), the following sub-section shall be substituted, namely:-

"(1) Where, for any reason any entertainment show has escaped assessment to tax under section 4 or section 4-A, the prescribed authority may, subject to the provisions of sub-section (3) and at any time within such period as may be prescribed assess to the best of its judgement the tax due on such entertainment show under section 4 or section 4-A as the case may be after making such enquiry as it considers necessary and after giving the proprietor a reasonable opportunity to show cause against such assessment."

(2) in sub-section (2),

(a) the words "any payment for admission to any entertainment or" shall be omitted;

(b) the expression "or section 4-C" where ever it occurs shall be omitted.

(3) in sub-section (3), for the words "assessing authority", the words "prescribed authority" shall be substituted;

(4) in sub-section (4), in clause ( a),-

(a) for the words "assessing authority", the words "prescribed authority" shall be substituted :

(b) the words "Additional tax" shall be omitted.

#### **10. Insertion Of Of New Sections 9B To 9E 9B Appeals :-**

After section 9-A of the principal Act, the following sections shall be inserted, namely :

(1) Any proprietor aggrieved by an order passed or a proceeding recorded by any authority under the provisions of this Act, may within thirty days from the date on which the order of proceeding was served on him, appeal to such appellate authority as may be prescribed :

Provided that the appellate authority may admit an appeal preferred after a period of thirty days aforesaid if it is satisfied that the proprietor has sufficient cause for not preferring the appeal within that period.

(2) The appeal shall be in such form and verified in such manner, as may be prescribed, and shall be accompanied by a fee calculated at the rate of one per cent of the tax under dispute, subject to a maximum of rupees fifty

(3) Where an appeal is admitted under sub-section (1), the appellate authority may, on an application filed by the appellant and subject to such terms and conditions as it may think fit, order stay of collection of the tax under dispute pending disposal of the



appeal.

(4) Against an order passed by the appellate authority refusing to order stay under sub-section (3), the appellant may prefer revision petition within thirty days from the date of the order of such refusal to such authority as may be prescribed which may subject to such terms and conditions as it may think fit order stay of collection of tax under dispute pending the disposal of the appeal by the appellate authority.

(5) The appellate authority may, after giving the appellant an opportunity of being heard and subject to such rules of procedure as may be prescribed,-

(a) confirm, reduce, enhance or annul the assessment or penalty or both; or

(b) set aside the assessment or penalty or both and direct the authority whose order is appealed against to pass a fresh order after such further enquiry as may be directed; or

(c) pass such other order as it may think fit.

(6) Before passing orders under sub-section (5) the appellate authority may make such enquiry as it deems fit. or remand the case to any subordinate officer or authority for an enquiry and report on any specified point or points.

(7) Every order passed in appeal under this section shall, subject to the provisions of sections 9C, 9D, and 9E, be final.

9 C. Revision by the Entertainments Tax Commissioner and certain other authorities.--

(1) The Entertainments Tax Commissioner or the Entertainments Tax Joint Commissioner may suo-motu call for and examine the record of any order passed or proceedings recorded by any authority, officer or person subordinate to him under the provisions of this act, including sub-section (2), for the purpose of satisfying himself as to the legality or propriety of such order or as to the regularity of such proceedings and may pass such order in reference thereto as he thinks fit.

(2) Power of the nature referred to in sub-section (1) may also be exercised by the Entertainments Tax Deputy Commissioner and the Commercial Tax Officer in the case of orders passed or proceedings recorded by authorities, officers or persons subordinate to him.

(3) In relation to any order passed under this Act, the powers conferred by sub-sections (1) and (2) shall be exercisable only within such period, not exceeding four years, from the date on which the order was served on the proprietor as may be prescribed.

(4) No order shall be passed under sub-section (1) or sub-section

(2) enhancing any tax or penalty or any other amount unless an opportunity has been given to the proprietor to show cause against the proposed enhancement.

(5) Where an order passed under this section has been set aside by any court or other competent authority under this Act for any reason, the period between the date of such order and the date on which it has been so set aside, shall be excluded in computing the period prescribed under sub-section (3), for the purpose of making a fresh revision, if any, under this section.

(6) Where any proceeding under this section has been deferred on account of any stay order granted by the High Court in any case, or by reason of the fact that an appeal or other proceeding is pending before the High Court or the Supreme Court involving a question of law having a direct bearing on the order or proceeding in question of law having a direct bearing on the order or proceeding in question, the period during which the stay order was in force or such appeal or proceeding was pending shall be excluded in computing the period prescribed under sub-section (3) for the purpose of exercising the power under this section.

9 D. Revision by the High Court.--

(1) The proprietor or the authority prescribed in this behalf may, within sixty days from the date on which an order under sub-section (5) of section 9B was communicated to him, prefer a petition to the High Court against that order on the ground that the appellate authority has either decided erroneously, or failed to decide, any question of law :

Provided that the High Court may admit a petition preferred after the period of sixty days aforesaid, if it is satisfied that the petitioner had sufficient cause for not preferring the petition within that period.

(2) The petition shall be in the prescribed form, shall be verified in the prescribed manner and shall be accompanied by a fee of rupees one hundred.

(3) If the High Court, on perusing the petition, considers that there is no sufficient ground for interfering, it may dismiss the petition summarily :

Provided that no petition shall be dismissed unless the petitioner has had a reasonable opportunity of being heard in support thereof.

(4) (a) If the High Court does not dismiss the petition summarily, it shall, after giving both parties to the petition a reasonable opportunity of being heard, determine the question of law raised and either reverse, affirm or amend the order against which the

petition was preferred, or remit the matter to the appellate authority with the opinion of the High Court on the question or questions of law raised, or pass such other order in relation to the matter as the High Court thinks fit.

(b) Where the High Court remits the matter to the appellate authority under clause (a) with its opinion on the question or questions of law raised, appellate, authority shall amend the order passed by it in conformity with such opinion.

(5) Before passing an order under sub-section (4), the High Court may, if it considers it necessary so to do remit the petition to the appellate authority and direct it to return the petition with its finding on any specific question or issue.

(6) Notwithstanding that a petition has been preferred under sub-section (1), the tax shall be paid in accordance with the assessment made in the case :

Provided that the High Court may, in its discretion, permit the petitioner to pay the tax in such number of instalments, or given such other direction in regard to the payment of tax as it thinks fit; Provided further that if, as a result of the petition, any change becomes necessary in such assessment, the High Court may authorise the assessing authority to amend the assessment and on such amendment being made, the excess amount paid by the proprietor shall be refunded to him without interest, or the further amount of tax due from him shall be collected in accordance with the provisions of this Act, as the case may be.

(7) (a) The High Court may, on the application of the proprietor or the prescribed authority, review any order passed by it under sub-section (4) on the basis of facts which were not before it when it passed the order,

(b) The application for review shall be preferred within such time, and in such manner as may be prescribed and shall, where it is preferred by the proprietor, be accompanied by a fee of rupees one hundred.

(8) In respect of every petition or application preferred under sub-section (1) or sub-section (7) the costs shall be in the discretion of the High Court.

Appeal to High court.

(1) Any proprietor, objecting to an order passed by the Entertainments Tax Commissioner, Entertainments Tax Joint Commissioner or Entertainments Tax. Deputy Commissioner suo motu, under sub-section (1) or sub-section (2) of section 9C may appeal to the High Court within sixty days from the date on which

the order was communicated to him :

Provided that the High Court may admit an appeal preferred after the period of sixty days aforesaid if it is satisfied that the proprietor had sufficient cause for not preferring the appeal within that period.

(2) The appeal shall be in the prescribed form, shall be verified in the prescribed manner and shall be accompanied by a fee of rupees one hundred.

(3) The High Court shall, after giving both parties to the appeal, a reasonable opportunity of being heard, pass such order thereon as it thinks fit.

(4) The provisions of sub-sections (6), (7) and (8) of section 9D shall apply in relation to appeals preferred under sub-section (1) of this section as they apply in relation to petitions preferred under sub-section (1) of section 9D.

Limitation in respect of certain assessments or re-assessments ordered.

9F. Limitation in respect of certain assessments. or re-assessments ordered.--

Notwithstanding anything in sections 9A and 9D, where a fresh assessment or revision of an assessment is required to be made at any time in pursuance to or in consequence of or to give an effect to any order made or direction given under sections 9B or 9C or 9D or 9E by any authority or the High Court, such fresh assessment or re-assessment or revision shall be made, within three years from the date of receipt of such order by the assessing or revising authority".

## **11. Amendment Of Section 10 :-**

In section 10 of the principal Act:-

(a) sub-sections (1) and (2) shall be re-numbered as sub-sections (2) and (3), respectively and before sub-section (2) as so renumbered, the following sub-section shall be inserted, namely:-

"(1) If the tax assessed or the penalty levied under this Act, or any instalments thereof is not paid within the time specified for such payment, the proprietor shall pay interest calculated at such rate as may be prescribed in addition to the amount of such tax or penalty or instalments".

(b) for the marginal note, the following marginal note shall be substituted, namely:-

"Manner of payment and. recovery of tax and other dues payable under the Act".

## **12. Amendment Of Section 13 :-**

In sub-section (1) of section 13 of the principal Act, the expression "and section 4-C shall be omitted.

## **13. Omission Of Section 14A, 14B, 14C, And 14D :-**

Sections 14-A, 14-B, 14-C and 14-D of the principal Act, shall be omitted.

## **14. Amendment Of Section 16 :-**

In section 16 of the principal Act:-

(1) in clause (d) of sub-section (2) for the words "State Government", the words "prescribed authority" shall be substituted.

(2) after sub-section (2), the following sub-section shall be inserted, namely:-

"(2-A) Any rule made under this Act, may be made so as to have retrospective effect".

## **15. Amendment Of Section 19-A :-**

In section 19-A of the principal Act:-

(1) for the expression "from the levy of tax payable under section 4-C or the fixed sum" the words "from the payment of the amount of tax" shall be substituted;

(2) in the marginal heading, the expression "payable under section 4-C or sum" shall be omitted.

## **16. Repeal Of Ordinance 9 Of 1984 :-**

The Andhra Pradesh Entertainments Tax (Amendment) Ordinance, 1984 is hereby repealed :

Provided that upon such repeal the provision of section 8 of the Andhra Pradesh General Clauses Act 1891(Act 1 of 1891) shall apply :

Provided further that such repeal shall not affect the previous operation of the said Ordinance or any right, privilege, obligation or liability already accrued or incurred thereunder and all arrears of tax levied but not collected at the commencement of this Act may be recovered as if they had accrued under this Act.