

ANDHRA PRADESH RURAL DEVELOPMENT CESS ACT, 1996

11 of 1996

[26th August, 1996]

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SCHEDULE 1 :- SCHEDULE

ANDHRA PRADESH RURAL DEVELOPMENT CESS ACT, 1996

11 of 1996

[26th August, 1996]

An Act to provide for the levy and collection of cess for the rural development in the state and to provide for the matters connected therewith or incidental thereto. Be it enacted by the Legislative Assembly of the State of Andhra Pradesh in the forty-seventh of the Republic of India as follows

1. Short title, extent and commencement :-

(1) This Act may be called the Andhra Pradesh Rural Development

Cess Act, 1996.

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

(3) It shall be deemed to have come into force with effect on and from the 30th December, 1995.

2. Definitions :-

(1) In this Act, unless the context otherwise requires,

(a) "Board" means the Andhra Pradesh Rural Development Board established under Section 3;

(b) "Cess" means cess levied and collected under Section 7;

(c) "Dealer" means any person who carries on the business of buying, selling, supplying or distributing goods directly or otherwise whether for cash, or for deferred payment, or for commission, remuneration or other valuable consideration, and includes,

(i) a miller,

(ii) a commission agent, a broker, a del credere agent, an auctioneer or any other mercantile agent, by whatever name called, who carries on the business of buying, selling, supplying or distributing of goods specified in the Schedule on behalf of any principle or principles.

(d) "Fund" means the Andhra Pradesh Development Fund constituted under Section 8;

(e) "Government" means the Government of Andhra Pradesh;

(f) "Goods" means the goods specified in the schedule;

(g) "Miller" means a person who engages himself in milling operations in any rice mill, oil mill, dall mill, saw mill, ginning mill or a decorticating mill and includes a person who, or the authority which has the ultimate control over the affairs of such mill, and where the said affairs are entrusted to a manager, managing director or managing agent, such manager, managing director or managing agent;

(h) "Notification" means a notification published in the Andhra Pradesh Gazette and the word "notified" shall be construed accordingly;

(i) "Prescribed" means prescribed by rules made under this Act;

(j) "Processing" means giving treatment or a series of treatment to the goods to make them fit for use or consumption and includes manufacturing out of such goods;

(k) "Regulations" means regulations made under this Act;

(l) "Rural area" means area other than the

(i) local area included in a municipality;

(ii) local area constituted to be a city;

(iii) area declared as an urban area; and

(iv) place declared to be a cantonment under the Cantonments Act, 1994(Central Act 2 of 1994.)

(m) "Schedule" means a Schedule appended to this Act.

3. Establishment of Board, its constitution, powers and duties :-

(1) The Government may, by notification for exercising powers conferred on and performing the functions and duties assigned to the Board by or under this Act establish the Andhra Pradesh Rural Development Board.

(2) The Board established under sub section (1) shall consists of a Chairman and the following members namely:-

(a) Chief Secretary to the Government shall be the Chairman;

(b) Principal Secretary to Government, Revenue Department, Member.

(c) Secretary to Government, Food and Civil Supplies Department, Member

(d) Secretary to Government, Finance and Planning Department, Member.

(e) Secretary to Government, Panchayat Raj and Rural Development Department, Member.

(f) Secretary to Government, Transport, Roads and Buildings Department, Member.

(g) Commissioner, Commercial Taxes, Member, and

(h) Director, Civil Supplies, Ex-Officio Member, Convenor.

(3) The Board constituted under sub section (2), shall be a body corporate having perpetual succession and a common seal with powers, subject to the provisions of this Act, to acquire and hold property and shall by the said name sue and be sued.

4. Superintendence of the Board :-

The Government shall exercise superintendence and control over the Board.

5. Power to make regulations :-

Subject to the rules made under this Act, the Board may make regulations for transacting business at its meeting and for such other matters as may be prescribed.

6. Annual statement of accounts :-

(1) The Board shall submit to the Government an annual statement of accounts showing the income and expenditure of the Board for the ensuing year duly passed by it for approval of the Government in such form and in such manner as may be prescribed.

(2) The Government shall approve such statement of accounts and return to the Board within such period as may be prescribed.

7. Levy and collection of cess :-

(1) There shall be levied and collected by the Government a cess at the rate of five percent on the advalorem on the quantum of purchase of goods.

(2) The cess levied under sub section (1) shall be collected in such manner as may be prescribed.

(3) If any dealer fails to pay the amount of the cess levied under sub section (1), he shall in addition to the amount of cess be liable to pay interest on the amount of cess due from him at the rate of one rupee and fifty paise for every one hundred rupees or part thereof; for each month or part thereof, from the date of default.

(4) The cess levied under sub section (1) or interest payable under sub section (2) shall be collected by the Commercial Taxes Department and shall be credit to the Fund constituted under Section 8 of this Act.

(5) If the cess is levied and collected this section at first point of purchase of the goods no cess shall be levied at subsequent points of sale or purchases.

7A. Collection of cess by deduction from the amounts payable to dealers :-

(1) Notwithstanding anything contained in this Act, a Department of the Central Government or the State Government or an Industrial Commercial or trading undertaking of the Central Government or the State Government, or a local authority or a statutory body, or a company registered under the Companies Act, 1956 or any other person which, the Government may notify from time to time shall deduct from out of the amounts payable by them to a dealer in respect of goods purchased by them, an amount as per the calculation prescribed:

Provided that in the case of Food Corporation of India and Andhra Pradesh Civil Supplies Corporation, whenever rice is purchased from the dealers, the Rural Development Cess component on the corresponding paddy shall be the amount deductible under this sub-section.

(2) The cess deducted under sub-section (1) shall be remitted to Government in such manner and within such time as may be prescribed.

(3) The authority or person making deduction under sub-section (1) shall furnish to the dealer from whom such deduction is made, a certificate, containing such particulars as may be prescribed.

(4) If any such authority or person defaults to deduct the cess specified under sub-section (1) or defaults to remit the amount so deducted or any portion thereof as required under sub-section (2), it shall be liable to pay, in addition to the amount deductible, interest at the rates specified in sub-section (3) of Section 7 of the Act on the amount with respect to which the default has taken place from the date of default to the date on which such amount is remitted.

(5) The mode of deduction under sub-section (2) shall be without prejudice to any other mode of recovery of cess due under this Act from the dealer liable to pay Rural Development Cess.

8. Constitution of Fund :-

(1) There shall be constituted a Fund to be called "The Andhra Pradesh Rural Development Fund" which shall vest in the Board.

(2) The audit of the Fund shall be done by the Director appointed

under the provisions of the Andhra Pradesh State Audit Act, 1989.

9. Purpose for which the Fund may be applied :-

The Fund shall be applied for the purposes herein specified

- (i) to provide and accelerate comprehensive rural development including the construction of rural roads and bridges;
- (ii) to augment storage facilities for storing agricultural produce; and
- (iii) for maintaining and strengthening of Public Distribution System.

10. Punishments :-

Any dealer who contravenes the provisions of this Act or the rules made thereunder shall be punishable with a fine which shall not be less than five hundred rupees but which may extend to two thousand rupees.

11. Board of jurisdiction :-

No suit, prosecution or other legal proceeding shall lie against the Government or any officer of the Government or Board in respect of anything which is in good faith done or intended to be done in pursuance of this Act or rules made thereunder or any order issued thereunder.

12. Power to make rules :-

(1) The Government may by notification make rules to carry out the purposes of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for:

- (a) the preparation and submission for sanction of an estimate of annual income and expenditure;
- (b) period within which the amount is to be credited to the Fund under Section 8; and
- (c) any other matter which has to be or may be prescribed.

(3) Every rule made under this Act shall be laid before the 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 and if, before the expiry of the session in which it is so laid

or the successive session aforesaid, the House agrees in making any modification in the rule or in the annulment of the rule, the rule shall, from the date on which the modification or annulment is notified have effect only in such modified form or shall 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 or omitted to be done under that rule.

13. Power to amend Schedule :-

(1) The Government may, by notification alter, add to or cancel any of the schedule.

(2) Where a notification has been issued under sub section (1), there shall, unless the notification is in the meantime rescind, be introduced in the Legislative Assembly, as soon as may be, but in any case during the next session of the Legislative Assembly following the date of the issue of the notification, a Bill on behalf of the Government, to give effect in the alteration, addition, or cancellation, as the case may be, of the schedule specified in the notification, and the notification shall cease to have effect when such Bill becomes law, whether with or without modification, but without prejudice to the validity of any thing previously done thereunder:

Provided that if the notification under sub section (1) is issued when the Legislative Assembly is in session, such a Bill shall be introduced in the Legislative Assembly during that Session:

Provided further that where for any reason a Bill as aforesaid does not become law within six months from the date of this introduction in the Legislative Assembly, the notification shall cease to have effect on the expiration of the said period of six months.

(3) All references made in this Act, to any of the items in the schedule shall be construed as relating to the items in the schedule as for the time being amended in exercise of the powers conferred by this section.

14. Power to Assess, re assess, collect and enforce payment of cess :-

(1) Subject to the other provisions of this Act and the rules made thereunder the authorities for the time being empowered to assess, re-assess, collect and enforce payment of any tax under the Andhra

Pradesh General Sales Tax Act, 1957 shall, assess, re-assess, collect and enforce payment of cess including any interest payable by a dealer under this Act, and for this purpose they may exercise all or any of the powers they have under the Andhra Pradesh General Sales Tax, 1957, and the provisions of such law, including provisions relating to returns, provisional assessments, advance payment of imposition of the tax liability of a person carrying on business on the transferee of, successor to, such business, transfer of liability of any firm or Hindu undivided family to pay tax in the event of dissolution of such firm a partition of such family, recovery of tax from third parties, appeals, reviews, revision, references (refunds, rebates, penalties), (charging or payment of interest) compounding of offences and treatment of documents furnished by a dealer as confidential, shall apply accordingly.

(2) All the provisions relating to offences and penalties including the provisions relating to penalties in lieu of prosecution for an offence or in addition to the penalties or punishment for offence under the (Andhra Pradesh General Sales Tax Act, 1957, (Act VI of 1957) shall with necessary modifications apply in relation to the assessment, re-assessment, collection and enforcement of payment of any case required to be collected under this Act or in relation to any process connected with such assessment, re-assessment, collection and enforcement of payment as if the case under this Act were a tax under Andhra Pradesh General Sales Tax Act, 1957.

(3) Every dealer shall submit such return or returns in such manner, within such period and to such authority as may be prescribed.

15. Power to make regulations :-

(1) The Board, may, from time to time, with the previous approval of the Government, make regulations not inconsistent with this Act, and the rules made thereunder for the purposes of giving effect to the provisions of the Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such regulations may provide for transacting business at the meeting of the Board and for such other matters as may be prescribed.

16. Removal of difficulties :-

If any difficulty arises in giving effect to the provisions of this Act, the Government may, by Order, make such provisions, including

any adaptation or modification of any provision of this Act as appears to the Government to be necessary or expedient for the purpose of removing the difficulty.

17. Repeal of Ordinance 16 of 1996 :-

The Andhra Pradesh Rural Development Ordinance, 1996 is hereby repealed.

SCHEDULE 1

SCHEDULE

SCHEDULE	
(Goods liable to pay cess under Section 7)	
Sl.No.	Description of Goods
(1)	(2)
1.	Paddy
2.	Cashewnut