

**ANDHRA PRADESH TAX ON ENTRY OF MOTOR VEHICLES  
INTO LOCAL AREAS ACT, 1996**

**26 of 1996**

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## **ANDHRA PRADESH TAX ON ENTRY OF MOTOR VEHICLES INTO LOCAL AREAS ACT, 1996**

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It is observed that proper tax is not being realised by the State on all the Motor Vehicles which are being used in Andhra Pradesh. Many Vehicles are purchased at low tax in the neighbouring States and brought and used in the State. Since no sales took place within our State the Government is not getting any revenue on such vehicles. To overcome such problem, neighbouring States like, Tamil Nadu and Kerala have introduced Entry Tax on Motor Vehicles and in Karnataka it is being levied on all the commodities except 35 specified items. Entry Tax was introduced in our State in the year 1987 on Textiles, Tobacco and Sugar and it was subsequently withdrawn from 1st April, 1990. It is decided to levy Entry Tax on Motor Vehicles only to arrest tax evasion. The rate of tax on the local sales on motor vehicles is increased from 4% to 8% on the first sales and Entry Tax is levied at the rate of 8%. Entry Tax is not leviable if the motor vehicles suffer tax under local Sales Tax Act. The levy of entry tax on motor vehicles is therefore mainly meant to plug the leakage of revenue. To achieve the above object, Government have decided to enact, a separate law for the purpose. As the Legislative Assembly of the State was not then in session, having been prorogued and it has been decided to give effect to the above decision immediately, the Andhra Pradesh Tax on Entry of Motor Vehicles into Local Areas Ordinance, 1996 (Andhra Pradesh

Ordinance No.22 of 1996) has been promulgated by the Governor on 1st August, 1996.

**1. Short title extent and commencement :-**

(1) This Act may be called the Andhra Pradesh Tax on Entry of Motor Vehicles into Local Areas 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 from 1st August, 1996.

**CHAPTER 1**

**Chapter**

**2. Definitions :-**

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

(a) 'accessories' means car air conditioner, music system or any other article fitted to a motor vehicle which is not included in the original invoice;

(b) 'appellate authority' means an appellate authority appointed under Section 6;

(c) 'assessing authority' means an assessing authority appointed under Section 5;

(d) 'entry of motor vehicle into a local area' with all its grammatical variations and cognate expressions, means entry of motor vehicle into a local area from any place outside the State for use or sale therein;

(e) 'General Sales Tax Act' means the Andhra Pradesh General Sales Tax Act, 1957 (Act No. VI of 1957);

(f) 'Government' means the State Government;

(g) 'Importer' means a person who brings a motor vehicle into a local area from any place outside the State for use or sale therein or who owns the vehicle at the time of its entry into the local area;

(h) 'local area' means the area of jurisdiction of a local authority;

(i) 'local authority' means the area within the limits of, a city as declared under the Hyderabad Municipal Corporation Act, 1955, or the Visakhapatnam Municipal Corporation Act, 1979, or the

Vijayawada Municipal Corporation Act, 1981 or any other Municipal Corporation in the State, as in force or a municipality as constituted or deemed to have been constituted under the Andhra Pradesh Municipalities Act, 1965, or any notified area, as declared under Section 389-A of the Andhra Pradesh Municipalities Act, 1965 or the area within the limits of Gram Panchayats, under Andhra Pradesh Panchayat Raj Act, 1994.

(j) 'Motor vehicle' means a motor vehicle defined in Clause (28) of Section 2 of the Motor Vehicles Act, 1988 (Central Act, 59 of 1988);

(k) 'notification' means a notification published in the "Gazette".

(l) 'person' includes any company or association or body of individuals whether incorporated or not, a firm, a local authority, a Hindu undivided family, society, club, an individual, the Central Government or the Government of any other State or Union Territory;

(m) 'prescribed' means prescribed by rules made under this Act;

(n) 'purchase value' means the value of a motor vehicle, as ascertained from the original invoice and includes the value of accessories fitted to the vehicle, insurance, excise duties countervailing duties, sales tax, transport fee, freight charges and all other charges incidentally levied on the purchase of a motor vehicle:

Provided that, where the purchase value of a motor vehicle is not ascertainable on account of non-availability or non-production of the original invoice or when the invoice produced is proved to be false or if the motor vehicle is acquired or obtained otherwise than by way of purchase, then the purchase value shall be the value or price at which a motor vehicle of like kind or quality is sold or is capable of being sold, in open market;

(o) 'State' means the State of Andhra Pradesh;

(p) 'tax' means tax payable under this Act.

(2) Words and expressions used, but not defined in this Act, and defined in the General Sales Tax Act, shall have the meanings respectively assigned to them under that Act.

## CHAPTER 2

## Levy of Tax

### **3. Levy of tax :-**

(1) Subject to the provisions of this Act, there shall be levied and collected tax on the entry of any motor vehicle into any local area for use or sale therein which is liable for registration in the State under the Motor Vehicles Act, 1988 (Central Act 59 of 1988). The tax levied shall be at such rate or rates as may be fixed by the Government, by notification, on the purchase value of the motor vehicle but not exceeding the rates specified for motor vehicles in the First Schedule to the General Sales Tax Act, 1957:

Provided that no tax shall be levied and collected in respect of any motor vehicle which was registered in any Union Territory or any other State under the provisions of the Motor Vehicles Act, 1988, prior to period of fifteen months or more from the date on which, it is registered in the State:

Provided further that no tax shall be levied and collected in respect of any motor vehicle which is owned by Central Government and is used exclusively for the purposes relating to the Defence of India.

(2) The tax shall be payable by the importer in such manner and within such time as may be prescribed.

(3) Where the motor vehicle is taken delivery of, on its entry into a local area or brought into a local area by a person other than an importer, the importer who takes delivery of the motor vehicle from such person shall be deemed to have brought or caused to have brought the motor vehicle into the local area.

### **4. Reduction in tax liability :-**

(1) Where an importer of a motor vehicle liable to pay tax under this Act, being a dealer in motor vehicles, becomes liable to pay tax under the General Sales Tax Act, as a result, of the sale of such motor vehicle, then the amount of tax payable under the General Sales Tax Act, shall be reduced by the amount of the tax paid under this Act.

(2) An importer, other than a dealer, liable to pay tax under this Act, causes entry of motor vehicle into a local area for use or sale therein, shall pay tax to such authority, as Commissioner may notify within fifteen days from the date of entry of such vehicle into a local area or before an application is made for registration of the

said vehicle or assignment of a new registration mark to such vehicle under the Motor Vehicles Act, 1988, whichever is earlier.

(3) Where an importer who, not being a dealer in motor vehicles, had purchased a motor vehicle for his own use in any Union Territory or any other State, then the tax payable by him under this Act shall, subject to such conditions as may be prescribed, be reduced by the amount of tax paid, if any, under the law relating to General Sales Tax in force in that Union Territory or State.

### CHAPTER 3

#### Assessing and Appellate Authorities

##### **5. Assessing Authorities :-**

The Government, may by notification appoint the officers of the Commercial Taxes Department not below the rank of Deputy Commercial Tax Officer to be the assessing authority for the purposes of this Act and may assign to them such local area or local areas as may be specified in such notification.

##### **6. Appellate Authorities :-**

The Government may, by notification appoint such officers of the Commercial Taxes Department of the rank of Deputy Commissioner of Commercial Taxes to be the appellate authorities for the purposes of this Act and may assign to them such local area or local areas as may be specified in such notification.

### CHAPTER 4

#### Returns, Assessment, Payment, Recovery and Refund of Tax

##### **7. Returns :-**

Every importer who is a dealer liable to pay tax under this Act shall furnish returns in such form, for such period, by such dates and to such authority, as may be prescribed.

##### **8. Assessment :-**

(1) The amount of tax due from a person liable to pay tax under this Act shall be assessed separately for such period as may be prescribed.

(2) If the assessing authority is satisfied that the return furnished by a person liable to pay tax is correct and complete, he shall assess the amount of tax due from the person on the basis of such return.

(3) If the assessing authority is of the opinion that the return furnished by a person liable to pay tax is not correct and complete, he shall serve on such person, in the prescribed manner a notice requiring him, to attend on a date and at a place specified therein, and produce or cause to be produced, all evidence on which the said person relies in support of his return or to produce such evidence as specified in the notice and on the date specified in the notice, and as soon as may be, thereafter, the assessing authority shall after considering all the evidence which may be produced, assess the amount of tax due from the person.

(4) If a person fails to comply with the requirements of any notice issued under sub-section (3), the assessing authority shall determine the purchase value of the motor vehicle under the proviso to Clause (n) of Section 2 to the best of his judgment and assess the amount of tax due from him and may direct the importer to pay in addition to the tax so assessed penalty as specified in sub-section (1) of Section 18.

(5) No order of assessment under sub-section (3) or sub-section (4) or any period shall be made after the expiry of three years from the last date prescribed for filing of returns for that period. If, for any reason such order is not made within the period aforesaid, then the return so filed shall be deemed to have been accepted as correct and complete for assessing the tax due from such person.

#### **9. Reassessment :-**

If, after a person liable to pay tax has been assessed under Section 8 for any period, the assessing authority has reason to believe that any purchase value or part thereof has, in respect of that period, escaped assessment or has been under assessed or assessed at a lower rate, then the assessing authority may within four years from the date of the order of assessment of the particular period and after giving the person a reasonable opportunity of being heard, reassess the tax due from him and may direct him to pay in addition to the tax so assessed, penalty as specified in sub-section (1) of Section 18.

#### **10. Payment of Tax :-**

(1) The tax shall be paid in the manner hereinafter provided.

(2) A person liable to pay the tax shall, before furnishing returns as required by sub-section (1) of Section 7, pay into the Government Treasury, in the prescribed manner, the whole of the amount of tax

due from him according to such return.

(3) The amount of--

(i) the tax due, where return has been furnished without full payment thereof;

(ii) the difference in the tax assessed under Section 8 or reassessed under Section 9 for any period, and the sum already paid by the person in respect of such period; and;

(iii) the penalty, if any, levied under Section 18, shall be paid by the person into the Government Treasury by such date, which shall be after twenty one days from the date of service of the notice, as may be specified in the notice issued by the assessing authority for this purpose.

(4) Any tax or penalty which remains unpaid after the date specified in the notice for payment, shall be recoverable as if it were an arrear of land Revenue.

### **11. Refund of Tax :-**

(1) The assessing authority shall refund to a person the amount of the tax and the penalty, if any, paid by such person in excess of the amount due from him for any period and the refund may be either by cash payment or at the option of the person, by reduction of such excess from the amount of the tax and the penalty, if any, due from that person in respect of any other period:

Provided that the assessing authority shall first apply such excess towards the recovery of any amount due in respect of which a notice under sub-section (4) of Section 10 has been issued, and shall then refund the balance, if any.

(2) Where as a result of any order passed in appeal or other proceeding under this Act, refund of any amount becomes due to the importer, the assessing authority shall refund the amount to the importer without his having to make any claim in that behalf, or adjust or apply, such amount as provided in sub-section (1).

(3) Where a levy and collection of tax is held invalid by any judgement or order of a Court or Tribunal, it shall not be necessary to refund any such tax to the importer unless it is proved by the importer to the satisfaction of the assessing authority that the tax has not been collected from the purchaser of the motor vehicle.



### **11A. Refund on appeal etc :-**

Where as a result of any order passed in appeal or other proceeding under this Act, refund of any amount becomes due to the importer, the assessing authority shall refund the amount to the importer without his having to make any claim in that behalf, or adjust or apply, such amount as provided in Section 11.

### **11B. Non-refund of tax in certain cases :-**

Where a levy and collection of tax is held invalid by any judgment or order of a Court or Tribunal, it shall not be necessary to refund any such tax to the importer unless it is proved by the dealer to the satisfaction of the assessing authority that the tax has not been collected from the purchaser of the Motor Vehicle.

### **12. Exemptions and Reductions :-**

Subject to such conditions as they may impose, the Government may, if it is necessary so to do in the public interest, by notification, reduce the rate of tax on any type of Motor Vehicle or exempt any specified class of importers or type of Vehicles from payment of the whole or part of the tax payable under this Act.

## **CHAPTER 5**

### **Appeals and Revision**

### **13. Appeals :-**

(1) An appeal from every original order under this Act shall lie to the appellate authority.

(2) No appeal shall be entertained by the appellate authority unless it is filed within thirty days from the date of receipt of the order appealed against by the assessee, and unless the entire amount of tax and penalty, if any, has been remitted by the assessee in the Government Treasury.

(3) Subject to such rules as may be made in this behalf every appellate authority referred to in sub-section (1) shall have the following powers, namely :-

(a) in an appeal against an order of assessment to confirm, reduce, enhance or annul the assessment, or set aside the assessment and refer the case back to the assessing authority for making a fresh assessment in accordance with the direction given by it or him; and

(b) in any other case, to pass such orders in the appeal as may be deemed just and proper.

#### **14. Revision :-**

(1) The Commissioner of Commercial Taxes may suo motu call for and examine the records of the proceedings of any order made by any authority, officer or person subordinate to it under the provisions of this Act including sub-section (2) of this section and if such order or proceeding recorded is prejudicial to the interests of revenue and may make such enquiry or cause such enquiry to be made and subject to the provisions of this Act, may initiate proceedings to revise, modify or set aside such order or proceeding and may pass such order in reference thereto as it thinks fit.

(2) Powers of the nature referred to in sub-section (1) may also be exercised by the Additional Commissioner, Joint Commissioner and Deputy Commissioner in the case of orders passed or proceedings recorded by authorities, officers or persons subordinate to them.

(3) The powers conferred by sub-section (1) shall be exercised within a period of four years from the date on which the said order was served on the Importer.

#### **15. Appeal to Appellate Tribunal :-**

(1) Any importer objecting to an order passed or proceeding recorded--

(a) by any appellate authority on appeal under Section 13; or

(b) by a Joint Commissioner or Deputy Commissioner suo motu under sub-section (2) of Section 14 may appeal to the Appellate Tribunal within sixty days from the date on which the order or proceeding was served on him.

(2) The Appellate Tribunal may admit an appeal preferred after the period of sixty days mentioned in sub-section (1), if it is satisfied that the importer had sufficient cause for not preferring the appeal within that period.

(3) The appeal shall be in the prescribed form shall be verified in the prescribed manner and shall be accompanied by such fee, calculated at the rate of two per cent of the tax or penalty under dispute subject to a minimum of one hundred rupees and a maximum of two thousand rupees.

(4) The Appellate Tribunal may, after giving both parties to the appeal a reasonable opportunity of being heard--

- (i) confirm, reduce, enhance or annul the assessment or the penalty or both;
- (ii) set aside the assessment or the penalty or both and direct the assessing authority to pass fresh order after such further inquiry as may be directed; or
- (iii) pass such order as it may think fit:-

Provided that if the appeal involves a question of law, decision on which is pending in any proceeding before the High Court or the Supreme Court, the Appellate Tribunal may defer the hearing of the appeal before it till such proceeding is disposed of.

(5) Before passing any order under sub-section (4), the Appellate Tribunal may make such inquiry as it deems fit or remand the case to the appellate authority against whose order the appeal was preferred or to the assessing authority concerned for an inquiry and report on any specified point or points.

(6) Notwithstanding anything in sub-section (4), where the importer who has filed an appeal under this section to the Appellate Tribunal fails to appear before the Appellate Tribunal, either in person or by counsel when the appeal is called on for hearing, it shall be open to the Appellate Tribunal to make an order dismissing the appeal:-

Provided that the Appellate Tribunal, may on an application made by the importer within thirty days from the date of communication of the order of dismissal and on sufficient cause being shown by him for his non-appearance when the appeal was called on for hearing, re-admit the appeal on such terms as it thinks fit, after giving notice thereof to the authority against whose order or proceeding the appeal is preferred.

(7) Except as provided in the rules made under this Act, the Appellate Tribunal shall not have power to award costs to either of the parties to the appeal.

(8) Every order passed by the Appellate Tribunal under sub-section (4) shall be communicated by it to the importer, the authority against whose order the appeal was preferred, the Commissioner and such other authorities as may be prescribed.

(9) Every order passed by the Appellate Tribunal under sub-section (4) shall, subject to the provision of Section 14, be final.

## **16. Revision by High Court :-**

(1) Within ninety days from the date on which an order under sub-section (4) of Section 15 was communicated to him, the importer or the authority prescribed in this behalf may prefer a petition to the High Court against the order on the ground, that the Appellate Tribunal 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 ninety 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, where it is preferred by the importer, be accompanied by a fee of five hundred rupees.

(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 or questions of law raised and either reverse, affirm or amend the order against which the petition was preferred or remit the matter to the Appellate Tribunal 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 Tribunal under Clause (a) with its opinion on the question or questions of law raised, the Appellate Tribunal 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 Tribunal 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) 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 give 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 importer 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 importer 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 importer, be accompanied by a fee of five hundred rupees.

(8) The payment of tax and penalty if any due in accordance with the order of the Appellate Tribunal in respect of which a petition has been preferred under sub-section (1) shall not be stayed pending the disposal of the petition but if such amount is reduced as a result of such petition, the excess tax paid shall be refunded in accordance with the provisions of Section 11.

(9) 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.

## **17. Appeal to High Court :-**

(1) Any importer objecting to an order relating to assessment passed by the Commissioner suo motu under sub-section (1) of Section 14 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 such importer 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 calculated at the rate of two per cent of tax or penalty under dispute subject to a minimum of one hundred rupees and a maximum of two thousand rupees.

(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), (8) and (9) of Section 16 shall apply in relation to appeal preferred under sub-section (1) as they apply in relation to petitions preferred under sub-section (1) of Section 16.

## CHAPTER 6

### Penalty and Checking of Motor Vehicles

#### **18. Penalty :-**

(1) Where any person liable to pay tax under this Act, fails to comply with any of the provisions of this Act, the assessing authority may, after giving such person a reasonable opportunity of being heard, by order, in writing, impose on him, in addition to any tax payable, a sum by way of penalty not exceeding twice the amount of the tax due.

(2) If any person liable to pay tax under this Act, does not, without reasonable cause, pay the tax within the time he is required by or under the provisions of this Act, to pay it, the assessing authority may, after giving such person a reasonable opportunity of being heard by order, in writing, impose upon him by way of penalty, in addition to the amount of tax and penalty under sub-section (1), a sum equal to,--

(a) one and a half per cent of the amount of tax for each month for the first three months after the last date by which the person should have paid the tax; and

(b) two per cent of amount of tax per each month thereafter during the time the person continues to make default in the payment of

the tax.

**19. Officers competent to check Motor Vehicles in Local areas :-**

(1) Any officer of the Commercial Taxes Department authorised by the Government under sub-section (3) shall have power to stop any motor vehicle that is being brought into any local area for sale or use and examine the documents relating to purchase of the vehicle and payment of tax due thereon under this Act.

(2) The person incharge of the vehicle shall stop the vehicle and keep the vehicle stationary so long as it is necessary for examination mentioned in sub-section (1) and shall give the details about the purchase of the vehicle and payment of tax under this Act.

(3) The Government may authorise any officer of the Commercial Taxes Department, not below the rank of Commercial Tax Officer to exercise the powers specified in sub-section (1) in such local areas or part thereof as may be notified from time to time.

**20. Impounding of Motor Vehicle on Import of which Tax is not paid :-**

If a person liable to pay tax in the manner as laid down under sub-section (2) of Section 4 fails to pay tax within 15 days from the entry of motor vehicle into the local area or before an application is made for registration of the vehicle under the Motor Vehicles Act, 1988, whichever is earlier, then the designated officer shall forthwith impound the vehicle in respect of which tax has remained unpaid and keep the vehicle impounded till the amount of tax and penalty due and payable is paid in full:

Provided that, if the amount of tax and penalty is not paid within one month of impounding of the vehicle, the designated officer shall have power to sell the vehicle in the prescribed manner, by auction and apply the sale proceeds towards recovery of the tax, penalty and costs. The remainder, if any, shall be refunded to the importer;

Provided further that, if, at any time before the auction of the vehicle, the importer pays the tax, penalty and costs, if any, incurred towards holding the auction, then, the designated officer may, after satisfying that all the dues as aforesaid have been fully paid by the importer cancel the auction and return the vehicle to

the importer.

## CHAPTER 7

### Miscellaneous

#### **21. Officers and Employees to be Public Servants :-**

All officers and employees acting under the provisions of this Act, shall be deemed to be public servants within the meaning of Section 21 of the Indian Penal Code, 1860 (Central Act 45 of 1860).

#### **22. Protection of action taken in good faith :-**

No suit, prosecution or other legal proceeding shall lie against the Government or any officer or employee for anything which is, in good faith, done or intended to be done under this Act.

#### **23. Restriction on registration :-**

Notwithstanding anything contained in any other law for the time being in force, where the liability to pay tax in respect of a motor vehicle arises under this Act, and such motor vehicle is required to be registered in the State under the Motor Vehicles Act, 1988 (Central Act 59 of 1988), no registration authority shall register such motor vehicle, unless payment of such tax has been made by the person concerned in respect of that vehicle.

#### **24. Offences :-**

(1) Any person, who--

(a) fails to pay, within the time allowed any tax assessed or any penalty imposed on him under this Act; or

(b) wilfully acts in contravention of the provisions of this Act or the rules made thereunder; shall, on conviction, be liable to be punished with fine which may extend to two thousand rupees.

(2) Any person, who, -

(a) wilfully submits an untrue return or fails to submit a return as required by the provisions of this Act or the rules made thereunder; or

(b) Fraudulently evades the payment of any tax, and other amount due from him under this Act, shall on conviction, be liable to be punished, if it is a first offence, with fine which may extend to two thousand rupees, and if it is a second or subsequent offence, with simple imprisonment which may extend to six months or with fine



which may extend to two thousand rupees or with both.

(3) Any person who makes any statement or declaration in any of the records or documents which statement or declaration he knows or has reason to believe to be false shall, on conviction, be liable to be punished with simple imprisonment which may extend to six months or with fine which may extend to two thousand rupees or with both.

(4) Any person, who is in any way knowingly concerned in any fraudulent evasion or attempt at evasion or abetment of evasion of any tax payable under this Act, shall, on conviction, be liable to be punished with simple imprisonment which may extend to six months or with fine which may extend to two thousand rupees or with both.

**25. . :-**

(1) No Court other than the Court of a Magistrate of the First Class shall take cognizance of, or try, an offence under this Act.

(2) No prosecution for an offence under sub-section (2) of Section 24 or for any second or subsequent offence under sub-section (2) of that section shall be instituted except with the written consent of the Deputy Commissioner having jurisdiction over the local area.

**26. . :-**

(1) The prescribed authority may accept from any person, who has committed or is reasonably suspected of having committed an offence under this Act by way of composition of such offence :-

(a) where the offence consists of failure to pay, or the evasion of, any tax recoverable under this Act, in addition to the tax so recoverable a sum of money not exceeding two thousand rupees or double the amount of the tax recoverable, whichever is greater; and

(b) in other cases, a sum of money not exceeding two thousand rupees.

(2) Any order passed or proceeding recorded by the prescribed authority under sub- section (1), shall be final and no appeal or application for revision shall lie therefrom.

**27. An assessing authority, an appellate authority or a revision authority shall, for the purpose of this Act, have**

**power :-**

(a) to summon and enforce the attendance of any person to examine him on oath or affirmation; and (b) to require the production of any document.

**28. . :-**

Save as otherwise expressly provided in this Act, no Court shall entertain any suit or other proceeding to set aside or modify or question the validity of an assessment order or decision made or passed by any officer or authority under this Act or any rules made thereunder or in respect of any other matter falling within its or his scope.

**29. . :-**

No assessment made, penalty or compounding fee levied or other order passed by any officer or authority under this Act, shall be set aside merely on account of any defect or irregularity in the procedure relating thereto, unless it appears that such defect or irregularity has in fact occasioned material hardship or failure of justice.

**30. Power to make Rules :-**

(1) The Government may, by notification, make rules, either prospectively or retrospectively, for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for the following matters, namely;

(a) the duties and powers of officers appointed for the purpose of enforcing the provisions of this Act;

(b) all matters expressly required or allowed by this Act, to be prescribed;

(c) generally regulating the procedure to be followed and the forms to be adopted in the proceedings under this Act;

(d) any other matter including levy of fees for which there is no specific provision in this Act, and for which provision is in the opinion of the Government, necessary for giving effect to the purposes of this Act; and

(e) the procedure for any other matter incidental to the disposal of

appeal and the value of Court-Fee Stamp which a memorandum of appeal or revision should bear.

(3) Every rule made under this section shall immediately after it is made, be laid before the Legislative Assembly of the State 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 expiration of the session in which it is so laid or the session immediately following the Legislative Assembly 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 under that rule.

**31. Repeal of Ordinance 22 of 1996 :-**

The Andhra Pradesh Tax on Entry of Motor Vehicles into Local Areas Ordinance, 1996 is hereby repealed.