

NAGALAND SALES TAX ACT, 1967

2 of 1967

[15th November, 1967]

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SCHEDULE 1 :- Goods taxable at 10 (ten) paise in the rupee

SCHEDULE 2 :- SCHEDULE

NAGALAND SALES TAX ACT, 1967

2 of 1967

[15th November, 1967]

An Act to provide for the levy of a tax on the sales of goods in Nagaland Preamble. Whereas it is necessary to make an addition to the revenues of Nagaland and, for that purpose, it is expedient to impose a tax on the sale of goods ; It is hereby enacted in the Eighteenth Year of the Republic of India as follows :

1. Short title, extent and commencement :-

(1) This Act may be called the Nagaland Sales Tax Act, 1967.

(2) It extends to the whole of Nagaland.

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

2. Definitions :-

In this Act, unless there is anything repugnant in the subject or context

(1) "Commissioner" means the Commissioner of Taxes appointed under S. 3;

(4) "Declared goods" means goods declared by S. 14 of the Central Sales Tax Act, 1956 (Act 74 of 1956) to be of special importance in inter-State trade or commerce and the sale of which is taxable under this Act;

(5) "Goods" means all kinds of movable property other than newspapers, actionable claims, stocks, shares or securities, and includes all materials, articles and commodities, whether or not to be used for the purposes referred to in sub-Cls. (a) and (b) of Cl. (2) ;

(6) "Gross turnover" means the turnover referred to in S. 13 ;

(7) "Net turnover" means the turnover referred to in S. 14 ;

(7A) "Concessional turnover" means turnover which is covered by sub-CJ. (b) of CJ. (1) of S. 14;

(8) "Person" means any individual or association or body of individuals, and includes a Department of any Government, a Hindu undivided or joint family, a firm and a company, whether incorporated or not ;

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

(10) "Registered dealer" means a dealer registered under the provisions of this Act ;

(b) [Omitted].

(13) "Section" means a section of this Act;

(14) "State" means the State of Nagaland ; and

(15) "Year" means the financial year.

3. Taxing authorities :-

(1) The State Government may for carrying out the purposes of this Act, appoint a Commissioner of Taxes, and such other persons to assist him as it thinks fit.

(2) Persons appointed under sub-S. (1) shall exercise such powers as may be conferred, and perform such duties as may be required, by or under this Act.

(3) All persons appointed under sub-S. (1) shall be deemed to be public servants within the meaning of S. 21 of the Indian Penal Code, 1860 (Act XLV of 1860).

4. Liability to tax :-

(1) Subject to the provisions of this Act every dealer whose gross turnover from sales which have taken place either wholly in Nagaland or both in and outside Nagaland during the twelve months immediately preceding the date of such commencement exceeded Rs. 12,000 shall be liable to pay tax under this Act on sales which have taken place in Nagaland on and from the date of such commencement.

(2) Every dealer to whom sub-S. (1) does not apply shall, if his gross turnover calculated from the commencement of any year exceeds the taxable quantum, at any time within such year, be liable to pay tax under this Act on the expiry of two calendar months from the date on which such gross turnover first exceeds the taxable quantum on sales effected after such expiry.

(3) Dealer registered under the Central Sales Tax Act, 1956 (74 of 1956) who is not liable to pay tax under sub-Ss. (1) and (2) above shall, nevertheless, be liable to pay tax on his sale of any goods in respect of the purchases of which he has furnished a declaration under sub-S. (4) of S. 3 of the Central Sales Tax Act, 1956 or on the sale of any goods in the manufacture of which such goods have been used and every such dealer who is liable to pay tax shall be deemed to be a registered dealer.

(5) Every dealer who has become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years, during each of which his gross turnover from sales which have taken place either wholly in Nagaland or both in and outside Nagaland has failed to amount to or exceed the "taxable quantum" and on the expiry of this period, his liability to pay tax under this Act shall cease.

(6) Every dealer whose liability to pay tax under the provisions of sub S. (4) shall, if his gross turnover calculated from the commencement of any year again exceeds the taxable quantum at

any time within such year, be liable to pay such tax on the expiry of two calendar months from the date on which such gross turnover again first exceeds the taxable quantum on all sales effected after such expiry.

(7) Where the dealer liable to pay tax under this Act starts a new business, partnership firm or concern, whether by changing the constitution, style or name of the previous business, partnership firm or concern shall notwithstanding anything contained in the proviso to subS. (2) of this section, be liable to pay tax on sales which have taken place in Nagaland from the date of the commencement of the said business, partnership firm or concern, as the case may be.

5. Rate of tax :-

The tax payable by a dealer under this Act shall be at the rates specified in the Schedule I attached to this Act ;

provided that the State Government may, by notification in the official Gazette, notify different rates for different classes of goods ;

provided further that the rate of tax on any class or classes of goods shall not exceed twelve per centum.

6. Charge of tax :-

7. Limit of application of the Act :-

No tax shall be levied under this Act on the sale of

(1) goods taxable under the Nagaland (Sales of Petroleum and Petroleum Products, including Motor Spirit and Lubricants) Taxation Act, 1967 ;

(2) goods covered by sub-S. (4), under the Nagaland (Sales of Petroleum and Petroleum Products, including Motor Spirit and Lubricants) Taxation Act, 1967 ; and

(3) goods specially exempted under the provisions of this Act:

8. Exemptions :-

(1) Subject to the conditions and exemptions, if any, set out in Schedule II attached to this Act, the sales of goods specified therein shall be exempted from taxation under this Act.

(2) The State Government, after giving in the official Gazette such previous notice as may be considered reasonable of its intention so

to do, may, by like notification, add to, amend or otherwise modify, the said Schedule and thereupon the said Schedule shall be deemed to be amended accordingly.

9. Compulsory registration :-

(1) No dealer shall, while being liable to pay tax under the provisions of this Act, carry on business as a dealer unless he has been registered and possesses a certificate of registration.

(2) Every dealer required by sub-S. (1) to be registered shall apply for registration to the Commissioner in the prescribed manner, and obtain a certificate of registration.

(3) On receipt of an application under sub-S. (2) the Commissioner shall, if he is satisfied after such enquiry as may be deemed necessary that the application is in order, register the applicant.

10. Registration by Commissioner :-

(2) The Commissioner shall register any dealer who has been convicted under S. 42 or has paid composition money under S. 45 in respect of any contravention of sub-S. (1) of S. 9.

(3) Registration made under sub-S. (1) or sub-S. (2) shall take effect as if these had been made on the dealer's application under sub-S. (2) of S. 9.

11. Voluntary registration :-

(1) Any dealer whose gross turnover during a year exceeds Rs. 5,000 may, notwithstanding that he may not be liable to pay tax under S. 4, apply in the prescribed manner to the prescribed authority for registration under this Act.

(2) The provisions of sub-S. (3) of S. 9 and of S. 12 shall apply in respect of applications for registration under sub-S. (1) of this section.

(3) Every dealer who has been registered upon application under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act.

(4) The registration effected under the provisions of this section shall be in force for a period of not less than three complete years and shall remain in force thereafter unless cancelled under the provisions of this Act.

(5) A dealer registered under this section may, subject to the provisions of sub-S. (4), apply not less than six months before the end of a year to the authority which granted him his certificate of registration for cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made ; and the said authority shall, unless the dealer is liable to pay tax under S. 4, cancel the registration accordingly.

12. Certificate of Registration :-

(1) A dealer registered under S. 9 or S. 10 shall be granted a certificate of registration in such form as may be prescribed, which shall specify the class or classes of goods in which at the time of the grant of the said certificate the dealer carries on business and such other particulars as may be prescribed.

(4) The Commissioner or any officer authorised by him in writing in this behalf, if it appears to him to be necessary so to do for the proper realisation of the tax levied under this Act, may impose, for reasons to be recorded in writing as a condition of the issue of a registration certificate to a dealer or of the continuance, in effect, of such a certificate issued to any dealer, a requirement that the dealer shall give security up to an amount and in the manner approved by the Commissioner for the payment of the tax for which he may be or become liable under this Act.

13. Gross turnover :-

(1) The gross turnover of a dealer during any given period shall be determined by taking the aggregate of the sale prices of goods sold during that period.

14. . :-

Net turnover The net turnover shall be determined by deducting from a dealer's gross turnover during any given period

(2) the amount of any debt proved to have been bad and written off on which tax has been paid ; and

(3) the per centum as against each item of the balance remaining after making the deductions admissible under Cls. (1) and (2) in case of goods specified below :

15. Returns :-

(1) Every registered dealer shall furnish such returns of his total turnover by such dates and to such authority as may be prescribed.

(2) In the case of any other dealer whose total turnover is, in the opinion of the Commissioner, of such amount as to render him liable to pay tax under this Act for any year or a part thereof, the Commissioner may serve at any time within eight years of the end of the aforesaid period a notice in the prescribed form upon him requiring him to furnish a return of his total turnover ; and such dealer shall thereupon furnish the return within the period and to the authority mentioned in the notice.

(3) If any dealer discovers any omission or oilier error in any return furnished by him either under sub-S. (1) or sub-S. (2), he may furnish a revised return at any time before assessment is made on the original return.

(4) No return submitted under this section shall be valid unless it is accompanied by a treasury receipt showing payment of the tax due as provided in sub-S. (2) of S. 36.

16. Assessment :-

(1) If the Commissioner is satisfied that a return furnished by a dealer under S. 15 in respect of any period is correct and complete, he shall, by an order in writing, assess the dealer and determine the tax payable by him on the basis of such return.

(2) If the Commissioner is not satisfied that a return furnished under S. 15 is correct and complete, he shall serve on the dealer a notice requiring him, on the date and at the hour and place specified therein, either to attend in person or to produce or cause to be produced any evidence on which he may rely in support of his return.

(3) On the day specified in the notice under sub-S. (2) or as soon afterwards as may be, the Commissioner, after hearing such evidence as the dealer may produce and such other evidence as the Commissioner may require, shall, by an order in writing, assess the dealer and determine the tax payable by him on such assessment.

17. Cancellation of assessment :-

Where a dealer, in the case of an assessment completed under sub-S. (4) of S. 16, satisfies the Commissioner, within one month from the date of service of a notice of demand as hereinafter provided, that he was prevented by sufficient cause from making the return required by S. 15 or that he did not receive the notice issued under sub-S. (2) of S. 15 or sub-S. (2) of S.16, or that he had not a

reasonable opportunity to comply, or was prevented by sufficient cause from complying with the terms of the notice, the Commissioner shall cancel the assessment and make a fresh assessment in accordance with the provisions of S. 16.

18. Assessment in case of evasion :-

If upon information which has come into his possession, the Commissioner is satisfied that any dealer has been liable to pay tax under this Act in respect of any period and has nevertheless failed to apply for registration, and to make the return required of him, the Commissioner may, at any time within eight years of the aforesaid period, serve on the dealer a notice containing all or any of the requirements which may be included in a notice under sub-S. (2) of S. 15 and may proceed to assess the dealer in respect of such period and all subsequent periods, and the provisions of the Act, so far as may be, shall apply accordingly as if the notice were a notice issued under the aforesaid sub-section :

Provided that the tax shall be charged at the rate at which it would have been ordinarily chargeable ;

Provided further that before making an assessment under this subsection, the Commissioner shall give notice to the dealer of his intention so to do and allow him a reasonable opportunity of being heard.

19. Turnover escaping assessment :-

(2) The Commissioner may authorise any person appointed under S. 3 to assist him in investigating any case or appoints in a case at any stage to make a report thereon to the Commissioner or any prescribed authority in respect of all or any of the assessments made in relation to the case in order to prevent the evasion of tax. After considering the report of the investigating officer the Commissioner may proceed to take action under sub-S. (1) besides initiating any other action under this Act against the dealer concerned.

20. Restriction on movement :-

No person shall take delivery or transport from any railway station, airport, post office or any other place whether of similar nature or otherwise notified in this behalf by the State Government, any consignment of goods the sale of which is taxable under this Act, exceeding such quantities and except in accordance with such conditions as may be prescribed. Such conditions shall be made

with a view to ensure that there is no evasion of the tax imposed by this Act.

21. Rectification of assessment :-

(2) Where any such rectification has the effect of reducing the assessment, a refund shall be due to the dealer.

(3) Where any such rectification has the "effect of enhancing the assessment a notice of demand shall be issued for the sum payable.

22. Penalty for concealment of turnover and evasion of tax :-

(2) No order under sub-S. (1) shall be made unless a dealer has been heard or has been given a reasonable opportunity of being heard.

(3) [Omitted].

23. Assessment not to bar prosecutions or penalties :-

Any assessment made under this Act shall be without prejudice to any prosecution or penalty instituted or imposed under the provisions of this Act.

24. Tax of deceased payable by representative :-

(1) Where a dealer dies after assessment but before payment of the tax, his executor, administrator or other legal representative shall be liable to pay, out of the estate of the deceased to the extent to which it is capable of meeting the charge, the tax assessed as payable by such dealer.

(2) Where a dealer dies without having furnished the return required by S. 15 or after having furnished the return but before assessment, the Commissioner may proceed to make an assessment and determine the tax payable by the deceased ; and for this purpose he may require the executor, administrator or other legal representative, as the case may be, of the deceased to perform all or any of the obligations which he might under the provisions of this Act, have required the deceased to perform. The tax thus determined shall be payable by the executor, administrator or other legal representative of the deceased to the extent to which the estate of the deceased is capable of meeting the charge.

25. Assessment and recovery of tax on transfer of business

:-

(2) Notwithstanding anything contained in this Act, if it appears to the Commissioner during any current return period that any dealer is likely to change, sell, transfer, dispose of or otherwise part with any of his assets with a view to avoiding payment of any liability under the provisions of this Act, the net turnover of such dealer for the period from the expiry of the previous return period to the date when the Commissioner commences proceeding under this section shall be chargeable to tax in that period.

26. Liability of guardian, trustee, etc :-

Where the business in respect of which tax is payable under this Act is carried on by, or is in charge of, any guardian, trustee or agent of a minor or other incapacitated person on behalf of, and for the benefit of, such minor or other incapacitated person, the tax shall be levied upon and recoverable from such guardian, trustee or agent, as the case may be, in like manner and to the same extent as it would be leviable upon and recoverable from any such minor or other incapacitated person, if he was of full age and sound mind and if he was conducting the business himself ; and all the provisions of this Act shall apply accordingly.

27. Liability of Courts of Wards, etc :-

Where the estate or any portion thereof of a dealer owning a business in respect of which tax is payable under this Act is under the control of the Courts of Wards, the Administrator-General,, the Official Trustee or any Receiver or Manager (including any person, whatever his designation, Who in fact manages the business) appointed by, or under any order of a Court of Wards, Administrator-General, Official Trustee, Receiver or Manager in like manner and to the same extent as it would be leviable upon and recoverable from the dealer if he was conducting the business himself; and all the provisions of this Act shall apply accordingly.

28. Liability of agent of non-resident :-

Where the business in respect of which tax is payable under this Act is owned by a non-resident person the tax shall be levied upon and recoverable from the agent of such non-resident person in like manner and to the same extent as it would be leviable upon and recoverable from the owner if he was resident in the State and conducting the business therein ; and all the provisions of this Act shall apply accordingly.

29. Liability in case of discontinued firm or association :-

Where business carried on by a firm or an association of persons, other than a company as defined in the Indian Companies Act, 1956 and in respect of which tax is payable under this Act, is discontinued or the association of persons is dissolved, the tax shall be levied upon and recovered from jointly and severally, every person who at the time of such discontinuance or dissolution as a partner of such firm or member of such association ; and all the provisions of the Act shall apply accordingly.

30. Liability to pay tax on cancellation of certificate or dissolution of a firm or association :-

(1) When a certificate of registration is cancelled under sub-S. (3) of S. 12 in any case other than that of a dissolution of a firm or association of persons, the dealer shall be liable to pay tax on his stock of goods remaining unsold at the time of cancellation of the certificate and all the provisions of this Act shall apply accordingly.

(2) In case of dissolution of a firm or association of persons, the tax on the stock of goods remaining unsold at the time of such dissolution, shall be levied upon and recovered from, jointly and severally, every person who at the time of such dissolution was a partner of such firm or member of such association ; and all the provisions of this Act shall apply accordingly.

31. Appeal :-

(2) Every appeal under sub-S. (1) shall be presented in the prescribed form and shall be verified in the prescribed manner.

(3) The appellate authority shall fix a day and place for hearing of the appeal, and may, from time to time, adjourn the hearing and make or cause to be made, such further enquiry as may be deemed necessary.

32. Revision by Commissioner :-

(1) The Commissioner may call for and examine the record of any proceeding under this Act, and if he considers that any order passed therein by any person appointed under S. 3 to assist him is erroneous in so far as it is prejudicial to the interest of the revenue, he may, after giving the dealer an opportunity of being heard and after making or causing to be made such enquiry as he deems necessary, passes such orders thereon as the circumstances of the

case justify, including an order enhancing or modifying the assessment, or cancelling the assessment, and directing a fresh assessment.

(2) In the case of any order other than an order to which sub-S. 1) applies passed by any person appointed under S. 3 to assist him, the Commissioner may, either of his own motion or on a petition, by a dealer for revision, call for the record of any proceeding under this Act in which any such order has been passed and may make such enquiry or cause such enquiry to be made, and subject to the provisions of this Act, may pass such order thereon, not being an order prejudicial to the dealer as he thinks fit.

33. Appeal to State Government :-

(1) Any dealer by an order passed in appeal under S. 31 or passed in revision under sub-S. (1) of S. 32 may appeal to the State Government within sixty days of the date on which such order is communicated to him.

(2) The State Government may admit an appeal after the expiration of the sixty days referred to in sub-S. (1) if it is satisfied that for reasons beyond the control of the appellant or for any other sufficient cause it could not be filed within time.

(3) An appeal to the State Government shall be in the prescribed form and shall be verified in the prescribed manner, and shall be accompanied by a fee of twenty-five rupees.

(4) The State Government may, after giving the dealer an opportunity of being heard, pass such orders thereon as it thinks fit, and shall communicate any such orders to the dealer and to the Commissioner,

34. Reference :-

(1) Within sixty days from the date of service of any order under S. 33, the dealer may, by petition in writing require the State Government to refer to the High Court any question of law arising out of such order of the State Government or the State Government may make such reference out of its own motion. Where the petition is made by a dealer it shall be accompanied by a fee of one hundred rupees.

(2) Within sixty days of the receipt of the petition under sub-S. (1) the State Government shall, subject to the provisions in sub-S. (3),

draw up, after such hearing and enquiry as may be considered necessary, a statement of the case and refer it with its opinion thereon to the High Court.

(3) The State Government may reject the application under sub-S. (1) and refuse to state the case on the ground that it is time-barred or otherwise incompetent, or that no question of law arises and the applicant may, within thirty days of such refusal, withdraw the application and if he does so, the fee paid shall be refunded.

(4) Where the application under sub-S. (1) is rejected on the ground that no question of law arises and where no action is taken by the applicant under sub-S. (3), he may, within ninety days from the date of such rejection, apply to the High Court against the order rejecting the application, and if, upon receipt of such an application, the High Court is not satisfied with the correctness of the decision, it may require the State Government to state the case and refer it and, on receipt of any such requisition, the State Government shall state and refer the case accordingly.

(5) Where the application under sub-S. (1) is rejected on the ground that it is time-barred and where no action is taken by the applicant under sub-S. (3), he may, within ninety days of the date of such rejection, apply to High Court against the order rejecting the application and if upon receipt of such application the High Court is not satisfied with the correctness of the decision, it may require the State Government to treat the application under sub-S. (1) as made within time.

(6) Where the High Court is not satisfied that the statement in a case referred under this section is sufficient to enable it to determine the question of law raised thereby, it may refer the case back to the State Government to make such' additions thereof or such alterations therein as may be directed and the State Government shall thereupon comply with the directions and resubmit the case accordingly.

(7) The High Court upon the hearing of any such case shall decide the question of law raised thereby, and shall deliver its judgement thereon containing the grounds on which such decision is founded and shall send to the State Government a copy of such judgment under the seal of the Court and signature of the Registrar, and the State Government shall, on receipt of the copy of the judgment, order disposal of the case accordingly.

(8) Where a reference is made on the application of a dealer the costs shall be in the discretion of the High Court.

(9) Notwithstanding that a reference has been made under this section to the High Court, payment of tax shall not be stayed pending disposal of such reference, but where the amount of tax is reduced as the result of the reference, excess shall be refunded in accordance with the provisions of this Act.

(10) Section 5 of the Indian Limitation Act, 1908 (IX of 1908) shall apply to an application to the High Court by dealer under this section.

35. Notice of demand :-

When any tax or penalty or other dues is or are payable in consequence of any order passed under or in pursuance of this Act, the Commissioner shall serve upon the person liable to pay such tax or penalty or other dues a notice of demand in the prescribed form specifying the sum so payable.

36. Tax when payable :-

(1) Tax payable under this Act shall be paid in the manner hereinafter provided.

(2) Before any registered dealer furnishes the return required by sub-S. (1) of S. 15, he shall, in the prescribed manner, pay into a Government Treasury the full amount of tax due from him under this Act on the basis of such returns, and shall furnish along with the returns a receipt from such treasury in token of payment of such tax.

(3) Where a revised return is submitted by a registered dealer under sub-S. (3) of S. 15 and if the revised return shows a greater amount of tax to be due than was payable on the basis of the original return, the dealer shall pay the excess amount of tax in the manner provided in sub-S. (2), and shall furnish along with the revised return a receipt in token of payment of such excess tax.

37. Collection of tax by dealers :-

No person who is not a registered dealer shall realise any amount by way of tax under this Act on sales of goods from the purchasers. Without prejudice to the provisions of sub-S. (2) of S. 42, the amount realised by any person as tax on sales of any goods shall, notwithstanding anything contained in any other provision of this

Act, be deposited by him in a Government Treasury within such period as may be prescribed, if the amount payable as tax in respect of those sales or if no tax is payable in respect thereof, and in default of such payment, double the amount shall be recovered as a public demand under the Bengal Public Demands Recovery Act, 1913 (3 of 1913).

38. Other dues when payable :-

Any dues, other than the amount of tax payable under this Act, shall be paid by the person concerned by such date as may be specified, in the notice of demand and where no such date is specified, it shall be paid within thirty days from the date of the service of the notice.

39. Mode of recovery :-

(2) Where a dealer is in default, the Commissioner may, in his discretion, direct that in addition to the amount due a sum not exceeding that amount shall be recovered from the defaulter by way of penalty.

(3) Where a dealer is in default, the Commissioner may order that the amount due shall be recoverable as a public demand under the Bengal Public Demand Recovery Act, 1913 and may proceed to realise the such amount due.

40. Refund :-

The Commissioner shall, in the prescribed manner, refund to a dealer any sum paid by such dealer in excess of the sum due from him under this Act, either by cash payment or at the option of the dealer by set-off against the sum due from him in respect of any other period.

41. Remission :-

The State Government, for reasons to be recorded in writing, may remit the whole or part of the amount of the tax or penalty payable in respect of any period by any registered dealer who has suffered heavy loss due to any natural calamity.

42. Offences and penalties :-

Whoever

(1) carries on business as a dealer or acts in contravention of any of the provisions of this Act; or

(2) fails, without reasonable cause, to submit in due time any

return as required by or under the provisions of this Act, or submits a false return ; or

(3) being a registered dealer, falsely represents when purchasing any class of goods that goods of such class are covered by his certificate of registration ; or

(4) not being a registered dealer, falsely represents when purchasing goods that he is a registered dealer ; or

(5) fails, when required by or under the provisions of this Act, to keep accounts or records of sales ; or

(6) fails, where required by or under the provisions of this Act, to produce any accounts, evidence or documents or to furnish any information ; or

(7) fails or neglects to comply with any requirements made of him under the provisions of this Act ; or

(8) knowingly produces incorrect accounts, registers or documents or, knowingly furnishes incorrect information; or

(9) fraudulently or wilfully evades the payment of any tax due under this Act or conceals his liability to such tax ; or

(10) fails to pay within the time allowed any tax assessed or any penalty levied on him; or

(11) prevents or obstructs inspection or entry by any officer acting under the provisions of this Act ; or

(12) prevents or obstructs any officer-in-charge of a checkpoint or barrier from making any entry or inspection of goods or in interpreting, detaining or searching any vehicle carrying goods; or

(13) demands or charges from any purchaser sales tax as such on the sales of any goods exempted under S. 7 and S. 8 or under any notification issued thereunder or at a rate higher than payable under the provisions of this Act; shall, on conviction before a Magistrate and in addition of any tax or penalty or both that may be due from him, be punishable with imprisonment which may extend to six months or with fine not exceeding one thousand rupees or with both, and when the offence is a continuing one, with a daily fine not exceeding fifty rupees during the period of the continuance of the offence.

43. False statement in declaration :-

Whoever makes a statement in a verification or declaration in connection with any proceedings under this Act which is false, and which he either knows or believes to be false, or does not believe to be true shall, on conviction before a Magistrate, be punishable with simple imprisonment which may extend to six months or with fine which may extend to one thousand rupees, or with both.

44. Cognizance of offences :-

(1) No Court shall take cognizance of any offence under this Act or under the rules made thereunder except with the previous sanction of the Commissioner, and no Court inferior to that of a Magistrate of the first class shall try any such offence.

(2) All offences punishable under this Act shall be cognizable and bailable.

45. Composition of offences :-

(2) On payment of sum as may be determined by the Commissioner under sub-S. (1) no further proceeding shall be taken against the person concerned in respect of the same offence.

46. Disclosure of information by a public servant :-

(1) All particulars contained in any statement made, return furnished or accounts or documents produced in accordance with this Act, or in any evidence given or affidavit or deposition made in the course of any proceedings under this Act other than proceedings before a Criminal Court or in any record of any proceedings under this Act, shall, save as provided in sub-S. (3), be treated as confidential, and notwithstanding anything contained in the Indian Evidence Act, 1872, no Court shall, save as aforesaid, be entitled to require any public servant to produce before it any such statement, return, accounts, document or record or any part thereof, or to give evidence before it in respect thereof.

(2) If, save as provided in sub-S. (3), a public servant discloses any of the particulars referred to in sub-S. (1), he shall be punishable with imprisonment which may extend to six months and shall also be liable to fine.

47. Maintenance and preservation of accounts :-

(1) Every registered dealer or other dealer on whom a notice has

been served to furnish returns under sub-S. (2) of S. 15, shall keep a true account of the goods bought and sold by him, and if the accounts maintained in the ordinary course do not, in the opinion of the Commissioner, enable him to apply a proper check on the returns furnished under the provisions of this Act, he may, by notice in writing, require such dealer to keep such accounts (including records of sales) in such form as he may, subject to anything that may be prescribed, direct.

(2) Accounts referred to in sub-S. (1) together with all vouchers relating to stocks, delivery, purchases, output, and sales shall be preserved for such period as may be prescribed.

48. Power to order production of accounts and power of entry and inspection :-

(1) Subject to such conditions and restrictions as may be prescribed, the Commissioner may, for the purposes of this Act, require any dealer to produce before him any accounts, registers or documents, and to furnish any information relating to the stocks of goods of or purchases, sales and deliveries of goods, by the dealer.

(2) All accounts, registers and other documents relating to the stock of goods of, or purchases, sales or deliveries of goods by, any dealer, the goods in his possession and his offices, shops, godown's and vehicles shall, at reasonable times, be open to inspection by the Commissioner.

(3) If the Commissioner has reason to suspect that any dealer is attempting to evade payment of any tax under this Act, he may, for reasons to be recorded in writing, seize such accounts, registers or documents of the dealer as may be necessary, and shall grant a receipt for the same, and shall retain the same only for so long as may be necessary for the purposes of this Act.

(4) [Omitted].

(5) [Omitted].

49. Power to call for information :-

The Commissioner may, for the purposes of this Act

(1) require any firm or association of persons or Hindu undivided or joint family to furnish him with a statement of the names and addresses of the members of the firm or association or of the names and addresses of the manager and members of the family,

as the case may be ;

(2) require any person whom he has reason to believe to be a trustee, guardian, manager or agent to furnish him with a statement of the names of persons with their addresses for or of whom he is a trustee, guardian, manager or agent ;

(3) require any person whom he has reason to believe to have obtained goods from outside the State to furnish him with statement of the names of the persons with their addresses from whom he has obtained the goods and of the names and prices of goods obtained ;

(4) require any person whom he has reason to believe to have despatched goods to any place outside the State to furnish him with a statement of the names of persons with their addresses to whom he has despatched the goods and of the names and prices of goods despatched ;

(5) require any person, including a Banking Company or any officer thereof, to furnish any such particulars in respect of the transactions of any dealer with such bank, which during the course of its business handles or transports goods liable to tax under this Act.

50. Bar of suits in Civil Court and indemnity :-

No suit shall be brought in any Civil Court to set aside or modify any assessment made or order passed under the provisions of this Act, and no prosecution, suit or other proceeding shall lie against any officer of the Government or anything in good faith done or intended to be done under this Act or the rules made thereunder.

51. Power to take evidence on oath, etc :-

The Commissioner shall, for the purposes of this Act have the same powers as are vested in a Deputy Commissioner under the Rules for the Administration of Justice and Police in the Naga Hills District, 1937, when trying a suit, in respect of the following matters :

(1) enforcing the attendance of any person and examining him on oath or affirmation ;

(2) compelling the production of document ;

(3) issuing commissions for the examination of witness, and any such proceeding before the Commissioner shall be deemed to be a "Judicial proceeding" within the meaning of Ss. 193 and 228 and

for the purposes of S. 196 of the Indian Penal Code, 1860 (Act XLV of 1860).

52. Computation of the period of limitation :-

In computing the period of limitation prescribed for an appeal or a revision or reference, the day on which the order complained of was made and the time requisite for obtaining a copy of such order, shall be excluded.

53. Information to be furnished regarding change of business :-

(2) Where any dealer as aforesaid dies, his successor or legal representative shall furnish the information in the like manner.

54. Service of notices :-

(1) A notice or requisition under this Act may be served on person therein named either by post or as if it were a summons issued by a Court.

(2) Any such notice or requisition may, in the case of a firm or Hindu undivided or joint family, be addressed to any member of the firm or to the manager, or any adult member of the family and, in the case of any other association of persons, be addressed to the principal officer thereof.

55. Delegation of Commissioners powers :-

The Commissioner may, subject to such restrictions and conditions as may be prescribed, delegate, by notification in the official Gazette, any of his powers under S. 3 to assist him.

56. Power to remove difficulties :-

If any difficulty arises in giving effect to the provisions of this Act, the State Government may, as occasion may require, by order do anything not inconsistent with the purposes of this Act, as appear to them to be necessary or expedient for removing the difficulty.

57. Power to make rules :-

(1) The State Government may, subject to the condition of previous publication, make rules for carrying out the purposes of this Act

.

(3) In making any rule the State Government may direct that a

breach thereof shall be punishable with fine not exceeding five hundred rupees, and when the offence is a continuing one, with a daily fine not exceeding twenty-five rupees during the continuance of the offence.

(4) Every rule made under this section shall be laid, as soon as may be after it is made, before the Nagaland Legislative Assembly while it is in session 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 session immediately following, the Nagaland Legislative Assembly agree in making any modification in the rules or the Nagaland Legislative Assembly agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, 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.

58. Refund on inter-State trade :-

Notwithstanding anything contained in the Act, where a tax has been levied in respect of the sale inside State of any declared goods and such goods are sold in the course of inter-State trade or commerce, the tax so levied shall be refunded.

59. Erection of checkpoints :-

(1) The State Government may by notification set up and erect, in such manner as may be prescribed, checkpoints and barriers at any place in the State with a view to preventing the evasion of tax payable under this Act.

(2) Every person transporting goods shall, at any checkpoint or barrier, set up and erect in accordance with sub-S. (1) and before crossing such checkpoint or barrier, file before the officer-in-charge of the checkpoints or barrier, if so directed by him, a correct and complete declaration of the goods in such form and in such manner as may be prescribed.

(3) The officer-in-charge of the checkpoint or barrier may, for the purpose of satisfying himself that the provisions of sub-S. (2) are not being contravened and subject to such restriction as may be prescribed, intercept, detain and search any vehicle which may be suspected of being used for contravening such provisions.

60. Repeal :-

The Assam Sales Tax Act, 1947 (Assam Act XVII of 1947) as extended to Nagaland shall stand repealed:

Provided further that anything done or any action taken (including any appointment or delegation made, instruction or direction made, certificate of registration granted) under the Act hereby repealed shall be deemed to have been done or taken under the corresponding provisions of this Act and shall continue to be in force accordingly unless and until suspended by anything done or any action taken under this Act.

61. Repeal and savings :-

(2) Notwithstanding the repeal of the said Act by this section, the operation of the said Act before repeal for the purpose of levy, assessment and collection of sales tax shall continue to be dealt with under the said Act, as if the said Act has not been repealed.

(3) The mention of particular matters in this section shall not be held to prejudice or affect the general application of S. 6 of the General Clauses Act, 1897 (Act X of 1897) with regard to the effect of repeal.

SCHEDULE 1

Goods taxable at 10 (ten) paise in the rupee

SCHEDULE 1

[See Section 5]

A. Goods taxable at 10 (ten) paise in the rupee:

Sl. No. Name of taxable goods

..... **1. All arms including
rifles, revolvers, pistols**

and ammunition for the same.

....2. All clocks, time-pieces and watches and parts thereof.

....3. Articles made of or inlaid with ivory.

....4. Binoculars, telescopes and opera glasses.

....5. Carpets including Durries.

....6. Cigarette cases and lighters.

....7. Cinematographic equipment including cameras, projectors and sound recording and reproducing equipment, lenses, films and parts or accessories required for use therewith.

....8. Dictaphones and other similar apparatus for recording sound and spare parts thereof.

....9. Electroplated nickel or silver or German silver goods.

....10. Foam rubber products.

....11. Gramophones and component parts thereof and records.

....12. Iron and steel safes and almirahs.

....13. Motor cycles and motor cycle combinations, motor

scooters, motorettes.

....14. Motor vehicles,
including chassis of
motor vehicles.

....15. Perambulators.

....16. Photographic and
other cameras and
enlargers, lenses, films
and plates, paper and
cloth and other parts and
accessories required for
use therewith.

....17. Precious stones

including diamonds,
emeralds, rubies, real
pearls and sapphires,
synthetic or artificial
precious stones, pearls,
artificial or cultured.

....18. Refrigerators and
air conditioning plants
and component parts
thereof.

....19. Stainless steel
products.

....20. Sound transmitting

equipment including telephones and loud speakers and spare parts thereof.

....21. Typewriters, tabulating machines, calculating machines and duplicating machines and parts thereof.

....22. Upholstered furniture, sofa sets, dressing tables and furniture of all types made of timber, iron 'or

steel, except items 43 to 46 of Schedule II.

....23. Wireless reception instruments and apparatus, radios and radio gramophones, electrical valves, accumulators, amplifiers and loud speakers and spare parts and accessories thereof.

....24. Wines, liquors and alcoholic drinks other than drugs.

....1. All electrical goods, instruments, apparatus, appliances and all such articles the use of which cannot, be had except with the application of electrical energy, including fans, lighting bulbs, electrical earthenwares and porcelain and all other accessories and component parts either sold as whole or in parts.

....2. All machineries and spare parts thereof (including spare parts of motor vehicles, motor cycles, motor scooters and motorettes but excluding sewing machines and spare parts thereof) not listed separately in this Schedule.

....3. Bicycles, tricycles, rickshaws and cycle combinations and accessories and parts

thereof.

....4. Cosmetics including scents, perfumes, powders, snows, hair oils, scented sticks and other toilet requisites.

....5. Crockery and cutlery, including knives, forks, spoons and articles made of glass, China, porcelain or glazed earthenware adopted for domestic use.

....6. Glassware, bottles and phials, funnels, glass part of lamps, sheets and plates, photo and other frames and mirrors.

....7. Ladies' hand bags and other types of vanity bags.

....8. Paints, colours, lacquers, and varnishes including glue, polish, turpetine, enamels and indigo and brush and

sand paper.

....9. Plastic, celluloid and bakelite goods.

....10. Rubber products excluding foot-wear but including tyres and tubes.

....11. Vacuum flasks of all kinds.

....C. Goods taxable at 3 (Three) paise in the rupee: Declared goods.

.....D. Goods taxable at 1
(one) paisa in the rupee:
Ready-made garments.

.....E. Goods taxable at 5
(Five) paise in the rupee:
All other goods not
mentioned elsewhere in
this Schedule.