

KARNATAKA HEALTH CESS ACT, 1962

28 of 1962

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STATEMENT OF OBJECTS AND REASONS [KARNATAKA ACT No. 25 OF 1962] Karnataka Gazette, Extraordinary, dated 27-8-1962 In accordance with the provisions of the Karnataka Health Cess Act, 1951, health cess at the rate of half anna in the rupee is being levied on all items of land revenue in the area of the former State of Karnataka. Provision also exists in the Act to levy the cess at a rate not exceeding one anna in the rupee on other items of revenue. In the merged areas of Bombay, Coorg, Hyderabad and Madras no health cess is being levied. Levy of this cess throughout the new State of Karnataka is considered necessary to implement a programme of adequate health service to the citizens of the State and unless suitable enactment applicable to the entire State is made, no cess can be levied in the merged areas. Hence this Bill.

STATEMENT OF OBJECTS AND REASONS [KARNATAKA ACT No. 19 OF 1968] Karnataka Gazette, dated 2-5-1968 The Explanation to

item 1 of Schedule A to the Mysore Health Cess Act, 1962 (Mysore Act 28 of 1962), and item 2 of the said Schedule relating to levy of health cess on water rate are held to be invalid in certain decisions of Courts. In view of this, they are proposed to be omitted from the said Schedule. It is also proposed to clarify that the levy of health cess under item 3 of Schedule A is on cinematograph shows only, incidentally referent to 'naya paisa' is proposed to be made in terms of 'paisa'. Hence this Bill.

1. Short title, extent and commencement :-

(1) This Act may be called the Karnataka Health Cess Act, 1962.

(2) It extends to the whole of the State of Karnataka.

(3) It shall be deemed to have come into force on the first day of April, 1962.

2. Definitions :-

In this Act:

(1) "Local authority" means a municipal corporation, a municipal committee, a town committee, a municipal council, a borough municipal council, a sanitary or town board, a notified area committee, a taluk development board, a village panchayat or any authority established for the purpose of local self-Government or village administration;

(2) "Notification" means a notification published in the Official Gazette.

3. Levy of health cess :-

There shall be levied and collected a health cess at the rate of ¹ [fifteen paise] in the rupee on,

(i) all items of land revenue;

(ii) the items of State Revenues mentioned in Schedule A; and

(iii) the items of taxes mentioned in Schedule B levied under any law for the time being in force by a local authority.

1. Substituted for the words "nine paise" by Act No. 33 of 1976 and shall be deemed to have come into force w.e.f. 1-4-1976

4. Recovery of health cess :-

The health cess payable under Section 3 shall be levied, assessed and recovered along with the items of land revenue, State revenue

or tax on which such cess is levied, and the provisions of the law and the rules, orders and notifications made or issued thereunder for the time being in force, shall apply to the levy, assessment and recovery of the health cess as they apply in respect of the levy, assessment and recovery of the said items of land revenue, State revenue or tax.

4A. Local authorities entitled to cost of collection of health cess :-

¹ Where the health cess under this Act is recovered by a local authority, such local authority shall be entitled to deduct ten per cent of the amount recovered as the cost of collection, and the balance shall be paid to the State Government.]

1. Section 4-A inserted by Act No. 19 of 1968, w.e.f. 7-11-1968

5. Cess to be collected to the nearest 2[paise] :-

In the determination of the amount of health cess payable under this Act, fractions of a **¹**[paise] less than half a **²**[paise] shall be disregarded and fractions of a **³**[paise] equal to or exceeding half a **⁴**[paise] shall be regarded as one **⁵** [paise].

1. Substituted for the words "naye paise" by Act No. 19 of 1968, w.e.f. 7-11-1968

2. Substituted for the words "naye paise" by Act No. 19 of 1968, w.e.f. 7-11-1968

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5. Substituted for the words "naye paise" by Act No. 19 of 1968, w.e.f. 7-11-1968

6. Levy of cess under other Acts not affected :-

Nothing in this Act shall affect the operation of the provisions of any other Act and the levy of the health cess under this Act is in addition to, and not in lieu of, any other duty or cess that may be levied under any other law for the time being in force.

7. Power to make rules :-

(1) The State Government may, by notification, make rules for the purpose of carrying out the provisions of this Act.

(2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of the State Legislature while it is in session for a total period of thirty 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 both Houses agree in making any modification in the rule or both Houses 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.

8. Repeal :-

The Karnataka Health Cess Act, 1951 (Karnataka Act No.XVIII of 1951), is hereby repealed.

SCHEDULE A

SCHEDULE

SCHEDULE A

1. Duties of excise leviable by the State under any law for the time being in force in any area of the State, on the following goods manufactured or produced in the State and countervailing duties levied on similar goods manufactured or produced elsewhere:

(a) Alcoholic liquors for human consumption;

(b) Opium, Indian hemp and other narcotic drugs and narcotics.

2. x x x x x.

3. Tax on cinematograph shows leviable by the State 3[under Section 4 of the Karnataka Entertainments Tax Act, 1958.

SCHEDULE B

SCHEDULE

SCHEDULE B

The following taxes leviable by local authorities under any law for the time

being in force, namely:

1. Taxes on lands and buildings.
2. Taxes on vehicles.
3. Taxes on advertisements.