
KARNATAKA TAX ON ENTRY OF GOODS RULES, 1979

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SCHEDULE 1 :- SCHEDULE

KARNATAKA TAX ON ENTRY OF GOODS RULES, 1979

In exercise of the powers conferred by the proviso to sub-section (1) of Section 30 of the Karnataka Tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1979 (Karnataka Act No. 27 of 1979), the Government of Karnataka hereby makes the following Rules, namely

PART 1 PART

1. Title and commencement :-

(1) These Rules may be called as Karnataka Tax on Entry of Goods ¹ [x x x x x] Rules, 1979.

(2) They shall be deemed to have come into force on 1st June, 1979.

1. Omitted by Notification No. FD 319 CET 92, dated 29-1-1993 and shall be deemed to have come into force w.e.f. 1-5-1992 (GSR 26, Karnataka Gazette, dated 29-1-1993). Omitted by Notification No. FD 319 CET 92, dated 29-1-1993 and shall be deemed to have come into force w.e.f. 1-5-1992 (GSR 26, Karnataka Gazette, dated 29-1-1993).

2. Definitions :-

In these Rules, unless the context otherwise requires,

(a) "Act" means the Karnataka Tax on Entry of Goods [x x x x x]

Act, 1979;

(b) "Assistant Commissioner", "Assistant Entry Tax Officer", "Deputy Commissioner" and "Entry Tax Officer" mean the Assistant Commissioner, Assistant Entry Tax Officer, Deputy Commissioner and Entry Tax Officer respectively appointed under sub-section (2) of S.12 of the Karnataka Tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1979;

(c) "Fees" means any fee leviable under the provisions of the Act;

(d) "Form" means a Form appended to these Rules;

(e) "Government Treasury" means in relation to a dealer registered within the jurisdiction of any Entry Tax Officer or Assistant Entry Tax Officer, the treasury of the district or the taluk where

the dealer's place of business or if he has more than one such place, where his principal place of business within that jurisdiction is situated;

(f) "Month" means a calendar month;

(g) "Registering Authority" means the Registering Authority as specified in Rule 3;

(h) "Section" means section of the Act.

PART 2

PART

3. Registering Authority and Assessing Authority :-

(1) The Entry Tax Officer shall be the Registering Authority in respect of dealers in respect of whom Commercial Tax Officers are the Registering Authorities ¹[and Assessing Authority] under the Karnataka Sales Tax Act, 1957 (Karnataka Act No. 25 of 1957).

²[(1-A) The Assistant Commissioner of Commercial Taxes shall be ³[Registering Authority and] the Assessing Authority in respect of dealers in respect of whom the Assistant Commissioner of Commercial Taxes is the Assessing Authority under the Karnataka Sales Tax Act, 1957 (Karnataka Act No. 25 of 1957.)]

(2) The Assistant Entry Tax Officer of the area shall be the Registering Authority ⁴ [and Assessing Authority] in respect of all other dealers not failing under sub-rule (1) [and (1-a)]:

[Provided that the State Government may, by notification, appoint

an Entry Tax Officer to be the Registering Authority and Assessing Authority of an area in respect of all the dealers liable for registration under this Act]

(3) In the case of dealers having more than one place of business the authority having jurisdiction over the principal place of business shall be the Registering Authority [and Assessing Authority.]

1. Inserted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

2. Inserted by GSR 302, dated 1-12-1984, w.e.f. 27-12-1984.

3. Inserted by Notification No. FD 104 CET 85, dated 7-3-1986, w.e.f. 6-5-1986.

4. Inserted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

4. Registration of dealers :-

(1) Every dealer liable to get himself registered under the Act shall apply for a registration to the Registering Authority within thirty days from the date of publication of these Rules or within thirty days from the date of commencement of his business if he commences his business after the date of such publication.

(2) The application for registration shall be made in Form-1.

(3) Each application for registration shall be accompanied by a receipt from the Government Treasury or crossed cheque or money order in favour ¹[five hundred rupees], ² [and such additional sum as is required to cover the additional places of business at the rate of one rupee for each copy.]

(4) The Registering Authority receiving the application, shall, if he is satisfied after making such enquiry as he thinks necessary that the particulars contained in the application are correct and complete, register the dealers and grant a Registration Certificate in Form-2 and also grant a copy of such registration for every place of business within the State, other than the principal place of business mentioned therein. Such Registration shall be held by the dealer subject to the provisions of the Act and these Rules and the restrictions and conditions specified in that Certificate.

(5) When the said authority is not satisfied that the particulars contained in the application are correct and complete, he shall reject the application for reasons to be recorded in writing:

Provided that such rejection shall not be made before giving the

applicant, an opportunity of being heard in the matter.

(6) Every registered dealer shall until his registration is cancelled shall continue to pay a fee of twenty-five rupees for every year, subsequent to that in which, he applied for registration within thirty days after the commencement of that year.

(7) Every Registration Certificate granted under sub-rule (4) shall be deemed to have been granted personally to the dealer specified therein and no registration certificate shall be sold or transferred.

(8) Registration Certificate granted under sub-rule (4) shall be exhibited in a conspicuous place within the premises of the principal place of business mentioned in the certificate and a copy of such certificate shall also be exhibited at a conspicuous place within the premises of every other place of business mentioned in the certificate.

(9) Every registered dealer who discontinues or transfers his business or otherwise gets his registration certificate cancelled shall forthwith surrender to the Registering Authority the Certificate of Registration and the copies thereof, if any, granted to him.

1. Substituted for the words "twenty-five rupees" by Notification No. FD 191 CET 97, dated 25-9-1997 and shall be deemed to have come into force w.e.f. 1-4-1997.

2. Added by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

5. Amendment of Registration Certificate :-

(1) Where the dealer desires the Registration Certificate granted to him under these Rules to be amended, he shall submit an application for this purpose to the Registering Authority setting out the specific matters in respect of which, he desires such amendment and the reasons therefor, together with the Registration Certificate granted to him and such authority may, if satisfied with the reasons given, make such amendment as he thinks necessary, in the Registration Certificate and the copies thereof, if any, granted to him:

Provided that the amendment so made shall not be inconsistent with the provisions of the Act or these Rules.

(2) The provisions of sub-rule (8) of Rule 4 shall apply in relation to such amended certificate and copies thereof as they apply in relation to the original certificate and copies thereof.

6. Issue of duplicate Registration Certificate :-

Where the Registration Certificate granted under these Rules is lost, destroyed, defaced or mutilated, a duplicate copy of the Registration Certificate may be granted by the Registering Authority, if he is satisfied of such loss, destruction, defacement or mutilation on payment of a fee of one rupee.

6A. Security to be furnished by certain dealers :-

(1) The Security to be furnished under Section 5A may be furnished by the dealer in any of the following ways, namely,

(a) by depositing as security in Government Treasury, the amount fixed by the said authority; or

(b) by depositing with the said authority Government Securities for the amount fixed by the said authority; or

(c) by depositing security amount in the Post Office Savings Bank and pledging the pass book to and depositing it with the said authority; or

(d) by furnishing to the said authority a guarantee from a Scheduled Bank as defined in the Reserve Bank of India Act, 1934 agreeing to pay the State Government, on demand, the amount of security fixed by the said authority.

(2) The Security furnished may, in the extent of default of any tax due, be adjusted towards such tax. The assessing authority may in any case where such adjustment has been made, demand fresh security or additional security to make-up the amount adjusted towards the tax:

Provided that no action under this sub-rule shall be taken unless the dealer affected has had a reasonable opportunity of showing cause against such action.]

PART 3

Returns and Assessments

7. Payment of tax in advance :-

(1) The statement under sub-section (1) of Section 7 shall be in Form 3 and shall be sent to the assessing authority so as to reach it within ¹[twenty days] after the close of the month to which such statement relates. Such statement shall be accompanied by a receipt from a Government Treasury, crossed postal order, a

crossed cheque or a crossed demand draft in favour of the assessing authority for the full amount of tax payable by him on the basis of ²[total value of goods liable to tax] during the month to which the statement relates.

³[Provided that in the case of a dealer whose total turnover in a year is not more than seven lakh fifty thousand rupees, such dealer shall file such statements and shall pay such tax in advance once in a quarter:

Provided further that the full amount of tax payable by a dealer in advance for the year as reduced by the amount of tax already paid under this rule shall be paid within thirty days after the close of the year to which such tax relates.]

(2) If the amount sent by any dealer along with the statement is less than the amount of tax payable by him the assessing authority shall serve upon the dealer a notice in Form-4 and the dealer shall pay the sum demanded in the said notice within the time and in the manner specified in the notice.

⁴[(3) After making the provisional assessment under sub-section (3) of Section 7, the assessing authority shall examine whether any and if so, what amount is due from the dealer after deducting any tax already paid under sub-rule (1) or (2). If any amount is found to be due from the dealer towards the provisional assessment, the assessing authority shall serve upon the dealer a notice in Form 4-A and dealer shall pay the sum demanded within the time and in the manner specified in the notice.]

⁵[(4) If any registered dealer shows to the satisfaction of the assessing authority that the goods which he brings or causes to be brought into the local area are not liable to entry tax, and makes an application in this behalf, the assessing authority may direct that it shall not be necessary for dealer to furnish the statements specified in sub-rule (1), and may grant the dealer a certificate in ⁶[Form-34]. If during the period of validity of the above certificate, the dealer becomes liable to pay tax under the Act when he brings or causes to bring such goods into the local area, the certificate issued above, shall be deemed to have been cancelled.

(5) A certificate issued under sub-rule (4) shall be valid till the expiry of the year of issue unless otherwise cancelled. On an application made in that behalf by the dealer, the assessing

authority may after such enquiry as he deems fit renew the certificate for further period of one year at a time:

Provided that the application for renewal is made one month before the date of expiry of such certificate. The assessing authority may for reasons to be recorded in writing accept the application beyond the specified period but within a year for which the certificate relates.]

7 [Explanation. For the purpose of Section 7 "Quarter" means, the period of three months ending on 31st day of May, 31st day of August, 30th day of November and 28th day (or 29th day) of February.]

1. Substituted by Notification No. FD 104 CET 85, dated 7-3-1986, w.e.f. 6-5-1986.
2. Substituted for the words 'his actual taxable turnover' by Notification No. FD 319 CET 92, dated 29-1-1993 and shall be deemed to have come into force w.e.f. 1-5-1992 (GSR 26, Karnataka Gazette, dated 29-1-1993).
3. Provisos inserted by Notification No. FD 52 CET 2000, dated 21-7-2000 and shall be deemed to have come into force w.e.f. 1-4-2000.
4. Inserted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.
5. Inserted by Notification No. FD 104 CET 85, dated 7-3-1986, w.e.f. 6-5-1986.
6. Substituted by Notification No. FD 319 CET 92, dated 29-1-1993 and shall be deemed to have come into force w.e.f. 1-5-1992 (GSR 26, Karnataka Gazette, dated 29-1-1993).
7. Explanation inserted by Notification No. FD 52 CET 2000, dated 21-7-2000 and shall be deemed to have come into force w.e.f. 1-4-2000.

8. Form of returns. :-

The return to be submitted under Section 5 shall be in Form 5

8A. Statements and returns to be submitted by the Head Office :-

(1) In the case of a dealer having more than one place of business in the State, the aggregate turn-over of all such places of business shall be taken as the turn-over of the business for the purposes of these Rules.

(2) All statements and returns prescribed by these Rules shall, in the case of dealers referred to in sub-rule (1), be submitted by the Head Office in the State to the assessing authority of the Area in

which such Head Office is located and shall include the total turn-overs of all the branches of his business.

(3) Each branch shall also.

(a) submit to the assessing authority of the area in which it is situated an annual return of the total turn-over of the branch in Form 5, and

(b) intimate to such authority the fact that the total turn-over of its business in the branch is included in the annual return submitted by its Head Office and specify the name and address of such Head Office:

Provided that the Commissioner may, for reasons to be recorded in writing, exempt a dealer having more than one place of business in the State, from submitting a return in respect of each branch to the assessing authority of the area in which it is situated.]

8AA. Return to be submitted by Government Department, etc :-

(1) Every Department of a Government, Statutory Body or a Local Authority except when they buy, sell, supply or distribute goods liable to tax under this Act shall submit a return in Form 5 showing the total and taxable turnover for each quarter and the amount or amounts actually collected by it by way of tax or taxes during that quarter. The return duly filled and signed by the Officer authorised by the Head of the Department, the Statutory body or the Local Authority shall be submitted so as to reach the Assessing Authority of the area of the rank of an Assistant Commissioner of Commercial Taxes having jurisdiction over the place of location of the Office of the Department, Statutory body or Local Authority on or before the twentieth day of the month succeeding the quarter to which such return relates. Along with the return, it shall also submit proof of payment as specified in sub-rule (1) of Rule 7 for the full amount of tax or taxes payable under any of the sections under the Act for the quarter to which the return relates.

(2) The return so submitted shall be provisionally accepted. The Assessing Authority shall, after the receipt of the return, as soon as may be, inspect the accounts of the Department, Statutory Body or Local Authority and verify the correctness of the return. If the return or the rates of taxes applied

8B. Composition of tax :-

x x x x x.

8C. Form of return :-

x x x x x.]

9. Annual returns and final assessment :-

(1)

(a) Every registered dealer shall submit a return in Form-5 to the assessing authority so as to reach within thirty days after the close of the year to which the return relates, provided that every dealer who discontinues his business during the course of the year, shall submit to the assessing authority, a return in Form-5 for the period upto and inclusive of the date of discontinuance, within fifteen days from the date of such discontinuance.

(b) Every dealer, who submits a return under clause (a) shall submit along with the return, receipt from the Government Treasury, crossed postal order, crossed cheque or crossed demand draft in favour of the assessing authority for the full amount of tax payable for the year on the basis of the returns after deducting therefrom the tax, if any, already paid for the year.(c) If the full amount of tax payable under clause (b) is not paid along with the return, the assessing authority shall serve upon the dealer a notice in Form-6 and the dealer shall pay the amount demanded in the said notice within the time and in the manner specified in the notice.

(2) On receipt of the return in ¹[Form 5], the assessing authority shall, if he is satisfied after such scrutiny of accounts and such enquiries as he considers necessary, that the return is correct and complete, finally assess on the basis of the returns, the tax payable under the Act for the preceding year or for the part of the year to which the return relates, as the case may be.

(3) Before making the assessment to the best of his judgment under sub-section (4) of Section 5, the assessing authority shall,

(i) if no return is submitted by the dealer, issue a notice in Form-7;

(ii) if the return submitted by the dealer appears to the assessing authority to be incorrect or incomplete, issue a notice in Form-8.

(4) If in any case, the assessing authority assess a figure different

from that shown in the return submitted under the provisions of these Rules, it shall record its reasons briefly in writing and shall furnish the dealer with a

(5) ²[After making the final assessment under sub-rule (2) or (4), the assessing authority shall examine whether any and if so, what amount is due from the dealer after deducting any tax, already paid in advance under Section 7 and the amount of tax, if paid under clause (b) or (c) of sub-rule (1)], any tax already paid in advance under Section 7 and the amount of tax, if any, paid under clause (b) of sub-rule (1). If any amount is found to be due from the dealer towards the final assessment, the assessing authority shall serve upon the dealer a notice in Form-9 and the dealer shall pay the sum demanded within the time and in the manner specified in the notice. If the tax due on the final assessment is lower than the tax already paid, it shall serve upon the dealer, a notice in Form-10 for refund of the excess tax ³[along with a refund payment order in Form 28, for the amount of refund due.] If the final assessment is exactly equal to the tax already paid, the assessing authority shall inform the dealer what the final assessment is and that no further amount is due from him towards it:

Provided that the excess tax refundable to the dealer may be adjusted towards any other amount due by him under the Act, ⁴[and for this purpose a refund adjustment order in Form 29 shall be issued.]

⁵[(6) The Commissioner may, by order, in writing, at any time transfer any case pending before an assessing authority to another assessing authority, and the authority to which the case is so transferred may proceed either denovo or from the stage to which it was transferred. Where a case pending before an assessing authority is transferred to another assessing authority, the assessing authority to which the case is so transferred shall, notwithstanding anything contained in any notification issued under sub-section (2) of Section 12, have the same powers and perform the same duties as those respectively conferred and imposed upon the assessing authority from which the case was so transferred.]

⁶ [(7) A dealer who is liable for summary assessment under Section 5-B shall enclose to his returns or revised returns the following enclosures, namely:

- (a) a statement specifying the value of the scheduled goods purchased or received from outside the local area;
- (b) a statement specifying the value of the scheduled goods purchased or received from within the local area;
- (c) a statement specifying the value of the scheduled goods purchased or received from outside the local area but returned to the supplier;
- (d) a statement specifying the value of the scheduled goods purchased or received from outside the local area, but sent out of the local area otherwise than by way of sale excluding the value of the scheduled goods specified in Item No. (c);
- (e) a statement specifying correct and complete particulars of purchase or receipt of scheduled goods which are claimed as not liable to tax; and
- (f) a proof regarding the payment of tax under the Act.]

1. Substituted by Notification No. FD 29 CET82, dated 31-3-1983, w.e.f. 1-4-1983.
2. Substituted by Notification No. FD 29 CET82, dated 31-3-1983, w.e.f. 1-4-1983.
3. Added by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.
4. Added by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.
5. Inserted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.
6. Inserted by Notification No. FD 104 CET 85, dated 7-3-1986, w.e.f. 6-5-1986.

9A. Exemption and deductions :-

(1)

(a) In determining the purchase price liable to tax, the amount relating to the purchases made within the local area from a registered dealer doing business in the same local area shall be deducted.

(b) Every dealer dealing in the scheduled goods and who is not liable to tax in respect of such scheduled goods by reason of his not being the person causing entry of the scheduled goods into the local area for consumption, use or sale therein shall furnish to the assessing authority a declaration in Form ¹[40] obtained from the

dealer from whom he purchased the scheduled goods in the same local area and for this purpose the seller shall issue the declaration to the buying dealer.

(c) The declarations issued in Form ²[40] shall be serially machine numbered for each year and the dealer issuing the same shall maintain a day-to-day account thereof in a register in Form ³[41].

(2) All amounts received from the seller in respect of the goods returned to them by the dealer shall be deducted from the purchase price liable to tax provided that the goods were returned within a period of six months from the date of delivery of the goods and the accounts show the date on which the goods were returned and the date on which and the amount for which the refund was received.

⁴[(3) In determining the ⁵[the value of goods] liable to tax, the value of goods purchased or received from outside the local area but subsequently sent out of the local area otherwise than by way of sale shall be deducted,

provided that the goods are sent out of the local area within a period of six months from the date of entry of such goods into the local area and entries are made in the stock register in the manner specified in sub-rule (5) of Rule 10.]

⁶ [(4) In determining the value of goods liable to tax, the turnover of stock of luxuries relating to luxuries received from a registered stockist in the State, on which tax under the Karnataka Tax on Luxuries Act, 1979 (Karnataka Act 22 of 1979) has been paid or has become payable, shall be deducted, subject to production of proof in Form XII obtained from the registered stockist, as prescribed in Karnataka Tax on Luxuries Rules, 1979 .]

1. Substituted for the figures "30" by Notification No. FD 191 CET 97, dated 25-9-1997 and shall be deemed to have come into force w.e.f. 1-4-1997.

2. Substituted by Notification No. FD 319 CET92, dated 29-1-1993 and shall be deemed to have come into force w.e.f. 1-5-1992 (GSR 26, Karnataka Gazette, dated 29-1-1993).

3. Substituted by Notification No. FD 319 CET92, dated 29-1-1993, w.e.f. 1-5-1992 (GSR 26, Karnataka Gazette, dated 29-1-1993).

4. Inserted by GSR 14, dated 17-1-1985, w.e.f. 17-1-1985.

5. Substituted by Notification No. FD 319 CET92, dated 29-1-1993 and shall be deemed to have come into force w.e.f. 1-5-1992 (GSR

26, Karnataka Gazette, dated 29-1-1993).

6. Sub-rule (4) inserted by Notification No. FD 191 CET 97, dated 25-9- 1997 and shall be deemed to have come into force w.e.f. 1-4-1997.

9AA. Provision relating to declarations under Section 3-C(2) :-

x x x

9AAA. . :-

The declaration to be furnished under sub-section (4-A) of Section 3 shall be in Form 4-A and the provisions of Rule 9A shall apply mutatis mutandis insofar as obtaining and issuing of such forms and maintaining of accounts regarding such forms.]

9B. Conditions for remission of penalty :-

In respect of penalty accrued under sub-section (2) of Section 8, in a case, where such penalty is not exceeding five lakh rupees, the Commissioner and in other cases, the State Government shall, for reasons to be recorded in writing, have power to remit the whole or part of such penalty:

Provided that, no remission shall be made in a case in which the amount of tax finally determined is not paid in full.]

9C. Action on the tax collected prior to 18th February, 1981 :-

The accounts of every dealer liable to submit a return under Section 5 shall be verified by the assessing authority and it shall be ascertained whether any amount is collected or is deemed to have been collected by the dealer by way of tax or purporting to be by way of tax under the Karnataka Tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1979 (Karnataka Act No. 27 of 1979) (hereinafter referred to in this Rule as the 1979 Act) or the Karnataka Tax on Entry of Goods into a Local Area for Consumption, Use or Sale Therein Act, 1980 (Karnataka Act No. 21 of 1980) (i) during the period between the First day of June, 1979 and the Thirtieth day of September, 1980, (ii) during the period between the First day of October, 1980 and the First day of March, 1981 in excess of one per cent. The tax so collected during the periods mentioned above be deemed to be tax collected under the 1979 Act and the same shall be recovered from the assessee by an order, after giving him a reasonable opportunity of hearing.

9D. Instalments for payment of finally assessed tax :-

(1) A dealer in respect of payment of finally assessed tax in instalments shall apply ¹[in Form 35] before the authority specified under sub-rule (2) within twenty-one days from the date of service of demand notice (Form-9).

(2) The authorities for the purpose of sub-rule (1) shall be.

(a) The Government in cases where the payment of tax in instalments exceeds rupees one lakh or where the period within which such tax to be paid in instalments exceeds twelve months; and

(b) The Commissioner in cases where the payment of tax in instalments not exceeding rupees one lakh or where the period within which such tax to be paid in instalments not exceeding twelve months.

(3) The authorities specified under sub-rule (2) may relax the period specified above in cases where the assessee furnishes to their satisfaction that the delay in ² [filing the application for grant of instalments] is for reasons beyond his control.

(4) The granting of instalments under sub-rule (2), shall be subject to the following conditions, namely.

(a) The dealer is not in arrears of payment of tax or any other sum due under the Act except the payment of tax which instalments are sought on the date of making the application under sub-rule (1).

(b) The dealer furnishes adequate security to the satisfaction of the assessing authority concerned for payment of tax in respect of which the instalments are sought.

(c) The dealer pays along with each permitted instalment interest at eighteen per cent per annum on the sums remaining unpaid from time to time.

(d) The dealer makes a declaration to the effect that no other application has been made to authorities or Courts other than

(5) The authority to whom the application is made under sub-rule (1), may after making such inquiry as he deems fit by an order in writing subject to the limits specified under sub-rule (2) permit an assessee to pay the tax or other sums due in such instalments and subject to such conditions as may be specified in its order.

(6) If the dealer contravenes any of the conditions specified in the

order or in the sub-rule (4) or commits any default in making payments in accordance with the provisions of these Rules, the whole of the sum remaining unpaid on the date of such default shall become recoverable at once in a lumpsum together with the interest and penalties, if any, levied in accordance with the provisions of the Act or Rules.]

1. Inserted by Notification No. FD 319 CET 92, dated 29-1-1993 and shall be deemed to have come into force w.e.f. 1-5-1992 (GSR 26, Karnataka Gazette, dated 29-1-1993).

2. Substituted by Notification No. FD 319 CET92, dated 29-1-1993 and shall be deemed to have come into force w.e.f. 1-5-1992 (GSR 26, Karnataka Gazette, dated 29-1-1993).

9DD. Disbursement of amount wrongly collected as tax :-

(1)

(a) The application to the Commissioner under Section 3-BB shall be made in Form 42.

(b) The person claiming refund shall enclose to the application copies of the sale bills or invoices duly certified by the dealer in respect of whom the order of forfeiture under Section 3-BB is passed and an authenticated copy of the order of forfeiture so passed.

(2) If the claim of refund of amount relates, to collection of tax by more than one dealer, separate application in respect of each of such dealer shall be made.

(3) On receipt of the application, if the Commissioner is satisfied after scrutiny of the sale bills or invoices and after holding such enquiry as he considers necessary, that the claim of refund is valid and admissible, he shall pass orders for refund of the amount or any part thereof.]

9E. Declaration in sub-section (4) of Section 3 :-

(1) The declaration referred to in sub-section (4) of Section 3 shall be in Form 40.

(2) The declaration issued in Form 40 shall be serially machine numbered for each year and the dealer issuing the same shall maintain a day-to-day account in a register in Form 41.

9F. Declaration under Section 5-C :-

x x x x x

9G. Sugar factories to submit monthly statements of tax collected and to issue certificates to buyers from whom tax collected :-

x x x x x x.]

PART 4

Accounts

10. Nature of accounts to be maintained by dealers :-

(1) Every registered dealer and every person liable to CET himself registered under the Act shall keep and maintain a true and correct account of his daily transaction in Kannada or English or Hindi or Marathi or Tamil or Gujarathi or Telugu ¹[or Urdu or in such other language as the State Government may by Notification specify in that behalf] showing the value of the entry of Scheduled goods into a local area for consumption, use or sale therein.

(2) Every such dealer or person shall keep separate purchase and sales account in respect of each of the scheduled goods.

(3) Every such dealer or person shall keep the current books of accounts at the place or places of business entered in the Registration Certificate. Every purchase shall be brought to account then and there as soon as the purchase is effected.

²[Explanation. For the purpose of this sub-rule, current books of accounts shall include computer hardwares and softwares used in connection with accounting of business activities.]

³ [(4) Every wholesale dealer or manufacturer shall maintain day to day stock accounts in respect of each of the scheduled goods and each variety of the same scheduled goods dealt with by him. The stock account shall contain particulars of purchases or stock receipts, sales or stock transfers and balance of stock.

(5) Every dealer shall maintain subsidiary accounts of stock for each branch, depot or godown. Every branch shall also maintain the stock accounts in respect of its own transactions in the form adopted for this purpose by its Head Office.

(6) Every dealer while delivering goods to another dealer in pursuance of sale or while consigning the goods to his branch or depot or vice versa, where the aggregate amount of the goods so sold or consigned is one thousand rupees or more, shall issue a delivery note in triplicate in Form 24-A. The delivery notes shall be

maintained in the form of books containing one hundred Forms, and the Forms shall be serially machine numbered and one series of numbers shall be adopted for each assessment year.

(7) Any officer requiring any dealer to produce before him the accounts and other documents or to furnish any information relating to his business under sub-section (1) of Section 18 shall serve upon the dealer a notice in Form 27. The dealer on whom the notice is served shall produce the accounts and other documents and shall furnish information relating to his business on the date and time specified in the notice.]

1. Inserted by GSR 223, dated 20-9-1984, w.e.f. 20-9-1984.

2. Explanation inserted by Notification No. FD 191 CET 97, dated 25-9-1997 and shall be deemed to have come into force w.e.f. 1-4-1997.

3. Inserted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

PART 5

Appeals and Revisions

11. Appeal against orders of assessing authorities :-

(1) An Appeal under Section 13 shall be preferred to the Joint Commissioner:]

1 [Provided that the Commissioner may, either suo motu or on application, for reasons to be recorded in writing, transfer an appeal pending before an appellate authority to another appellate authority. The order of transfer shall be communicated to the appellant, to the assessing authority against whose order the appeal was preferred, to the appellate authority concerned and to every other party affected by the order.]

(2) Every such appeal shall be in Form-11 and shall be verified in the manner specified therein.

(3) The appeal may be sent to the appellate authority by registered post or may be presented to that authority or to such officer as the appellate authority may appoint in this behalf by the appellant or by his authorised agent or a legal practitioner or an accountant duly authorised by the appellant in writing.

1. Inserted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

11A. Appeal to the Appellate Tribunal :-

(i) Every appeal under Section 14 to the Appellate Tribunal shall be in Form 11-A and shall be verified in the manner specified;

(ii) It shall be in quadruplicate and accompanied by four copies of the order appealed against one of which shall be the original or an authenticated copy, and also four copies of the order of the assessing authority in respect of which order appealed against was passed;

(iii) In the case of an appeal preferred by any person other than an officer empowered by the State Government under sub-section (1) of Section 14, it shall also be accompanied by a Treasury receipt in support of having paid the fee calculated at the rate of two per cent of the amount of assessment objected to subject to a minimum of rupees twenty and a maximum of rupees two hundred.

1 [(iv) Every Memorandum of cross objections under Section 14 shall be in Form 11-AA and shall be verified in the manner specified therein.]

1. Inserted by Notification No. FD 109 CET 89, dated 20-2-1990, w.e.f. 1-1-1989.

11B. Procedure in case of death of an appellant or applicant
:-

(1) If an appellant or an applicant dies while the appeal or application is pending and it cannot be proceeded with unless his legal representative is brought on record, the Appellate or Revisional Authority or the Appellate Tribunal, as

(2) Notwithstanding anything contained in sub-rule (1) there shall be no abatement by reason of the death of any party between the conclusion of the hearing and passing of the order but the order may, in such case, be passed notwithstanding the death, and shall have the same force and effect as if it had been passed before the death took place.

(3) If a question arises in any appeal or revision whether a person is not the legal representative of a deceased appellant or applicant, such question may be determined by the Appellate or the Revisional Authority or the Appellate Tribunal, as the case may be, in a summary way, if necessary, after recording evidence.

11C. Furnishing of security by an appellant :-

The security to be furnished by an appellant under the proviso to

clause (b) of sub-section (3) of S.13 of the Karnataka Tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1979 shall be properly security or Bank guarantee as the authority before which the appeal is preferred may in its discretion direct. The security bond shall be in Form 11-B with suitable modifications wherever necessary.]

12. Appeal to High Court :-

Every appeal under Section 16 to the High Court shall be in Form-12 and shall be verified in the manner specified therein. It shall be accompanied by the original order or a certified copy of the order of the Commissioner appealed against.

12A. Revision petition to High Court :-

(1)

(a) Every petition under Section 15-A to the High Court shall be in Form 12-A and shall be verified in the manner specified therein.

(b) The petition shall be accompanied by a certified copy of the order of the Appellate Tribunal.

(2) It shall be preferred within ninety days from the date of communication of the order sought to be reviewed.]

13. Communication of appellate or revisional orders :-

(1) Every order of an Appellate or Revising Authority under Section ¹ [13 or 15,] as the case may be, shall be communicated to the appellant or to every other party affected by the order to the assessing authority against whose order the appeal or revision was filed and to any other authority concerned.

(2) The order passed on appeal or revision shall be given effect to by the assessing authority who shall refund without interest any excess tax found to have been collected and shall collect any tax which is found to be due, in the same manner as a tax assessed by itself.

1. Substituted by Notification No. FD 29 CET82, dated 31-3-1983, w.e.f. 1-1-1983.

14. Procedure when higher assessment is made in appeal or revision :-

If the tax as determined in the appeal or revision is in excess of the powers of assessment of the assessing authority, the Appellate or

Revising Authority shall transfer the original records of assessment to the appropriate assessing authority which shall have power to collect the tax due in the same manner as if it were a tax assessed by itself.

15. . :-

Action on the orders of the Appellate Tribunal and the High Court Every order passed by the Appellate Tribunal or the High Court shall, on authorisation by the Appellate Tribunal or the High Court, as the case may be, be given effect to by the assessing authority, which shall refund without interest any excess tax found to have been collected and shall also collect any tax which is found to be due in the manner as a tax assessed by itself.

16. **Payment of tax on entry of goods escaping assessment** :-

The assessing authority shall serve on the dealer on whom an assessment has been made under Section 6 a notice in ¹ [Form-9] subject to such modification as may be necessary.

1. Substituted by Notification No. FD 29 CET82, dated 31-3-1983, w.e.f. 1-4-1983.

16A. **Rectification of mistake** :-

(1) Where any rectification under S.17 of the Karnataka Tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1979 has the effect of enhancing the assessment, the assessing authority shall serve on the dealer, revised notice in Form 9 and thereupon the provisions of the Act and these Rules shall apply as if such notice had been served in the first instance.

(2) Where such rectification has the effect of reducing the assessment, the assessing authority shall make any refund which may be due to the dealer by the issue of a refund payment order in Form 28 or refund adjustment order in Form 29.] PART VI Procedure for recovery of tax General Provisions

17. **Definitions** :-

In this Part, unless the context otherwise requires,

(a) "certificate" means a certificate received by the Tax Recovery Officer under Rule 18;

(b) "defaulter" means the dealer or any other person mentioned in 'the certificate';

(c) "execution" in relation to a certificate, means recovery of arrears in pursuance of the certificate;

(d) "movable property" includes growing crops; and

(e) "share in a corporation" includes stock, debentures or bonds;

(f) "Tax Recovery Officer" means the assessing authority or any other officer exercising powers under clause (b) of sub-section

18. Issue of certificate :-

(1) Where a dealer or any other person is in default or is deemed to be in default in making a payment of tax or any other amount due under the Act, the assessing authority may forward to the Tax Recovery Officer a certificate in Form 13 under his signature specifying the amount of tax and any other amount due from the assessee or dealer or any other person and the Tax Recovery Officer on receipt of such certificate, shall proceed to recover from such assessee, dealer or other person the amount specified therein in accordance with the provisions in this Part.

(2) The assessing authority may issue a certificate under sub-rule (1) notwithstanding that proceedings for recovery of the amount by any other mode has been taken.

19. Issue of notice :-

When a certificate has been received by the Tax Recovery Officer from the assessing authority for the recovery of arrears, the Tax Recovery Officer shall cause to be served upon the defaulter a notice in Form 14 requiring the defaulter to pay the amount specified in the certificate within fifteen days from the date of service of the notice and intimating that in default, steps would be taken to realise the amount under this Part.

20. When certificate may be executed :-

No step in execution of a certificate shall be taken until the period of fifteen days has elapsed since the date of the service of the notice required by the preceding Rule;

Provided that, if the Tax Recovery Officer is satisfied that the defaulter is likely to conceal, remove or dispose of the whole or any part of such of his movable property as would be liable to attachment or distraint in execution of a decree of a civil court and that the realisation of the amount of the certificate would in consequence be delayed or obstructed, he may at any time for

reasons to be recorded in writing attach or distrain the whole or any part of such property:

Provided further that if the defaulter whose property has been so attached or distrained furnishes security to the satisfaction of the Tax Recovery Officer, such attachment or distraint shall be cancelled from the date on which such security is accepted by the Tax Recovery Officer.

21. Mode of recovery :-

If the amount mentioned in the notice is not paid within the time specified therein or within such further time as the Tax Recovery Officer may grant in his discretion, the Tax Recovery Officer shall proceed to realise the amount by one or more of the modes.

(a) by attachment or distraint and sale of the defaulter's movable property;

(b) by attachment and sale of the defaulter's immovable property;

22. Interest, costs and charges recoverable :-

There shall be recoverable in the proceedings in execution of every certificate.

(a) interest at the rate of seven per cent per annum from the day commencing after the end of the period in Rule 19;

(b) all charges incurred in respect of.

(i) the service of notice upon the defaulter to pay the arrears and of warrants and other processes; and

(ii) all other proceedings taken for realising the arrears.

23. Purchasers title :-

(1) Where property is sold in execution of certificate, there shall vest in the purchaser merely the right, title and interest of the defaulter at the time of the sale, even though the property itself be specified.

(2) Where immovable property is sold in execution of a certificate, and such sale has become absolute/ the purchaser's right, title and interest shall be deemed to have vested in him from the time when the property is sold, and not from the time when the sale becomes absolute.

24. . :-

Suit against purchaser not maintainable on ground of purchase being made on behalf of plaintiff.(1) No suit shall be maintained against any person claiming title under a purchase certified by the Tax Recovery Officer in the manner laid down in this Part on the ground that the purchase was made on behalf of the plaintiff or on behalf of some one through whom the plaintiff claims.

(2) Nothing in this Rule shall bar a suit to obtain a declaration that the name of any purchaser certified fraudulently or without the consent of the real purchaser, or interfere with the right of a third person to proceed against that property, though ostensibly sold to the certified purchaser, on the ground that it is liable to satisfy a claim of such third persons against the real owner.

25. Disposal of proceeds of executions :-

(1) Whenever assets are realised, by sale or otherwise in execution of a certificate, they shall be disposed of in the following manner.

(a) there shall first be paid to the assessing authority the costs incurred by him;

(b) there shall, in the next place, be paid to the assessing authority the amount due under the certificate in execution of which the assets were realised;

(c) if there remains a balance after these sums have been paid, there shall be paid to the assessing authority therefrom any other amount recoverable under the procedure provided by the Act and these Rules which may be due upon the date upon which the assets were realised; and

(d) the balance (if any) remaining after the payment of the amount (if any) referred to in clause (c) shall be paid to the defaulter.

(2) If defaulter disputes any claim made by the assessing authority to receive any amount referred to in clause (c), the Tax Recovery Officer shall determine the dispute.

26. . :-

General bar to jurisdiction of civil courts, save where fraud alleged. Except as otherwise expressly provided in the Act and these Rules every question arising between the assessing authority and the defaulter or their representatives, relating to the execution, discharge or satisfaction of a certificate or relating to the confirmation or setting aside of a sale held in execution of such

certificate, shall be determined, not by suit, but by the order of the Tax Recovery Officer before whom such question arises:

Provided that a suit may be brought in a civil court in respect of any such question upon the ground of fraud.

27. Property exempt from attachment :-

(1) All such property as is by the Code of Civil Procedure, 1908 (Central Act 5 of 1908) exempted from attachment and sale in execution of a decree of a civil court shall be exempt from attachment or distraint and sale under this Part.

(2) The Tax Recovery Officer's decision as to what property is so entitled to exemption shall be conclusive.

28. Investigation by Tax Recovery Officer :-

(1) Where any claim is preferred to, or any objection is made to the attachment, distraint or sale of, any property in execution of a certificate, on the ground that property is not liable to such attachment, distraint or sale, the Tax Recovery Officer shall proceed to investigate the claim or objection:

Provided that no such investigation shall be made where the Tax Recovery Officer considers that the claims or objections were designedly or unnecessarily delayed.

(2) Where the property to which the claim or objection applies has been advertised for sale, the Tax Recovery Officer ordering the sale may postpone it pending the investigation of the claim or objection, upon such terms as to security or otherwise as the Tax Recovery Officer shall deem fit,

(3) The claimant or objector must adduce evidence to show that,

(a) in the case of immovable property, at the date of the service of the notice issued under this Part to pay the arrears; or

(b) in the case of movable property at the date of the distraint or attachment he had some interest in, or was possessed of, the property in question.

(4) Where, upon the said investigation, the Tax Recovery Officer is satisfied that, for the reason stated in the claim or objection, such property was not, at the said date, in the possession of the defaulter or of some person in trust for him or that, being in the

possession of the defaulter at the said date, it was so in his possession, not on his own account or as his own property, but on account of or in trust for some other persons, or partly on his own account and for some other person, or partly on account of some other person, the Tax Recovery Officer shall make an order releasing the property, wholly or to such extent as he thinks fit, from distraint or attachment or sale.

(5) Where the Tax Recovery Officer is satisfied that the property was, at the said date, in the possession of the defaulter as his own property and not on account of any other person, or was in the possession of some other person in trust for him, or in the occupancy of a tenant or other person paying rent to him, the Tax Recovery Officer shall disallow the claim.

(6) Where a claim or an objection is preferred, the party against whom an order is made may institute a suit in a Civil Court to establish the right which he claims to the property in dispute, but subject to the result of such suit (if any), the order of the Tax Recovery Officer shall be conclusive.

29. Removal of attachment or distraint on satisfaction or cancellation of certificates :-

Where

(a) the amount due, with costs and all charges and expenses resulting from the attachment or distraint of any property or incurred in order to hold a sale, are paid to the Tax Recovery Officer, or

(b) the certificate is cancelled, the attachment or distraint shall be deemed to be withdrawn and in the case of immovable property, the withdrawal shall, if the defaulter so desires, be proclaimed at his expense, and a copy of the proclamation shall be affixed in the manner provided by this Part for a proclamation of sale of immovable property.

30. Officer entitled to attach, distrain and sell :-

The attachment or distraint and sale of movable property and the attachment and sale of immovable property shall be made by the Tax Recovery Officer.

31. Defaulting purchaser answerable for loss on resale :-

Any deficiency of price which may happen on a resale by reason of the purchaser's default, and all expenses attending such resale,

shall be certified by the Tax Recovery Officer and shall, at the instance of either the assessing authority or the defaulter, be recoverable from the defaulting purchaser under the procedure provided by this Part:

Provided that no such application shall be entertained unless filed within fifteen days from the date of resale.

32. Adjournment or stopping of sale :-

(1) The Tax Recovery Officer may, in his discretion, adjourn any sale hereunder to a specified day and hour.

(2) Where a sale of immovable property is adjourned under sub-rule (1) for a longer period than one calendar month, a fresh proclamation of the sale under this Part shall be made unless the defaulter consents to waive it.

(3) Every sale shall be stopped if, before the lot is knocked down, the arrears and costs (including the costs of the sale) are tendered to the Tax Recovery Officer.

33. Private alienation to be void in certain cases :-

(1) Where a notice has been served on a defaulter under Rule 19, the defaulter or his representative in interest shall not be competent to mortgage, charge, lease or otherwise deal with any property belonging to him except with the permission of the Tax Recovery Officer, nor shall any Civil Court issue any process against such property in execution of a decree for the payment of money.

(2) Where an attachment has been made under this Part, any private transfer or delivery of the property attached or of any interest therein and any payment to the defaulter of any debt, dividend or other moneys contrary to such attachment, shall be void as against all claims enforceable under the attachment.

34. Prohibition against bidding or purchase by officer :-

No officer or other person having any duty to perform in connection with any sale under this Part shall, either directly or indirectly bid for, acquire or attempt to acquire any interest in the property sold.

35. Prohibition against sale on holidays :-

No sale under this Part shall take place on a Sunday or other general holidays recognised by the State Government or any day which has been notified by the State Government to be local

holiday for the area in which the sale is to take place.

36. Assistance by police :-

The Tax Recovery Officer may apply to the Officer-in-charge of the nearest police station for such assistance as may be necessary in the discharge of his duties, and the authority to whom such application is made shall depute sufficient number of police officers for furnishing such assistance.

37. . :-

Attachment or distraint and sale of movable property-warrant When any movable property is to be attached or distrained, the Tax Recovery Officer shall prepare a warrant under his signature in Form 15 specifying the name of the defaulter and the amount to be realised and cause a copy of the warrant to be served on the defaulter.

38. Attachment. :-

If, after service of the copy of the warrant, the amount is not paid forthwith, the Tax Recovery Officer shall proceed to attach or distrain the movable property of the defaulter.

39. Property in defaulters possession :-

Where the property proceeded against is movable property (other than agricultural produce) in the possession of the defaulter, it shall be distrained by actual seizure, and the officer shall keep the property in his own custody or the custody of one of his subordinates and shall be responsible for due custody thereof:

Provided that when the property seized is subject to speedy and natural decay or when the expense of keeping it in custody is likely to exceed its value the officer may sell it at once.

40. Agricultural produce. :-

When the property proceeded against is agricultural produce, it shall be attached by affixing a copy of the warrant,

(a) Where such produce is growing crop on the land on which such crop has grown, or

(b) Where such produce has been cut or gathered on the threshing floor or place for treading out grain or the like, or fodder-stack, on or in which it is deposited, and another copy on the outer door or on some other conspicuous part of the house in which the defaulter ordinarily resides, or on the outer door, or on some other

conspicuous part of the house in which he carries on business or personally works for gain, or in which he is known to have last resided or carried on business or personally worked for gain. The produce shall, thereupon, be deemed to have passed into the possession of the Tax Recovery Officer.

41. Provisions as to agricultural produce under attachment :-

(1) Where agricultural produce is distrained, the Tax Recovery Officer shall make such arrangements for the custody, watching, tending, cutting and gathering thereof as he may deem sufficient and the assessing authority shall bear such amount as the Tax Recovery Officer shall require in order to defray the cost of such arrangements.

(2) Subject to such conditions as may be imposed by the Tax Recovery Officer in this behalf, either in the order of attachment or in any subsequent order, the defaulter may tend, cut, gather and store the produce and do any other act necessary for maturing or preserving it and, if the defaulter fails to do all or any of such acts, any person appointed by the Tax Recovery Officer in this behalf may, subject to the like conditions, do all or any such act, and the costs incurred by such person shall be recoverable from the defaulter as if they were included in the certificate.

(3) Agricultural produce attached as a growing crop shall not be deemed to have ceased to be under attachment or to require re-attachment merely because it has been severed from the soil.

(4) Where an order for the attachment of a growing crop has been made at a considerable time before the crop is likely to be fit to be cut or gathered, the Tax Recovery Officer may suspend the execution of the order for such time as he thinks fit, and may, in his discretion, make a further order prohibiting the removal of the crop pending execution of the order of attachment.

(5) A growing crop which from its nature does not admit of being stored shall not be attached under this Rule at any time less than twenty days before the time at which it is likely to be cut or gathered.

42. Debts or shares, etc :-

(1) In the case of:

(a) a debt not secured by a negotiable instrument,

(b) a share in a corporation, or

(c) other movable property not in the possession of the defaulter except property deposited in, or in the custody of any Court, it shall be attached and the attachment shall be made by a written order in Form 16 prohibiting.

(i) in a case of a debt the credit or from recovering the debt and the debtor from making payment thereof until further order of the Tax Recovery Officer;

(ii) in the case of a share the person in whose name the share may be standing from transferring the same or receiving any dividend thereon;

(iii) in the case of any other movable property (except as aforesaid) the person in possession of the same from giving it over to the defaulter.

(2) A copy of such order shall be affixed on some conspicuous part of the office of the Tax Recovery Officer, and another copy shall be sent in the case of a debt to the debtor, in the case of the share, to the proper officer of the corporation and in the case of the other movable property (except as aforesaid), to the person in possession of the same.

(3) A debtor prohibited under clause (i) of sub-rule (1)(c) may pay the amount of his debt to the Tax Recovery Officer and such payment shall discharge him as effectually as payment to the party entitled to receive the same.

43. Attachment of decrees :-

(1) Where the property proceeded against is a decree of a Civil Court for the payment of money or for sale in enforcement of a mortgage or charge, it shall be attached and the attachment shall be made by the issue to the Civil Court of a notice in Form 17 requesting the Civil Court to stay the execution of the decree unless and until,

(i) the Tax Recovery Officer cancels the notice; or

(ii) the assessing authority or the defaulter applies to the Court receiving such notice to execute the decree.

(2) Where a Civil Court receives an application under clause (ii) of sub-rule (1) it shall, on the application of the assessing authority or the defaulter and subject to the provisions of the Code of Civil Procedure, 1908 (Central Act 5 of 1908), proceed to execute the attached decree and apply the net proceeds in satisfaction of the certificate.

(3) The assessing authority shall be deemed to be the representative of the holder of the attachment decree, and to be entitled to execute such attachment decree, and to be entitled to execute such attachment decree in any manner lawful for the holder thereof.

44. Share in movable property :-

where the property proceeded against consists of the share or interest of the defaulter in movable property belonging to him and another as co-owners, it shall be attached and the attachment shall be made by a notice in Form 18 to the defaulter prohibiting him from transferring the share or interest or charging it in any way.

45. Attachment of negotiable instrument :-

Where the property is negotiable instrument not deposited in a Court nor in the custody of a public officer, it shall be distrained by the Tax Recovery Officer.

46. Attachment of property in custody of Courts or Public Officer :-

Where the property proceeded against is in the custody of any Court or Public Officer, it shall be attached and the attachment shall be made by a notice in Form 19 to such Court or officer requesting that such property, and any interest or dividend becoming payable thereon, may be held subject to the further orders of the Tax Recovery Officer by whom the notice is issued:

Provided that, where such property is in the custody of a Court any question of title or priority arising between the assessing authority and any other person not being the defaulter, claiming to be interested in such property by virtue of any assignment, attachment or otherwise shall be determined by such Court.

47. Attachment of partnership property :-

(1) Where the property proceeded against consists of an interest of the defaulter being a partner, in the partnership property, the Tax Recovery Officer may make an order charging the share of such

partner in the partnership property and profits with payment of the amount due under the certificate, and may, by the same or subsequent order, appoint a receiver of the share of such partner in the profits, whether already declared or accruing and of any other money which may become due to him in respect of the partnership, and direct accounts and enquiries and make an order for the sale of such interest or such other order as the circumstances of the case may require.

(2) The other persons shall be at liberty at any time to redeem the interest charged or, in the case of a sale being directed to purchase the same.

48. Value of property :-

In the case of distraint the seizure shall not be excessive, that is to say, the property seized shall be as nearly as possible proportionate to the amount specified in the warrant.

49. Inventory :-

In the case of distraint of movable property by actual seizure, the Tax Recovery Officer shall, after seizure of the property, prepare an inventory of all the property attached, specifying in it the place where it is lodged or kept, and a copy of the inventory shall be delivered to the defaulter.

50. Seizure between sunrise and sunset :-

Attachment by seizure shall be made after sunrise and before sunset and not otherwise.

51. Power to break open door, etc :-

The Tax Recovery Officer may break open any inner or outer door of any building and enter any building in order to seize any moveable property if he has reasonable grounds to believe that such building contains moveable property liable to seizure under the warrant and he has notified his authority and intention of breaking open if admission is not given. He shall, however, give all reasonable opportunity to women to withdraw.

52. Sale :-

The Tax Recovery Officer may direct that any moveable property attached to or distrained under this Part or such portion thereof as may seem necessary to satisfy the certificate shall be sold.

53. Issue of proclamation :-

When any sale of moveable property is ordered by the Tax

Recovery Officer, the Tax Recovery Officer shall issue a proclamation in Form 20 in the language of the district, of the intended sale, specifying the time and place of sale and whether the sale is subject to confirmation or not.

54. Proclamation how made :-

(1) Such proclamation shall be made by beat of drum or other customary mode.

(a) in the case of property distrained.

(i) in the village in which the property was seized or if the property was seized in a town or city, then in the locality in which it was seized; and

(ii) at, such other places as the Tax Recovery Officer may direct;

(b) in the case of property attached otherwise than by distraint in such places, if any, as the Tax Recovery Officer may direct

(2) A copy of the proclamation shall also be affixed in a conspicuous part of the office of the Tax Recovery Officer.

55. Sale after fifteen days :-

Except where the property is subject to speedy and natural decay or when the expense of keeping it in custody is likely to exceed its value, no sale of movable property under this Part shall, without the consent in writing of the defaulter take place until after the expiry of atleast fifteen days calculated from the date on which a copy of the sale proclamation was affixed in the office of the Tax Recovery Officer.

56. Sale of agricultural produce :-

(1) Where the property to be sold is agricultural produce, the sale shall be held,

(a) if such produce is a growing crop on or near the land on which crop has grown, or

(b) if such produce has been cut or gathered at or near the threshing floor or place for treading out grain or the like, of fodder-stack on or in which it is deposited:

Provided that the Tax Recovery Officer may direct that the sale to be held at the nearest place of public resort if he is of opinion that the produce is thereby likely to sell to greater advantage.

(2) Where, on the produce being put up for sale.

(a) a fair price, in the estimation of the Tax Recovery Officer is not offered for it, and

(b) the owner of the produce, or a person authorised to act on his behalf, applies to have the sale postponed till the next day or, if a market is held at the place of sale, the next market day, the sale shall be postponed accordingly, and shall be then completed whatever price may be offered for the produce.

57. Special provisions relating to growing crops :-

(1) Where the property to be sold is a growing crop and the crop from its nature admits of being stored but has not yet been stored, the day of the sale shall be so fixed as to admit of the crop being made ready for storing before the arrival of such day, and the sale shall not be held until the crop has been cut or gathered and is ready for storing.

(2) Where the crop from its nature does not admit of being stored or can be sold to a greater advantage in an unripe stage e.g., as green wheat, it may be sold before it is cut and gathered, and the purchaser shall be entitled to enter on the land, and to do all that is necessary for the purpose of tending or cutting or gathering the crop.

58. Sale to be by auction :-

The property shall be sold by public auction in one or more lots as the Tax Recovery Officer may consider advisable and if the amount to be realised by sale is satisfied by the sale of a portion of the property the sale shall be immediately stopped with respect to the remainder of the lots. .

59. Sale by public auction :-

(1) Where moveable property is sold by public auction, the price of each lot shall be paid at the time of sale or as soon after as the Tax Recovery Officer directs and in default of payment, the property shall forthwith be resold.

(2) On payment of the purchase money, the Tax Recovery Officer shall grant a certificate specifying the property purchased, the price paid and the name of the purchaser and the sale shall become absolute.

(3) Where the moveable property to be sold is a share in goods belonging to the defaulter and co-owner, and two or more persons of whom one is such co-owner, respectively bid the same sum for such property or for any lot, the bidding shall be deemed to be the bidding of the co-owner.

60. Irregularity not to vitiate sale, but any person injured may sue :-

No irregularity in publishing or conducting the sale of movable property shall vitiate the sale, but any person sustaining substantial injury by reason of such irregularity at the hands of any other person may institute a suit in a Civil Court against him for compensation, or (if such other person is the purchaser) for the recovery of the specific property and for compensation in default of such recovery.

61. Negotiable instruments and shares in corporation :-

Notwithstanding anything contained in this Part, where the property to be sold is a negotiable instrument or a share in a corporation, the Tax Recovery Officer may, instead of selling it by public auction, sell such instrument or share through a broker.

62. Order for payment of coin or currency notes to the tax recovery officer :-

Where the property attached or distrained is current coin or currency notes the Tax Recovery Officer may, at any time during the continuance of the attachment or distraint direct that such coin or notes, or a part thereof sufficient to satisfy the certificate, be paid over to the assessing authority.

63. Attachment and sale of immovable property attachment :-

Attachment of the immovable property of the defaulter shall be made by an order in Form 21 prohibiting the defaulter from transferring or charging the property in any way and prohibiting all persons from taking any benefit under such transfer or charge.

64. Service of notice of attachment :-

A copy of the order of attachment shall be served on the defaulter.

65. Proclamation of attachment :-

The order of attachment shall be proclaimed at some place on or adjacent to the property attached by beat of drum or other customary mode and a copy of the order shall be affixed on a conspicuous part of the property and on the notice board of the

office of the Tax Recovery Officer.

66. Attachment to relate back from the date of service of notice. :-

Where any immovable property is attached under this Part, the attachment shall relate back to, and take effect from the date on which the notice to pay the arrears, issued under this Part, was served upon the defaulter.

67. Sale and proclamation of sale :-

(1) The Tax Recovery Officer may direct that any immovable property which has been attached or such portion thereof as may be seen necessary to satisfy the certificate, shall be sold.

(2) Where any immovable property is ordered to be sold, the Tax Recovery Officer shall cause a proclamation in Form 20 of the intended sale to be made in the language of the district.

68. Contents of proclamation :-

A proclamation of sale of immovable property shall be drawn after notice to the defaulter, and shall state the time and place of sale and shall specify, as fairly and accurately as possible,

(a) the property to be sold;

(b) the revenue, if any, assessed upon the property or any part thereof;

(c) the amount for the recovery of which the sale is ordered, and

(d) any other thing which the Tax Recovery Officer considers it material for a purchaser to know, in order to judge the nature and value of property.

69. Mode of making proclamation :-

(1) Every proclamation for the sale of immovable property shall be made at some place on or near such property by beat of drum or other customary mode, and a copy of proclamation shall be affixed on a conspicuous part of the property and also upon a conspicuous part of the office of the Tax Recovery Officer.

(2) Where the Tax Recovery Officer so directs, such proclamation shall also be published in the Official Gazette or in a local newspaper, or in both; and the cost of such publication shall be deemed to be cost of the sale.

(3) Where the property is divided into lots for the purpose of being sold separately, it shall not be necessary to make a separate proclamation for each lot, unless proper notice of the sale cannot in the opinion of the Tax Recovery Officer, otherwise be given.

70. Time of sale :-

No sale of immovable property under this Chapter shall, without the consent in writing of the defaulter, take place until after the expiration of atleast thirty days calculated from the date on which a copy of the proclamation of the sale had been affixed on the property or in the office of the Tax Recovery Officer, whichever is later.

71. Sale to be by auction :-

The sale shall be by public auction to the highest bidder and shall be subject to confirmation by the Tax Recovery Officer.

72. Deposit by purchaser and resale in default :-

(1) On every sale of immovable property, the person declared to be the purchaser shall pay, immediately after declaration a deposit of twenty-five per cent of the amount of his purchase money, to the Tax Recovery Officer and in default of such deposit, the property shall forthwith be resold.

(2) The full amount of purchase money payable shall be paid by the purchaser to the Tax Recovery Officer on or before the fifteenth day from the date of the sale of the property.

73. Procedure in default of payment :-

In default of payment within the period mentioned in the preceding Rule, the deposit may, if the Tax Recovery Officer thinks fit, after defraying the expenses of the sale, be forfeited to the Government, and the property shall be resold, and the defaulting purchaser shall forfeit all claims to the property or any part of the sum for which it may subsequently be sold.

74. Authority to bid :-

All persons bidding at the sale shall be required to declare if they are bidding on their own behalf or on behalf of their principal, in the latter case, they shall be required to deposit their authority, and in default their bids shall be rejected.

75. Application to set aside sale of immovable property on deposit :-

(1) Where immovable property has been sold in execution of certificate, the defaulter, or any person whose interests are affected by the sale, may at any time within thirty days from the date of the sale apply to the Tax Recovery Officer to set aside the sale on his depositing,

(a) for payment to assessing authority, the amount specified in the proclamation of sale as that for the recovery of which the sale was ordered, with interest thereon at the rate of six per cent per annum calculated from the date of the proclamation of sale to the date when the deposit is made; and

(b) for payment to the purchaser, as penalty, a sum equal to five per cent, of the purchase money but not less than one rupee.

(2) Where a person makes an application under Rule 76 for setting aside the sale of his immovable property he shall not, unless he withdraws application, be entitled to make or prosecute an application under this Rule.

76. Application to set aside sale of immovable property on ground of non-service of notice or irregularity :-

Where immovable property has been sold in execution of a certificate, the assessing authority, the defaulter, or any person whose interests are affected by the sale, may, at any time within thirty days from the date of the sale, apply to the Tax Recovery Officer to set aside the sale of the immovable property on the ground that notice was not served on the defaulter to pay the arrears as required by this Part or on the ground of a material irregularity in publishing or conducting the sale:

Provided that.

(a) no sale shall be set aside on any such ground unless the Tax Recovery Officer is satisfied that the applicant has sustained substantial injury by reason of the non-service or irregularity; and

(b) an application made by a defaulter under this Rule shall be disallowed unless the applicant deposits the amount recoverable from him in execution of the certificate.

77. Setting aside sale where defaulter has no saleable interest :-

At any time within thirty days of the sale, the purchaser may apply to the Tax Recovery Officer to set aside the sale on the ground that

the defaulter had no saleable interest in the property sold.

78. Confirmation of sale :-

(1) Where no application is made for setting aside the sale under foregoing Rules or where such an application is made and disallowed by the Tax Recovery Officer, the Tax Recovery Officer shall (if the full amount of the purchase money has been paid) make an order confirming the sale and thereupon the sale shall become absolute.

(2) Where such application is made and allowed and where, in the case of an application made to set aside the sale on deposit of the amount and penalty and charges, the deposit is made within thirty days from the date of the sale, the Tax Recovery Officer shall make an order setting aside the sale:

Provided that no order shall be made unless notice of the application has been given to the persons affected thereby.

79. Return of purchase money in certain cases :-

When a sale of immovable property is set aside, any money paid or deposited by the purchaser on account of the purchaser, together with the penalty, if any, deposited for payment to the purchaser, and such interest as the Tax Recovery Officer may allow, shall be paid to the purchaser.

80. Sale certificate :-

(1) Where a sale of immovable property has become absolute, the Tax Recovery Officer shall grant a certificate in Form 22 specifying the property sold and the name of the person who at the time of sale is declared to be the purchaser.

(2) Such certificate shall state the date on which the sale became absolute.

81. Postponement of sale to enable defaulter to raise amount due under certificate :-

(1) Where an order for the sale of immovable property has been made, if the defaulter can satisfy the Tax Recovery Officer that there is reason to believe that the amount of the certificate may be raised by the mortgage or lease or private sale of such property or some part thereof or of any other immovable property of the defaulter, the Tax Recovery Officer may, on his application,

postpone the sale of the property comprised in the order for sale, on such terms and for such period as he thinks proper to enable him to raise the amount.

(2) In such case, the Tax Recovery Officer shall grant a certificate to the defaulter, authorising him, within a period to be mentioned therein and notwithstanding anything contained in this Part, to make the proposed mortgage, lease or sale:

Provided that all moneys payable under such mortgage, lease or sale shall be paid not to the defaulter, but to the Tax Recovery Officer:

Provided also that no mortgage, lease or sale under this Rule shall become as absolute until it has been confirmed by the Tax Recovery Officer.

82. Fresh proclamation before resale :-

Every resale of immovable property in default of payment of the purchase money within the period allowed for such payment, shall be made after the issue of a fresh proclamation, in the manner and for the period hereinbefore provided for the sale.

83. Bid of co-sharer to have preference :-

When the property sold is a share of undivided immovable property and two or more persons, of whom one is a co-sharer, respectively bid the same sum for such property or for any lot, the bid shall be deemed to be the bid of the co-sharer.

84. Power to take evidence :-

Every Tax Recovery Officer or other acting under this Part shall have the powers of Civil Court while trying a suit for the purpose of receiving evidence, administering oaths, enforcing the attendance of witness and compelling the production of documents.

85. Appeals :-

(1) An appeal from any original order passed by the Tax Recovery Officer under this Part not being an order which is conclusive, shall lie,-

(a) in the case of a Tax Recovery Officer being the assessing authority, to the authority to which appeals He against the orders of the assessing authority under Section 13; and

(b) in any other case, to the assessing authority.

(2) Every appeal under this Rule must be presented within thirty days from the date of the order appealed against.

(3) Pending the decision on any appeal, execution of the certificate may be stayed if the appellate authority so directs, but not otherwise.

86. Review :-

Any order passed under this Part may after notice to all persons interested be reviewed by the officer who made the order, or by his successor in office on account of any mistake apparent from the record.

87. Recovery from surety :-

Where any person has under this Part become surety for the amount due by the defaulter, he may be proceeded against under this Part as if he were the defaulter.

88. Saving regarding charge :-

Nothing in this Part shall affect any provision of the Act whereunder the tax is a first charge upon any asset.

PART 6A

PART

88A. Return :-

(1) An importer of a motor vehicle who is not a dealer liable for registration under the Act, shall furnish a return in Form 3-AA to the authority notified by the Commissioner under Section 4-C (hereinafter referred to as the notified authority) declaring the purchase value of the motor vehicle imported and the tax payable thereon.

(2) The return shall be made within seven days from the date of causing entry of the motor vehicle into a local area.

(3) Alongwith the return, such importer shall pay either in cash or through a demand draft encashable at a bank situated in the place of location of office of the notified authority, the tax admitted to be due in return,

(4) The notified authority shall after hearing the importer and making such verification as may be considered necessary, within three days from the date of receipt of the return make an order assessing the tax due on the purchase value of the motor vehicle.

(5)

(a) Where the assessed tax is higher than the tax paid along with the return, the importer shall pay the difference within three days from the date of service of the assessment order and demand notice.

(b) Where the tax assessed and demanded is paid by the importer, the notified authority shall issue a tax paid certificate in Form 42 to the importer.

(c) Where the tax paid along with the return is higher than the tax assessed, the notified authority shall issue a refund payment order in Form 28, along with the tax payment certificate in Form 42 to the importer.

(6) Where the importer of the motor vehicle is a dealer registered under the Act, he shall furnish a return in Form 3-AA and pay the tax due on the purchase value of the motor vehicle imported by him in accordance with sub-rules (1) to (5) and, he shall include such purchase value of such motor vehicle in the total value of goods in Column 3 of the table in Form 3 as well as in the annual return of turnover in Form 5, and thereafter deduct the same under Column 4(d) of the table in Form 3 as well as Form 5.

88B. . :-

(1) Any person causing entry of a motor vehicle into a local area under Section 4, shall make an application to the Commissioner for exemption from payment of tax under that section.

(2) The Commissioner on being satisfied that the particulars furnished in the application are true and correct and are supported by necessary proof, may issue a certificate that such person is exempt from payment of tax according to Section 4-D in respect of such Motor Vehicle.]

PART 7

Miscellaneous

89. Notice regarding entering into partnership or dissolution of partnership :-

(1) If a dealer enters into partnership in regard to his business, he shall report the fact to the assessing authority concerned within fifteen days of his entering into such partnership. The dealer and the partner shall jointly and severally be responsible for the

payment of tax leviable under the Act.

(2) If a partnership is dissolved, every person who was a partner shall send a report of the dissolution to the assessing authority concerned within fifteen days of such dissolution.

90. Notice of discontinuance of business or change of place of business :-

If, at any time, a dealer,

(1) discontinues or sells or otherwise disposes of the whole or any part of any business carried on by him; or

(2) changes his place of business or any of his places of business; or

(3) opens a new place of business; or

(4) changes the name of any business carried on by him, the dealer or if he is dead, his legal representative shall notify the fact to the assessing authority concerned within thirty days hereafter.

91. Liability to tax on a legal representative :-

(1) Where any dealer doing business in respect of which tax is payable under this Act is dead, the Executor, Administrator, successor in title or other legal representative of the deceased shall, in respect of such business be liable to submit the return due under these Rules, and to assessment under Section 5 or 6 and to pay out of the estate of the deceased dealer the tax and/or any penalty assessed or levied, as the case may be, as payable by the deceased dealer.

(2) The provisions relating to appeals and revisions shall be applicable to assessments made under sub-rule (1) as if the Executor, Administrator, Successor in title or other legal representative were himself the dealer.

(3) The provisions of sub-rules (1) and (2) shall apply mutatis mutandis to a partnership firm of which the managing partners have died.

91A. liability for payment of tax and penalty in respect of firm, etc, discontinued or dissolved :-

(1) When any business carried on by a firm, a Hindu Undivided Family or an Association has been discontinued or

(2) Where any Hindu Undivided Family, firm or other association of persons is partitioned, dissolved or discontinued, notice, summons or orders issued under the Act or these Rules may be served on any member of the Hindu Undivided Family or any person who was a partner, not being a minor, of the firm or member of the Association, as the case may be, immediately before such partition, dissolution or discontinuance.

92. Liability to tax of guardian, trustees, agents, etc :-

Where any business is carried on by or is incharge of any guardian, trustee or agent of a minor or other incapacitated person on behalf and for the benefit of such minor or other incapacitated person, such guardian, trustee or agent shall in respect of the business be liable to submit the returns due under these Rules and to assessment under Section 5 or 6. The tax and/or any penalty leviable shall be levied upon and be 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 be recoverable from any such minor or other incapacitated person, if he were of full age, of sound mind and if he were conducting the business himself, and all the provisions of the Act and these Rules shall apply accordingly.

93. Liability to tax of managers, receivers, etc :-

If the estate or any portion thereof of a dealer owning business in respect of which tax is payable under this Act, is under the control of the Court 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 on behalf of the dealer) appointed by or any order of a Court, such Court of Wards, Administrator General, Official Trustee, Receiver, Manager or any other person, shall in respect of the turn-over of such business be liable to submit the returns due under these Rules and to assessment under Section 5 or 6. The tax and/or any penalty leviable shall be levied upon and be recoverable from such Court of Wards, Administrator General, Official Trustee, Receiver or Manager or any person in like manner and to the same extent as it would be leviable upon and recoverable from the dealer if he were conducting the business himself and all the provisions of the Act and these Rules shall apply accordingly.

93A. Declaration to be given in certain cases. :-

Every dealer liable for registration under Section 4 shall, within

ninety days from the date on which he becomes liable for registration, send to the registering authority a declaration in Form 26 stating the name or names of the person or persons who are authorised to sign returns under the Act on their behalf or to make statements in any enquiry under the Act. All returns signed and statements so made by such person or persons shall be binding on the dealer concerned. The declaration furnished may be revised from time to time.]

94. Composition offences :-

The Assistant Entry Tax Officers, Entry Tax Officers and Assistant Commissioners, ¹ [Commercial Tax Officers (Intelligence) and Assistant Commercial Tax Officers (Intelligence)] subject to the control and direction of the Deputy Commissioner and Commissioner may exercise the powers specified in Section 23.

1. Inserted by Notification No. FD 104 CET 85, dated 7-3-1986, w.e.t 6-5-1986.

95. Returns and other particulars to be furnished by the forwarding agency and others. :-

Every clearing and forwarding house or agency, transporting agency, shipping agency, shipping out-agency or steamer agency in the State shall submit to the entry tax authority of the area a statement in Form 23 every month. The statement shall be submitted within fifteen days from the close of the month to which it relates.

96. Submission of certain records by owners, etc of vehicles and boats. :-

The owner or other person-in-charge of the goods vehicle or boat shall, in respect of the goods transported by him in such vehicle or boat, submit to the entry tax officer having jurisdiction over the local area in which the scheduled goods are delivered, a statement in Form 24, every month within 15 days after the close of the month to which it relates.

96A. Particulars to be furnished by Banks :-

Every Bank including any branch of a Bank in the State shall, if so required by an officer not below the rank of an Assistant Entry Tax Officer, furnish any such particulars as he may require in respect of the transactions of any dealer with such Bank.]

97. Service of Notices, etc :-

The service on a dealer ¹[x x x x] of any notice, summons or order

under the Act or these Rules may be effected in any of the following ways, namely:

(a) by giving or tendering it to such dealer ²[x x x x] or his manager or agent; or

(b) if such dealer ³[x x x x] or his manager or agent is not found by leaving it at his last known place of business or residence or by giving or tendering it to some adult member of his family; or

(c) if the address of such dealer ⁴[x x x x] is known to the assessing ⁵ [x x x x] authority by sending it to him by registered post;

(d) if none of the modes aforesaid is practicable, by affixing it in some conspicuous place at his last known place of business or residence.

1. Omitted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

2. Omitted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

3. Omitted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

4. Omitted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-1-1983.

5. Omitted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

98. Method of payment of money into Treasury or Bank :-

(1) The tax ¹[x x x x] or other miscellaneous amounts payable under the Act or these Rules shall be paid by the dealer

(i) by Money Order or in Cash to the Assessing Authority; or

(ii) by remittance into the Government Treasury through the challan in Form No. 25; or

(iii) by crossed cheque, crossed demand draft or postal order in favour of the Assessing Authority; or

² [(iv) where the amount does not exceed one thousand rupees to the Commercial Tax Inspector; or

(v) where the amount does not exceed five hundred rupees to the Bill Collector.]

(2) Every payment made under the Act or under these Rules into a

Government Treasury or the State Bank of India or the Reserve Bank of India, shall be accompanied by a Chalian in Form 25. The Challan Form may be obtained from any Government Treasury or at the office of any Assessing Authority.

1. Omitted by Notification No. FD 29 CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

2. Inserted by Notification No. FD 29CET 82, dated 31-3-1983, w.e.f. 1-4-1983.

99. Fees for grant of copies :-

The fees payable for the grant of certified copies of any document under the Act or these Rules shall be as follows:

(1) for the first two hundred words or less-75 paise

(2) for every additional one hundred words or fraction thereof-40 paise

99A. Fee for clarification of rate of tax :-

(1) The fee payable for seeking clarifications under sub-section (7) of Section 12 shall be one hundred rupees.

(2) The fee specified in sub-rule (1) shall be paid by way of Crossed Demand Draft in favour of the Commissioner of Commercial Taxes, in Karnataka, Bangalore.]

100. Appearance before any authority in proceedings :-

Any person who is required to appear before any authority other than the High Court in connection with any proceedings under the Act may be represented before such authority.

(a) by his relative or a person regularly employed by him if such relative or person is duly authorised by him in writing in this behalf, or

(b) by a legal practitioner, or

(c) by a chartered accountant, or

(d) by a person enrolled as a Sales Tax Practitioner by the Commissioner of Commercial Taxes under S.36 of the Karnataka Sales Tax Act, 1957 and duly authorised by the person whom he represents.

101. Forms, registers, etc., to be written in ink :-

(1) All entries in all Forms, registers and other documents

prescribed by the Act or these Rules shall be made in ink:

Provided that where more than one copy of Form, declaration, return, register or other documents has to be filled or written at the same time entries may be made by a ball point pen or typewriter or a computer.

(2) No entry in such Forms, register and other documents shall be erased or overwritten. Incorrect entries shall be scored out under attestation and correct entry shall be recorded.

102. Penalty :-

Whoever commits a breach of any of the following Rules, namely, Rules 4(6), 4(8), 4(9), 8-A(2), 8-A(3), 9-A(l)(c), 10(4), 10(5), 10(6), 10(7), 89, 90, 95, 96, 96-A and 101 shall on conviction by a Magistrate of First Class, be punishable with fine which shall not be less than Rs. Two hundred and fifty but may extend to ¹[five thousand rupees] and, where the breach is a continuing one, with further fine which may extend to ² [one hundred rupees] for every day after the first during which the breach continues.]

1. Substituted for the words "one thousand rupees" by Notification No. FD 191 CET 97, dated 25-9-1997 and shall be deemed to have come into force w.e.f. 1-4-1997.

2. Substituted for the words "fifty rupees" by Notification No. FD 191 CET 97, dated 25-9-1997 and shall be deemed to have come into force w.e.f. 1-4-1997.

103. Penalty for failure to issue prescribed declaration :-

(1) Every registered dealer who is required to issue declaration in Form 40 under Rule 9A(1)(B) shall issue the said declaration to the other registered dealer to whom he delivered any goods liable to tax under the Act, within one month but not later than three months from the date of such delivery.

(2) Any registered dealer who defaults in issuing the declaration as required by sub-rule (1) shall be liable to be proceeded against by the affected registered dealer and on conviction be punishable with a fine which may extend to five thousand rupees and where the default is continuing with a further fine which may extend to one hundred rupees for every day after the first during which the default continues:

Provided that no act or omission on the part of any registered dealer before the publication of these rules in the Official Gazette

shall be punishable as an offence under this rule.

104. . :-

Forms to be used. Where a Form has been prescribed in these rules for keeping or maintaining of any accounts or for submission of any returns or any statement, only the appropriate Form prescribed in these rules shall be used for the purpose.

SCHEDULE 1

SCHEDULE

SCHEDULE 1

No. of lots	Description of the property with the name of the owner	Assessment paid and nature of the interest in the property	Encumbrances to which the property is liable	Claims put forward
1	2	3	4	5

Date.....day of.....19....

Tax Recovery Officer.