

## **Rajasthan Finance Act, 2007**

**[07-Apr-07]**

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## **Rajasthan Finance Act, 2007**

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An Act further to amend the Rajasthan Value Added Tax Act, 2003, the Rajasthan Tax on Luxuries (In Hotels and Lodging Houses) Act, 1990, the Rajasthan Tax on Entry of Goods into Local Areas Act, 1999, the Rajasthan Motor Vehicle Taxation Act, 1951, the Rajasthan Stamp Act, 1998, the Rajasthan Municipalities Act, 1959,

the Rajasthan Urban Improvement Act, 1959, the Jaipur Development Authority Act, 1982, the Rajasthan Court Fees and Suits Valuation Act, 1961 and the Rajasthan Fiscal Responsibilities and Budget Management Act, 2005<sup>1</sup>, in order to give effect to the financial proposals of the State Government for financial year 2007-08 and to make certain other provisions. Be it enacted by the Rajasthan State Legislature in the Fifty-eighth Year of the Republic of India, as follows:-

Footnote: 1. Amendments relating to Rajasthan Motor Vehicle Taxation Act, 1951, Rajasthan Stamp Act, 1998, Rajasthan Municipalities Act, 1959, Rajasthan Urban Improvement Act, 1959, Jaipur Development Authority Act, 1982, Rajasthan Court Fees and Suits Valuation Act, 1961 and Rajasthan Fiscal Responsibilities and Budget Management Act, 2005 are not given here - Editor

#### CHAPTER 1

##### Preliminary

#### **1. Short title :-**

(1) This Act may be called the Rajasthan Finance Act, 2007.

#### **2. Declaration under section 3, Rajasthan Act No. 23 of 1958 :-**

In pursuance of section 3 of the Rajasthan Provisional Collection of Taxes Act, 1958 (Act No. 23 of 1958) it is hereby declared that it is expedient in the public interest that provisions of this bill shall have immediate effect under the said Act.

#### CHAPTER 2

##### Amendment in the Rajasthan Value Added Tax Act, 2003

#### **3. Amendment of section 4, Rajasthan Act No. 4 of 2003 :-**

In subsection (6) of section 4 of the Rajasthan Value Added Tax Act, 2003 (Act No. 4 of 2003), hereinafter in this chapter referred to as the principal Act, for the existing expression "and is before the expiry of the sessions", the expression "and if before the expiry of the sessions" shall be substituted.

#### **4. Amendment of section 8, Rajasthan Act No. 4 of 2003 :-**

In subsection (5) of section 8 of the principal Act, for the existing expression "and is before the expiry of the sessions", the expression "and if before the expiry of the sessions" shall be substituted.

#### **5. Amendment of section 11, Rajasthan Act No. 4 of 2003 :-**

In subsection (6) of section 11 of the principal Act, for the existing

expression "liable to pay tax under this Act the and such registration", the expression "liable to pay tax under this Act and such registration" shall be substituted.

**6. Amendment of section 18, Rajasthan Act No. 4 of 2003 :-**

In clause (f) of sub-section (1) of section 18 of the principal Act, for the existing expression "being used as raw material in the manufacture of goods for sale", the expression "being used as packing material of goods or as raw material in manufacture of goods for sale" shall be substituted.

**7. Amendment of section 21, Rajasthan Act No. 4 of 2003 :-**

In subsection (3) of section 21 of the principal Act, for the existing expression "the State Government", the expression "the Commissioner" shall be substituted.

**8. Amendment of section 24, Rajasthan Act No. 4 of 2003 :-**

After the existing sub-section (3) of section 24 of the principal Act, the following sub-section (4) shall be added, namely:- "(4) Notwithstanding anything contained in sub-section (3), where an assessment order is passed in consequence of or to give effect to any order of an appellate or revisional authority or a competent court, it shall be completed within two years of the communication of such order to the assessing authority; however, the Commissioner may for reasons to be recorded in writing, extend in any particular case, such time-limit by a period not exceeding six months."

**9. Amendment of section 26, Rajasthan Act No. 4 of 2003 :-**

In subsection (3) of section 26 of the principal Act, for the existing expression "tax period", wherever occurring, the expression "period of return" shall be substituted.

**10. Amendment of section 53, Rajasthan Act No. 4 of 2003 :-**

In subsection (1) of section 53 of the principal Act, for the existing expression "deposit of such amount by him", the expression "deposit of such amount" shall be substituted.

**11. Amendment of section 77, Rajasthan Act No. 4 of 2003 :-**

For the existing sub-section (1) of section 77 of the principal Act, the following shall be substituted, namely:- "(1) Where the Commissioner is of the opinion that without establishing a departmental check-post, it is in the public interest to collect tax on

contract basis in respect of all kinds of building stones, marble and granite in all their forms, gitti, bazari, all other goods specified under clause (8) of section 2 and livestock at a particular check-post or for a specified area, he may, through a contract, permit a contractor to collect such tax at such check-post for such area, at the rates as may be notified under the Act from time to time, in the manner and on such terms and conditions as may be prescribed, for a period not exceeding two years at a time."

**12. Amendment of section 83, Rajasthan Act No. 4 of 2003**

**:-**

In section 83 of the principal Act,- (i) in sub-section (2), the existing expression "clauses (a), (b) and (c) of" shall be deleted; and (ii) in sub-section (3), the existing expression "clauses (a), (b) and (c) of" shall be deleted.

**13. Amendment of section 88, Rajasthan Act 4 of 2003 :-**

In section 88 of the principal Act,- (i) in sub-section (1), for the existing expression "Chairman", the expression "Chairperson" shall be substituted; (ii) in sub-section (3), for the existing expression "Chairman", the expression "Chairperson" shall be substituted; and (iii) in sub-section (4), for the existing expression "Chairman", the expression "Chairperson" shall be substituted.

**14. Amendment of section 96, Rajasthan Act No. 4 of 2003**

**:-**

In subsection (1) of section 96 of the principal Act, for the existing expression "Chairman", the expression "Chairperson" shall be substituted.

**15. Amendment of section 100, Rajasthan Act No. 4 of 2003**

**:-**

In sub-section (1) of section 100 of the principal Act, for the existing expression "1995", the expression "1955" shall be substituted.

**CHAPTER 3**

Amendment in the Rajasthan Tax on Luxuries

**16. Amendment of section 2, Rajasthan Act No. 9 of 1996 :-**

In section 2 of the Rajasthan Tax on Luxuries (in Hotels and Lodging Houses) Act, 1990 (Act No. 9 of 1996),- (i) for the existing clause (b), the following clauses shall be substituted, namely:- "  
(b) business includes the activities of providing residential accommodation or any place for the purpose of organising parties,

ceremonies or functions and any other service in connection with, or ancillary to, such activities for monetary consideration, whether or not such activities are carried on with motive to make gain or profit and whether or not any gain or profit accrues from such activities; "; and (ii) for the existing clause (g), the following clause shall be substituted, namely:- "(g) hotel includes a residential accommodation along with the lawns there of, a lodging house, an inn, a public house or a building or parts of a building or any place, where a residential accommodation or a space for the purpose of organising parties, ceremonies or functions is provided by way of business;".

#### CHAPTER 4

Amendment of the Rajasthan Tax on Entry of Goods into Local Areas Act, 1999

### **17. Amendment of section 15, Rajasthan Act No. 13 of 1999**

:-

In sub-section (1) of section 15 of the principal Act, for the existing expression "within a period of eight years from the expiry of the year to which the tax relates, proceed to assess or reassess to the best of its judgment the tax payable by a dealer in respect of such turnover or purchase value of such goods, as the case may be, after issuing a notice to the dealer and after making such enquiry as it may consider necessary.", the expression "within a period of five years from the expiry of the year to which the tax relates, issue notice and proceed to assess or re-assess to the best of its judgment, the tax payable by a dealer in respect of such turnover or purchase value of such goods, as the case may be, and after making such enquiry as it may consider necessary, shall complete the assessment within eight years from the end of the relevant year." shall be substituted. [\*\*\*\*\*]1 Footnote: 1. Amendments relating to Rajasthan Motor Vehicle Taxation Act, 1951, Rajasthan Stamp Act, 1998, Rajasthan Municipalities Act, 1959, Rajasthan Urban Improvement Act, 1959, Jaipur Development Authority Act, 1982, Rajasthan Court Fees and Suits Valuation Act, 1961 and Rajasthan Fiscal Responsibilities and Budget Management Act, 2005 are not given here - Editor.