
Tamil Nadu Local Authorities Finance Act, 1961**52 of 1961****CONTENTS**

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Tamil Nadu Local Authorities Finance Act, 1961**52 of 1961**

An Act to enable local authorities to augment their finance by empowering them to levy certain taxes WHEREAS it is expedient to enable local authorities to augment their finances by empowering them to levy certain taxes; BE it enacted in the Twelfth Year of the Republic of India as follows:-- 1 Published in the Fort St. George Gazette, dated 24th January 1962.

1. Short Title And Commencement :-

- (1) This Act may be called the Tamil Nadu Local Authorities Finance Act, 1961.
- (2) It shall come into force on such date as the Government may, by Notification, appoint.

2. Definitions :-

In this Act, unless the context otherwise requires, --

- (a) "Entertainments Tax Act" means the Tamil Nadu Entertainments

Tax Act, 1939 (Tamil Nadu X of 1939);

(b) "Government" means the State Government;

(c) "local authority" means --

(i) the Corporation of Madras, or

(ii) a Municipal Council or a Township Committee constituted under the 1[Tamil Nadu] District Municipalities Act, 1920 (Tamil Nadu Act V of 1920), or

(iii) a Township Committee constituted under the Mettur Township Act, 1940 (Tamil Nadu Act XI of 1940) or the Courtallam Township Act, 1954 (Tamil Nadu Act XVI of 1954) or the Bhavanisagar Township Act, 1954 (Tamil Nadu Act XXV of 1954), or

(iv) a Panchayat Union council constituted under any law for the time being in force;

(d) "year" means the financial year;

(e) all words and expressions used but not defined in this Act and defined in the Entertainments Tax Act shall, in relation to a tax leviable under Section 3, have the meanings respectively assigned to them in that Act,

1 The words "Tamil Nadu" were substituted for the word "Madras" wherever it occurs by the Tamil Nadu Adaptation of Laws Order, 1969, as amended by the Tamil Nadu Adaptation of Laws (Second Amendment) Order, 1969.

3. Levy Of Tax As Surcharge On Tax On Payment For Admission To Horse Race :-

1[(1) Any local authority may levy, in the form of a surcharge, as tax on each payment for admission to any horse race held within the local limits of the local authority at such a rate, not exceeding the rate of tax levied under Section 4 of Entertainments Tax Act for that payment, as the local authority may determine;

(2) Any resolution of a local authority determining to levy a tax under sub-section (1) shall specify the date from which it shall be levied.

(3) 2[***]

(4) Any resolution abolishing an existing tax levied under subsection (1) or reducing the rate of such tax shall not be carried into effect without the sanction of the Government.

(5) When a local authority shall have determined to levy a tax under sub-section (1) for the first time or at a new rate, the local authority shall forthwith publish a notice in such manner as may be prescribed, specifying the rate at which and the date from which

such tax shall be levied.

1 Substituted by Tamil Nadu Act 40 of 1989, with effect from 1st July, 1989.

2 Omitted by Tamil Nadu Act 16 of 1970, with effect from 1st April, 1970.

4. Tax Under Section 3 To Be Assessed And Collected By The Government :-

(1) Any tax payable under Section 3 shall be assessed and collected by the Government in the manner provided in sub-section (2).

(2) The authorities for the time being empowered to assess, collect and enforce payment of any tax under the Entertainments Tax Act shall, subject to any Rules made under this Act, assess, collect and enforce payment of any tax payable 1[under sub-section (1) of Section 3 (including any penalty payable in respect thereof) in the same manner as the tax under Section 4] of the Entertainments Tax Act is assessed, paid and collected; and for this purpose they may exercise all or any powers they have under the Entertainments Tax Act; and the provisions of that Act including the provisions relating to composition of tax, returns, appeals, revisions, offences, penalties and the compounding of offences, shall apply accordingly.

(3) Notwithstanding anything contained in sub-section (2), the proceeds in any year of any tax so collected shall be paid to the local authority concerned after deducting towards the expenses incurred by the Government such percentage of the proceeds as the Government may fix.

2[(4) The person liable to pay the tax under Section 3 shall, in addition to the payment of security mentioned in sub-section (1-A) of Section 6 of the Entertainments Tax Act, also give security up to an amount and in a manner approved by the Government for the payment of the tax due under Section 3].

1 Substituted by Tamil Nadu Act 40 of 1989, with effect from 1st July, 1989.

2 Added by Tamil Nadu Act 51 of 1979.

4A. Rounding Off Of Surcharge On Tax On Payment For Admission To Horse-Race, Fees, Penalty Etc :-

1[2[The amount of surcharge, fee, penalty, fine or any other sum payable, and the amount of refund due, under the provisions of this Act shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise, then, if such part is fifty paise or more, it shall be increased to one rupee and if such part is less than fifty paise, it shall be ignored.]

1 Inserted by Tamil Nadu Act 29 of 1973.

2 Substituted by Tamil Nadu Act 40 of 1989, with effect from 1st April, 1989.

4B. Publication Of Information Respecting Assesseees :-

1[(1) If the Government are of opinion that it is necessary or expedient in the public interest to publish the names of any assesseees and any other particulars relating to any proceedings under this Act in respect of such assesseees, they may, subject to such conditions as may be prescribed, cause to be published such names and particulars in such manner as they think fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings under this Act, until the time for presenting an appeal or a revision, as the case may be, has expired without an appeal or revision having been presented or the appeal or revision, if presented, has been disposed of.

Explanation.-- In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Government, the circumstances of the case justify it.]

1 Inserted by Tamil Nadu Act 51 of 1979.

5. Power To Exempt :-

1[Notwithstanding anything contained in this Act, the Government, or any local authority with the previous sanction of the Government, may exempt admission to any horse-race from liability to the tax payable under sub-section (1) of Section 3].

1 Substituted by Tamil Nadu Act 40 of 1989, with effect from 1st July, 1989.

6. Other Laws Not Affected :-

The provisions of this Act are in addition to, and not in derogation of, the Entertainments Tax Act or any other law for the time being in force.

7. Section 7 :-

The amendment made by this section has been already incorporated in Section 99(2) of the principal Act, namely, the Madras City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919), by substituting "25 percent" for "20 per cent" in respect of the maximum rate for property tax],

8. Power To Make Rules :-

(1) The Government may make Rules for the purpose of carrying out the provisions of this Act.

(2) All Rules made under this Act shall be published in the Tamil Nadu Government Gazette and unless they are expressed to come into force on a particular day, shall come into force on the day on which they are published.

(3) Every Rule made under this Act shall, as soon as possible after it is made, be placed on the table of both Houses of the Legislature and if, before the expiry of the session in which it is so placed or the next session, both Houses agree in making any modification in any such Rule or both Houses agree that the Rule should not be made, the Rule shall thereafter have effect, only in such modified form or be of no effect, as the case may be, so however, that any modification or annulment shall be without prejudice to the validity of anything previously done under that Rule.

9. Power To Remove Difficulties :-

(1) If any difficulty arises in giving effect to the provisions of this Act, the Government as occasion may require may, by order, do anything which appears to them necessary for the purpose of removing the difficulty.

(2) Every order issued under sub-section (1) shall, as soon as possible after it is issued, be placed on the Table of both Houses of the Legislature, and, if before the expiry of the session in which it is so placed or the next session, both Houses agree in making any modification in any such order or both Houses agree that the order should not be issued, the order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.