

## **Uttar Pradesh Motor Vehicles Taxation (Amendment) Act, 2009**

**180 of 2009**

**[20 August 2009]**

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## **Uttar Pradesh Motor Vehicles Taxation (Amendment) Act, 2009**

**180 of 2009**

**[20 August 2009]**

To amend the Uttar Pradesh Motor Vehicles Taxation Act, 1997 IT

IS HEREBY enacted in the Sixtieth Year of the Republic of India as follows:-

**1. Short title and commencement :-**

(1) This Act may be called the Uttar Pradesh Motor Vehicles Taxation (Amendment) Act, 2009. (2) It shall come into force on such date, as the State Government may by notification in the Gazette, appoint. Amendment of section 2 of U.P. Act no. 21 of 1997

**2. In Section 2 of the Uttar Pradesh Motor Vehicles Taxation Act, 1997 Hereinafter referred to as the principal Act :-**

(1) For clause (a) the following clause shall be substituted, namely: - (a) "Additional tax" means a tax imposed under section 6. (2) For clause (i), the following clause shall be substituted, namely: - (i) "Quarter" means a period of three calendar months commencing on the first day of any calendar month. (3) After clause (k) the following clause shall be inserted, namely: - (K-1) "Special tax" means a tax imposed under section 4A. Amendment of section 3.

**3. In section 3 of the principal Act :-**

(a) In sub-section (1) for the words "motor vehicles operating in furtherance of any educational, medical, philanthropic or other public purpose", the words "motor vehicles" shall be substituted. (b) sub-section (2) shall be omitted.

**4. In section 4 of the principal Act :-**

(a) In sub-section (1), - (i) For the words "as specified in part B of the first Schedule", the words "as may be specified by the State Government by notification in the Gazette". Shall be substituted. (ii) For the existing proviso the following proviso shall be substituted, namely: "Provided that in respect of an old motor vehicle instead of a onetime tax, annual tax applicable to such motor vehicle as may be specified by the State Government by notification in the Gazette may be paid." (b) After sub-section (1) the following sub-section shall be inserted, namely: - (1-A) Save as otherwise provided in this Act or the rules made there under no three wheeler motor cab and goods carriage having gross vehicle weight not exceeding 3000 kilograms, shall be used in any public place in Uttar Pradesh unless yearly tax at such rate of such motor vehicle, as may be specified by the State Government by notification in the Gazette, has been paid in respect thereof: Provided that in respect of a motor vehicle under this sub-section in

lieu of yearly tax such amount of onetime tax may be payable as specified by the State Government by notification in the Gazette." (c) For sub-section (2) and (3) the following sub-sections shall be substituted namely:- "(2) Save as otherwise provided by or under this Act no goods carriage other than those specified in sub-section (1-A), construction equipment vehicles, specially designed vehicles, motor cab (other than three wheeler motor cab), maxi cab and public service vehicles owned or controlled by the state Transport Undertaking, shall be used in any public place in Uttar Pradesh unless a quarterly tax at the rate applicable to such motor vehicle as may be specified by the state Government by notification in the Gazette, has been paid in respect thereof: Provided that in respect a motor vehicle under this sub-section instead of quarterly tax, an yearly tax at such rate as may be specified by the State Government may be payable." (d) After sub-section (2) the following sub-section shall be inserted, namely:- "(2-A) Save as otherwise provided by or under this Act no public service vehicle other than those referred in sub-section (1-A) and sub-section (2) shall be used in any public place in Uttar Pradesh unless a monthly tax at such rate as may be notified by the State Government is paid in respect thereof: Provided that in respect a motor vehicle under this sub-section instead of monthly tax, a quarterly or an yearly tax at such rate as may be notified by the State Government may be payable. (2-B) Where any reciprocal agreement relating to taxation of goods carried by road is entered into between the Government of Uttar Pradesh and any other State Government or a Union Territory, the levy of tax under sub-section (1-A) or sub-section (2) shall, notwithstanding anything contained in the said sub-section, be in accordance with the terms and conditions of such agreement: Provided that the tax so levied shall not exceed the tax which would otherwise been levied under the Act." (3) Where any motor vehicle other than a transport vehicle is found plying as a transport vehicle, such tax therefore as may be notified by the State Government, shall be payable." (e) Sub-section (4) shall be omitted.

**5. After section 4 the following section shall be inserted, namely :-**

Levy of special tax in respect of certain vehicles "4-A. Save as otherwise provided by or under this Act no public service vehicle covered by temporary permit issued for the conveyance of passengers on special occasions, such as to and from fair and

religious gatherings or to carry marriage parties, tourist parties or such other reserved parties by whatever name shall be operated in public place in Uttar Pradesh unless in addition to tax under section 4, the special tax at such rate as may be notified by the State Government has been paid in respect thereof."

**6. Section 5 of the principal Act shall be omitted :-**

Amendment of section 6

**7. For section 6 of the principal Act the following section shall be substituted, namely :-**

"6. Save as otherwise provided in this Act or the rules made there under, no public service vehicle owned or controlled by State Transport Undertaking shall be operated in any public place in Uttar Pradesh unless an additional tax as may be notified by the State Government in addition to tax payable under section 4 has been paid in respect thereof." \* Omission of section 7 \*

**8. Section 7 of the principal Act shall be omitted :-**

\* Amendment of section 8 \*

**9. In section 8 of the principal Act, for sub-section (1) the following sub-section shall be substituted, namely :-**

"(1) For the purpose of providing relief to the passengers or other persons, suffering casualty in any accident in which a public service vehicle is involved, or to heirs of such passengers or other persons, the State Government shall establish a fund to be known as the Uttar Pradesh Road Transport Accident Relief fund. The amount equivalent to two per cent of the tax levied under section 4 and two per cent of the additional tax levied under section 6 shall be credited to the said fund." \* Amendment of section 9 \*

**10. In section 9 of the principal Act :-**

(a) In sub-section (1),- (i) For clauses (ii) and (iii) the following clause shall be substituted namely:- "(ii) The tax payable under sub-section (1-A) of section 4, shall be payable in advance for one year at the time of the registration of the vehicle under the Motor vehicles Act, 1988 and thereafter on or before the fifteenth day of the first calendar month of the each year next following. (iii) The tax payable under sub-section (2) of section 4 shall be payable in advance for one quarter at the time of registration of the vehicle under the Motor vehicles Act, 1988 and thereafter on or before the fifteenth day of the first calendar month of the each quarter next following." (ii) In clause (iv). - A- for sub clause (a) the following

sub-clause shall be substituted, namely: - "(a) The tax payable under sub-section (2-A) of section 4 shall be payable in advance for one calendar month at the time of registration of the vehicle under the Motor vehicles Act, 1988 and thereafter on or before the fifteenth day of each calendar month next following." B- in sub-clause (b) for the words and figure " the additional tax payable under section 6" the words and figure "the special tax payable under section 4A" shall be substituted. (b) In sub-clause (3) for the words "not exceeding twenty five per cent of the due amount" the words "not exceeding the due amount" shall be substituted. \* Amendment of section 10 \*

**11. In section 10 of the principal Act :-**

(i) For clause (a) the following clause shall be substituted namely:- "(a) under a temporary permit granted under the Motor vehicles Act, 1988 by an authority having jurisdiction outside Uttar Pradesh unless there has been paid in respect thereof a tax under section 4 for its use or stay in Uttar Pradesh." (ii) In clause (b) for the words " an additional tax under section 5" the words "a tax under section 4" shall be substituted and for the words" at the rate specified in clause (b) of the third Schedule" the words " at the rate specified by the State Government by notification in the Gazette" shall be substituted. (iii) In clause (c) for the words " an additional tax under section 6" the words "a tax under section 4" shall be substituted and for the words" Specified in sub-clause (b) of Article V of the Fourth Schedule" the words "specified by the State Government by Notification in the Gazette" shall be substituted. (iv) In clause (c) the proviso shall be omitted. (b) Sub-section (2), shall be omitted. (c) In sub-section (3) for the words "equivalent to ten times of the due tax or additional tax" the words "equivalent to five times of the due tax" shall be substituted. (d) In sub-section (3), in the proviso, for the words, "the tax and additional tax under this section" the words "the tax under this section" shall be substituted. (e) After the existing proviso the following proviso shall be inserted. Namely." "Provided further that the tax under this section shall not be payable in respect of motor cabs (CNG operated) plying exclusively with the limits of National Capital Region under the permit granted as per agreement entered into with the Government of Uttar Pradesh, Haryana, Rajasthan and the National Capital Territory of Delhi." Amendment of section 11

**12. For section 11 of the principal Act, the following section shall be substituted, namely :-**

Amount payable on liability occurring for the first time "11. Save as otherwise provided by or under this Act when, in respect of a transport vehicle, the tax becomes payable for the first time after the commencement of any calendar month, the tax payable under section 4 shall be one third of the appropriate quarterly tax or one twelfth of the appropriate yearly tax for each calendar month or part thereof in respect of which the tax is payable." Amendment of section 12

**13. In section 12 to the principal Act :-**

(a) In sub-section (1),- (i) For the words "one third of the rate of quarterly tax "one third of the quarterly tax or one twelfth of the yearly tax. As the case may be" shall be substituted. (ii) After the existing proviso the following proviso shall be inserted, namely: "Provided further that where one time tax has been paid for a motor vehicle under sub-section (1-A) of section 4, the amount equivalent to 1/120 for each month shall be refunded in respect of such vehicle." (b) In sub-section (2), in the proviso, for the words and figures "the tax as if the documents were not surrendered and shall also be liable to the penalty payable under sub-section (3) of section 9" the words "the tax and the additional tax as if the documents were not surrendered and shall also be liable to the penalty equivalent to five times of the tax and additional tax" shall be substituted; (c) In sub-section (3) for the words "motor vehicle other than the transport vehicle" the words "a motor vehicle" shall be substituted and for the words "such tax at the rate specified in Part A of the Second Schedule" the words "such tax as may be specified by the State Government by notification in the Gazette" shall be substituted; (d) In sub-section (5) for the words "specified in Part B of the Second Schedule" the words "specified by the State Government by notification in the Gazette" shall be substituted; (e) In sub-section (7) for the words and figures "under section 5 or as the case may be under section 6" the words and figure "under section 6" shall be substituted. \* Amendment of section 15 \*

**14. In section 15 of the principal Act :-**

(a) In the marginal heading, for the word "token" the word "certificate" shall be substituted; (b) In sub-section (1) for the word "token" the word "certificate" shall be substituted; (c) In sub-section (2) for the word and figures "in section 5 or section 6" the word and figure "section 6" shall be substituted. Amendment of section 18

**15. xxx :-**

In section 18 of the principal Act in sub-section (1), for the words and figures "under section 12" the words and figures "under section 4, section 6 and section 12" shall be substituted. \* Amendment of section 20 \*

**16. In section 20 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely :-**

(3) The Taxation officer shall raise a demand in the form as may be prescribed from the owner or operator, as the case may be, for the arrears of tax and additional tax and penalty of each year, which shall also include the arrears of tax, additional tax or penalty, if any, of preceding years. \* Amendment of section 22 \*

**17. In section 22 of the principal Act, for the words "a transport vehicle" wherever occurring the word "a motor vehicle" shall be substituted :-**

\* Omission of Schedules Repeal and saving \*

**18. All the Schedules to the principal Act shall be omitted. U.P. Ordinance no 3 of 2009 :-**

**19. xxx :-**

(1) The Uttar Pradesh Motor Vehicles Taxation (Amendment) Ordinance, 2009 is hereby repealed. (2) Notwithstanding such repeal, anything done or any action taken under the provisions of the principal Act as amended by the Ordinance referred to in sub-section (1) shall be deemed to have been done or take under the corresponding provisions of the principal Act as amended by this Act as if the provisions of this Act were in force at all material times. STATEMENT OF OBJECTS AND REASONS The Uttar Pradesh Motor Vehicles Taxation Act, 1997 (U.P. Act no. 21 of 1997) has been enacted to provide for the imposition of tax in the state on motor vehicles and additional tax on motor vehicles engaged in the transport of passengers and goods for hire. With a view to making the said Act more useful to the general public and rational and for making taxation more simple it was decided to amend the said Act mainly to provide for imposition of tax on motor vehicles at such rate as may be specified by the State Government by notification in the Gazette, inclusion of additional tax in the tax with respect to commercial vehicles, empowering the State Government to exempt any vehicle or class of vehicles from the operation of provisions of the Act of payment of any tax under the Act, levy of special tax on public service vehicles covered by temporary permit issued for the

conveyance of passengers on special occasions, omitting the Schedules to the Act relating to the tax and prescribing the rates thereof. Since the State Legislature was not in session and immediate legislative action was necessary to implement the aforesaid decision, the Uttar Pradesh Motor Vehicles taxation (Amendment) Ordinance, 2009 (U.P. Ordinance no. 3 of 2009) was promulgated by the Governor on June 8, 2009. This Bill is introduced to replace the aforesaid Ordinance. By order, P.V. KUSHWAHA Sachiv.