

THE KERALA GENERAL SALES TAX (AMENDMENT) BILL, 2002

(As passed by the Assembly)

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BILL

*further to amend the Kerala General Sales Tax Act, 1963.*

*Preamble.*—WHEREAS it is expedient further to amend the Kerala General Sales Tax Act, 1963 for the purpose hereinafter appearing;

BE it enacted in the Fifty-fourth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala General Sales Tax (Amendment) Act, 2003.

(2) It shall be deemed to have come into force on the 26th day of October, 2002.

2. *Amendment of section 17.*—In the Kerala General Sales Tax Act, 1963 (15 of 1963) (hereinafter referred to as the principal Act), in section 17, for sub-section (4) and the provisos thereunder, the following sub-section and provisos shall be substituted, namely:—

“(4) Notwithstanding anything to the contrary contained in sub-sections (3) and (4A), the assessing authority may accept the return for any year, the assessment relating to which has not been completed along with the statements prescribed, which are in accordance with the provisions of the Act and the rules made thereunder, submitted by a dealer, having dealings in goods coming under the Third Schedule to the Act, irrespective of any limit in turnover, or by a dealer whose total turnover specified in the return submitted by him for the year to which the assessment relates does not exceed rupees fifteen lakhs or by a dealer having dealings only at non-taxable points of goods coming under the First, Second or Fifth Schedule and whose total turnover specified in the return does not exceed rupees forty lakhs or by a dealer the tax payable by whom for the said year does not exceed rupees five thousand and assess the dealer on the basis of such return:

Provided that every year out of the assessments relating to the preceding year to be completed under this sub-section, the Deputy Commissioner may select twenty per cent by following such procedure as may be specified by the Commissioner, for detailed scrutiny of the accounts and other records and if the dealer is found to have not accounted any purchases or sales or otherwise attempted to evade payment of tax, the assessments of the dealer for the previous five years may be re-opened and escaped turnover shall be assessed or levy of tax be made after following the procedure prescribed in sub-section (3) and the limitation prescribed under any of the provisions of the Act shall not apply to such cases:

Provided further that where the return filed by any dealer falling under any of the categories referred to in this sub-section is not accompanied by any statement required by this Act or the rules made thereunder, in support of any claim or exemption from or reduction in the rate of tax, the assessing authority shall, after due notice to the dealer, complete the assessment on the basis of the turnover conceded in the return, disallowing the claim for such exemption or reduction to the extent to which it is not proved:

Provided also that where any evasion of tax is detected against any dealer whose assessments have been completed under this sub-section, the dealer shall cease to be eligible for assessment under this sub-section for any subsequent period.”.

3. *Repeal and Saving.*—(1) The Kerala General Sales Tax (Amendment) Ordinance, 2002 (9 of 2002) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the provisions of the principal Act as amended by this Act.