

**Fourteenth Kerala Legislative Assembly**

**Bill No. 72**

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**THE KERALA MOTOR VEHICLES TAXATION  
(AMENDMENT) BILL, 2017**

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*A*

*BILL*

*further to amend the Kerala Motor Vehicles Taxation Act, 1976.*

*Preamble.*—WHEREAS, it is expedient further to amend the Kerala Motor Vehicles Taxation Act, 1976 for the purposes hereinafter appearing;

BE it enacted in the Sixty-eighth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Motor Vehicles Taxation (Amendment) Act, 2017.

(2) It shall be deemed to have come into force on the 1st day of July, 2017.

2. *Amendment of section 2.*—In the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976), (hereinafter referred to as principal Act) in clause (e) of section 2, after the words “value added tax”, the following words and symbol “goods and services tax or such other tax as may be levied by the Central or State Government,” shall be inserted.

3. *Repeal and Saving.*—(1) The Kerala Motor Vehicles Taxation (Amendment) Ordinance, 2017 (12 of 2017) is hereby repealed.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 principal Act as amended by this Act.

**STATEMENT OF OBJECTS AND REASONS**

Due to the introduction of Goods and Services Tax (GST) with effect from 1st July, 2017, Government have decided to include GST also in the term "purchase value" defined in clause (e) of section 2 of the Kerala Motor Vehicles Taxation Act, 1976 (Act 19 of 1976) and to amend the said Act, for the purpose.

2. Since the Kerala State Legislative Assembly was not in session and as the above proposals had to be given effect to immediately, the Kerala Motor Vehicles Taxation (Amendment) Ordinance, 2017 was promulgated by the Governor of Kerala on 30th June, 2017 and published as Ordinance No. 12 of 2017 in the Kerala Gazette Extraordinary No. 1369 dated 30th June, 2017.

3. The Bill seeks to replace the said Ordinance by an Act of the State Legislature.

**FINANCIAL MEMORANDUM**

The Bill, if enacted and brought into operation, would not involve any additional expenditure from the Consolidated Fund of the State.

**THOMAS CHANDY**

EXTRACT FROM THE KERALA MOTOR VEHICLES TAXATION ACT, 1976  
(19 OF 1976)

2. *Definitions.*—In this Act, unless the context otherwise requires,—

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“(e) “purchase value” means the value of the vehicle as shown in the purchase invoice and includes value added tax, cess and customs/excise duty chargeable on vehicles:

Provided that the discount or rebate given by the dealer to the registered owner shall not be deducted from the bill amount for computing the purchase value:

Provided further that where the purchase value of any vehicle including a vehicle imported from other countries or a vehicle acquired or obtained otherwise than by way of purchase is not ascertainable on account of non availability of the invoice, the purchase value shall be the value or price of the vehicles of the same specifications which are already registered or available with the manufacturer or as fixed by the Customs and Central Excise Department for the purpose of levying customs duty and includes excise or customs duty levied on the purchase of a motor vehicle, as the case may be.”;

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