

Twelfth Kerala Legislative Assembly  
Bill No. 339

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**THE KERALA MOTOR VEHICLES TAXATION  
(AMENDMENT) BILL, 2010**

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**(AMENDMENT) BILL, 2010**

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*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-first 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, 2010.

(2) It shall come into force at once.

2. *Amendment to the Schedule.*—In the Schedule to the Kerala Motor Vehicles Taxation Act, 1976 (19 of 1976),—

(i) in serial No. 7, after item No. (i) in column No. (1) and the entries against it, in column (2) and (3), the following item and the entries against it, shall respectively be inserted, namely:—

“(ia) Motor vehicles permitted to ply solely as contract carriage and used as Educational Institution Buses	
(a) Vehicles with 20 or less seats including that of driver	500
(b) Vehicles with more than 20 seats	1000’;

(ii) in serial No. 13, item No. (1) and entries relating thereto in column (2) and (3) shall be omitted.

(iii) after the existing proviso, the following proviso shall be added, namely:—

“ Provided further that the Educational Institution Buses in respect of which private service vehicles permit have been issued before the commencement of the Kerala Motor Vehicles Taxation (Amendment) Act, 2010 shall continue to operate under that permit as Education Institution Buses till the expiry of that permit.”.

#### STATEMENT OF OBJECTS AND REASONS

Government of India have clarified that Educational Institution Buses can be classified as Contract Carriages and shall be issued with Contract Carriage permit. When the Educational Institution Buses are reclassified as Contract Carriages, the Educational Institutions will be liable to pay tax at the rate applicable to Contract Carriages, which is far higher than the rate now fixed for Educational Institution Buses in the taxation schedule. Therefore, Government have decided for a suitable amendment in the Schedule to the Motor Vehicles Taxation Act, 1976 (19 of 1976), so as to continue the privilege of reduced rate of tax for Educational Institution Buses. Since Educational Institution Buses are issued with Contract Carriage permits, an amendment shall be made in the Schedule referred to in sub-section (1) of section 3 of the Kerala Motor Vehicles Act, 1976, retaining the present rate of tax for Educational Institution Buses.

2. The Bill is intended to achieve the above objects.

#### FINANCIAL MEMORANDUM

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

JOSE THETTAYIL

## EXTRACT FROM THE KERALA MOTOR VEHICLES TAXATION ACT, 1976

(Act 19 of 1976)

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7. Motor vehicles plying for hire and used for transport of passengers and in respect of which permits have been issued under the Motor Vehicles Act, 1988

(i) Vehicles permitted to ply solely as Contract Carriage and to carry			
(a) Not more than two passengers (Autorickshaw)			60.00
**	**	**	**
**	**	**	**
(g) Tourist Motor Cabs	Petrol driven		320.00
	Diesel driven		340.00

## 13. (1) Educational Institution Bus

(a) Vehicles with 20 or less seats including that of the driver		500.00
(b) Vehicles with more than 20 seats		1000.00

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## (6) Vehicles exclusively used for imparting instructions in driving of motor vehicles

(a) **	**	**
(c) **	**	**

Provided that,—

(1) **	**	**
**	**	**

(6) a Stage Carriage if permitted to operate on special or temporary permit as a Contract Carriage, a tax at the rate of Rs. 330 (Rupees Three Hundred and Thirty only) per day shall be levied in respect of such vehicle having a seating capacity exceeding forty and the rate of Rs. 200 (Rupees Two Hundred only) per day in respect of such vehicle having a seating capacity not exceeding forty.

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