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**REPORT OF THE SUBJECT COMMITTEE**  
**ON**  
**THE KERALA FINANCE BILL, 2018**  
**AND**  
**THE BILL AS REPORTED BY THE SUBJECT COMMITTEE**

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**SUBJECT COMMITTEE VIII  
(ECONOMIC AFFAIRS)  
(2016-2018)**

**Composition**

*Chairman :*

DR. T. M. Thomas Isaac,  
Minister for Finance and Coir

*Ex-officio Members :*

Shri T. P. Ramakrishnan,  
Minister for Labour and Excise

Shri G. Sudhakaran,  
Minister for Public Works and Registration

*Members :*

Shri T. A. Ahammed Kabeer,	MLA
DR. N. Jayaraj,	"
Shri V. K. C. Mammed Koya,	"
Shri D. K. Murali,	"
Shri Thiruvanchoor Radhakrishnan,	"
Shri Mullakkara Retnakaran,	"
Shri V. D. Satheesan,	"
Shri K. Suresh Kurup,	"

*Legislature Secretariat :*

Shri V. K. Babu Prakash, Secretary  
Shri K. Gopakumaran Pillai, Joint Secretary  
Smt. Lima Francis, Deputy Secretary  
Smt. Deepa R. Krishnan, Under Secretary.

# **THE KERALA FINANCE BILL, 2018**

(Report of the Subject Committee)

The Kerala Finance Bill, 2018 (Bill No. 125) was referred to Subject Committee VIII—(Economic Affairs) for joint consideration with Subject Committee II—Land Revenue and Devaswom, Subject Committee V—Public Works, Transport and Communications and Subject Committee XIV—Home Affairs. The joint meeting of Subject Committee II, V, VIII and XIV considered the Bill clause by clause and now submits this Report with the Bill as reported by the Subject Committee annexed thereto.

The Kerala Finance Bill, 2018 was published as a Gazette Extraordinary dated March 16, 2018. The Bill was introduced in the Assembly on March 20, 2018 and was referred to Subject Committee VIII for joint consideration with Subject Committee II, V, XIV on the same day.

The Committee considered the Bill clause by clause at the meeting held on March 22, 2018. The Committee recommends to adopt the Bill with the following modifications:—

## *Clause 2*

In sub-section (4) of section 18 of the Abkari Act, 1077 proposed to be substituted by item (b) of sub-clause (2) of clause 2 of the Bill, in item (ii), after the words “Foreign Liquor (foreign made)” the words “wherever they occur” shall be inserted.

## *Clause 4*

In Section 2(k) proposed to be amended by sub-clause (a) for the said figures word “Two rupees for every rupees 1000” the words and figures “fifteen rupees for every rupees 10000” shall be substituted.

## *Clause 6*

In sub-section (1) of Section 6 and the proviso to the said sub-section of the Kerala Land Tax Act, 1961, proposed to be substituted by clause 6 of the Bill, for the words “Town Panchayat and” wherever they occur shall be omitted.

## Clause 7

In sub-clause 2(v)(a), before the word Rupees the word "above" shall be inserted.

## Clause 8

(i) In sub-clause (3), in item (a) for the schedule the following schedule, shall be substituted, namely :—

"(q)	"	15000 kg	"	20000 kg	"	4240 + Rs. 160/- for every 250 kg or part thereof in excess of 15000 kg.
(r)		20000 kg				7440 + Rs. 220/- for every 250 kg or part thereof in excess of 20000 kg";

Item "(c)" after item (d) shall be re-lettered as item "(f)".

## Clause 10

(i) In Section 31 B of the Kerala Value Added Tax Act, 2003 (30 of 2004) proposed to be inserted by sub-clause (8) clause 10 of the Bill, for the portion beginning with "Notwithstanding anything contained in the Act" and ending with "subject of the following conditions:" the following shall be substituted, namely :—

*"Waiver of certain arrears and penalty.*—Notwithstanding anything contained in this Act, the interest accrued under sub-sections (5) and (6) of Section 31 of this Act, on tax due or accrued, under sub-section (2) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) and penalty under section 67 and section 68 of this Act, imposed on non-payment or short payment of tax due or assessed under sub-section (2) of section 8 of the said Act on the inter-state sale of arecanut shall be waived subject to the following conditions:—

(ii) sub-clause (8) to (16) shall be renumbered as sub-clauses (9) to (17);

(iii) in sub-section (2) of Section 42, of the said Act proposed to be inserted by sub-clause 9 (as so renumbered) of clause 10 of the Bill,—

(a) in the second proviso after the word “Provided” the word “further” shall be inserted;

(b) in the third proviso, for the words “Provided further” the words “Provided also” shall be substituted.

(iv) in sub-clause (15) for the words “added the end” the words “added at the end” shall be substituted.

4. All other changes are either verbal or consequential.

5. The minutes of dissent are appended.

Thiruvananthapuram,  
22 nd March, 2018.

DR. T. M. THOMAS ISAAC,  
*Chairman,*  
*Subject Committee VIII.*

## വിയോഗനക്കുറിപ്പ്—I

അന്തർ സംസ്ഥാന വിൽപന നടത്തുന്ന അടയ്ക്കു വ്യാപാരികൾക്ക് അവർ നൽകുന്ന സി ഫോറത്തിന്റെ അടിസ്ഥാനത്തിൽ രണ്ട് ശതമാനം നികുതി ബാധ്യത മാത്രമെ ഉണ്ടായിരുന്നുള്ളൂ. എന്നാൽ പ്രസ്തുത വ്യാപാരികൾ സമർപ്പിച്ച പല സി ഫോറങ്ങളും നിയമ പ്രകാരം സ്വീകരിക്കുവാൻ യോഗ്യമല്ലെന്ന് കണ്ട് തള്ളിയതിന്റെ അടിസ്ഥാനത്തിൽ പ്രസ്തുത അടയ്ക്കു വിലയ്ക്കു നൽകിയ വ്യാപാരികൾക്ക് ഒട്ടേറെ വർഷങ്ങളിലെ അഞ്ച് ശതമാനം നികുതി ഒഴിച്ച് അടയ്ക്കേണ്ട അവസ്ഥ ഉണ്ടായിട്ടുണ്ട്. ഇത്തരം വ്യാപാരികൾക്ക് നികുതി ഇളവ് നൽകുന്നതിന് പകരം അംഗസ്ഥി സ്മിയാണ് സർക്കാർ കൊണ്ടുവന്നിട്ടുള്ളത്. അത് അടയ്ക്കു വ്യാപാരികൾക്ക് വളരെയധികം ബുദ്ധിമുട്ട് ഉണ്ടാക്കുന്ന ഒന്നാണ്. അവർക്ക് നികുതി ഇളവ് നൽകുകയാണ് വേണ്ടത്.

കുടുംബാംഗങ്ങൾ തമ്മിലുള്ള ഭാഗപത്രം, ദാനം, ധനനിശ്ചയം, ഒഴിമുറി എന്നീ ആധാരങ്ങൾക്ക് മുദ്രവില നിരക്ക് 5 ഏക്കർ വരെ 1,000/- രൂപയായി മുൻ യു.ഡി.എഫ്. സർക്കാരിന്റെ കാലത്ത് നിശ്ചയിച്ചിരുന്നു. ഈ ആധാരങ്ങൾക്ക് ഏറ്റവും കുറഞ്ഞത് 1,000/- രൂപ അല്ലെങ്കിൽ വിലയുടെ 0.15 ശതമാനം ഏതാണോ അധികം അത് മുദ്രവിലയായി ഭേദഗതി വരുത്തുന്നതിനുള്ള നിർദ്ദേശം ഭൂമിയുടെ ന്യായവില കൂടി വർദ്ധിപ്പിച്ചിട്ടുള്ള സാഹചര്യത്തിൽ ഭീമമായ ഭാരം ആണ് ജനങ്ങളിൽ അടിച്ചേല്പിച്ചിരിക്കുന്നത്. കുടുംബാംഗങ്ങൾ തമ്മിലുള്ള ഇത്തരം ക്രയവിക്രയങ്ങളിൽ ലാഭം ഒതുക്കിയ ഘടകമല്ലാതിരുന്നതിനാലാണ് മുൻ സർക്കാരിന്റെ കാലത്ത് 1,000/- രൂപയായി മുദ്രവില നിശ്ചയിച്ചത്. മുദ്രവിലയിൽ ഭീമമായ വർദ്ധനവ് വരുത്തുന്ന തരത്തിൽ 1959 -ലെ കേരള മുദ്രപ്പത്ര ആക്റ്റിൽ വരുത്തുന്ന ഭേദഗതി ജനങ്ങൾക്ക് അമിതഭാരം ഉണ്ടാക്കുമെന്നതിനാൽ അതിനോട് വിയോഗിക്കുന്നു.

വി. ഡി. സതീശൻ, എം. എൽ. എ.

(ഒപ്പ്)



## വിയോഗനക്കുറിപ്പ്—II

1961-ലെ കേരള ഭൂനികുതി ആക്റ്റിൽ 2014-ലെ 22-ാം നമ്പർ ഓർഡിനൻസ് പ്രകാരം മുൻ സർക്കാരിന്റെ കാലത്ത് കൊണ്ടുവന്ന ഭേദഗതികൾക്കെതിരെ എൽ.ഡി.എഫ്. പ്രക്ഷോഭങ്ങൾ നടത്തിയിരുന്നു. പൊതുജനാഭിപ്രായം പരിഗണിച്ച് അന്നത്തെ സർക്കാർ പ്രസ്തുത ഭേദഗതി പുനഃപരിശോധിക്കുകയും 2015 -ലെ 16-ാം നമ്പർ ഓർഡിനൻസ് പ്രകാരം 30-9-2014 മുതൽ ഭൂനികുതിയിൽ വരുത്തിയ വർദ്ധനവിൽ ഇളവ് അനുവദിക്കുകയും ചെയ്തു. 2014-ൽ എൽ.ഡി.എഫ്. എതിർത്ത അതേ ഭേദഗതികൾ ഇപ്പോൾ കൊണ്ടുവന്ന് ഭൂനികുതി വർദ്ധിപ്പിച്ചിരിക്കുകയാണ്. പ്രതിപക്ഷത്തിരുന്നപ്പോൾ നഖശിഖാന്തം എതിർത്ത ഭൂനികുതിയിലുള്ള വർദ്ധനവ് യാതൊരു മാറ്റവും കൂടാതെ ഇപ്പോൾ നടപ്പിലാക്കുവാനാണ് ശ്രമിക്കുന്നത്. ഇത് ഇരട്ടത്താപ്പും ജനങ്ങളുടെമേൽ അധിക നികുതിഭാരം അടിച്ചേൽപ്പിക്കുന്ന ഒന്നുമാണ്. അതിനാൽത്തന്നെ ഇതിനോട് വിയോഗിപ്പ് രേഖപ്പെടുത്തുന്നു.

അടൂർ പ്രകാശ് ,എം. എൽ. എ.

(ഒപ്പ്)

എം. ഉമ്മർ, എം. എൽ. എ.

(ഒപ്പ്)

### വിയോഗനക്കുറിപ്പ്—III

കേരളത്തിൽ രജിസ്റ്റർ ചെയ്യപ്പെടേണ്ട 1500-ഓളം ആഡംബര വാഹനങ്ങളും 2000-ഓളം മറ്റ് കാറുകളും നികുതി കുറവുള്ള പുതുച്ചേരിയിൽ രജിസ്റ്റർ ചെയ്ത് സ്ഥിരമായി കേരളത്തിൽ ഉപയോഗിക്കുന്നുണ്ട്. കേരളത്തിൽ വാഹനം രജിസ്റ്റർ ചെയ്തിരുന്നവെങ്കിൽ അടയ്ക്കേണ്ടുന്ന തുക ഒടുക്കിയാൽ അവരുടെ മേലുള്ള നിയമ നടപടികൾ ഒഴിവാക്കുന്നതിനായിട്ടാണ് 1976-ലെ കേരള മോട്ടോർ വാഹന നികുതി ചുമത്തൽ ആക്റ്റിൽ ഭേദഗതി കൊണ്ടുവന്നിട്ടുള്ളത്. നികുതി വെട്ടിച്ച പ്രമുഖരെയും വൻകിടക്കാരെയും നിയമ നടപടികളിൽ നിന്നും രക്ഷിക്കുന്നതിനുവേണ്ടി കൊണ്ടുവന്നിട്ടുള്ളതാണ് ഈ ഭേദഗതി. ഇപ്പോൾ ഈടാക്കുവാൻ നിർദ്ദേശിച്ചിട്ടുള്ള നികുതി കുറവാണ്. ഇവിടെ അടയ്ക്കേണ്ട നികുതിയുടെ ഇരട്ടിയെങ്കിലും നികുതി വെട്ടിച്ചവരിൽ നിന്നും ഈടാക്കേണ്ടതാണ്.

ഇലക്ട്രിക് ആട്ടോറിക്ഷകളിലും, എൽ.പി.ജി./സി.എൻ.ജി. ഉപയോഗിച്ച് ഓടുന്ന ആട്ടോറിക്ഷകളുടെയും നിലവിലെ വാർഷിക നികുതിയിൽ 50/- രൂപ മാത്രമാണ് കുറവ് വരുത്തിയിട്ടുള്ളത്. പരിസ്ഥിതി സംരക്ഷണത്തിന് പ്രോത്സാഹനം നൽകുന്നതിന്റെ ഭാഗമായി പ്രസ്തുത വാഹനങ്ങളുടെ നികുതിയിൽ 150/- രൂപയെങ്കിലും കുറവ് വരുത്തേണ്ടതാണ്. അഞ്ചു വർഷത്തെ നികുതി ഒരമ്പിച്ച് അടയ്ക്കുന്നവരിൽ നിന്നും 1,500/- രൂപ മാത്രമേ ഈടാക്കാവൂ. മേൽപ്പറഞ്ഞ ഭേദഗതി നിർദ്ദേശങ്ങൾ അംഗീകരിക്കാത്തതിനാൽ ഇതിനോട് വിയോജിക്കുന്നു.

എൻ. ഷംസുദ്ദീൻ, എം. എൽ. എ. (ഒപ്പ്)

## വിയോഗനക്കുറിപ്പ്—IV

1. കേരളത്തിലെ കർഷകർ ഉത്പാദനച്ചെലവും ഉത്പന്നങ്ങളുടെ വിലയിടിവുമൂലം കഷ്ടപ്പെടുന്ന സാഹചര്യത്തിൽ ഭൂനികുതി വർദ്ധിപ്പിക്കാനുള്ള നിർദ്ദേശം കർഷകർക്ക് ഏറെ ബുദ്ധിമുട്ടുണ്ടാക്കുന്നതിനാൽ പ്രസ്തുത നിർദ്ദേശത്തെ എതിർക്കുന്നു.
2. കുടുംബാംഗങ്ങൾ തമ്മിലുള്ള കരണങ്ങളിൽ സാമ്പത്തികമായ വ്യവഹാര മില്ലാത്തതിനാൽ അത് സംബന്ധിച്ച നിർദ്ദേശങ്ങൾ പൂർണ്ണമായി ഒഴിവാക്കപ്പെടേണ്ടതാണ്.

ഡോ. എൻ. ജയരാജ്, എം. എൽ. എ.

(ഒപ്പ്)

# THE KERALA FINANCE BILL, 2018

(As reported by the Subject Committee)

(The words underlined/sidelined indicate modifications suggested by the Committee. Omissions are indicated by asterisks)

A

*BILL*

*to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2018 – 2019.*

*Preamble.*—WHEREAS, it is expedient to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2018 – 2019;

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

1. *Short title and Commencement.*—(1) This Act may be called the Kerala Finance Act, 2018.

(2) Save as otherwise provided in this Act, it shall come into force on the 1st day of April, 2018.

2. *Amendment of Act 1 of 1077.*— In the Abkari Act, 1077 (1 of 1077),—

(1) in section 3, after clause (13), the following clauses shall be inserted, namely:—

“(13A) “Foreign Made Foreign Liquor” means any liquor produced, manufactured or blended, compounded and bottled abroad and imported into India by land, air or sea;

(13B) “Indian Made Foreign Liquor” means any foreign liquor other than Foreign Made Foreign Liquor;”;

(2) in section 18,—

(a) in sub-section (2),—

(i) in item (i), for the words and brackets “Liquor (Indian Made)” the words “Indian Made Foreign Liquor” shall be substituted;

(ii) in the table, after item (i) and the entry against it, the following item and entry shall, respectively, be inserted, namely:—

“(ia) Duty of excise when levied in the form of special fees on Foreign Made Foreign Liquor.	Rs. 100 per proof litre”;
--	---------------------------

(b) in sub-section (4),—

(i) for the words and brackets “Foreign Liquor (Indian Made)” wherever they occur, the words “Indian Made Foreign Liquor” shall be substituted;

(ii) for the words and brackets “Foreign Liquor (foreign made)”, “wherever they occur” the words “Foreign Made Foreign Liquor” shall be substituted;

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

“Provided further that the Government may, permit, the licensees who sell or serve Indian Made Foreign Liquor, to sell or serve Foreign Made Foreign Liquor also, without levying the fees specified in clause (c) above in such manner as may be prescribed.”;

(iv) The Explanation shall be omitted.

3. *Amendment of Act 11 of 1957.*—In the Kerala Surcharge on Taxes Act, 1957 (11 of 1957), section 3 shall be omitted.

4. *Amendment of Act 17 of 1959.*—In the Kerala Stamp Act, 1959 (17 of 1959),—

(1) in section 2, the existing clause (ff) shall be re-lettered as clause (fa) and after clause (fa) as so re-lettered, the following clauses shall be inserted, namely:—

“(fb) “family” means father, mother, grandfather, grandmother, husband, wife, son, daughter, grandchildren, brother and sister;

(fc) “flat” whether called apartment or by any other name, means a part of any property, together with its undivided interest in the land/common

- areas/facilities, intended for any type of independent use, including one or more rooms or enclosed spaces located on one or more floors or any part or parts thereof, in a multi-storied building to be used for residence or office or for the practice of any profession, or for carrying on any occupation, trade or business or for such other type of independent use, as may be described, in the instrument, and with a direct exit to a public street, road or highway, or to a common area leading to such street, road or highway, and includes any garage or room (whether or not adjacent to the multi-storied building, in which such flat is located) provided by the promoter for use by the owner of such flat for parking any vehicle or for the residence of any domestic aide employed in such flat;”;

(2) after section 28B, the following section shall be inserted, namely:—

“28C. *Valuation of buildings other than Flats/Apartments.*—Notwithstanding anything contained in this Act or the rules made thereunder, an instrument transferring land including a building other than flat/apartment, chargeable with *ad valorem* duty, shall fully and truly set forth the value of building therein and for this purpose the valuation of building shall be determined on the basis of the cost inflation index under section 48 of the Income Tax Act, 1961 (Central Act 43 of 1961), in such manner as may be prescribed by rules made under this Act;”;

(3) in section 45B, to sub-section (5), the following proviso shall be added, namely:—

“Provided that no such appeal shall be entertained, unless an amount equal to twenty-five per cent of the deficit amount of duty determined and payable under sub-section (2) or sub-section (3), as the case may be, is deposited by the aggrieved person in such a manner as may be prescribed by rules made under this act.”;

(4) in THE SCHEDULE, —

(a) in serial number 5, clause (e) shall be re-lettered as clause (g) and before clause (g) as so re-lettered, the following clauses shall be inserted, namely:—

“(e) If relating to advertisement on mass media, made for promotion of any product or programme or event

Rupees 500 per contract

with an intention to make profit or business out of it or conferring exclusive rights of telecasting, broadcasting or exhibition of an event or a film.

(f) If relating to public works or service level agreements

One rupee for every rupees 1000 or part thereof on the amount agreed in the contract, subject to a minimum of rupees 200 and a maximum of rupees one lakh”;

(b) in serial number 6, after clause (2), the following clause shall be inserted, namely:—

“(3) Release, discharge or cancellation of any instrument specified under clause (1) or clause (2)

The same duty with which such agreement [clause (1) or (2), as the case may be] is chargeable”;

(c) for serial number 31, and entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“31. Gift—instrument of, not being a Settlement or will or transfer,

(a) where the gift is in favour of any of the members of the family and/or legal heirs of the deceased family member

Two rupees for every rupees 1000 or part thereof of the fair value of the land and the value of the other properties set forth in the instrument or the value of all properties set forth in the instrument, whichever is higher, subject to a minimum of rupees 1000.

(b) in any other case

The same duty as a conveyance (No. 21 or 22 as the case may be)”;

(d) in serial number 33, the existing Explanation shall be numbered as Explanation I and after Explanation I as so numbered, the following Explanation shall be inserted, namely:—

*“Explanation II.—Rent paid in advance shall be deemed to be premium or money advanced within the meaning of this serial number, unless it is specifically provided in the lease agreement that the rent paid in advance will be set off towards the last instalment or instalments of rent.”;*

(e) in serial number 42,—

(i) for the entries in columns (2) and (3), the following entries shall respectively, be substituted, namely: —

“Partition— Instrument of [as defined by section 2(k)]:

(a) Where the partition is among all or any of the members of the family and legal heirs of the deceased family member, if any

Fifteen rupees for every rupees 10,000 or part thereof of the fair value of the separated share or shares of land and the value of other properties in such separated share or shares set forth in the instrument or of the value of all the properties of the separated share or shares as set forth in the instrument, whichever is higher, subject to a minimum of rupees 1000.

(b) in any other case

Six rupees for every rupees 100 or part thereof of the amount of the value or fair value of the separated share or shares of the property, whichever is higher.”;

(ii) existing Explanation shall be omitted;

(f) in serial number 44,—



(i) in clause (c), for the entry in column (3), the following entry shall be substituted, namely: —

“Six hundred rupees”

(ii) in clause (g), for the entry in column (3), the following entry shall be substituted, namely:—

“Six hundred rupees”

(g) for serial number 48, and the entries against it in columns (2) and (3), the following serial numbers and entries shall, respectively, be substituted, namely:—

“48. Release, that is to say, any instrument (not being such a release as is provided by section 24), whereby a person renounces a claim upon another person or against any specified property,—

(a) When such release operates in favour of any of the members of the family and/or legal heirs of the deceased family member

Two rupees for every rupees 1000 or part thereof of the amount of the fair value of land and the values of other properties or claims of which the right is relinquished in proportion to the right relinquished or value of all the properties or claims of which right is relinquished in proportion to the right relinquished or consideration for the release, whichever is higher, subject to a minimum of rupees 1000.

(b) in any other case

The same duty as a conveyance (No. 21 or 22 as the case may be) for such

amount or value of the property or claim or fair value of the land and the values of other properties of which the right is relinquished in proportion to the right relinquished or consideration for the release, whichever is higher”;

(h) in serial number 51, for clause A and the entries against it in columns (2) and (3), the following clause and entries shall, respectively, be substituted, namely:—

“A. instrument of (including a deed of dower),

(a) Where the settlement is in favour of any of the members of family and/or legal heirs of the deceased family member

Two rupees for every rupees 1000 or part thereof of the fair value of the land and the value of other properties set forth in the instrument or the value of all properties set forth in such instrument, whichever is higher, subject to a minimum of rupees 1000.

(b) in any other case

The same duty as Bottomry Bond (No. 14) for a sum equal to the amount or value of the property settled as set forth in such instrument or fair value of land and value of other properties, whichever is higher.”;

(i) for serial number 54, and the entries against it in columns (2) and (3), the following serial number and entries shall, respectively, be substituted, namely:—

“54. Surrender of lease—

(a) when lease is surrendered before the expiry of lease period      One thousand rupees

(b) in any other case

Five hundred rupees”.

5. *Amendment of Act 10 of 1960.*—In the Kerala Court Fees and Suits Valuation Act, 1959 (10 of 1960) in SCHEDULE II, after Article 18 and the entries against it in columns (2) and (3), the following Article and entries shall, respectively, be inserted, namely:—

“19. Application to arbitrator for adjudication of dispute under the Chit Funds Act, 1982 (Central Act 40 of 1982) Two per cent of the arbitration amount.”.

6. *Amendment of Act 13 of 1961.*— In the Kerala Land Tax Act, 1961 (13 of 1961), in section 6, for sub-section (1) and NOTE below it, the following sub-section and proviso shall be substituted, namely:—

“(1) Subject to the provisions of sub-section (2) of section 7, the basic tax charged and levied under section 5 shall be at the rate of five rupees in Panchayat areas, ten rupees in [\*\*\*] Municipal Council areas and twenty rupees in Municipal Corporation areas, per Are per annum:

Provided that where the aggregate extent of land held by a land holder does not exceed 8.1 Ares in Panchayat area, 2.43 Ares in [\*\*\*] Municipal Council area and 1.62 Ares in Municipal Corporation area, the basic tax charged and levied on such land shall be at the rate of two rupees and fifty paise in Panchayat area, five rupees in the [\*\*\*\*] Municipal Council area and ten rupees in the Corporation area, per Are per Annum.”.

7. *Amendment of Act 15 of 1963.*— In the Kerala General Sales Tax Act, 1963 (15 of 1963),—

(1) in section 23B,—

(a) in sub-section (3) for the words and figures “31st December, 2017” the words and figures “30th June, 2018” shall be substituted;

(b) in sub-section (4), for the words and figures “31st December, 2017” the words and figures “30th June, 2018” shall be substituted;

(2) in the Schedule, for serial number 2 and the entries against it, the following serial number and entries shall, respectively, be substituted, namely:—

“2	Foreign Liquor	
(i)	Bottled Wine, imported from outside the country and has suffered duty under the Customs Act, 1962	25
(ii)	Bottled Foreign liquor other than wine, imported from outside the country and has suffered duty under the Customs Act, 1962	78
(iii)	Beer not covered under sub-entry (ii) above	100
(iv)	Wine not covered under sub-entry (i) above	70
(v)	Foreign liquor not covered under sub entries (i), (ii), (iii) and (iv) above	
	(a) for which purchase value incurred is <u>above</u> Rupees 400 per case or more	210
	(b) for which purchase value incurred is up to Rupees 400 per case	200

*Explanation:—*For the purpose of this Schedule,—

(i) “case” means, 48 bottles of 180 ml. each, or 24 bottles of 375 ml. each, or 18 bottles of 500 ml. each or 12 bottles of 750 ml. each, or 9 bottles of 1000 ml. each or 6 bottles of 1500 ml. each;

(ii) "purchase value" means the value at which the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited purchases such liquor from the suppliers and in case any liquor is not purchased by the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited, such value as fixed by the Commissioner of Excise, for the purpose of levy of duties under the provisions of the Abkari Act, 1077 (1 of 1077)."

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

(1) in section 3,—

(a) in sub-section (1),

(i) in the second proviso, for the words "as per fourth proviso" the words "as per fifth proviso", shall be substituted;

(ii) in the third proviso,—

(a) for the words "tax has been paid at the rate", the words and symbol "tax has been paid, at the rate" shall be substituted;

(b) after the words, figures, brackets and letter "new autorickshaws specified in item 7(i)(a)", the words, figures, brackets and letters "and 7(i)(aa) and new e-rickshaws specified in item 7(i)(ab)" shall be inserted;

(c) for the words "seventh proviso", the words "eighth proviso", shall be substituted;

(d) after the fourth proviso, in the NOTE, for the words "This shall", the words "This proviso shall" shall be substituted;

(b) in sub-section (5), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that in the case of Transport Vehicles registered in any State or Union Territories other than the State of Kerala and found operating in the State of Kerala without remitting tax due to Kerala, a tax equal to double the amount of tax specified in the Schedule for such vehicle shall be levied.”;

(c) in sub-section (7), for the words “specified in the Schedule”, the words “specified in Annexure IV” shall be substituted;

(2) in sub-section (1) of section 4,—

(a) for the third proviso, the following proviso shall be substituted, namely:—

“Provided also that the tax payable in respect of motor vehicles other than those vehicles for which one time tax or lump sum tax or biennial tax has been paid for an year does not exceed rupees one thousand five hundred, the tax shall be paid yearly on an annual licence.”;

(b) in the fourth proviso, for the words “second proviso”, the words “third proviso”, shall be substituted;

(c) in the fifth proviso, after the words, figures and brackets “specified in item 7(i)(a)”, the words, figures and brackets “and 7(i)(aa) and new e-rickshaw specified in 7(i)(ab)”, shall be inserted;

(d) in the eighth proviso, after the words, figures and brackets “7(i)(a)” the words, figures and brackets “and 7(i)(aa) e-rickshaw specified in 7(i)(ab)”, shall be inserted;

(3) in the Schedule,—

(a) in serial number 3, in item (ii), for sub-item (q) and the entries against it in columns (2) and (3), the following sub-items and entries shall, respectively, be substituted, namely:—

“(q) ”	15000 kg	”	20000kg	”	4240 + Rs.160/- for every 250 kg or part thereof in excess of 15000 kg.
(r)	20000 kg				7440 + Rs.220/- for every 250 kg or part thereof in excess of 20000 kg”;

(b) in serial number 7, in item (i), for sub-item (a) and the entries against it in columns (2) and (3), the following sub-items and entries shall, respectively, be substituted, namely:—

“(a) and to carry not more than 3 passengers (Autorickshaws) and using fuel petrol and diesel	125.00
(aa) and to carry not more than 3 passengers (Autorickshaws) and using fuel other than petrol and diesel.	115.00
(ab) and used for carrying more than 2 passengers but not more than 6 passengers other than motor cabs and Tourist Motor Cabs (e-rickshaws)	125.00”;

(c) serial number 14 and the entries against it in columns (2) and (3) shall be omitted;

(d) in Annexure II, under the heading “Class of Vehicle”, against serial number C, after the words “State of Kerala”, the words “and new e-rickshaws and e-rickshaws which were originally registered in other State on or after 1st April, 2018 and migrated to the State of Kerala” shall be inserted;

(e) for Annexure III, the following Annexure shall be substituted, namely:—

“ANNEXURE-III

[see section 3(6)]

Sl. No.	Class of Vehicle	Amount of Tax	
(1)	(2)	(3)	
		Period of stay exceeding 30 days and up to one year	Period of stay exceeding one year
1	Motor Cycle and Three Wheelers	1/15th of the onetime tax specified in Annexure I	One time tax proportionate to the rate specified in Annexure I
2	Motor Cars	1/15th of the onetime tax specified in Annexure I	One time tax proportionate to the rate specified in Annexure I
3	Private Service Vehicle for Personal use.		
	A. Passenger capacity up to 10 seats—for every passenger	1/15th of the onetime tax specified in Annexure I	One time tax proportionate to the rate specified in Annexure I
	B. Passenger capacity more than 10 seats—for every passenger	1/15th of the onetime tax specified in Annexure I	One time tax proportionate to the rate specified in Annexure I



(1)	(2)	(3)
4	Construction Equipment Vehicles	1/15th of the onetime tax specified in Annexure I
		One time tax proportionate to the rate specified in Annexure I
5	Other Non-Transport Vehicles	Quarterly Tax specified in the schedule for every quarter
		Quarterly Tax specified in the schedule for every quarter”;

(f) after Annexure III, the following Annexure shall be inserted, namely:—

“ANNEXURE-IV

(Short Term Tax)

[See section 3(7)]

Motor Vehicles brought to the State from any other Country for Temporary use in the State.

Sl. No.	Period of Stay	Amount of Tax (in Rupees)
(1)	(2)	(3)
(i)	For the first month of stay or part there of	10,000/-
(ii)	For every subsequent month of stay or part there of	5,000/-”.

9. *Amendment of Act 15 of 1991.*— In the Kerala Agricultural Income Tax Act, 1991 (15 of 1991), in section 37C,—

(a) in sub-section (5), for the words and figures “30th September, 2017” the words and figures “30th June, 2018” shall be substituted;

(b) in sub-section (7), for the words and figures “31st December, 2017” the words and figures “30th June, 2018” shall be substituted.

10. *Amendment of Act 30 of 2004.*— In the Kerala Value Added Tax Act, 2003 (30 of 2004),—

(1) in section 2, after clause (xxiv), the following clause shall be inserted, namely:—

“(xxiva) “Joint Commissioner (Appeals)” means any person appointed to be a Joint Commissioner (Appeals) under sub-section (3) of section 3;”;

(2) in section 3,—

(a) in sub-section (3), after the words and symbol “Joint Commissioners,”, the words, brackets and symbol “Joint Commissioner (Appeals),” shall be inserted;

(b) in the proviso to sub-section (4), after the words “discretion of the ”, the words, brackets and symbol “Joint Commissioner (Appeals),” shall be inserted;

(3) in section 24, in the fourth proviso to sub-section (1), for the words and figures “31st March, 2018”, the words and figures “31st March, 2019” shall be substituted;

(4) in section 25, in the third proviso to sub-section (1), for the words and figures “31st March, 2018”, the words and figures “31st March, 2019” shall be substituted;

(5) to section 25D, the following proviso shall be inserted, namely:—

“Provided that dealers who have opted to pay differential amount of tax under this section, but has not paid the amount or has only paid the amount partly, shall pay the balance amount outstanding as on 31st March, 2018, in twenty four equal monthly instalments on or before 31st March, 2020.”;

(6) in section 25E,—

(a) to sub-section (1), the following proviso shall be inserted, namely:—

“Provided that the dealers specified in sub-section (1) who had failed to take registration under the Act may also settle their cases relating to the period up to 31st March, 2017, under this section on payment of registration fee at the prescribed rate for each such year and an amount equal to registration fee as penalty, in addition to the tax payable under this section.”;

(b) in sub-section (2), for the words and figures "30th September, 2017", the words and figures "30th June, 2018" shall be substituted;

(c) in sub-section (5), for the words and figures "31st December, 2017", the words and figures "30th June, 2018" shall be substituted;

(d) sub-section (7) shall be omitted;

(7) in section 31A,—

(a) in sub-section (5), for the words and figures "30th September, 2017" the words and figures "30th June, 2018" shall be substituted;

(b) in sub-section (7), for the words and figures "31st December, 2017" the words and figures "30th June, 2018" shall be substituted;

(8) after section 31A, the following section shall be inserted, namely:—

*31B Waiver of certain arrears and penalty.*—Notwithstanding anything contained in this Act, the interest accrued under sub-sections (5) and (6) of Section 31 of this Act, on tax due or accrued, under sub-section (2) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) and penalty under section 67 and section 68 of this Act, imposed on non-payment or short payment of tax due or assessed under sub-section (2) of section 8 of the said Act on the inter-state sale of arecanut shall be waived subject to the following conditions: .

(a) the dealers who have received assessment orders before 20th April, 2018 shall file their option for waiver before the assessing authority on or before 31st May, 2018;

(b) dealers who receives assessment orders after 20th April, 2018 shall file the option within a month from the date on which the assessment orders are received or before 31st March, 2019, whichever is earlier:

Provided that the Commissioner may, for sufficient reasons extent the date for filing of option;

(c) such dealers shall pay the entire tax assessed in lumpsum or in 12 equal monthly instalments, starting on the date on which the assessing authority intimates the tax amount to be paid under the option;

(d) cases relating to the above assessment pending in all Courts and Appellate or Revisional forums shall be withdrawn by the dealer;

(e) penalties and interest already remitted before 20th March, 2018 will not be readjusted towards tax liability;

(9) in section 42, in sub-section (2), after the existing proviso, the following provisos shall be inserted, namely:—

“Provided further that those dealers who have filed audited statement of accounts and certificates under sub-section (1) will be allowed to revise the returns for the period up to June, 2017, in respect of defects of a technical or clerical in nature, having no effect on the sales turnover already conceded or the tax paid. Such dealers may apply for revision of their returns before the assessing authority on or before 30th June, 2018:

Provided also that this facility shall not be available to dealers against whom assessment proceedings have already been initiated based on such defects:

Provided also that such revision shall be allowed on the basis of the instructions issued by the Commissioner from time to time.”;

(10) in section 55,—

(a) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Appeals to the Joint Commissioner (Appeals), Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals).—”

(b) in sub section (1),—

(i) after the first proviso, the following proviso shall be inserted, namely:—

“Provided further that notwithstanding anything contained in this Act, any order passed under this Act by an assessing authority not below the rank of Deputy Commissioner shall be appealable only to the Joint Commissioner (Appeals).”;

(ii) in the third proviso for the words and brackets "Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)", the words and brackets "Joint Commissioner (Appeals), Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)" shall be substituted;

(c) in sub-section (4), in the first proviso, for the words and brackets "Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)", the words and brackets "Joint Commissioner (Appeals), Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)" shall be substituted;

(d) in sub-section (5), for the words and brackets "Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)", the words and brackets "Joint Commissioner (Appeals), Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)" shall be substituted;

(e) in sub-section (6), for the words and brackets "Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)", the words and brackets "Joint Commissioner (Appeals), Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)" shall be substituted;

(f) in sub-section (7), for the words and brackets "Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)", the words and brackets "Joint Commissioner (Appeals), Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)" shall be substituted;

(11) in section 58,—

(a) in sub-section (1), for the words and brackets "other than that of the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)", the words and brackets "other than that of the Joint Commissioner (Appeals), Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)" shall be substituted;

(b) in sub-section (2), in clause (b), for the words and brackets "the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)", the words and brackets "the Joint Commissioner (Appeals), Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)" shall be substituted;

(12) in section 59, in sub-section (1), for the words and brackets "the Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)", the words and brackets "the Joint Commissioner (Appeals), Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)" shall be substituted;

(13) in section 60,—

(a) in sub-section (1), for the words and brackets "Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)", the words and brackets "Joint Commissioner (Appeals), Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)" shall be substituted;

(b) in sub-section (2), for the words and brackets "Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)", wherever they occur the words and brackets "Joint Commissioner (Appeals), Deputy Commissioner (Appeals) or Assistant Commissioner (Appeals)" shall be substituted;

(14) in section 65, for the words and brackets "Deputy Commissioner (Appeals), Assistant Commissioner (Appeals) or the Deputy Commissioner", the words and brackets "Joint Commissioner (Appeals), Deputy Commissioner (Appeals), Assistant Commissioner (Appeals) or the Deputy Commissioner" shall be substituted;

(15) in section 85, in sub-section (2), in clause (x), in sub-clause (b), the words "or by a Joint Commissioner (Appeals)" shall be added at the end;

(16) in section 94, in sub-section (5), for the words and brackets "including Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)" the words and brackets "including Joint Commissioner (Appeals), Deputy Commissioner (Appeals) and Assistant Commissioner (Appeals)" shall be substituted;

(17) in the FIRST SCHEDULE, below serial number 17B and the entries against it in columns (2) and (3), the following Note shall be inserted, namely:—

"Note:- This entry shall be deemed to have come into force on the 19th day of July, 2011."

11. *Amendment of Act 21 of 2008.*— In the Kerala Finance Act, 2008 (21 of 2008), in section 6,—

(1) (a) for the words and figures “section 5 and section 7” the words and figure “section 5, except on foreign liquor,” shall be substituted;

(b) the proviso shall be omitted;

(2) sub-section (2A) shall be omitted;

(3) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The Government may after due appropriation made by law in this behalf utilise such sum of money of Social Security Cess for the purposes specified in sub-section (1).”;

(4) in sub-section (4), the word, brackets, figure and letter “and (2A)” shall be omitted.

12. *Reduction of arrears in certain cases.*— (1) Notwithstanding anything contained in sub-section (1) of section 173 of the Kerala Goods and Services Tax Act, 2017 (20 of 2017) and the Kerala Tax on Luxuries Act, 1976 (32 of 1976) (hereinafter referred to as the repealed Act) and the rules made thereunder or in any judgment, decree or order of any court, tribunal or appellate authority, an assessee who is in arrears of tax or any other amount due under the repealed Act relating to the period up to and including 31st March, 2011, may opt for settling the arrears on payment of the principal amount of tax in arrears and thirty per cent of penalty amount, by availing a complete reduction of the interest on the tax amount and interest on the penalty amount.

(2) Notwithstanding anything contained in the Kerala Revenue Recovery Act, 1968, (15 of 1968) reduction of arrears under sub-section (1) shall be applicable to those cases in which revenue recovery proceedings have been initiated and the assessing authorities under the repealed Act shall have the power to collect such amounts on settlement under sub-section (1) and where the amount

is settled under sub-section (1) the assessing authorities shall withdraw the revenue recovery proceedings against such assesseees which will then be binding on the revenue authorities and such assesseees shall not be liable for payment of any collection charges;

(3) The assessee shall withdraw all the cases pending before any appellate or revisional authority, tribunal or courts for opting for settling the arrears under this section;

(4) All arrears including tax and penalties pertaining to a year shall be settled together under this section;

(5) An assessee who intends to opt for payment of arrears under sub-section (1) shall submit an application to the assessing authority on or before 30th June, 2018;

(6) The arrears for the purpose of settlement under this section shall be calculated as on the date of submission of application;

(7) On receipt of an application under sub-section (5), the assessing authority shall determine the amount of tax and other amounts due from the assessee under sub-section (1) and shall intimate the same to the assessee, and thereupon the assessee shall remit the amount in equal monthly instalments on or before 30th June, 2018:

Provided that an assessee who opts to settle his arrears under sub-section (1) has remitted any amount relating to the arrears for obtaining a stay voluntarily or by way of an order or decree or judgment passed by any court or tribunal or appellate authority and if the case is pending before such authority, the amount so paid shall be treated as that paid under this option.

(8) There shall not be any refund subsequently for the amount settled under this scheme, under any circumstances.

Secretariat of the Kerala Legislature,  
Thiruvananthapuram,  
March 22, 2018.

V. K. BABU PRAKASH,  
Secretary.