



# महाराष्ट्र शासन राजपत्र

## असाधारण भाग आठ

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असाधारण क्रमांक ७४

प्राधिकृत प्रकाशन

महाराष्ट्र विधानमंडळाचे अधिनियम व राज्यपालांनी प्रख्यापित केलेले अध्यादेश व केलेले विनियम आणि विधि व न्याय विभागाकडून आलेली विधेयके (इंग्रजी अनुवाद).

In pursuance of clause (3) of article 348 of the Constitution of India, the following translation in English of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017 (Mah. Act No. XXXI of 2017), is hereby published under the authority of the Governor.

By order and in the name of the Governor of Maharashtra,

PRAKASH H. MALI,  
Principal Secretary to Government,  
Law and Judiciary Department.

### MAHARASHTRA ACT No. XXXI OF 2017

*(First published, after having received the assent of the Governor in the "Maharashtra Government Gazette", on the 15th April 2017).*

An Act further to amend certain tax laws in operation in the State of Maharashtra.

WHEREAS, it is expedient further to amend certain tax laws in operation in the State of Maharashtra, for the purposes hereinafter appearing; it is hereby enacted in the Sixty-eighth Year of the Republic of India as follows :—

#### CHAPTER I

##### PRELIMINARY.

1. (1) This Act may be called the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017. Short title and commencement.

(2) Save as otherwise provided in this Act,—

(a) sections 3, 4, 5 and 6 shall come into force with effect from the 1st April 2017 ; and

(b) remaining sections shall come into force on the date of publication of this Act in the *Official Gazette*.

## CHAPTER II

### AMENDMENT TO THE MAHARASHTRA PURCHASE TAX ON SUGARCANE ACT, 1962.

Amendment of section 12B of Mah. IX of 1962.

**2.** In section 12B of the Maharashtra Purchase Tax on Sugarcane Act, Mah. IX of 1962,—

(1) in sub-section (1), in clause (e), for the word and figures “and 2014-15” the figures and word “,2014-15, 2015-16 and 2016-17” shall be substituted ;

(2) sub-section (2) shall be deleted.

## CHAPTER III

### AMENDMENTS TO THE MAHARASHTRA STATE TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS ACT, 1975.

Amendment of section 3 of Mah. XVI of 1975.

**3.** In section 3 of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (hereinafter, in this Chapter, referred to as “the Profession Tax Act”), in sub-section (2), in the third proviso, for the portion beginning with the words “ exceed eight years” and ending with the words “whichever is earlier” the following shall be substituted, namely :—

“ exceed :

(a) four years, in case where certificate of enrollment is granted on or after the 1st April 2017,

(b) eight years, in any other case,

from the end of the year immediately preceding the year in which certificate of enrollment has been granted, or the year in which the proceeding for enrollment is initiated against him, whichever is earlier.”.

Insertion of sections 4A and 4B in Mah. XVI of 1975.

**4.** After section 4 of the Profession Tax Act, the following sections shall be inserted, namely :—

Restricted liability to pay tax.

**“4A.** An employer, who has been granted certificate of registration on or after the 1st April 2017, shall not be liable to pay tax for a period of more than four years from the end of the year immediately preceding the year in which the certificate of registration has been granted or the year in which the proceeding for registration is initiated against him, whichever is earlier.

Liability to deduct and pay tax in certain cases.

**4B.** (1) The State Government may, from time to time, by notification published in the *Official Gazette*, provide for the class of persons who shall deduct the tax out of the amount of the commission paid or payable to an agent, to be mentioned in the said notification, before the payment of such commission. The person so notified to deduct the tax shall pay the tax, in the manner provided in the said notification and at the rate specified in entry 1A of SCHEDULE I of the Act.

(2) All the provisions related to an employer and employee under the Act shall apply *mutatis mutandis* to the person liable to deduct the tax and the person from whom such tax is to be deducted under sub-section (1).”.

5. In section 9 of the Profession Tax Act, in sub-section (2), for the portion beginning with the words “pay simple interest” and ending with the words “remains unpaid” the words “pay by way of simple interest, in addition to the amount of such tax, a sum calculated at the prescribed rate on the amount of such tax, for each month or part thereof, after the last date by which he should have paid the tax” shall be substituted.

Amendment of section 9 of Mah. XVI of 1975.

6. In Schedule I appended to the Profession Tax Act,—

Amendment to Schedule I of Mah. XVI of 1975.

(1) after entry 1, the following entry shall be inserted, namely :—

“1A. Persons as notified under section 4B. 2,500 per annum.”;

(2) after entry 20, the following entry shall be inserted, namely :—

“20A. Service provider, registered under the Finance Act, 1994. 2,500 per annum.”.

#### CHAPTER IV

##### AMENDMENT TO THE MAHARASHTRA TAX ON THE ENTRY OF GOODS INTO LOCAL AREAS RULES, 2003.

7. In rule 8 of the Maharashtra Tax on the Entry of Goods into Local Areas Rules, 2003,—

Amendment of rule 8 of rules made under Mah. IX of 2003.

(1) sub-rule (1) shall be deleted and shall be deemed to have been deleted with effect from the 1st April 2005 ;

(2) for sub-rule (3), the following sub-rule shall be substituted and shall be deemed to have been substituted with effect from the 1st April 2005, namely :—

“(3) The assessment of an unregistered importer shall be made by the assessing authority in whose jurisdiction, the specified goods are found or detected to have been consumed, used or sold.”.

#### CHAPTER V

##### AMENDMENTS TO THE MAHARASHTRA VALUE ADDED TAX ACT, 2002.

Mah. IX of 2005. 8. In section 8 of the Maharashtra Value Added Tax Act, 2002 (hereinafter, in this Chapter, referred to as “the Value Added Tax Act”), in sub-section (3D), for the words “with effect from the date specified in the order” the words “either prospectively or retrospectively” shall be substituted.

Amendment of section 8 of Mah. IX of 2005.

9. In section 23 of the Value Added Tax Act,—

Amendment of section 23 of Mah. IX of 2005.

(1) in sub-section (7),—

(a) for the portion beginning with the words “such assessment shall be” and ending with the words “to the Commissioner” the following shall be substituted, namely :—

“such assessment shall be made within a period of eighteen months, if the said order is made by the appellate authority in first appeal and in any other case, within a period of thirty-six months from the date of communication of such finding or direction contained in the said order to the assessing authority or, as the case may be, to the Commissioner”;

(b) in the proviso, for the portion beginning with the words “the dealer concerned” and ending with the words “the period of thirty-six months” the following shall be substituted, namely :—

“the dealer concerned to the assessing authority or, as the case may be, to the Commissioner earlier than the said date of communication, then the said period of eighteen months or, as the case may be, of thirty-six months”;

(2) in sub-section (11), after the second proviso, the following proviso shall be added, namely :—

“Provided also that, no application under this sub-section shall be entertained, in case the assessment order is passed, on or after the commencement of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017.”

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Amendment  
of section 26  
of Mah. IX  
of 2005.

10. In section 26 of the Value Added Tax Act,—

(1) in sub-section (5), in clause (a), after the proviso, the following proviso shall be added, namely :—

“Provided further that, in respect of any appeal against an order of assessment, wherein dealer was not able to attend or remain present before the assessing authority at the time of hearing when the assessment order had been passed, then the appellate authority in first appeal may set-aside the said assessment order,—

(i) within nine months from the commencement of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017, if the appeal is filed prior to the date of commencement of the said Act,

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(ii) within six-months from the date on which the said appeal has been filed, if the appeal is filed on or after the commencement of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017,

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2017.

and refer the case back to the assessing authority for making a fresh assessment under sub-section (7) of section 23.”;

(2) after sub-section (6), the following sub-sections shall be inserted, namely :—

“(6A) No appeal against an order, passed on or after the commencement of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017, shall be filed before the appellate authority in first appeal, unless it is accompanied by the proof of payment of an aggregate of the following amounts, as applicable,—

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(a) in case of an appeal against an order, in which claim against declaration or certificate, has been disallowed on the ground of non-production of such declaration or, as the case may be, certificate then, amount of tax, as provided in the proviso to sub-section (6),

(b) in case of an appeal against an order, which involves disallowance of claims as stated in clause (a) above and also tax liability on other grounds, then, an amount equal to 10 per cent. of the amount of tax, disputed by the appellant so far as such tax liability pertains to tax, on grounds, other than those mentioned in clause (a),

(c) in case of an appeal against an order, other than an order, described in clauses (a) and (b) above, an amount equal to 10 per cent. of the amount of tax disputed by the appellant,

(d) in case of an appeal against a separate order imposing only penalty, deposit of an amount, as directed by the appellate authority, which shall not in any case, exceed 10 per cent. of the amount of penalty, disputed by appellant :

Provided that, the amount required to be deposited under clause (b) or, as the case may be, clause (c), shall not exceed rupees fifteen crores.

(6B) No appeal shall be filed, before the Tribunal, against an order, which is passed on or after the commencement of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017, unless it is accompanied by the proof of payment of an aggregate of following amounts, as applicable,—

(a) in case of an appeal against an order, in which claim against declaration or certificate has been disallowed on the grounds of non-production of such declarations or, as the case may be, certificates then, amount of tax, as provided in the proviso to sub-section (6),

(b) in case of an appeal against an order, which involves disallowance of claims as stated in clause (a) above and also tax liability on other grounds, then, an amount equal to 10 per cent. of the balance amount of disputed tax, so far as such tax liability pertains to tax, on grounds, other than those mentioned in clause (a),

(c) in case of an appeal against an order, other than an order, described in clauses (a) and (b) above, an amount equal to 10 per cent. of the balance amount of disputed tax,

(d) in case of an appeal against any other order, an amount, as directed by the Tribunal :

Provided that, the amount required to be deposited under clause (b) or, as the case may be, clause (c), shall not exceed rupees fifteen crores.

*Explanation.*— For the purposes of clause (b) or clause (c) of sub-section (6B), the expression, “balance amount of disputed tax” shall mean an amount of disputed tax, which remains outstanding, after considering the amount paid, as directed by the appellate authority in first appeal under clause (b) or, as the case may be, clause (c), respectively of sub-section (6A).

(6C) The appellate authority or, as the case may be, Tribunal shall stay the recovery of the remaining disputed dues, in the prescribed manner, on filing of an appeal under sub-section (6A) or, as the case may be, sub-section (6B).”

11. In section 27 of the Value Added Tax Act, in sub-section (2), in clause (a), for the words “one hundred and twenty days” the words “one hundred and eighty days” shall be substituted.

Amendment of section 27 of Mah. IX of 2005.

Amendment  
of section  
30 of Mah.  
IX of 2005.

**12.** In section 30 of the Value Added Tax Act, after sub-section (4), the following sub-section shall be added, namely :—

“(5) The State Government may, from time to time, by notification published in the *Official Gazette*, subject to such conditions mentioned therein, remit the whole or any part of the interest, in respect of any period, payable by any prescribed class of registered dealers,—

(i) who were not able to pay the tax during the prescribed period, due to technical problems of the automation system of the Sales Tax Department, or

(ii) who obtained registration late.”.

Amendment  
of section 37  
of Mah. IX  
of 2005.

**13.** Section 37 of the Value Added Tax Act shall be renumbered as sub-section (1) thereof ; and after sub-section (1) as so renumbered, the following sub-section shall be added, namely :—

“(2) The first charge as mentioned in sub-section (1) shall be deemed to have been created on the expiry of the period specified in sub-section (4) of section 32, for the payment of tax, penalty, interest, sum forfeited, fine or any other amount.”.

Amendment  
of section 40  
of Mah. IX  
of 2005.

**14.** In section 40 of the Value Added Tax Act, after the words, brackets and figure “sub-section (6)” the word, brackets, figure and letter “or, as the case may be, sub-section (6C)” shall be inserted.

Amendment  
of section 44  
of Mah. IX  
of 2005.

**15.** In section 44 of the Value Added Tax Act, after sub-section (5), the following sub-section shall be added, namely :—

“(6) Subject to the provisions of the Companies Act, 2013, where any tax or other amount recoverable under this Act from a private company, whether existing or wound up or under liquidation, for any period, cannot be recovered, for any reason whatsoever, then, every person who was a director of the private company during such period shall be jointly and severally liable for the payment of such tax or other amount unless, he proves that the non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the said company.”.

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2013.

Amendment  
of section 53  
of Mah. IX  
of 2005.

**16.** In section 53 of the Value Added Tax Act, in sub-section (1), after *Explanation*, the following sub-section shall be inserted, namely :—

“(1A) In case of refunds, which become due on or after the commencement of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017, the provisions of sub-section (1) shall be applicable, if the delay in granting refund is more than sixty days.”.

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of 2017.

Amendment  
to Schedule  
'A' appended  
to Mah. IX  
of 2005.

**17.** In SCHEDULE ‘A’ appended to the Value Added Tax Act, after entry 63, the following entry shall be added, namely :—

<p>“64 Sale, during the period from the 1st April 2005 to the 31<sup>st</sup> March 2016, of processed, semi-processed, semi-cooked, ready-mix, ready to eat, shelled sweet corn, whether or not sold,—</p> <p>(a) in a frozen state, or</p> <p>(b) in a sealed container, or</p> <p>(c) under a brand name, except when served for consumption.</p>	<p>(1) Tax should not have been collected from the customer.</p> <p>(2) Tax should not have been paid into the Government Treasury.</p>	<p>NIL %”.</p>
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CHAPTER VI

AMENDMENT TO THE MAHARASHTRA TAX ON LOTTERIES ACT, 2006.

Mah. XLIII of 2006. **18.** In section 3 of the Maharashtra Tax on the Lotteries Act, 2006, in sub-section (1), in the TABLE, in entry 1, in column (3), for the figures "70,000" the figures "1,00,000" shall be substituted. Amendment of section 3 of Mah. XLIII of 2006.

CHAPTER VII

AMENDMENT TO THE MAHARASHTRA TAX LAWS (LEVY, AMENDMENT AND VALIDATION) ACT, 2012.

Mah. VIII of 2012. **19.** In the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2012, in section 1, in sub-section (2),— Amendment in section 1 of Mah. VIII of 2012.  
 (1) in clause (a), for the word and figures "sections 21" the words, bracket and figures "sub-section (1) of section 21" shall be substituted and shall always be deemed to have been substituted ;  
 (2) after clause (a), the following clause shall be inserted and shall always be deemed to have been inserted, namely :—  
 "(a-1) sub-section (2) of section 21 shall be deemed to have been come into force with effect from the 8th April 2011."

CHAPTER VIII

VALIDATION AND SAVING.

Mah. IV of 2003. **20.** (1) Notwithstanding anything contained in any judgment, decree or order of any Court or Tribunal to the contrary, any assessment or any action taken or thing done in relation to such assessment, under the provisions of the Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002 and the rules made thereunder (hereinafter, in this Chapter, referred to as "the law relating to the Entry Tax"), at any time before the commencement of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2017 (hereinafter, in this Chapter, referred to as "the Amendment Act"), if made within the time limit provided under section 23 of the Maharashtra Value Added Tax Act, 2002, as it exists on the date of such assessment, or any action taken or thing done in relation to such assessment, shall be deemed to be valid and effective as if such assessment or action taken or thing had been duly made, taken or done under the law relating to the Entry Tax, as amended by the Amendment Act, and accordingly, all acts, proceedings or things done or taken by the State Government or by any officer of the State Government or by any other authority in connection with the assessment, shall, for all purposes, be deemed to be, and to have always been done or taken in accordance with the law. Validation and saving.  
 Mah. XXXI of 2017.  
 Mah. IX of 2005. (2) For the removal of doubts, it is hereby declared that nothing in sub-section (1) shall be construed as preventing a person, from questioning in accordance with the law relating to the Entry Tax, as amended by the Amendment Act, any assessment referred to in sub-section (1).