

**TO BE PUBLISHED IN PART-I (a) OF THE LEGISLATIVE
SUPPLEMENT OF THE U.P. GAZETTE EXTRAORDINARY, DATED,
AUGUST 20 , 2010 POSITIVELY**

**UTTAR PRADESH SARKAR
VIDHAYI ANUBHAG- 1
NO. 1101(2)/79-V-1-10-1(ka)18/10
LUCKNOW:DATED: August 20 , 2010**

**NOTIFICATION
Miscellaneous**

In pursuance of the provisions of clause (3) of article 348 of the Constitution, the Governor is pleased to order the publication of the following English translation of the **Uttar Pradesh Mulya Samvardhit Kar (Sanshodhan) Adhiniyam, 2010** (Uttar Pradesh Adhiniyam Sankhya 19 of 2010) as passed by the Uttar Pradesh Legislature and assented to by the Governor on August 19 , 2010:-

(Here print the annexed)

By order,


**K.K. Sharma
Pramukh Sachiv.**

NO. 1101(3)/79-V-1- 10-1(Ka)18/10 of date

Copy forwarded for information and necessary action :-

1. Mukhya Mantri, Uttar Pradesh.
2. Mukhya Sachiv, Uttar Pradesh Shasan.
3. Pramukh Sachiv, Sansthaगत Vitta, Kar Evam Nibandhan Anubhag-2, Uttar Pradesh Shasan.
4. Pramukh Sachiv, Vidhan Sabha , Uttar Pradesh.
5. Pramukh Sachiv, Vidhan Parishad, Uttar Pradesh.
6. Soochna Nideshak, Uttar Pradesh.
7. Sri Rajyapal Ke Pramukh Sachiv, Uttar Pradesh.
8. Vidhi Paramarshi Pustakalaya, Uttar Pradesh Sachivalaya.
9. Sansadiya Karya Anubhag-1
10. Bhasha Anubhag-5, Uttar Pradesh Sachivalaya.
11. Vidhayi Anubhag-2, Uttar Pradesh Sachivalaya

By order,


(Alakh Narain)
Veshesh Sachiv Evam
Upper Vidhi Paramarshi

U.P. Act No. 19 of 2010

THE UTTAR PRADESH VALUE ADDED TAX (AMENDMENT) BILL, 2010

(As passed by the Uttar Pradesh Legislative Assembly)

A — N
BILL — ACT

Further to amend the Uttar Pradesh Value Added Tax Act, 2008.

IT IS HEREBY enacted in Sixty-first Year of the Republic of India as follows :-

1. (1) This Act may be called the Uttar Pradesh Value Added Tax (Amendment) Act, 2010.

Short title and commencement

(2) Clause (b) of section 4 shall be deemed to have come into force on January 1, 2008 and remaining provisions shall come into force at once.

Amendment of section 6-A of U.P. Act no. 5 of 2008

2. In section 6-A of the Uttar Pradesh Value Added Tax Act, 2008 hereinafter referred to as the principal Act, in the Explanation the words "or posted at the check post" shall be omitted.

Amendment of section 13

3. In section 13 of the principal Act, in sub-section (1) after clause (e) the following clause shall be inserted, namely:-

“(f) Notwithstanding anything to the contrary contained in this sub-section where goods purchased are resold or goods manufactured or processed by using or utilizing such purchased goods are sold, at the price which is lower than

(i) purchase price of such goods in case of resale; or

(ii) cost price in case of manufacture.

the amount of input tax credit shall be claimed and be allowed to the extent of tax payable on the sale value of goods or manufactured goods”

Amendment of section 17

4. In section 17 of the principal Act:-

(a) in sub-section (3) for the words “Every dealer” the words “Subject to the provisions of sub-section (5), every dealer” shall be substituted;

(b) in sub-section (5) in clause (a), for the existing proviso, the following proviso shall be substituted, namely:-

“Provided that if the Additional Commissioner posted in zone is satisfied that circumstances exist preventing the dealer to submit the Application within the stipulated period, he may condone the delay and direct the registering authority or assessing authority, as the case may be, to process the application in accordance with the provisions of this Act and rules framed thereunder:

Provided further that no application for condoning the delay shall be entertained unless it is accompanied with the proof of -

(i) payment of late fees of rupees five hundred per month or part thereof upto December 31, 2010 and rupees one thousand per month or part thereof after December 31, 2010. for the period of delay;

(ii) filing of tax returns of all tax periods upto the date of submitting application; and

(iii) payment of net tax along with interest due under this Act in tax return under clause (ii).

Provided also that no application under this clause shall be rejected without giving opportunity to the applicant of being heard.”

Amendment of section 24

5. In section 24 of the principal Act, in sub-section (7) the proviso shall be omitted.

Amendment of section 26

6. In section 26 of the principal Act for second proviso the following proviso shall be substituted, namely :-

"Provided further that in case of person who being a dealer other than a registered dealer brings any taxable goods from outside the State, the assessing authority may make separate assessments for each receipt of such goods by the dealer,".

7. In section 28 of the principal Act,--

Amendment of
section 28

- (a) in sub-section (1), in clause (b) sub-clause (vi) shall be omitted;
- (b) for sub-section (9) the following sub-section shall be *substituted*, namely :-

"(9) Notwithstanding anything to the contrary in any other provision of this Act, where an unregistered dealer brings any taxable goods from outside the State more than once during an assessment year, separate assessment relating to goods brought on each occasion may be made for the same assessment year."

8. In section 48 of the principal Act,--

Amendment of
section 48

- (a) for sub-section (2) the following sub-section shall be substituted, namely :-

"(2) Where any officer referred to in sub-section (1) has reason to believe that the goods found in any vehicle, vessel, building or place are not traced to any bonafide dealer or the documents issued by a bonafide dealer with respect to the accompanying goods contains wrong particulars or that it is doubtful if such goods are properly accounted for by any dealer in his accounts, registers or other documents, maintained in the ordinary course of his business, he shall have power to seize such goods and the remaining provisions of this section shall mutatis mutandis apply in relation to such seizure."

- (b) for sub-section (5) following sub-section shall be *substituted*, namely :-

"(5) If such authority, after taking into consideration the explanation, if any, of the dealer or, as the case may be, the person in charge and after giving him an opportunity of being heard, is satisfied that the said goods were omitted from being shown in the accounts, registers and other documents referred to in sub-section (1) or not traced to any bonafide dealer or not properly accounted for by any dealer or the documents issued by a bonafide dealer with respect to the accompanying goods contained wrong particulars or the goods are undervalued to the extent of more than fifty per cent of the value of goods prevalent at the relevant time in the local market area where the said transaction had taken place, with intention to evade payment of tax, it shall pass an order imposing a penalty not exceeding forty per cent of the value of such goods, as he deems fit."

9. In section 54 of the principal Act, in sub-section (1), in the table for entries at serial no. 1 the following entries shall columnwise be *substituted*, namely :-

Amendment of
section 54

1	(2)	(3)
1.	The dealer has without reasonable cause failed,—	
	(a) to deposit the tax due for any tax period within the prescribed or extended time;	20% of net tax payable
	(b) to submit the tax return for any tax period in the prescribed manner.	rupees Two thousand

Amendment of section 57

10. In section 57 of the principal Act, in sub-section (12), in clause (a) for the sub-section(i) the following sub-clause shall be *substituted*, namely :—

“(i) by a bench of two members, where in such Order, not being an Order passed on the application of the appellant for stay, the amount of tax, fee or penalty in dispute exceeds two lakh rupees or such amount not exceeding three lakh rupees as may be determined by the State Government from time to time.”

STATEMENT OF OBJECTS AND REASONS

The Uttar Pradesh Value Added Tax Act, 2008 has been enacted to provide for levy and collection of tax on sale or purchase of goods. With a view to making a consequential amendment with respect to the omission of the provisions relating to the establishment of check-posts and barriers by the Uttar Pradesh Value Added Tax (Third Amendment) Act, 2009 (U.P. Act no. 22 of 2009) and for removing certain difficulties brought to the notice of the State Government by the dealers and making certain provisions in the interest of revenue of the State, it has been decided to amend the said Act mainly to provide for,-

- (a) making consequential amendments relating to the abolition of check-posts;
- (b) empowering the Additional Commissioner to condone the delay in making an application for validation and issue of registration certificate by the dealer registered under the erstwhile Act;
- (c) hearing of appeal against the Order of an Additional Commissioner (Appeal) by a single bench upto the disputed amount of two lakh rupees;
- (d) limiting the input tax credit to the extent of tax payable on the sale value of goods or manufactured goods in cases where goods purchased are resold or goods manufactured or processed by using or utilising such purchased goods are sold at the price lower than purchase price or cost price;
- (e) seizure and penalty with respect to the accompanying goods containing wrong particulars.

The Uttar Pradesh Value Added Tax (Amendment) Bill, 2010 is introduced accordingly.