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Dt. 5th October, 2000.

REGULATION

to provide for the levy and collection of tax on professions, trades, callings and employments within the Lai Autonomous District.

Whereas it is expedient to impose a tax on professions, trades, callings and employments within the area falling under the Lai Autonomous District Council of Mizoram.

Be it enacted by the Lai Autonomous District Council in the Fifty-first Year of Republic of India as follows :—

CHAPTER - I

Preliminary

1. SHORT TITLE, EXTENT AND COMMENCEMENT.-

- (1) This Regulation may be called the Lai Autonomous District Council (Professions, trades, callings and Employments Taxation) Regulation 2000.
- (2) It shall extent to the whole of the Lai Autonomous District.
- (3) It shall come into force on such date of Publication in the Mizoram Gazette.

2. DEFINITIONS.-

In this Regulation, unless the context otherwise requires;

- (a) "Assessing Authority" means the Secretary of the Executive Committee or any other officers authorised or appointed by the Executive Committee in this behalf;
- (b) "Chief Executive Member" means the Chief Executive Member of the Lai Autonomous District Council;
- (c) "District Council" means the Lai Autonomous District Council;
- (d) "Executive Committee" means the Executive Committee of the Lai Autonomous District Council;
- (e) "Governor" means the Governor of Mizoram;
- (f) "Person" includes a company, firm or other association of persons;
- (g) "Prescribed" means prescribed by Rules made under this Regulation;
- (h) "Previous year" means twelve months ending on the 31st March next preceeding year for which the assessment is to be made;
- (i) "Principal Officer" means with reference to : -
 - (a) A Government, the head of an Office or the Disbursing Officer
 - (b) A local authority, company, firm or other association of persons, the Chairman, Secretary, Treasurer, Manager or Agent of such local authority, company, firm, or other association of persons;
- (j) "Secretary to the Executive Committee" means the Secretary to the Executive Committee of the Lai Autonomous District Council;
- (k) "Total Gross Income" means the annual income derived from all sources.

CHAPTER - II

Liability to tax

3. LIABILITY TO TAX.

On and from the commencement of this Regulation and subject to the provisions of this Regulation, every person who carries on a trade either by himself or an agent or representative, or who follows a profession as calling or who is in employment, either wholly or in part within the territory to which this Regulation extends shall be liable to pay for each financial year a tax in respect of such professions, trades, calling or employment and in addition to any tax, rate duty or fee which he is liable to pay under any other enactment for the time being in force.

Provided that for the purpose of this section, a person on leave shall be deemed to be a person in employment;

Provided further that the provisions of this Regulation shall not apply to a member of the Armed forces of India.

4. RATE OF TAX. -

The tax shall be levied at the rate specified in the schedule to this Regulation.

5. DETERMINATION OF TAX. -

The tax payable by a person under this Regulation shall be determined with reference to his total Gross income during the previous year from his profession, trade, calling or employment.

CHAPTER - III

Taxing Authorities

6. (1) The Secretary to the Executive Committee or such other officers as may be appointed or authorised by the Executive Committee shall be responsible for the administration of the Regulation.
- (2) The person appointed under sub-section (1) shall exercise such duties as may be required by or under this Regulation.
- (3) All persons appointed under sub-section (1) shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

CHAPTER - IV

Assessment

7. RETURNS. -

- (1) Every person liable to pay tax under this Regulation shall submit to the assessing authority a return in such form and within such time as may be prescribed:

Provided that a person in respect of whom the tax has been deducted under the provisions of section 11 shall, subject to the provision in sub-section (3) thereof, be exempted from the liability to submit a return under this section.

- (2) In the case of any person who has not furnished a return under sub-section (1) in spite of his liability to pay tax under this Regulation for any financial year, the assessing authority may serve in that year a notice, in the prescribed form, on such person requiring him to furnish the return and such person shall thereupon furnish the return within the period specified in the notice:

Provided that any person offering to pay tax at the highest rate specified in the Schedule to this Regulation shall not be required to submit any return or to produce any evidence.

8. Assessment:-

(1) If the assessing authority is satisfied that a return furnished under section 7 is correct and complete or if satisfactory evidence of assessment admissible under the Income-Tax Act, 1961 (Central Act 43 of 1961) is produced, he shall, by an order in writing assess the person and determine the tax payable by him on the basis of such assessment as the case may be.

(2) If the assessing authority is not satisfied that a return furnished under section 7 is correct and complete, he shall serve on the person concerned a notice requiring him, on the date, hour and place to be specified therein, either to attend in person to produce or cause to be produced evidence in support of the return.

(3) On the days specified in the notice under sub-section, (2) or as soon afterwards as may be, the assessing authority, after hearing such evidence as may be produced and such evidence as he may require, shall by order in writing assess the person and determine the tax payable by him.

Provided that before making assessment, the assessing authority may allow the person such further time as he thinks fit to make the return or comply with the terms of the notice issued under sub-section (2).

9. ASSESSMENT OF ESCAPED TAX.-

If for any reason any person has not been assessed for any financial year, the assessing authority may, notwithstanding anything contained in sub-section (2) of section 7, at any time within three years of the end of that year, serve on the person liable to pay the tax a notice containing all or any of the requirements which may be included in the notice under sub-section (2) of section 7 and may proceed to assess him and the provisions of this Regulation shall, so far as may be apply accordingly as if the notice were a notice issued under that sub-section.

10. RECTIFICATION OF MISTAKE.-

(1) The authority which made an assessment or passed an order on appeal or revision in respect thereof, may of his own motion and shall if an application is filed in this behalf, within three years from the date of such assessment or order, rectify any mistake apparent from the record of case.

Provided that no such rectification having adverse effect upon the assessee shall be made unless the assessee has been given a reasonable opportunity of being heard.

(2) Where any such rectification had the effect of reducing the assessment, the assessing authority shall order any refund which may be due to such person.

(3) Where any such rectification has the effect of enhancing the assessment or reducing the refund, the assessing authority shall serve on the person a notice of demand in the prescribed form specifying the sum payable and such notice of demand shall be deemed to be issued under section 16 and the provisions of this regulation shall apply accordingly.

11. DEDUCTION OF TAX AT SOURCE.-

(1) The Tax payable under this Regulation by any person in the employment of any Government, local authority, company, firm or other association of persons shall, in the manner prescribed, be deducted by the Principal Officer thereof from any amount payable to such person on behalf of such Government, Local authority, Company, firm or other association of persons and the amount so deducted shall be credited to the District Council Fund in accordance with the procedure as laid down in the Mizoram Autonomous District Councils Fund Rules, 1996 as may be amended from time to time.

(2) The Principal Officer making any deduction under sub-section (1) shall submit to the assessing authority such returns and within such time as may be prescribed.

(3) The assessing authority may take action, if he thinks fit, in the manner provided by sub-section (2) of section 7 and by section 8 in the case of any person in respect of whom he is satisfied that no return under sub-section (2) has been furnished ^{or is when furnished} under that sub-section is inaccurate and deficient.

(4) Where any Principal Officer fails to deduct any tax or after deducting fails to pay it as required by or under this Regulation, ^{or as when furnished} in addition to any other consequences, he may incur under this Regulation, be deemed to be a person in default, in respect of the tax not deducted or paid and all the provisions of section 18, shall apply to him.

Provided that the assessing authority shall not make a direction under sub-section (2) of section 18 for the recovery of any penalty from such person unless it is satisfied that such person has wilfully failed to deduct the tax or to pay the tax after having deducted it.

12. REQUISITION FOR DEDUCTION OF TAX.-

The assessing authority may require a Principal Officer to deduct from any payment to a person any tax or penalty due from him and the Principal Officer shall comply forthwith with such requisition.

13. INDEMNITY.-

The Principal Officer deducting or paying any tax under the provisions of this Regulation is hereby indemnified for such deduction or payment thereof.

CHAPTER-V

APPEALS

14. APPEALS.-

Any person aggrieved by an order of assessment passed by an assessing authority under this Regulation may refer an appeal within 30 days of receipt of such order, to the Chief Executive Member and in such manner as may be prescribed.

Provided that the appellant authority may admit an appeal after the expiration of thirty days, if he is satisfied that for reasons beyond the control of the appellant or for any other sufficient cause it could not be filed within time;

Provided further that no appeal shall lie against an order of assessment under sub-section (4) of section 8.

15. POWER OF REVISION.—

Subject to such rules as may be prescribed and for reasons to be recorded in writing, the Chief Executive Member may, on an application by a person aggrieved by any order filed within ninety days of that order, or of his own motion revise any order passes under this regulation by any officer:

Provided further that no application under this section shall lie to the Chief Executive Member against which has been provided for in this Regulation or Rules made thereunder.

CHAPTER - VI

Demand, payment and recovery

16. NOTICE OF DEMAND.—

Where any tax or penalty is payable in consequence of any order passes in pursuance of the Regulation, the assessing authority shall serve on the person concerned a notice of demand in the prescribed form specifying the amount so payable.

17. DUES WHEN PAYABLE.—

- (1) The tax or penalty payable under this Regulation shall be paid in the manner hereinafter provided.
- (2) Every person liable to furnish a return under sub-section (1) of section 7 shall, before he furnished the return pay into the District Council Fund in accordance with the procedure as provided under the Mizoram Autonomous District Councils Fund Rules, 1996 as may be amended from time to time, the full amount of tax due on the basis of such return and shall furnish alongwith the return a receipt in token of such payment.
- (3) The Principal Officer deducting any tax under section 11 shall pay the amount to the District Council Fund, within thirty days of such deduction and shall furnish, alongwith the returns required to be made under sub-rule (2) therefore, a receipt in token of such payment.
- (4) The amount of tax or penalty due under this Regulation (a) in excess of payment already made, or (b) where no payment has been made, shall

be paid by such date as may be specified in the notice of demand and where no such date is specified, it shall be paid within thirty days of serve of the notice of demand.

18. MODE OF RECOVERY.—

- (1) Where any tax or other dues payable under this Regulation is not paid on or before the due date the person shall be deemed to be in default;

Provided that where a person has presented an appeal or petition for revision and such appeal or petition for revisions has been admitted, he shall not be deemed, for so long as the appeal or petition for revision remain pending, to be in default in respect of the portion of the dues in dispute.

- (2) Where the person is in default, the assessing authority may, in his discretion direct that, in addition to the amount due, a sum not exceeding that amount shall be recovered from the defaulter by way of penalty.
- (3) Where a person is in default, the assessing authority shall, unless action has been taken under section 12, or let that the amount due shall be recoverable as an arrear of land revenue and shall proceed to realise the amount due as such.

19. REFUNDS.

Any person who has paid any tax or penalty in excess of the amount due under this Regulation may, within ninety days of the service of the order of assessment or that passed on appeal or revision, as the case may be, apply for a refund and the amount paid in excess shall be refunded accordingly.

CHAPTER-VII Offences and Penalties

20. FAILURE TO MAKE RETURNS :—

Whoever

- (1) fails, without reasonable cause, to submit in due time any return required by or under the provisions of this Regulation or submits a false return, or
- (2) fails or neglects, without reasonable cause to comply with any requirement made of, or any obligation laid on him, under the provisions of this Regulation ; or
- (3) fraudulently evades payment of any tax due under this Regulation or conceals his liability to such tax shall, on conviction by a Magistrate and in addition to any tax or penalty or both that may be due from him, be punishable with imprisonment which may extend to six months or with fine not exceeding five hundred rupees or with both.

CHAPTER-VIII Miscellaneous

21. POWER TO COMPELL ATTENDANCE ETC.—

- (1) The assessing authority may by a written notice require any person to attend before him and to give evidence or produce documents, as the case may be for the purpose of determining the liability of himself or of any other person to taxation under this Regulation.
- (2) Such person shall on such requisition be legally bound to attend and give evidence or produce documents in his power and possession, as the case may be, at the place and time as specified in such notice, and whoever is required to produce a document may either attend and produce it or cause it to be produced.

22. INFORMATION TO BE FURNISHED BY THE PRINCIPAL OFFICER.—

The assessing authority, may demand from the Principal Officers of any Government, local authority, company or firm or other association of persons the name and complete addresses of all or any of the persons who have been or are in the Employment of such Government, Local authority, Company, firm or other association of persons, and such Principal Officers shall thereupon furnish the assessing authority with the names and addresses so demanded.

23. PROTECTION OF ACTION TAKEN IN GOOD FAITH.—

- (1) No suit shall be brought in any Civil Court to set aside or modify any assessment made or order passes under the provision of this Regulation and no prosecution, suit or other proceedings shall lie against any Officer or Executive Member of the District Council for anything in good faith done or intended to be done under this Regulation or the rules made there under.
- (2) In computing the period of limitation prescribed for an appeal or a revision, the day on which the order complained of was made and the time requisite for obtaining a copy of such order shall be excluded.

24. PLACE OF ASSESSMENT.—

Any person liable to pay tax under this Regulation shall ordinarily be assessed by such assessing authority as may be prescribed.

25. POWER TO MAKE RULES.—

Subject to the previous approval of the Governor, the Executive Committee may make rules for carrying out the provisions of this Regulation.

26. REPEAL AND SAVING.—

- (1) The Pawi Autonomous District (Professions, traders, callings and Employments Taxation) Regulation, 1979 is hereby repealed.

- (2) Notwithstanding such repeal, all action taken, orders made or directions given under the provisions of the said Regulation shall be deemed to be taken, made or given under the respective provisions of this Regulation.

STATEMENT OF OBJECT AND REASON

As provided under clause (a) (3) of paragraph 8 of the Sixth Schedule to the Constitution of India, Tax on professions, trades, callings and employment is being collected by the District Council subject to limitation prescribed in Article 276. Meanwhile, the Constitution (Sixtieth Amendment) Act, 1988 which has amended clause (2) of Article 276 raising the ceiling limit of tax from Rs 250/- per annum to Rs 2500/- per annum, with a view to this the Lai District Council felt it necessary to amend the existing Schedule rate of tax in such that the tax burden is more evenly distributed amongst the tax payers and also the Lai Autonomous District Council can levy and collect more fund for its fund.

Hence the Bill.

Chief Executive Member,
Lai Autonomous District Council,
Lawngtlai.

Certified that the above bill was passed by the Lai Autonomous District Council in its Monsoon session held on 2.8.2000.

And in authentication whereof, I put my signature this fourth day of August Two thousand Anno Domini.

I assent to this Bill.

A. PADMANABAN,
Governor : Mizoram.

B. Thanchung,
Chairman,
Lai Autonomous District Council,
Lawngtlai Mizoram.

Dated Aizawl,
the 29.9.2000

THE SCHEDULE (See section 4)

Sl.No.	CLASS OF PERSON	RATE OF TAX
1	2	3
1.	Salary and Wages earners Where the total gross annual income	Amount of tax per annum
(1)	Below Rs. 15,000/-	NIL
(2)	Rs. 15,000/- but does not exceed Rs. 20,000/-	Rs. 150/- per annum
(3)	Rs. 20,000/- but does not exceed Rs. 25,000/-	Rs. 200/- per annum
(4)	Rs. 25,000/- but does not exceed Rs. 35,000/-	Rs. 250/- per annum

(5)	Rs. 35,000/- but does not exceed Rs. 50,000/-	Rs. 350/- per annum
(6)	Rs. 50,000/- but does not exceed Rs. 75,000/-	Rs. 500/- per annum
(7)	Rs. 75,000/- but does not exceed Rs. 1,00,000/-	Rs. 750/- per annum
(8)	Rs. 1,00,000/- but does not exceed Rs. 1,50,000/-	Rs. 1000/- per annum
(9)	Rs. 1,50,000/- but does not exceed Rs. 2,00,000/-	Rs. 1500/- per annum
(10)	Rs. 2,00,000/- but does not exceed Rs. 2,50,000/-	Rs. 2000/- per annum
(11)	Rs. 2,50,000/- and above	Rs. 2500/- per annum

2. (1) Legal practitioners including solicitors and notaries public.
 (2) Medical practitioners including Medical consultants and Dentists.
 (3) Technical and professional consultants, Accountants whose standing in any of the professions mentioned above is :—

(a)	3 years or less	Rs. 200/- per annum
(b)	Above 3 years but less than 5 years	Rs. 300/- per annum
(c)	5 years but less than 10 years	Rs. 400/- per annum
(d)	10 years and above	Rs. 500/- per annum

3. Chief Agents, Principal Agents, Special agents, Insurance Agents and Surveyors of loss assessors registered or licenced under the Insurance Act, 1938 whose standing in any such profession is :—

(1)	3 years or less	NIL
(2)	Above 3 years or more but less than 5 years	Rs. 150/- per annum
(3)	5 years or more but less than 10 years	Rs. 300/- per annum
(4)	10 years and above	Rs. 500/- per annum

4. (1) Estate Agents or promoters or brokers or commission Agents or del credere Agents or Merchantile Agents :— Rs. 500/- per annum

- (2) Directors (other than nominated by Government) of Companies registered under the Companies Act, 1956 :— Rs. 500/- per annum

- (3) Contractors/Suppliers of all description/classes engaged in any work whose gross business in a year is :—

(a)	Less than Rs. 50,000/-	NIL
(b)	Rs. 50,000/- or more but less than Rs. 2,50,000/-	Rs. 00/-
(c)	Rs. 2,50,000/- —do— Rs. 5,00,000/-	Rs. 500/-
(d)	Rs. 5,00,000/- —do— Rs. 10,00,000/-	Rs. 1000/-
(e)	Rs. 10,00,000/- —do— Rs. 20,00,000/-	Rs. 1500/-
(f)	Rs. 20,00,000/- and above	Rs. 2500/-

EXPLANATION :— For the purpose of this entry, "gross business" shall mean for aggregate of the amount of the valuable consideration or part thereof receivable during the immediately preceeding year in respect of a contract or supply works executed wholly or partly during such year.

5. Any dealer whose annual gross turnover or income on all sale is :—

(a) Less than Rs. 20,000/-		NIL
(b) Rs. 20,000/- or more but less than Rs. 50,000/-		Rs. 100/- per annum
(c) Rs. 50,000/-	--do--	Rs. 250/- per annum
(d) Rs. 1,00,000/-	--do--	Rs. 350/- per annum
(e) Rs. 2 lakhs	--do--	Rs. 500/- per annum
(f) Rs. 5 lakhs	--do--	Rs. 700/- per annum
(g) Rs. 10 lakhs	--do--	Rs. 1000/- per annum
(h) Rs. 20 lakhs	--do--	Rs. 1500/- per annum
(i) Rs. 25 lakhs and above		Rs. 2500/- per annum

EXPLANATION :— For the purpose of this entry "annual Gross turnover" shall mean the turnover of sales made during the year immediately preceding the year of assessment.

6. (1) Owner or lessees petrol, diesel filling stations and service stations, agents and distributors including retail dealers of liquified petroleum gas.

Rs. 300/- per annum

(2) Mills owners or rice, atta, flour, oil other than cottage and tiny units as notified by Government from time to time.

Rs. 300/- per annum

(3) Owner or occupier of distilleries breweries and bottling plants

Rs. 700/- per annum

(4) Licence foreign liquors vendors and employer of residential Hotels below three starred category and above

Rs. 500/- per annum

(5) Employer of residential Hotels below three starred category

Rs. 500/- per annum

(6) Owner, licencees or lessees as the case may be :—

(a) Video parlours and video libraries Rs. 300/- per annum

(b) Cinema houses and theatre Rs. 500/- per annum

(c) Cold storages Rs. 500/- per annum

(d) Meat processing Units Rs. 500/- per annum

7. (1) Owner of Restaurants/Hotels where food is served:— Rs. 500/- per annum

(2) Owner of Motor Workshop/Furniture Workshop:— Rs. 500/- per annum

(3) Owner of Private Schools with boarding attached:— Rs. 500/- per annum

8. Holders of permits for transport Vehicles, granted under Motor Vehicles Act, 1988 (Act No. 59 of 1988) which are issued or adopted to be used for hire or reward where any such person holds permit or permits for any taxis, light commercial Vehicles, Truck or Buses :—

(a) In respect of each Taxi or light commercial Vehicles :—

Rs. 200/- per annum

(b) In respect of each Truck or Bus :—

Rs. 300/- per annum

9. Individuals, Clubs, Association/Organisation or Institution conducting chit funds and lotteries, under valid Authorisation of the appropriate Government
Rs. 500/- per annum

10. Banking Companies as defined in the Banking Regulation Act, 1949 under licence/permit Authorisation of the Reserve Bank of India Rs. 500/- per annum

11. Companies registered under the Companies Act, 1956 and engaged in any professions, trades and callings
Rs. 1000/- per annum

12. Partnership firms when engaged in any professions, trades, and callings
Rs. 500/- per annum

13. Person other than those mentioned in any professions, trades, callings and employments and in respect of whom a notification is issued under section 3 of this Regulation :—

(Rate of tax shall be as be fixed by notification not exceeding
Rs. 2,500/- per annum).

Notwithstanding anything contained in this schedule where a person is covered by more than one entry in the schedule the highest rate of tax specified under any of these entries shall be applicable in this case.