

Entry Tax Act, 1976

¹(No.52 of 1976)

²[An Act to levy a tax on the entry of goods into a local area in Madhya Pradesh for consumption, use or sale therein.]

Be it enacted by the Madhya Pradesh Legislature in the Twenty-seventh Year of the Republic of India as follows :

Sec. 1 : Short title and commencement

(1) This Act may be called the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976.

(2) It shall be deemed to have come into force on the 1st day of September, 1976.

Sec. 2 : Definitions

(1) In this Act unless the context otherwise requires, -

³(a).....

⁴[(aa)] **entry of goods into a local area** with all its grammatical variations and cognate expressions means entry of goods into that local area from any place outside thereof including a place outside the State for consumption, use or sale therein;

(b) **entry tax** means a tax on entry of goods into a local area for consumption, use or sale therein levied and payable in accordance with the provisions of this Act ⁵[and includes composition money payable under Section 7-A;]

⁶(bb) **incidental goods [omitted w.e.f. 1.4.95]**

(c) **law relating to local authority** means ⁷[the Cantonment Act], 1924 (No.2 of 1924), the Bhopal State Town Area Committee Act, 1954 (No.25 of 1954), the Madhya Pradesh Municipal Corporation Act, 1956 (No.23 of 1956), the Madhya Pradesh Municipalities Act, 1961 (No.37 of 1961), the Madhya Pradesh Panchayats Act, 1962 (No.7 of 1962) or the Madhya Pradesh Nagar Tatha Gram Nivesh Adhiniyam, 1973 (No.23 of 1973) as the case may be;

(d) **local area** means the area comprised within the limits of a local authority;

¹ Received the assent of the Governor on 2.10.76; Assent first published in the Madhya Pradesh Rajpatra dated 6.10.76.

² Subs. by Entry Tax (Amendment) Act, 1976, w.e.f. 1.9.76.

³ Clause (a) relating to 'additional tax' omitted by Entry Tax (Amendment) Act, 1982.

⁴ Clause (a) renumbered as clause (aa) by Entry Tax (Amendment) Act, 1978, w.e.f. 1.10.78.

⁵ Inserted by Entry Tax (Amendment) Act, 1976, w.e.f. 31.12.76.

⁶ Clause (bb) relating to 'Incidental Goods' omitted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95. Prior to omission it read as under :

'(bb) "Incidental goods" means goods other than raw material and packing material for use by a dealer in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power.'

⁷ Subs. for 'the Cantonment Board Act' by Entry Tax (Amendment) Act, 1976 w.e.f. 1.9.76.

(e) local authority means an authority constituted under a law relating to local authority but shall not include a Janapada Panchayat, a Zila Panchayat, a Mandal Panchayat or such other local authority as the State Government may, by notification, specify;

(f) local goods in relation to a local area means goods of local origin as distinct from goods which enter into that local area;

¹**(ff) packing material [omitted w.e.f. 1.4.95]**

²**(g) Vanijyik Kar Adhiniyam** means the Madhya Pradesh “Vanijyik Kar Adhiniyam, 1994 (No.5 of 1995)

³**(gg) registered dealer** means dealer registered under the Vanijyik Kar Adhiniyam

⁴**(h) taxable market value** in relation to goods specified in Schedule - II or Schedule - III means the market value thereof excluding the market value of those goods to which clauses (i) to (iv) of the first proviso to sub-section (1) of Section 3 apply;

⁵**(i) taxable purchase value** in relation to goods specified in Schedule - II or Schedule - III means the purchase value thereof excluding the purchase value of those goods to which clauses (i) to (iv) of the first proviso to sub-section (1) of Section 3 apply;

(j) taxable quantum in relation to a dealer means the aggregate of the taxable

1 Clause (ff) relating to packing material deleted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95. Prior to omission it read as under :

“(ff) packing material means goods specified at serial number 15 of Part IV of Schedule II to the Sales Tax Act or notified thereunder which are consumed or used in the packing of other goods or as containers of other goods.”

2 Clause (g) substituted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

3 Clause (gg) inserted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

4 Clause (h) substituted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Prior to substitution it read as under :

*(h) taxable market value in relation to goods specified in **[the Schedule] means the market value thereof excluding the market value of those goods to which clauses #[(i) to (iii)] of the first proviso to sub-section (1) of Section 3 apply;

* Earlier clause (h) was substituted by Entry Tax (Amendment) Act, 1977, w.e.f. 1.5.77.

**Subs. for the words ‘Schedule II or Schedule III’ by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

Subs. for ‘(iv) to (vii)’ by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

5 Clause (i) substituted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Prior to substitution it read as under :

*(i) taxable purchase value in relation to goods specified in **[the Schedule] means the purchase value thereof excluding the purchase value of those goods to which clauses #[(i) to (iii)] of the first proviso to sub-section (1) of Section 3 apply.

* Earlier clause (h) was substituted by Entry Tax (Amendment) Act, 1977, w.e.f. 1.5.77.

**Subs. for the words ‘Schedule II or Schedule III’ by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

Subs. for ‘(iv) to (vii)’ by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

purchase value and the taxable market value;

¹(k).....

²(l) **Value of goods** in relation to a dealer or any person who has effected entry of goods into a local area shall mean the purchase price of such goods as defined in ³[clause (q) of Section 2 of the Vanijyik Kar Adhiniyam] ⁴[and shall include excise duty and/or additional excise duty and/or customs duty, if levied under the Central Excise and Salt Act, 1944 (No.1 of 1944), the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (No.58 of 1957) or the Customs Act, 1962 (No.52 of 1962), as the case may be] or the market value of such goods if they have been acquired or obtained otherwise than by way of purchase;

⁵(m) **works contracts [omitted w.e.f. 1.5.97]**

(2) All those expressions, other than expression “goods” and “sale” which are used but are not defined in this Act and are defined in the ⁶[Vanijyik Kar Adhiniyam] shall have the meanings assigned to them in that Act.

(3) Any reference in this Act to the expression “has effected entry of goods” with its grammatical variations and cognate expressions, whether used in isolation or in conjunction with any other words shall, wherever necessary, be construed as including a reference to “has caused to be effected entry of goods”.

⁷**Sec. 3 : Incidence of taxation**

1 Definition of ‘turnover tax’ omitted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

2 Clause (l) substituted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

3 Subs. by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

4 Subs. by Entry Tax (Amendment) Act, 1982.

5 Definition of works contract deleted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Prior to deletion clause (m) read as under :

“works contracts means contracts relating to construction of works like buildings, dams and bridges and other immovable property, erection of factories, installation of machinery and fittings and installations to movable or immovable property in the execution whereof goods are consumed or used but not sold.”

6 Subs. for ‘Sales Tax Act’ by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

7 Section 3 substituted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Prior to substitution during 1.5.97 to 30.9.97 Section 3 read as under :

*Sec. 3 : Incidence of taxation

(1) There shall be levied an entry tax on the entry in the course of business of a dealer of goods specified in the Schedule into each local area for consumption, use or sale therein and such tax shall be paid by every dealer liable to pay tax under the Vanijyik Kar Adhiniyam, who has effected entry of such goods :

Provided that no tax under this sub-section shall be levied,-

- (i) in respect of goods specified in the Schedule, other than the local goods, purchased from a registered dealer on which entry tax is payable or paid by the selling registered dealer;
- (ii) in respect of goods specified in the Schedule which after their entry into a local area are sold outside the State or in the course of inter-State trade or commerce or in the course of export out of the territory of India;

⇒

⇒

(iii) in respect of goods exempted from entry tax under Section 10, and if tax on the entry of any goods specified in the Schedule effected during any period has been paid by a dealer and subsequent to such entry the goods are disposed off in the manner prescribed in clause (ii) of this proviso, the dealer shall be entitled to a set off, of the tax already paid by him in respect of such goods and such set off shall be adjusted towards the tax payable by him for the period during which the goods were so disposed off or for any subsequent period in such manner as may be prescribed;

Provided further that notwithstanding anything contained in this Act where a registered dealer in the course of his business purchases any goods from a person or a dealer other than a registered dealer who has effected entry of such goods into the local area prior to such purchase, the entry tax shall be paid by the dealer who has purchased such goods;

(2) The entry tax levied under sub-section (1) shall be paid on the value of such goods.

*Subs. by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Prior to 1.5.97 Section 3 read as under :

Sec. 3 : Incidence of taxation

(1) There shall be levied an entry tax :

(a) on the entry in the course of business of a dealer of goods specified in Schedule II, into each local area for consumption, use or sale therein; and

(b) on the entry in the course of business of a dealer of goods specified in Schedule III, into each local area for consumption or use of such goods as raw material or incidental goods or as packing material or in the execution of works contracts but not for sale therein;

and such tax shall be paid by every dealer liable to tax under the Vanijyik Kar Adhiniyam who has effected entry of such goods;

Provided that no tax under this sub-section shall be levied :

(i) & (ii).....[Omitted w.e.f. 1.4.95]

(iii).....[Omitted w.e.f. 6.5.82]

(iv) in respect of goods specified in Schedule II, other than local goods, purchased from a registered dealer on which entry tax is payable or paid by the selling registered dealer;

(v) in respect of goods specified in Schedule II which after entry into a local area are sold outside the State or in the course of inter-State trade or commerce or in the course of export out of the territory of India;

(vi) in respect of goods specified in Schedule III imported from outside the State for consumption or use as raw materials or incidental goods or as packing materials or in the execution of works contracts but which have been disposed of in any other manner;

(vii) in respect of goods exempted from entry tax under Section 10,

and if tax on the entry of any goods specified in Schedule II or Schedule III effected during any period has been paid by a dealer and subsequent to such entry the goods are disposed of in the manner described in clause (v) or clause (vi) of this proviso, the dealer shall be entitled to a set off, of the tax already paid by him in respect of such goods and such set off shall be adjusted towards the tax payable by him for the period during which the goods were so disposed of or for any subsequent period in such manner as may be prescribed;

Provided further that notwithstanding anything contained in this Act where a registered dealer in the course of his business purchases goods from a person or a dealer other than a registered dealer who has effected entry of such goods into the local area prior to such purchase, the entry tax shall be paid by the dealer who has purchased such goods;

Provided also that notwithstanding anything contained in this Act, where a dealer liable to pay tax under the Vanijyik Kar Adhiniyam, in the course of his business in a local area, purchases

⇒

- (1) There shall be levied an entry tax,-
- (a) on the entry in the course of business of a dealer of goods specified in Schedule - II, into each local area for consumption, use or sale therein; and
- (b) on the entry in the course of business of a dealer of goods specified in Schedule - III into each local area for consumption or use of such goods but not for sale therein;

and such tax shall be paid by every dealer liable to tax under the Vanijyik Kar Adhinyam who has effected entry of such goods :

Provided that no tax under this sub-section shall be levied,-

- (i) in respect of goods specified in Schedule - II other than the local goods, purchased from a registered dealer on which entry tax is payable or paid by the selling registered dealer;
- (ii) in respect of goods specified in Schedule - II which after entry into a local area are sold outside the State or in the course of inter-State trade or commerce or in the course of export out of the territory of India;

⇒

goods specified in Schedule III, other than goods which are local goods in relation to such local area, from another dealer of the same local area, for consumption or use as raw material or as incidental goods or as packing material or in the course of execution of a works contract, the entry of such goods shall be deemed to have been effected into such local area by the dealer who has purchased such goods for the aforesaid purpose and entry tax shall be paid by such dealer.

Explanation : For the purpose of clause (b)

(a).....[Omitted w.e.f. 6.5.82]

(b) in respect of packing material, 'sale' shall mean the sale of packing material as such and shall not include its sale along with the goods packed or contained therein.

(2) (a) There shall be levied an entry tax on the entry into any local area for consumption, use or sale therein :

(i) of such goods specified in Schedule II or Schedule III, and

(ii) by such persons or class of persons to whom the provisions of sub-section (1) do not apply, as may, in either case, be notified by the State Government and thereupon such tax shall be paid by such person or class of persons;

Provided that entry tax under this sub-section shall not be levied on the entry of such goods, if it is proved to the satisfaction of the assessing authority that such goods have already been subjected to entry tax or that the entry tax is liable to be paid by any other person or dealer under this Act.

(b) Copy of every such notification shall be laid on the table of the Legislative Assembly.

(3) The entry tax levied under sub-section (1) and sub-section (2) shall be paid on the value of such goods.

(4) No entry tax shall be payable on the goods specified in Schedule I.

(5) The State Government may, by notification, amend Schedule I, so as to include therein any goods not already specified therein and may, by a like notification, amend Schedule II or Schedule III to exclude therefrom the goods so included in Schedule I and thereupon Schedule I and Schedule II or Schedule III, as the case may be, shall stand amended accordingly.

(iii) in respect of goods specified in Schedule - III imported from outside the State for consumption or use but which have been disposed of in any other manner;

(iv) in respect of goods exempted from entry tax under Section 10;

and if tax on the entry of any goods specified in Schedule - II or Schedule - III effected during any period has been deposited by a dealer into the Government treasury and subsequent to such entry the goods are disposed of in the manner described in clause (ii) of this proviso, such dealer shall be entitled to a set off of the tax already paid by him in respect of such goods and such set off shall be adjusted towards the tax payable by him in such manner as may be prescribed :

Provided further that notwithstanding anything contained in this Act, where a dealer in the course of his business, purchases goods from a person or a dealer other than a registered dealer who has effected entry of such goods into a local area prior to such purchase, the entry tax shall be paid by the dealer who has purchased such goods.

Provided also that notwithstanding anything contained in this Act, where a dealer liable to pay tax under the Vanijyik Kar Adhiniyam in the course of his business into a local area, purchases goods specified in Schedule - III, other than goods which are local goods in relation to such local area, from another dealer of the same local area for consumption or use, the entry of such goods shall be deemed to have been effected into such local area by the dealer who has purchased such goods for the aforesaid purpose and entry tax shall be paid by such dealer.

Provided also that in respect of packing material "sale" shall mean the sale of packing material as such and shall not include its sale along with the goods packed or contained therein.

(2) (a) There shall be levied an entry tax on the entry into any local area for consumption, use or sale therein,-

(i) ¹[of such goods specified in Schedule II or Schedule III, other than motor vehicles, on which entry tax is not leviable under the provisions of sub-section (1); and]

(ii) by such persons or class of persons, ²[.....] as may in either case, be notified by the State Government and thereupon such tax shall be paid by such person or class of persons :

Provided that entry tax under this sub-section shall not be levied on the entry of such goods, if it is proved to the satisfaction of the assessing authority that such goods have already been subjected to entry tax or that the entry tax is liable to be paid by any other person or dealer under this Act.

(b) Copy of every such notification shall be laid on the table of the Legislative Assembly.

1 Subs. for the words 'of such goods specified in Schedule II or Schedule III, and' by Entry Tax (Amendment) Act, 1999 w.e.f. 1.5.99.

2 The words 'to whom the provisions of sub-section (1) do not apply' omitted by Entry Tax (Amendment) Act, 1999 w.e.f. 1.5.99.

- (3) The entry tax levied under sub-section (1) and sub-section (2) shall be paid on the value such goods.
- (4) No entry tax shall be payable on the goods specified in Schedule - I.
- (5) The State Government may, by notification, amend Schedule - I, so as to include therein any goods not already specified therein and may, by a like notification, amend Schedule - II or Schedule - III to exclude therefrom the goods so included in Schedule - I and thereupon Schedule - II or Schedule - III, as the case may be, shall stand amended accordingly.”

¹Sec. 3-A : Entry Tax on Motor Vehicles

(1) There shall be levied an entry tax on the entry into any local area for consumption, use or sale therein,-

- (i) of such motor vehicle which is liable for registration in the State of Madhya Pradesh under the Motor Vehicles Act, 1988; and
- (ii) by such person who is not liable to pay tax under the provisions of sub-section (1) of Section 3;

at such rate not exceeding 20 per cent, as the State Government may, by notification, specify :

Provided that no tax under this Section shall be levied if the motor vehicle has been purchased from a dealer registered under the Vanijyik Kar Adhiniyam :

Provided further that no tax under this Section shall be levied in respect of a motor vehicle which was registered in any other State or Union Territory under the Motor Vehicles Act, 1988 for a period of 15 months or more before the date on which it is registered in the State under that Act.

- (2) The tax shall be payable within 15 days from the entry of motor vehicle into the local area or before the date on which an application is made for registration of the vehicle under the Motor Vehicles Act, 1988 whichever is earlier, in such manner as may be prescribed.
- (3) Every person liable to pay tax under this Section shall furnish a return in such form, for such period, in such manner, by such dates and to such authority as may be prescribed. Every person required to file return shall pay the full amount of tax payable according to the return and shall furnish the proof of payment along with the return.
- (4) If a person required to file return fails without sufficient cause to pay the amount of tax payable according to a return for any period in the manner prescribed or fails to furnish return, such person shall be liable to pay by way of interest in addition to the amount of tax, a sum equal to 2 per cent of the amount of such tax for each month or part thereof after the due date.
- (5) The amount of tax due from a person liable to pay tax under this Section shall be assessed in such manner and by such authority as may be prescribed.

¹ Sec. 3-A inserted by Entry Tax (Amendment) Act, 1999 w.e.f. 1.5.99.

(6) The assessing authority, the appellate authority and the revising authority shall, for the purposes of this Section, have the same powers as are exercisable by those authorities under this Act in respect of a dealer and the provisions relating to assessment, appeal and revision of a dealer shall apply in respect of a person to whom this Section applies.

(7) (a) If a person liable to pay tax fails to pay the tax in the manner as laid down, then the designated officer shall forthwith impound the vehicle in respect of which tax has remained unpaid and keep the vehicle impounded till the amount of tax and penalty due is paid in full;

(b) If the amount of tax and penalty is not paid within one month of impounding of the vehicle, the designated officer shall have the power to sell the vehicle in the manner prescribed, by auction and apply the sale proceeds towards recovery of the tax, interest and cost incurred on it. The remainder, if any, shall be refunded to the person;

(c) if at any time before the auction of the vehicle the person pays the tax, interest and cost incurred if any, the designated officer may, after satisfying that all the dues have been fully paid by the person, cancel the auction proceedings and return the vehicle to the person.

(8) The State Government may, by notification designate such number of officers of the State Government to be the designated officers as may be necessary for the purpose and may assign to each one of them such local area or areas or a part of a local area as may be specified in the said notification.

Sec. 4 : Rate at which entry tax to be charged

¹(1) The entry tax payable by a dealer under this Act shall be charged on his taxable

1 Sub-section (1) substituted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Prior to substitution during 1.5.97 to 30.9.97 sub-section (1) read as under :

* (1) The tax payable by a dealer under this Act shall be charged on his taxable quantum relating to the goods specified in the Schedule at the rates mentioned therein.

* Subs. by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Prior to 1.5.97 sub-section (1) read as under :

(1) The entry tax payable by a dealer under this Act shall be charged on his taxable quantum relating to goods specified in Schedule II and Schedule III at the rates mentioned in the said Schedules :

Provided that notwithstanding anything contained in this sub-section and subject to such conditions and restrictions as may be prescribed -

** (i) the entry tax payable in respect of goods specified in Schedule II, other than those specified at serial No. 3 which are consumed or used as raw material for the manufacture of other goods, shall be one percent, if the rate of tax specified in Schedule II exceeds one percent;

(ii) where the dealer contravenes any of the conditions or restrictions or has not consumed or used the goods as raw material in any local area in Madhya Pradesh, he shall be liable to pay as entry tax an amount equal to the difference between the entry tax payable at the full rate as mentioned in Schedule II or Schedule III, as the case may be, and the concessional rate of such tax mentioned in clause (i) above :

quantum relating to goods specified in Schedule - II and Schedule - III at the rates mentioned in the said Schedules :

Provided that notwithstanding anything contained in this sub-section and subject to such conditions and restrictions as may be prescribed,-

- (i) the entry tax payable in respect of goods specified in Schedule - II other than iron and steel as specified in Serial No. 3 of the said Schedule which are consumed or used as raw material for the manufacture of other goods shall be one per cent, if the rate of tax specified in Schedule - II exceeds one per cent;
- (ii) where the dealer contravenes any of the conditions or restrictions or has not consumed or used the goods as raw material for the manufacture of other goods in any local area in Madhya Pradesh, he shall be liable to pay as entry tax an amount equal to the difference between the entry tax payable at the full rate as mentioned in Schedule - II and the concessional rate of such tax mentioned in clause (i) above :

Provided further that where the goods specified in Schedule - II, other than iron and steel as specified in Serial No. 3 of the said Schedule which have already suffered entry tax at a rate exceeding one per centum are purchased by a registered dealer from another such dealer for consumption or use by him as raw material for the manufacture of other goods, he (the purchasing registered dealer) shall, subject to such restrictions and conditions as may be prescribed, be entitled to a set off or refund, as the case may be, of an amount equal to the difference between the amount of tax computed at the full rate of tax mentioned in Schedule - II and the amount of tax at one per cent on such proportion of the price at which he had purchased the goods, as may be prescribed.

(2) The State Government may, by notification, declare that the entry tax on the goods specified in the notification shall, in the circumstances specified therein, be recovered on a basis other than on the value of goods and thereupon the entry tax shall be charged on such goods on that basis as if it were the rate of entry tax specified in respect of the entry of goods into the local area in such circumstances.

⇒

Provided further that where the goods specified in Schedule II (other than those specified in serial number 3 \$[.....] thereof) which have already suffered entry tax at a rate exceeding \$\$[one] percentum are purchased by a registered dealer from another such dealer for consumption or use by him as raw material in any process of manufacture he (the purchasing registered dealer) shall, subject to such restrictions and conditions as may be prescribed, be entitled to a set off or refund, as the case may be, of an amount equal to the difference between the amount of tax computed at the full rate of tax mentioned in Schedule II and the amount of tax at \$\$[one] percent on such proportion of the price at which he had purchased the goods, as may be prescribed.

**Clause (i) of the first proviso substituted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95

\$ The figures & words "13 & 14" omitted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95

\$\$ Subs. for the word "half" by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95

¹Sec. 4-A : Provision for entry tax at enhanced rate on certain goods consumed or used in manufacture of other goods

(1) The State Government may, by notification, specify the local area or areas and ²[the goods] which are used or consumed in such local area or areas mainly for the manufacture of other goods and may direct that, ³[as from the date specified in the notification and in such manner as may be prescribed], the entry tax payable by a dealer under this Act shall be charged on his taxable quantum relating to such goods at a rate not exceeding ten per centum as may be specified in such notification notwithstanding anything to the contrary contained in Section 4.

⁴(2) On the issue of the notification under sub-section (1), entry tax shall not be chargeable and payable on such goods at any other rate mentioned in any other provisions of this Act.

⁵Sec. 5.....

Sec. 6 : Principles governing levy of entry tax on ⁶[dealer or person]

The entry tax ⁷[payable by a dealer under sub-section (1) of Section 3 or by a person notified under sub-section (2) of that Section] shall be levied in accordance with the principles stated below :

(a) entry tax shall not be payable unless ⁸[the dealer or such person] effects entry of goods specified in ⁹[Schedule II or Schedule III] into a local area;

¹ Sec. 4-A inserted by Entry Tax (Amendment) Act, 1976 w.e.f. 31.12.76.

² Subs. for the words 'the goods specified in the Schedule' by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Earlier these words were substituted for the words 'the goods' by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

³ Subs. by Entry Tax (Amendment) Act, 1978 w.e.f. 1.10.78.

⁴ Sub-section (2) substituted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95. Prior to the substitution sub-section (2) remained in force during 31.12.76 to 31.3.95 and read as under :

'On the issue of the notification under sub-section (1),-

(i) entry tax shall not be chargeable and payable on such goods at any rate mentioned in any other provision of this Act

(ii) withdrawal shall not be made from the Consolidated Fund of the State of the proceeds of entry tax accruing under this Section, for credit to the Madhya Pradesh Octroi Compensation Fund under Section 17 notwithstanding the provisions of that Section to the contrary.'

⁵ Section 5 omitted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

⁶ Subs. for the word 'dealer' by Entry Tax (Amendment) Act, 1982.

⁷ Subs. for the words 'payable by a dealer under sub-section (1) of Section 3' by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

The words 'or by a person notified under sub-section (2) of that Section' as appearing in the present provisions were omitted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

⁸ Subs. for the words 'the dealer' by Entry Tax (Amendment) Act, 1982.

⁹ The words 'Schedule II or Schedule III' substituted for the words 'the Schedule' wherever occurred in Section 6, by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

Earlier the words 'the Schedule' were substituted for the words 'Schedule II or Schedule III' wherever occurred in the Entry Tax Act, by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

(b) where any such goods are consumed, used or sold in a local area by ¹[the dealer or such person], it shall be presumed until the contrary is proved by him, that such goods had entered into that local area for consumption, use or sale therein;

(c) when a dealer purchases goods specified in Schedule II or Schedule III in a local area from a person or a dealer who is not a registered dealer, it shall be presumed, unless the contrary is proved by him, that the entry of such goods had been effected by him into such local area before they were purchased by such dealer;

²(d).....

(e) all records, documents, account books, information and any other material produced before or used by the assessing authority for the purpose of an assessment of tax on a dealer under the ³[Vanijyik Kar Adhinyam] may, as far as may be and to the extent relevant for the purpose of this Act, form the basis for levy of entry tax on that dealer under this Act :

Provided that the assessing authority may call for or use such additional information for the purpose of assessment under this Act as it may deem necessary.

⁴Sec. 7 : Registered dealers to issue bill etc., stating that goods sold are local goods

(1) Every registered dealer who, in the course of his business, manufactures, produces or grows any goods specified in ⁵[Schedule - II] in a local area in such manner that the goods become local goods in relation to that local area, shall, on the sale of such local goods to any other registered dealer, issue to him a bill, invoice or cash memo specifically stating in such manner as may be prescribed, that the goods being sold are local goods in relation to such local area and that no entry tax has been paid on such goods.

(2) Where the goods mentioned in sub-section (1) are purchased and sold in the course of their business by a chain of registered dealers, the selling registered dealer shall issue a bill or invoice or cash memo, containing the statement referred to in sub-section (1) :

Provided that where the goods are purchased by a registered dealer who effects the entry of such goods into a local area other than the local area in relation to which such goods are local goods, it shall not be necessary for him to make the statement referred to in sub-section (1).

⁶(3) Every registered dealer referred to in sub-section (1) and (2) shall maintain a separate account of purchases and consumption, use or sale of local goods and

1 Subs. for the words 'a dealer' by Entry Tax (Amendment) Act, 1982.

2 Clause (d) omitted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

3 Subs. for 'Sales Tax Act' by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

4 Section 7 has been substituted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

5 Subs. for 'the Schedule' by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Earlier the words 'the Schedule' were substituted for the words 'Schedule II' wherever occurred in the Entry Tax Act, by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

6 Sub-section (3) substituted by Entry Tax (Amendment) Act, 1978 w.e.f. 1.10.78.

separate bill books and invoices for the sales of local goods effected by him in the same local area in relation to which the goods are local goods.

¹(4).....

(5) Where a registered dealer referred to in sub-section (1) or sub-section (2) has, in the course of his business, sold local goods to other registered dealers and has failed to make the statement referred to in sub-section (1) ²[.....], it shall be presumed that he has facilitated the evasion of entry tax on the local goods so sold and accordingly ³[unless the contrary is proved by him, he shall be liable to pay penalty which shall not be less than two times, but shall not exceed five times of the amount of entry tax payable on such goods] as if they were not goods of local origin.

(6) Where any registered dealer referred to in sub-section (2), in the course of his business has sold local goods purchased by him to other registered dealers and a bill, cash memo or invoice is not issued by him as required by sub-section (2) ⁴[.....], it shall be presumed that he has facilitated the evasion of entry tax on the local goods so sold and ⁵[unless the contrary is proved by him, he shall be liable to pay penalty which shall not be less than two times, but shall not exceed five times of the amount of entry tax payable on such goods] as if they were not goods of local origin.

⁶[Provided that no penalty under sub-section (5) and sub-section (6) shall be imposed unless a reasonable opportunity of being heard is given to the dealer.]

⁷Sec. 7-A : Composition

(1) Every registered dealer referred to in sub-section (1) or sub-section (2) of Section 7 may compound the liabilities imposed on him by Section 7 subject to such terms and conditions as may be prescribed, on payment by way of composition money of a sum equal to the amount of entry tax liable to be paid on the entry of such goods into local areas other than the local area in relation to which they are local goods and such amount shall be estimated in such manner as may be prescribed.

(2) The composition money estimated under sub-section (1) shall be paid within such time and in such manner as may be prescribed.

(3) The names of the dealers along with such particulars as may be prescribed who opt for compounding their liability as provided in sub-section (1) (hereinafter referred to as the composition scheme) shall be published in such manner as may be prescribed. The names of the dealers together with the particulars as aforesaid who

1 Sub-section (4) omitted by Entry Tax (Amendment) Act, 1978 w.e.f. 1.10.78.

2 Omitted by Entry Tax (Amendment) Act, 1978 w.e.f. 1.10.78.

3 Subs. for 'he shall be liable to pay penalty equal to ten times the amount of entry tax payable on such goods' by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

4 Omitted by Entry Tax (Amendment) Act, 1978 w.e.f. 1.10.78.

5 Subs. for 'he shall be liable to pay a penalty equal to ten times the amount of entry tax payable on such goods' by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

6 Proviso inserted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

7 Section 7-A substituted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

withdraw from the composition scheme shall also likewise be published.

(4) ¹(a) A registered dealer who has opted for the composition scheme shall neither be required to make the statement referred to in sub-section (1) of Section 7 nor to pay the penalty under sub-section (5) or sub-section (6) of that Section.

(b) Every dealer who purchases local goods from a registered dealer who has compounded his liability shall be deemed to have purchased goods which have suffered entry tax and accordingly on the entry of such local goods into other local areas consequent on such purchase, entry tax shall not be payable by the purchasing dealer.

Sec. 8 : Penalty for failure to fulfill responsibility or obligation undertaken

Where any dealer issues a declaration under the provisions of this Act or the rules made thereunder or any notification issued under Section 10 wherein he has undertaken any specific responsibility or obligation in regard to any goods purchased by him after the issue of such declaration and he fails to fulfill such responsibility or obligation, such dealer shall be liable to pay a penalty equal to one and a half times the entry tax computed at the rates mentioned in ²[Schedule - II or Schedule - III] as the case may be, in respect of such goods :

Provided that, no penalty under this Section shall be imposed if under any provision of this Act or the rules made thereunder the default of the dealer for his failure to discharge such responsibility or obligation can be subjected to the imposition of any tax or penalty.

³Sec. 9 : Amendment of Schedule - II and III

1 Clause (a) substituted by Entry Tax (Amendment) Act, 1978 w.e.f. 1.10.78.

2 Subs. for 'the Schedule' by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Earlier the words 'the Schedule' were substituted for the words 'Schedule II or Schedule III' wherever occurred in the Entry Tax Act, by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

3 Section 9 substituted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Prior to substitution Section 9 read as under :

(1) The State Government may, by notification, amend rate of entry tax specified in *[the Schedule] and thereupon **[the said Schedule] shall stand amended accordingly :

\$Provided that the rate of entry tax shall not be increased by more than double the rate specified in the Schedule.

Provided further that no notification shall be issued under this Section without giving in the "Gazette" such previous notice, as the State Government may consider reasonable, of its intention to issue such notification.

(2) Every notification issued under sub-section (1) shall, as soon as may be, after it is issued, be laid on the table of the Legislative Assembly.

* Earlier the words 'the Schedule' were substituted for the words 'Schedule II and Schedule III' wherever occurred in the Entry Tax Act, by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97

**Subs. for the words 'each of the said Schedules' by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97

⇒

(1) The State Government may, by notification, amend Schedule - II and Schedule - III and thereupon each of the said Schedules shall stand amended accordingly :

Provided that the rate of tax in respect of any goods specified therein shall not exceed twice the rate of tax specified in the Schedules.

(2) No notification enhancing the rate of tax, shall be issued under sub-section (1) without giving in the Gazette such previous notice as the State Government may consider reasonable, of its intention to issue such notification.

(3) Every notification issued under sub-section (1) shall, as soon as may be, after it is issued be laid on the table of the Legislative Assembly.

¹Sec. 10 : Power to exempt

The State Government may, by notification, and subject to such restrictions and conditions as may be specified therein, exempt, whether prospectively or retrospectively, in whole or in part :

- (i) any class of dealers or persons, or any goods or class of goods, from the payment of entry tax under this Act in respect of all or any of the local areas, for such period as may be specified in the notification;
- (ii) any dealer or class of dealers, from any provision of the Act as may specified in the notification :

Provided that in respect to the period during which the Ordinance repealed under Section 24 was in force, the retrospective effect may be given from the date of the commencement of the said Ordinance as if the liability to pay tax arose under this Act and for that purpose it shall and shall always be deemed that the provisions of this Act to the extent they correspond to the provisions of the said Ordinance were in force during the material times.

Sec. 11 : Burden of proof

(1) The burden of proving -

- (a) that ²[a dealer or a person notified under sub-section (2) of Section 3 has not effected the entry of any goods specified in Schedule - II] into a local area for consumption, use or sale therein;
- ³(b) that a dealer has not effected the entry of any goods specified in Schedule -

⇒

§ Earlier this Proviso was substituted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Prior to 1.5.97 the proviso read as under :

"Provided that the rate of entry tax shall not be increased by more than twenty five per cent in the aggregate, of the rate specified in the Schedule at the commencement of this Act."

1 Section 10 substituted by Entry Tax (Amendment) Act, 1976 w.e.f. 1.9.76.

2 Subs. for the words 'a dealer or a person has not effected the entry of any goods specified in the Schedule' by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

The words 'notified under sub-section (2) of Section 3' as appearing in the present provisions were omitted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

3 Clause (b) and (c) inserted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

These clauses were earlier omitted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Prior

⇒

III or a person notified under sub-section (2) of Section 3 has not effected the entry of any goods specified in Schedule - III and notified under sub-section (2) of Section 3 into a local area for consumption or use therein;

- (c) that a dealer is entitled to deduction in respect of purchase value of local goods for the purpose of the computation of taxable purchase value;
- (d) that goods purchased by a dealer in a local area from a person or a dealer who is not a registered dealer had not entered into that local area before they were purchased by him;
- (e) that a dealer is entitled to any other deductions in computing the taxable quantum;

¹[(f) that a person has not effected the entry of the motor vehicle into a local area for consumption, use or sale therein];

²[shall be on the dealer, or such person, as the case may be.]

³(2) For purposes of claiming deduction in respect of the purchase value of local goods ⁴[which have been consumed, used or sold in the same local area] in relation to which such goods are local goods the dealer shall produce a bill, invoice or cash memo in the manner specified in Section 7 obtained from the registered dealer from whom he has purchased the local goods in that local area as provided in sub-section (1) and (2) of Section 7.

⁵**Sec. 12 : Rate at which entry tax to be charged on goods under Section 3(2)**

(1) The entry tax payable under sub-section (2) of Section 3 shall be levied on the value of goods notified thereunder at such rate, not exceeding 20 per cent, as the State Government may, by notification, specify, and different rates may be specified for different goods. The entry tax shall be assessed and collected by such authority and in such manner as may be prescribed.

(2) Appeal or revision against the order of the assessing authority under sub-section (1) shall lie to such authority, within such period and in such manner as may be

⇒

to omission clause (b) & (c) read as under :

(b) that a dealer has not effected the entry of any goods specified in Schedule III or a person notified under sub-section (2) of Section 3 has not effected the entry of any goods specified in Schedule III and notified under sub-section (2) of Section 3 into a local area for consumption or use therein, as raw material or incidental goods or as packing material or in the execution of works contracts or otherwise;

(c) that a dealer is entitled to deduction in respect of purchase value of local goods for the purpose of the computation of taxable purchase value;

1 Clause (f) inserted by Entry Tax (Amendment) Act, 1999 w.e.f. 1.5.99.

2 Subs. by Entry Tax (Amendment) Act, 1982.

3 Sub-section (2) substituted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

4 Subs. by Entry Tax (Amendment) Act, 1978 w.e.f. 1.10.78.

5 Section 12 inserted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

This Section was earlier omitted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Prior to 1.5.97 the provisions of Section 12 were similar to the present provisions.

prescribed.

(3) The assessing authority, the appellate authority and the revising authority shall, for the purposes of this section, have the same powers as are exercisable by those authorities under this Act in respect of a dealer and the provisions of this Act relating to assessment, appeal and revision of a dealer shall apply in respect of a person to whom sub-section (1) applies.”

¹Sec. 13 : Certain provisions of ‘Vanijyik Kar Adhiniyam’ to apply

Subject to the provisions of this Act and the rules made thereunder, Section 3, 11, 26, 27, 28, 29, 30, 31, 32, 33, 36, 38, 39, 40, 41, 42, 43, 45, 46, 47, 49, 52, 54, 55, 56, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 74, 75, 76, 77 and 80 of the Vanijyik Kar Adhiniyam and the rules made and orders and notifications issued thereunder shall *mutatis mutandis* apply to a dealer or person in respect of the entry tax levied and payable under this Act as if these Sections were *mutatis mutandis* incorporated in this Act and the rules, orders and notifications issued under those Sections were *mutatis mutandis* made or issued under the relevant Sections as so incorporated in this Act.

Sec. 14 : Assessment, collection etc. of entry tax

Subject to the provisions of this Act and the rules made thereunder the administration of this Act in so far as it relates to levy, assessment and collection of entry tax from dealers shall vest in the authorities specified in Section 3 of the ²[Vanijyik Kar Adhiniyam], and accordingly the authorities for the time being empowered to assess, re-assess, collect and enforce payment of any tax under the Vanijyik Kar Adhiniyam shall assess, reassess, collect and enforce the payment of entry tax including any penalty payable by a dealer under this Act as if the tax or penalty payable by such dealer under this Act or under the provisions of the Vanijyik Kar Adhiniyam as made applicable under Section 13 to dealers in relation to tax levied under this Act is a tax or penalty payable under that Act and for this purpose they may exercise all or any of the powers conferred upon them by or under that Act.

³Sec. 15 and 16 [Omitted w.e.f. 1.5.77]

⁴Sec. 17 [Omitted w.e.f. 1.4.78]

1 Sec. 13 substituted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95. Prior to substitution it read as under :

‘Sec. 13 : Certain provisions of Sales Tax Act to apply

Subject to the provisions of this Act and the rules made thereunder, Section 3, 7-A, 17, 18, 19, 20, 21, 22, 22-A, 22-C, 23, 24, 24-A, 26, 27, 29, 30, 31, 33, 33-B 34, 35, 36, 38, 39, 39-A, 40, 41, 42, 42-A, 43, 44, 45, 45-A, 46, 47, 47-A, 48 and 51 of the Sales Tax Act and the rules, orders and notifications issued thereunder shall *mutatis mutandis* apply to a dealer in respect of entry tax levied and payable under this Act as if those Sections were *mutatis mutandis* incorporated in this Act and the rules, orders and notifications issued under those Sections were *mutatis mutandis* issued under the relevant Sections as so incorporated in this Act.’

2 Subs. for the words ‘Sales Tax Act’ wherever occurred in Sec. 14 by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

3 Section 15 & 16 relating to Appeal & Revision omitted by Entry Tax (Amendment) Act, 1977.

4 Section 17 relating to credit of the proceeds of entry tax to Octroi Compensation Fund omitted

⇒

Sec. 18 : Finality of orders

Save as otherwise expressly provided in this Act every order made by an assessing authority, appellate authority or a revising authority under this act shall be final and shall not be called in question in any original suit, application or execution or proceeding and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act or in respect of any recovery to be made as an arrear of land revenue.

¹Sec. 19 [Omitted w.e.f. 1.5.97]

Sec. 20 : Power to make rules

(1) The State Government may make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, the State Government may make rules prescribing

²(a).....

³(b) the manner in which set off shall be adjusted under the first proviso to sub-section (1) of Section 3;

⁴(c) (i) the conditions and restrictions under the first proviso to sub-section (1) of Section 4;

(ii) the restrictions and conditions subject to which a registered dealer shall be entitled to set off or refund under the second proviso to sub-section (1) of Section 4 and the proportion in which he shall be entitled thereto;”

⁵(d).....

⁶(e) the manner in which details shall be specified under sub-section (1) of Section 7;

⁷(ee) (i) the terms and conditions on which the registered dealer may compound the

⇒

by Entry Tax (Amendment) Act, 1978 w.e.f. 1.4.78.

1 Section 19 omitted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Earlier to the omission Section 19 read as under :

“Sec. 19 : Set off in certain cases

Where entry tax is payable by a dealer or by any person in respect of the entry of goods into a local area comprised within the limits of a Cantonment Board and a tax in the nature of an entry tax or octroi is levied by the Cantonment Board on the entry of goods into that local area for consumption, use or sale therein, such dealer or person shall be entitled to a set off in the prescribed manner of an amount equal to either the tax proved to have been actually paid by him to the Cantonment Board or the tax payable under this Act, whichever is less.”

2 Clause (a) omitted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

3 Clause (b) substituted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

4 Clause (c) inserted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. This clause was earlier omitted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Prior to omission the provisions of clause (c) were same as at present.

5 Clause (d) omitted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

6 Clause (e) substituted by Entry Tax (Amendment) Act, 1978 w.e.f. 1.10.78.

7 Clause (ee) substituted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

liability and the manner in which composition money shall be estimated under sub-section (1) of Section 7-A;

- (ii) the time within which and the manner in which the composition money shall be paid under sub-section (2) of Section 7-A;
- (iii) the particulars and the manner in which the names of dealers and particulars shall be published under sub-section (3) of Section 7-A;
- ¹(f) (i) the authority by which and the manner in which the assessment and collection of entry tax shall be made under sub-section (1) of Section 12;
- (ii) the authority to which, the period within which and the manner in which an appeal or revision shall lie under sub-section (2) of Section 12;”.

²(g) & (h).....

³(i).....

(j) the form in which and the authority to which declaration shall be furnished under proviso to Section 21;

(k) any other matter which has to be or may be prescribed.

(3) All rules made under this Section shall be laid on the table of the legislative Assembly.

Sec. 21 : Transitory provisions

Notwithstanding anything contained in this act where entry of any goods specified in ⁴[Schedule - II or Schedule - III] of this Act had been effected by a dealer into a local area before the 1st day of May, 1976 and such dealer had paid the tax levied by the concerned local authority under the law relating to local authority on the entry of such goods into a local area for consumption, use or sale therein, then such dealer shall not be liable to tax under this Act in respect of the consumption, use or sale of such goods in that local area on or after such date and accordingly in computing the taxable quantum of the dealer who had paid such tax a deduction shall be given in respect of the value of such goods :

Provided that nothing in this Section shall apply unless the dealer furnishes a declaration in such form and to such authority as may be prescribed within three months from the date of commencement of this Act.

Sec. 22 : Section 10 of Madhya Pradesh Act 3 of 1958 to apply

The provisions of Section 10 of the Madhya Pradesh General Clauses Act, 1957 (No.

¹ Inserted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97, w.e.f. 1.10.97. This clause was earlier omitted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Prior to omission the provisions of clause (f) were same as at present.

² Clause (g) & (h) omitted by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

³ Clause (i) omitted by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97. Earlier to the omission clause (i) read as under :

‘(i) the manner in which the set off shall be given under Section 19’

⁴ Subs. for ‘the Schedule’ by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97. Earlier the words ‘Schedule II or Schedule III’ were substituted for the words ‘the Schedule’ by Entry Tax (Amendment) Act, 1997, w.e.f. 1.5.97.

3 of 1958) shall apply in relation to matters pending on the 1st day of May, 1976 with respect to Octroi tax levied by a local authority under the law relating to local authority prior to the said date as it would have applied had the relevant provisions of the law relating to local authority been repealed by this Act.

Sec. 23 : Removal of difficulty

If any difficulty arises in giving effect to the provisions of this Act in consequence of the transition to the said provisions from the corresponding provisions contained in any law relating to local authorities, the State Government may, by an order notified in "Gazette" make such provisions not inconsistent with this Act as appear to be necessary or expedient for removing the difficulty :

Provided that no order shall be made under this Section after the expiry of a period of ¹[two years] from the 1st day of May, 1976.

Sec. 24 : Repeal

As from the date specified in sub-section (2) of Section 1, the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhyadesh, 1976 (No. 6 of 1976) shall stand repealed.

¹ Subs. for the words 'one year' by Entry Tax (Amendment) Act, 1977 w.e.f. 1.5.77.

¹SCHEDULE - I
[See Section 3(4)]

Goods exempted from entry tax

S.No.	Description of goods	Conditions and exceptions subject to which exemption has been allowed
(1)	(2)	(3)
² [1.	Goods specified in Schedule I of the Vanijyik Kar Adhinyam, except the goods specified in entries 4, 14 (excluding ³ sugarcane) and 15.]	
⁴ [2.	(-----)]	
3.	Goods brought into a local area for sale or distribution under the public distribution system.	When at the time of assessment a certificate issued by the Collector or any other authority authorised for the purpose, to the effect that the said goods have been brought into a local area for sale or distribution under the Public Distribution System, is produced.

1 Schedule I, II & III substituted by Entry Tax (Second Amendment) Act, 1997 w.e.f. 1.10.97 for 'the Schedule' which was earlier substituted for the then existing Schedules I, II & III by Entry Tax (Amendment Act), 1997 w.e.f. 1.5.97.

2 Entry 1 substituted by Entry Tax (Amendment) Act, 1999 w.e.f. 1.5.99. The entry 1 prior to its substitution read as under :
Goods specified in Schedule I of the Vanijyik Kar Adhinyam, except the goods specified in entries 4, 30, 31 and 57.

3 W.e.f. 15.3.2000, sugarcane is covered in entry 16 of Sch. I and not entry 14 of Sch. I.

4 Serial No. 2 omitted by Entry Tax (Amendment) Act 2002 w.e.f. 23-4-2002

SCHEDULE - II
(See Sections 4, 9 and 12)

S.No.	Description of goods	Rate of tax (%)
(1)	(2)	(3)
1.	Coal including coke in all its forms.	2.5
2.	Hides and Skins whether in a raw or dressed state.	1
3.	Iron and Steel as specified in clause (iv) of Section 14 of the Central Sales Tax Act, 1956 (No. 74 of 1956)	2.5
4.	Jute as specified in clause (v) of Section 14 of the Central Sales Tax Act, 1956 (No. 74 of 1956).	1
5.	Oil seeds as specified in clause (vi) of Section 14 of the Central Sales Tax Act, 1956 (No. 74 of 1956).	1
6.	All kinds of cotton (indigenous or imported) in its un-manufactured state whether ginned or unginned, baled, pressed or otherwise.	1
7.	All types of yarn.	1
8.	All varieties of cloth manufactured in Mills or in powerlooms or handlooms including processed cloth and durries.	2
9.	Sugar, including khandsari and palmyra.	2
10.	(a) Cigars, Cheroots, Cigarettes and cigarillos of tobacco.	3
	(b) Un-manufactured tobacco and tobacco refuse, other manufactured tobacco products, including bidies and gudaku.	2.5
11.	Crude oil as specified in clause (ii-e) of Section 14 of the Central Sales Tax Act, 1956 (No. 74 of 1956).	2
12.	All types of tiles, marble and granite.	1
13.	Cement, Cement goods including cement pipes and asbestos sheets.	1
14.	All kinds of non-alcoholic drinks and beverages, ice-cream, kulfi and ice candy.	2
15.	Aviation fuel and aviation turbine fuel.	2
16.	(a) Tyres and tubes and flaps of two wheeler, three wheeler and four wheeler motor vehicles, or motor vehicles with more than four wheels, of jeep trailers and of animal drawn vehicles excluding those specified at Serial No. 16(b)	2
	(b) Tyre and tubes of tractors and tractor trailers	1
17.	All types of batteries and cells	1
18.	Dyes, paints, varnishes, lacquers, enamels, glue, distempers, paint-brush, sand paper, turpentine oil, mineral turpentine oil and thinners	1
19.	Fire works	1
20.	Insecticides and pesticides	1
21.	Laminated sheets such as sunmica, formica, particle boards and plywood	1
22.	Pan Masala	1
23.	All types of paper, stationary articles, mill board, paper board and straw board	1

(1)	(2)	(3)
24.	Petrol and diesel oil	1
25.	All types of gases including liquified petroleum gas	1
26.	Cinematographic equipment including cameras, projectors and sound recording and reproducing equipment, lances, films, photographic papers and parts and accessories thereof.	¹ 1
27.	Bricks, fire bricks and fire clay.	1
28.	All clocks, timepieces, watches and parts thereof	1
29.	Stone boulders, ballast, murum, sand, surkhi, bajri and articles of stone	1
30.	Tea, coffee, cocoa	1
31.	All types of sanitary goods and fittings	1
32.	Scents, perfumes, hair tonics, hair cream, hair shampoo, depilatories and cosmetics including face creams, snows, lipstics, rougue and nail polish	1
33.	Sheets, cushions, pillows, mattresses and other articles made of rubber, foam rubber, plastic foam or other synthetic foam or rubberised coir.	1
34.	All types of two wheeler and three wheeler auto vehicles and spare parts and accessories thereof excluding those specified at serial No. 16	1
35.	Refrigerators, deep freezers, air conditioning plants including air conditioners, mechanical water coolers, air coolers and components, parts and accessories thereof.	1
36.	Proprietary preparations of baby food such as Amul, Amulspray and Lactogen	0.5
37.	All types of four wheeler motor vehicles and motor vehicles with more than four wheels and parts and accessories thereof excluding those specified at Serial No. 16	1
38.	Tractor, tractor trailers, accessories and parts thereof.	0.5
39.	Bicycles, tricycles, tandem cycles, cycle combinations and parts, accessories, tyres and tubes thereof.	0.5
40.	All kinds of furniture including upholstered and metal furniture, cabinet wares such as safes and almirah made of iron and steel.	1
41.	All kinds of edible oil, Hydrogenated vegetable oil and ghee	0.5
42.	All types of crockery, goods made of china and tamchina, goods made of glass and glass ware, but excluding glass chimneys of hurricane lanterns and kerosene lamps	0.5
43.	Kirana goods including supari, dry fruits, pindkhajoor, masala and gur.	0.5
44.	Lubricants	1
45.	Pumping sets having capacity of more than 10 H.P. and accessories and parts thereof.	0.5
46.	Readymade garments, readymade cotton hosiery, cotton knitted garments and readymade nylon hosiery	0.5

¹ As per corrigendum Noti. No. 32, dt. 16.4.01.

(1)	(2)	(3)
47.	Sewing and knitting machine, accessories and parts thereof	0.5
48.	Purses, ladies hand bags and vanity bags, suitcases, brief cases, attachee cases and despatch cases	0.5
49.	Wireless reception instruments and apparatus, radios and radio gramophones, television, V.C.R., V.C.P., tape-recorders, transistors and parts and accessories thereof	1
50.	Toilet articles including toilet soaps, tooth paste, tooth powder, perfumed hair oil, face powder, talcum powder, combs, brushes, razors and razor blades	0.5
51.	All kinds of utensils except utensils made of aluminium, Kitchen wares, thermos flasks and vacuum flasks.	0.5
52.	Washing soaps and detergents	0.5
¹ 53.	All kinds of electrical and electronic goods except those specified elsewhere in this schedule	1
54.	All machines and machineries worked by electricity, diesel or petrol and parts thereof	1
55.	All kinds of chemicals and acids, sulphur and bleaching powder	1
56.	Cakes and pastries, biscuits, chocolates, toffees, lozenges, peppermint drops and bakery goods other than bread.	1
² 57	All kinds of cereals and pulses	1]

SCHEDULE - III
(See Sections 3, 4, 6, 8, 9 and 11)

S.No.	Description of goods	Rate of tax (%)
(1)	(2)	(3)
1.	All goods other than those specified in Schedule - I and Schedule II	1

¹ Entry Nos. 53 to 56 have been inserted by Entry Tax (Amendment) Act, 1999 w.e.f. 1.5.99.

² Entry 57 inserted by Entry Tax (Amendment) Act 2002 w.e.f 23-4-2002

SCHEDULE
[APPLICABLE DURING 1.5.97 TO 30.9.97]

S.No.	Description of goods	Rate of entry tax
(1)	(2)	(3)
1.	Bauxite	10
2.	Limestone	10
3.	Iron ores	5
4.	Coking coal	5
5.	Coal excluding coking coal	2.5
6.	Apatite and phasphatic ores	2
7.	Copper ores	2
8.	Gypsum	2
9.	Magnese ores	2
10.	Nickel ores	2
11.	Precious stones	2
12.	Sulpher and its ores	2
13.	Tungsten ores	2
14.	Uraniferous allenite, Manzite and other therium	2
15.	Vanadium ores	2
16.	Zinc ores	2
17.	Zircon	2
18.	Mica	2
19.	Maganese	2
20.	Chromite	2
21.	Dolomite	2
22.	Graphite	2
23.	Mineral oil and crude oil	2
24.	Natural gas	2
25.	Any other goods, minerals or ores as the State Government may by notification specify.	2
26.	Granite	2
27.	Marble	2
28.	Lime Stone when used in Lime kilns for manufacture of lime	2.5

SCHEDULE - I [As applicable upto 30. 4. 97]

[See Section 3(4)]

Goods exempted from entry tax

¹1. Goods specified in Schedule I of the “Vanijyik Kar Adhiniyam” except the goods specified in entries 4, 30, 31 and 57.

SCHEDULE - II [As applicable upto 30. 4. 97]

(See Sections 4, 9, and 12)

Sr. No.	Description of goods	Rate of entry tax
(1)	(2)	(3)
1.	Coal, including coke in all its forms but excluding charcoal.	2.5 per cent.
2.	Hides and skins whether in a raw or dressed state.	² [1 per cent.]
3.	Iron and steel, that is to say	2.5 per cent.
	(i) Pig iron and cast iron including ingot, moulds, bottom plates, iron scrap, cast iron scrap, runner scrap and iron skull scrap;	
	(ii) Steel semis (ingots, slabs, blooms and billets of all qualities, shapes and sizes);	
	(iii) Skelp bars, tin bars, sheet bars, hoe bars and sleeper bars;	
	(iv) Steel bars (rounds, rods, squares, flats, octagons and hexagons) plain and ribbed or twisted, in coil form as well as straight lengths;	
	(v) Steel structurals (angles, joists, channels, tees, sheet piling sections, Z sections or any other rolled sections);	
	(vi) Sheets, hoops, strips and skelp, both black and galvanised, hot and cold rolled, plain and corrugated in all qualities, in straight lengths and in coil form, as rolled and in rivetted condition;	
	(vii) Plates, both plain and chequered in all qualities;	
	(viii) Discs, rings, forgings and steel castings;	
	(ix) tool, alloy and special steels of any of the above categories;	
	(x) steel melting scrap in all forms including steel skull, turnings and borings;	
	(xi) steel tubes, both welded and seamless, of all diameters and lengths, including tube fittings;	

¹ Sr. No. 1 substituted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

² Subs. for ‘0.5 percent’ by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

(1)	(2)	(3)
	(xii) tin plates, both hot dipped and electrolytic and tin free plates;	
	(xiii) fish plate bars, bearing plate bars, crossing sleeper bars, fish plates, bearing plates, crossing sleepers and pressed steel sleepers, rails-heavy and light, crane rails;	
	(xiv) wheels, tyres, axles and wheel sets;	
	(xv) wire rods and wires-rolled, drawn, galvanised, aluminised, tinned or coated such as by copper;	
	(xvi) defectives, cuttings or end pieces of any of the above categories.	
4.	Jute, that is to say, the fibre extracted from plants belonging to the species <i>Corchorus Capsularies</i> and <i>Corchorus Olitorius</i> and the fibre known as Mesta or Bimli extracted from plants of the species <i>Hibiscus cannabinus</i> and <i>Hibiscus Sabdarifa-Var altissima</i> and fibre known as sunn or sunn hemp extracted from plants of the species <i>Crotalaria juncea</i> whether baled or otherwise.	¹ [1 per cent.]
5.	Oilseeds, that is to say,-	² [1 per cent.]
	(i) groundnut or peanut (<i>Arachis hypogaea</i>);	
	(ii) sesamum or Til (<i>Sesamum oriental</i>);	
	(iii) cotton seed (<i>Gossypium Spp.</i>);	
	(iv) soyabean (<i>Glycine seja</i>);	
	(v) rapeseed and mustard	
	(1) toria (<i>Brassica campestris var toria</i>);	
	(2) rai (<i>Brassica Juncea</i>);	
	(3) jamba-taramira (<i>Eruca Satiya</i>);	
	(4) sarson, yellow and brown (<i>Brassica campestris var sarson</i>);	
	(5) banarsi Rai or True Mustard (<i>Brassica nigra</i>);	
	(vi) linseed (<i>Linum usitatissimum</i>);	
	(vii) castor (<i>Ricinus communis</i>);	
	(viii) coconut (<i>i.e.</i> Copra excluding tender coconuts) (<i>Cocos nucifera</i>);	
	(ix) sunflower (<i>Helianthus annus</i>);	
	(x) nigar seed (<i>Guizotia abyssinica</i>);	
	(xi) neem, vepa (<i>Azadirachta indica</i>);	
	(xii) mahua, illupai, Ippe (<i>Madhuca indica M. Latifolia, Bassia, Latifolia and Madhuca longifolia syn M Longifolia</i>);	
	(xiii) karanja, Pongam, Honga (<i>Pongamia pinnata syn. P. Glabra</i>);	

1 Subs. for '0.5 percent' by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

2 Subs. for '0.5 percent' by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

(1)	(2)	(3)
	(xiv) kusum (<i>Schleichera oleosa</i> , syn. <i>S. Trijuga</i>); (xv) punna, Undi (<i>Calophyllum inophyllum</i>); (xvi) kokum (<i>Carcinia indica</i>); (xvii) sal (<i>Shorea robusta</i>); (xviii) tung (<i>Aleurites fordii</i> and <i>A. montana</i>); (xix) red palm (<i>Elaeis guinensis</i>); (xx) safflower (<i>Carthamus tinctorius</i>);]	
6.	Cotton, that is to say, all kinds of cotton (indigenous or imported) in its unmanufactured state, whether ginned or unginned, baled, pressed or otherwise, but not including cotton waste.	¹ [1 per cent.]
7.	Cotton yarn but not including cotton yarn waste.	² [1 per cent]
³ 8.	Cotton fabrics covered under heading Nos. 52.05, 52.06, 52.07, 52.08, 52.09, 52.10, 52.11, 52.12, 58.01, 58.02, 58.03, 58.04, 58.05, 59.01, 59.03, 59.05, 59.06 and 60.01 of the Schedule to the Central Excise Tariff Act, 1985 (No. 5 of 1986)	2 per cent.
9.	Manmade fabrics covered under heading Nos. 54.08, 54.09, 54.10, 54.11, 54.12, 55.07, 55.08, 55.09, 55.11, 55.12, 58.01, 58.02, 58.03, 58.04, 58.05, 59.01, 59.02, 59.03, 59.05, 59.06 and 60.01 of the Schedule to the Central Excise Tariff Act, 1985 (No. 5 of 1986).	2 per cent
10.	Woven fabrics of wool covered under heading Nos. 51.06, 51.07, 58.01, 58.02, 58.03 and 58.05 of the Schedule to the Central Excise Tariff Act, 1985 (No. 5 of 1986).	2 per cent

1 Subs. for '0.25 percent' by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

2 Subs. for '0.5 percent' by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95.

3 Entries No. 8, 9, 10, 11 & 12 substituted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95. Prior to substitution these entries read as under :

8. Cotton fabrics as defined in item No. 19 of the First Schedule to the Central Excise and Salt Act, 1944 (No. 1 of 1944) 2 per cent

9. Silk fabrics as defined in item No. 20 and man-made fabrics as defined in item No. 22 of the First Schedule to the Central Excise and Salt Act, 1944 (No. 1 of 1944) 2 per cent

10. Woollen fabrics as defined in item No. 21 of the First Schedule to the Central Excise and Salt Act, 1944 (No. 1 of 1944) 2 per cent

11. Sugar as defined in item No. 1 of the First Schedule to the Central Excise and Salt Act, 1944 (No. 1 of 1944) 2 per cent

12 (i) Cigarettes, cigars and cheroots. 3 per cent

(ii) All kinds of Bidis, snuffs and all other kinds of Tobacco as defined in item No. 4 of the First Schedule to the Central Excise and Salt Act, 1944 (No. 1 of 1944) 2.5 per cent

(1)	(2)	(3)
¹ 10A	Durries other than those woven on handloom	2.5 per cent.
11.	Sugar covered under sub-heading numbers 1701.20, 1701.31, 1701.39 and 1702.11 of the Schedule to the Central Excise Tariff Act, 1985 (No. 5 of 1986).	2 per cent.
12.	(a) Cigars and Cheroots of tobacco covered under heading No. 24.02 and Cigarettes and cigarillos of tobacco covered under sub-heading 2403.11 and 2403.31 of the Schedule to the Central Excise Tariff Act, 1985 (No. 5 of 1986). (b) Unmanufactured tobacco and tobacco refuse covered under sub-heading No. 2401.00 and other manufactured tobacco covered under sub-heading Nos. 2404.11, 2404.12, 2404.13, 2404.19, 2404.21, 2404.29, 2404.31, 2404.39, 2404.41, 2404.50 of the Schedule to the Central Excise Tariff Act, 1985 (No. 5 of 1986)	3 per cent
	² 13 & 14.....	
	³ 15.....	
⁴ 16.	Crude oil as specified in clause (ii-c) of Section 14 of the Central Sales Tax Act, 1956 (No. 74 of 1956).	2 per cent.

-
1. Inserted by Entry Tax (Amendment) Act, 1978, w.e.f. 1.10.78
2. Sr. No. 13 & 14 omitted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95. The omitted entries remained in force during 1.9.76 to 31.3.95 and read as under :
- | | |
|--|-------------|
| 13 Paddy (Oryza Sativa L.) | 2.5 percent |
| 14 (i) All kinds of whole pulses whether with or without husk. | 1.0 percent |
| (ii) All kinds of separated pulses | 1.0 percent |
3. Sr. No. 15 omitted by Entry Tax (Amendment) Act, 1977, w.e.f. 1.5.77.
4. Sr. No. 16 inserted by Entry Tax (Amendment) Act, 1976, w.e.f. 1.9.76.

¹SCHEDULE III [As applicable upto 30. 4. 97]
(See Sections 3, 4, 6, 8, 9 and 11)

S.No.	Description of goods	Rate of entry tax
-------	----------------------	-------------------

- I** Schedule III substituted by Entry Tax (Amendment) Act, 1995, w.e.f. 1.4.95. During 6.5.82 to 31.3.95 Schedule III read as under :

SCHEDULE - III
(See Sections 3, 4, 6, 8, 9 and 11)

Sr. No.	Description of goods	Rate of entry tax
PART - I		
1.	Goods specified in entries 1 to 32, 32-A and 32-B of Part II of Schedule II to the Sales Tax Act	1.5 percent
2.	Foreign and Indian made foreign liquor	7.75 percent
PART - II		
1.	Silver ornaments of personal wear	0.5 percent
2.	Gold ornaments of personal wear	0.5 percent
3.	Bullion and Specie	0.25 percent
PART - III		
1.	All goods other than -	1.00 percent
	(i) Goods included in Schedule I	
	(ii) Goods included in Schedule II and (iii) Goods included in Part I and Part II of the Schedule.	

(1)	(2)	(3)
1.	All goods other than those specified in Schedule I and Schedule II.	1 %

Entry Tax Rules, 1976

Notification No. 4279-5781-v-ST, dated 8.12.76

In exercise of the powers conferred by Section 20 and all other powers enabling it in that behalf of the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhinyam, 1976 (No. 52 of 1976), the State Government hereby makes the following rules, namely :

RULES

Rule 1 : Short title and commencement

- (1) These rules may be called the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Niyam, 1976.
- (2) These rules shall come into force with effect from the date of their publication in the "Madhya Pradesh Gazette".

Rule 2 : Definitions

- (1) In these rules unless the context otherwise requires :
 - (a) **Act** means the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhinyam, 1976 (No. 52 of 1976);
 - ¹(aa) **Designated Officer** means an officer designated by the State Government shall be the designated officer under Section 3-A;
 - (b) **Month** means month of the year which the dealer follows for the purpose of the Vanijyik Kar Adhinyam;
 - ²(bb) **Motor Vehicle** means a motor vehicle as defined in clause (18) of Section 2 of the Motor Vehicle Act, 1939 (No. 4 of 1939);
 - ³(c) **Vanijyik Kar Niyam** means the Madhya Pradesh Vanijyik Kar Niyam 1995;
 - (d) **Section** means Section of the Act.
- (2) All other words and expressions used herein but not defined and defined in the Act, Vanijyik Kar Adhinyam or Vanijyik Kar Niyam shall have the meaning assigned to them in these Acts or Rules, as the case may be.

⁴Rule 3 : Claiming of deductions and set off under the first proviso to sub-section (1) of Section 3

For determining the tax payable under sub-section (1) of Section 3, the dealer shall show in the return in Form VII the value of goods specified in Schedule II and the

¹ Clause (aa) inserted by Noti. No. 8, dt. 2.3.01 w.e.f. 2.3.01.
² Clause (bb) inserted by Noti. No. 47, dt. 14.5.86 w.e.f. 15.5.86.
³ Clause (c) substituted by Noti. No. 59, dt. 17.7.95, w.e.f. 1.4.95.
⁴ Rule 3 substituted by Noti. No. 3729-6750-ST-V, dt. 24.11.77 w.e.f. 26.11.77.

value of goods specified in Schedule III which are intended to be used by him ¹[as raw materials or as incidental goods] or as packing material or as material for use in the execution of works contracts and if in respect of the entry of any of these goods no tax is payable under the proviso to sub-section (1) of Section 3 the value of goods in regard to which such tax is not payable in accordance with such proviso, shall be shown in the return as deductions. If the tax is not payable in accordance with the above proviso at the time of the entry of the goods, the deduction shall be claimed in the period during which the entry was effected. If the tax is not payable under the proviso for the reason that after their entry they have been disposed of in the manner as specified in the proviso, the deductions may be claimed in the period in which such goods were so disposed of subsequently.

²Rule 4 : Concessional rate of tax under the first proviso to sub-section (1) of Section 4 and claiming of set off under the second proviso thereof

(1) Entry tax at the concessional rate mentioned in clause (i) of the first proviso to sub-section (1) of Section 4 shall be charged subject to the following conditions :

(i) ³[.....] entry tax at the concessional rate shall be charged only if the entry of goods specified in Schedule II or Schedule III, as the case may be, is effected by a dealer registered under the Vanijyik Kar Adhiniyam;

(ii) the goods entered into a local area by a registered dealer for use as raw material are specified as such in his certificate of registration under the Vanijyik Kar Adhiniyam on or before the date of entry of such goods;

(iii) entry tax at the concessional rate shall be charged by the selling registered dealer who sells goods specified in Schedule II to another registered dealer for use as raw material after satisfying himself that the goods being sold by him are specified as raw material in the certificate of registration under the Vanijyik Kar Adhiniyam of the purchasing registered dealer and produces at the time of assessment a true declaration in Form I duly filled in and signed by the purchasing registered dealer. A declaration in Form I may cover more than one transaction of sale if the total sale price covered by the declaration does not exceed ⁴[rupees ten thousand.]

⁵(2) (i) A registered dealer who is entitled to a set off under the second proviso to sub-section (1) of Section 4, in respect of the entry of goods specified in Schedule II ⁶[(other than those specified in serial number 3 thereof)] into a local area shall claim such set off in his return in Form VII;

(ii) the set off shall be limited to 90 per cent of the purchase value of the raw material;

¹ Subs. for the words 'as raw material' by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

² Rule 4 substituted by Noti. No. 3729-6750-ST-V, dt. 24.11.77 w.e.f. 26.11.77.

³ Omitted by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

⁴ Subs. for the words 'rupees five thousand' by Noti. No. 12, dt. 27.4.79 w.e.f. 28.4.79.

⁵ Sub-rule (2) substituted by Noti. No. 12, dt. 27.4.79 w.e.f. 28.4.79.

⁶ Subs. for the words '(other than those specified in serial numbers 3, 13 and 14 thereof)' by Noti. No. 59, dated 17.7.95, w.e.f. 1.4.95.

(iii) the set off shall be admissible only if the goods purchased on or after 1st October, 1978, had suffered entry tax at full rate under this Act in respect of their entry into a local area;

(iv) the set off shall be admissible subject to the following restrictions and conditions, namely :

- (a) the claimant is a dealer registered under the Vanijyik Kar Adhinyam;
- (b) the goods purchased by a registered dealer for use as raw material are specified as such in his certificate of registration under the Vanijyik Kar Adhinyam on or before the date of such purchase by him;
- (c) the dealer claiming set off shall, at the time of assessment, produce a true declaration in Form II duly filled in and signed by the selling registered dealer and copies of the relevant bills or cash memoranda or other relevant documents in support thereof. A declaration in Form II may cover more than one entry of goods if the total purchase value covered by the declaration does not exceed ten thousand rupees.

¹**Rule 5 & 6.....**

²**Rule 7: Manner of issue of bill, cash memo or invoice under Section 7**

A registered dealer required to issue a bill, cash memo or invoice under sub-section (1) or sub-section (2) of Section 7 shall, for each sale of local goods effected by him to another registered dealer, issue a bill, cash memo or invoice after recording therein the statement referred to in sub-section (1) of Section 7. The statement may be recorded by affixing a rubber stamp and, as far as may be, read as follows :

“Local goods for..... (enter here name of local area), entry tax not paid.”

Every such dealer shall also maintain the counterfoil or duplicate of each of such bill, cash memo or invoice and preserve it till the completion of assessment.

³**Rule 7-A : Procedure for composition under Section 7-A**

(1) A dealer who desires to opt for the scheme specified in sub-section (1) of Section 7-A shall send an intimation in Form VI to the appropriate Commercial Tax Officer before sixty days of the commencement of the quarter from which the option is proposed to be exercised.

(2)(i) The composition money payable for any period under sub-section (1) of Section 7-A shall be computed as follows :

	Rs.
(a) Gross turnover of local goods
(b) Deduct :	
(i) Sales outside the State
(ii) Sales in the course of inter-State trade or commerce.

¹ Rule 5 & 6 omitted by Noti. No. 3729-6750-ST-V, dt. 24.11.77 w.e.f. 26.11.77.

² Rule 7 substituted by Noti. No. 12, dt. 27.4.79 w.e.f. 28.4.79.

³ Rule 7-A inserted by Noti. No. 3729-6750-ST-V, dt. 24.11.77 w.e.f. 26.11.77.

(iii) Sales in the course of export out of the territory of India.
Total of (b)
(c) Sales within Madhya Pradesh [(a)-(b)].
(d) Less - Sales likely to have taken place in the local area in respect of which the goods are local goods to be calculated in the manner laid down in clause (ii)
(e) Sales price of local goods in respect of which composition money is payable.
(f) Composition money payable to be computed on (e) above at the rate specified in Schedule II read with rule 4.

(ii) The deduction under sub-clause (d) in clause (i) shall be given from the amount arrived at in sub-clause (c) thereof in the same proportion as the population of the local area, in respect of which the goods are local goods, bears to the total population of Madhya Pradesh according to the last census.

(iii) The composition money under this sub-rule shall be paid for every period for which a return is required to be furnished and proof of payment shall be sent along with the return for that period.

(3) The option exercised under sub-rule (1) shall remain in force till such time it is revoked in the manner laid down in sub-rule (4).

(4) Where a dealer, who has opted for the composition scheme, desires to opt out of it, he shall send an intimation in Form VI to that effect to the appropriate Commercial Tax Officer before sixty days from the commencement of the next quarter and obtain his acknowledgment in token of the receipt of the intimation. On giving such intimation the option of the dealer for composition scheme shall stand revoked from the commencement of the next quarter immediately following the expiry of the period of sixty days referred to above and thereupon the provisions of Section 7-A shall not apply to such dealer from such date.

(5) The following particulars of dealers who have either opted for or who have opted out of the composition scheme shall be published by the Commissioner in the "Madhya Pradesh Gazette" for general information. The particulars shall also be published in such local newspapers as the Commissioner may direct.

(i) Name and full address of the dealer.

(ii) Registration number under the Vanijyik Kar Adhinyam.

(iii) Date from which he has opted for the composition scheme.

(iv) Date from which he has opted out of the composition scheme.

(v) Goods in respect of which composition is made and local area in respect of which such goods are local goods.

Rule 8 : Furnishing of returns

(1) Every dealer liable to pay tax under the Act shall furnish a return in Form VII :

¹Provided that any dealer who furnishes a declaration in Form VII-A to the effect:

(a) that he is dealing in the course of his business only in goods specified in Schedule I or Schedule III and does not deal in goods specified in Schedule II;

(b) that he does not effect the entry into any local area from any place outside the State of any goods specified in Schedule III for the purpose specified in clause (b) of sub-section (1) of Section 3; and

(c) that the entry of any goods specified in Schedule III for the purpose specified in clause (b) of sub-section (1) of Section 3 into any local area is effected by him only by purchasing such goods within the State of Madhya Pradesh;

shall, with effect from the commencement of the quarter next to the date on which he files such declaration, not be required to furnish any returns.

²(2) Every such dealer shall furnish a statement in Form VIII in duplicate giving the closing balance of the stock of goods specified in Schedule II and/or Schedule III at the end of the year,

(a) within ninety days of the close of the year, where such dealer has only one place of business in the State, and

(b) within one hundred and twenty days of the close of the year, where such dealer has more than one place of business in the State.

³(3)(a) Every person liable to pay tax under sub-section (2) of Section 3 shall furnish a return in Form VII-B to the Commercial Tax Officer having jurisdiction over the local area wherein such person effects entry of the goods specified in Schedule II and/or Schedule III within thirty days in the manner prescribed for a dealer in rule 15 of the Vanijyik Kar Niyam.

(b) Every such person shall furnish a statement in Form VIII-A in duplicate giving the closing balance of the stock of goods specified in Schedule II and/or Schedule III at the end of the year, within sixty days of the close of the year to the Commercial Tax Officer specified in clause (a).

⁴**Rule 9 : Payment of tax, penalty etc.**

(1) Every dealer shall pay the tax or penalty due from or imposed upon him, by challan in Form IX.

(2) Every person liable to pay tax under sub-section (2) of Section 3 shall pay the tax or penalty due from or imposed upon him by challan in Form IX and shall pay such tax or penalty in the manner prescribed under the Vanijyik Kar Niyam for a dealer.

Rule 10 : Form of order of assessment

The order of assessment under the Act shall be in ⁵[Form X or Form X-B, as the case may be].

1 Proviso inserted by Noti. No. 12, dt. 27.4.79 w.e.f. 28.4.79.

2 Sub-rule (2) substituted by Noti. No. A-5-8-77-ST-V, dt. 21.5.78 w.e.f. 14.7.78.

3 Sub-rule (3) inserted by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

4 Rule 9 substituted by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

5 Subs. for the words 'Form X' by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

¹Rule 11 : Enrollment by persons liable to pay tax under sub-section (2) of Section 3

(1) ²[Every person liable to pay tax under sub-section (2) of Section 3, ³[.....]] shall, within thirty days of the date of his liability, make an application giving the following particulars for getting himself enrolled with the Commercial Tax Officer having jurisdiction over the local area wherein such person effects the entry of goods specified in Schedule II and/or Schedule III :

- (a) Name of person (if the person is a firm/company, the partnership deed/memorandum of association be enclosed with the application);
- (b) Date of liability of payment of tax;
- (c) Place of work;
- (d) Nature of works contract;
- (e) Date of commencement of work;
- (f) Names of parties to contract;
- (g) Value and period of validity of contract.

(2) The Commercial Tax Officer shall record the particulars of such person in a register in Form XIV and assign an enrollment number to him. The enrollment number shall be communicated by the Commercial Tax Officer to such person within fifteen days of the receipt of the application for enrollment.

(3) ⁴[A person specified in sub-rule (1)] in respect of entry of goods specified in Schedule II and/or Schedule III in more than one local area shall enroll himself separately with the Commercial Tax Officer having jurisdiction over each respective local area.

(4) A person specified in sub-rule (1) failing to apply for enrollment shall be liable to payment of a penalty which may extend to Rs. 100/-.

⁵Rule 11-A : Intimation to be given by persons contracting out works

(1) Every person who is a party to a works contract and is letting out on contract any work specified in clause (m) of sub-section (1) of Section 2, shall within 30 days of the commencement of the work send an intimation thereof to the Commercial Tax Officer having jurisdiction over the place where the work is to be executed, giving the following particulars, namely :

- (a) Place where the work is to be executed;
- (b) Nature of the work contracted out;
- (c) Date of commencement of the work contracted;
- (d) Names of parties to the contract;
- (e) Value of the contract;

1 Rule 11 inserted by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

2 Subs. by Noti. No. 47, dt. 14.5.86 w.e.f. 15.5.86.

3 The words 'other than a person to whom rule 11-AA applies' omitted by **Noti. No. 8, dt. 2.3.01 w.e.f. 2.3.01.**

4 Subs. by Noti. No. 47, dt. 14.5.86 w.e.f. 15.5.86.

5 Rule 11-A inserted by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

(f) Period of validity of the contract.

(2) The Commercial Tax Officer receiving the intimation shall record the particulars of works contract in Form XV.

¹Rule 11-AA : Payment of entry tax under Section 3-A in respect of entry into a local area of motor vehicles, furnishing of returns and assessment

(1) The return required to be furnished under Section 3-A shall be in form VII-C. The return shall be furnished in the office of such Commercial Tax Officer as the Commissioner may by order, direct.

(2) The return shall be furnished for the day on which an entry of motor vehicle into a local area is effected, within 15 days from the entry of such vehicle into a local area or before an application is made for registration of the vehicle under the Motor Vehicle Act, 1988, whichever is earlier.

(3) Each return shall be accompanied by a treasury receipt challan in form IX in respect of the payment of tax made. If the person fails to file the return or pay the tax due within the time prescribed in sub-rule (2), such person shall, along with the amount of tax, pay the interest in accordance with the provisions of Section 13 of the Adhiniyam.

(4) Where a person has not furnished the return and/or has not paid the tax or the interest, the concerned assessing officer may by notice in form VII-D served on him require him to file the return or pay the amount due from him forthwith.

(5) (a) The notice for assessment shall be in form X-C and the date fixed for compliance therewith shall not be ordinarily earlier than 15 days from the date of service thereof.

(b) The order of assessment shall ordinarily be in form X-D.

(c) A certified copy of an order of assessment shall be furnished to the assessee free of charge along with notice of demand in form X-E.

(6) The designated officer shall ascertain that the person has paid the amount of tax and/or interest in full by obtaining from the assessing authority a copy of the order in form X-D issued by the assessing authority to the person. The assessing authority may

1 Rule 11-AA substituted by Noti. No. 8, dt. 2.3.01 w.e.f. 2.3.01

Rule 11-AA which remained in force during 15.5.86 to 1.3.01 read as under :

Rule 11-AA : Payment of entry tax by persons in respect of entry into a local area of motor vehicles

(1) Every person who enters into a local area any motor vehicle notified under sub-section (2) of Section 3 for use therein, shall pay in cash, in the office of such Commercial Tax Officer as the Commissioner may, by order direct, entry tax payable by him in respect of such vehicle unless the motor vehicle entered into a local area has been purchased by him from a dealer registered under the Vanijyik Kar Adhiniyam.

(2) The Commercial Tax Officer shall issue to the person paying entry tax under sub-rule (1) a receipt in token of the receipt of entry tax payable by such person. The amount of tax so deposited shall be credited by the Commercial Tax Officer by challan in Form IX into the Government treasury on the day next following the day on which such amount was deposited by the person

also inform the designated officer about the non payment of the tax and/or interest. If the person has not paid the tax and/or interest the designated officer shall impound the vehicle forthwith and the provision of sub-section (7) of Section 3-A shall apply thereof.

¹Rule 11-B : Authority and the manner for assessment of tax under sub-section (2) of Section 3

Tax under sub-section (2) of Section 3 shall be assessed by the Commercial Tax Officer appointed under Section 3 of the Vanijyik Kar Adhiniyam having jurisdiction over the local area in which the person liable to payment of tax under sub-section (2) of Section 3 effects entry of goods in the manner prescribed under the Vanijyik Kar Adhiniyam and the Vanijyik Kar Niyam for a dealer.

²Rule 11-C : Appeal or revision against the order of assessment of tax under sub-section (2) of Section 3

The provisions of appeal and revision laid down in the Vanijyik Kar Adhiniyam and the rules made thereunder shall apply to an order of assessment under sub-section (2) of Section 3 in the same manner as they apply to an order of assessment in respect of a dealer under the said Act and the rules.

Rule 12 : Claiming of set off under Section 19

A dealer who is entitled to a set off under Section 19 in respect of the entry of goods into a local area, shall claim such set off in his return in Form VII.

³Rule 12-A : Refund payment order

When an order directing the refund of any amount has been made, refund shall be made by issue of a refund payment order in Form X-A.

Rule 13 : Furnishing of declaration under Section 21

The declaration under Section 21 shall be in Form XIII and shall be furnished to the appropriate Commercial Tax Officer or the Assistant Commercial Tax Officer in charge of a sub-circle.

Rule 14 : Repeal

The Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Niyam, 1976 published in the "Madhya Pradesh Gazette" (Extraordinary) on the 3rd August, 1976, under this Department Notification No. 2872-2846-V-ST, dated the 3rd August, 1976 are hereby repealed.

FORM I

Declaration

See Rule 4 (1)(iii)

I,.....a dealer of.....local area holding registration certificate No.....under the Madhya Pradesh

1 Rule 11-B inserted by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

2 Rule 11-C inserted by Noti. No. 23, dt. 2.5.84 w.e.f. 5.5.84.

3 Rule 12-A inserted by Noti. No. 7, dt. 3.2.81 w.e.f. 5.2.81.

Vanijyik Kar Adhinyam hereby declare that the undermentioned goods have been purchased by me for Rs.....(in figures) Rs.....(in words) from Shri.....a dealer of.....local area holding registration certificate No.....under the Madhya Pradesh Vanijyik Kar Adhinyam under purchase order No.....dated as per cash memo/challan No..... dated.....and further declare that the said goods are for use by me as raw material in any of the local areas of.....

I further declare that the said goods are specified in my registration certificate as raw material and that my said certificate of registration was in force on the date of aforesaid purchase of goods.

(Mention here particulars of goods)

Particulars of bill/cash memo :

Date.....No.....Amount.....

.....
Signature of dealer or his authorised agent

*Strike out whichever is not applicable.

FORM II

Declaration

[See Rule 4(2)(iv)(c)]

I,.....a dealer holding Registration Certificate No.....under the Vanijyik Kar Adhinyam in.....local area in.....Circle hereby declare that I have sold in the local area of.....goods specified in Schedule II (other than those specified in Serial Nos. 3, 13 and 14 thereof) to the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhinyam, 1976, the particulars of which are given below to.....a dealer holding Registration Certificate No.....under the Vanijyik Kar Adhinyam of.....local area in.....Circle.

2. I, further declare that on the goods sold by me to the aforesaid dealer I paid entry tax at full rate under the said Act.

Particulars of goods sold

S.No.	Date of Sale	Description of goods	Quantity	Value	Remarks
(1)	(2)	(3)	(4)	(5)	(6)

Date.....

.....
Signature of the dealer or his authorised agent

FORM VI

Intimation regarding option for composition scheme

[See Rule 7-A(1)]

To,

The Commercial Tax Officer

.....Circle

I,.....Proprietor/Manager/Director of the business known as.....holding registration Certificate No.....under the Madhya Pradesh Vanijyik Kar Adhiniyam, 1995 whereof the only/ principal place of business is within the jurisdiction of Commercial Tax Officer.....is situated at.....Town/ Village.....local area.....district of.....do hereby opt for/opt out of the composition scheme under sub-section (1) of Section 7-A of the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976 with effect from the commencement of the next quarter of my accounting year i.e. from.....in respect of.....(name of goods) which are local goods in respect of the local area.....(name of local area).

Place.....

Signature.....

Date.....

Status.....

Note : This notice must reach the Commercial Tax Officer sixty days before the date indicated by the dealer.

FORM VII - A

Declaration

[See Rule 8(1)]

I.....a dealer carrying on the business known as.....with principal place of business at..... in.....local area and additional places of business at.....in local area(s) in Madhya Pradesh and holding Registration certificate No.....under the Vanijyik Kar Adhiniyam] hereby declare that :

(i) I am dealing exclusively in goods specified in Schedule I and III appended to the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976 and do not deal in any goods specified in Schedule II to the said Adhiniyam.

(ii) I do not enter in the course of my business any goods specified in Schedule III to the said Adhiniyam in the said local area(s) by way of import from any place outside the State of Madhya Pradesh for the purposes specified in clause (b) of sub-section (1) of Section 3 of the said Adhiniyam.

(iii) I do enter in the said local area(s) goods specified in Schedule III to the said Adhiniyam only by way of purchase of those goods within the State of Madhya Pradesh.

2. I further declare that if at any time I enter any goods specified in Schedule II to the said Adhiniyam in the course of my business in the said local area(s) for the purposes specified in clause (a) of sub-section (1) of Section 3 or enter any goods specified in Schedule III to the said Adhiniyam in the said local area(s) by way of import from any place outside the State of Madhya Pradesh or other than by way of purchase within the State of Madhya Pradesh for the purposes specified in clause (b) of sub-section (1) of Section 3, I shall send previous intimation thereof to the appropriate Commercial Tax Officer.

Place.....

Signature.....

Date.....

Status.....

¹FORM VII-C

¹ Form VII-C inserted by **Noti. No. 8, dt. 2.3.01 w.e.f. 2.3.01**

Return of entry tax payable on the entry of motor vehicle under Section 3-A

[See Rule 11-AA(1)]

Name and address of the person.....

Registration No. under Vanijyik Kar Adhiniyam (if any).....

I	Details of motor vehicle brought into the local area	Type of Vehicle	Model	Engine No.	Chasis No.	Registration No.	Amount
II	(i) Purchase value of the motor vehicle						
	(ii) price of accessories fitted to the vehicle						
	(iii) insurance						
	(iv) excise duty						
	(v) commercial tax						
	(vi) transport charges						
	(vii) cost of packaging						
	(viii) any other charges if incurred or paid, in respect of goods purchased.						
III	Total purchase value [(i) to (viii)]						
IV	Tax payable on the purchase value						
V	Interest, if any payable						
VI	Total amount payable (IV+V)						
VII	Amount paid, with challan No. and date						
VIII	Balance, if any						

The above statement is true to the best of my knowledge and belief.

Place.....

Date.....

Signature and Status

