

L. A. BILL No. XVI OF 2015.

A BILL

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

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

CHAPTER I

PRELIMINARY

10 1. (1) This Act may be called the Maharashtra Tax Laws (Levy, Amendment Short title
and Validation) Act, 2015. and
commencement.

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

(a) sections 2 to 5, sub-section (1) of section 6 and sections 7 to 11 shall come into force with effect from the 1st April 2015;

(b) sub-section (2) of section 6 shall come into force with effect from the 1st May 2015.

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CHAPTER II

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

Amendment of section 12B of Mah. IX of 1962. 2. In section 12B of the Maharashtra Purchase Tax on Sugarcane Act, 1962, in clause (e), for the word and the figures "year 2013-14" the words and figures "years 2013-14 and 2014-15" shall be substituted.

Mah. IX of 1962.

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CHAPTER III

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

Amendment of SCHEDULE I of Mah. XVI of 1975. 3. In SCHEDULE I appended to the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, in entry 1, for clause (b), the following clause shall be substituted, namely :—

Mah. XVI of 1975.

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"(b) (i) in case of a male, exceed Rs. 7,500 . . 175 per month.
but do not exceed Rs. 10,000 ;
(ii) in case of a female, do not exceed . . Nil."
Rs. 10,000 ;

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CHAPTER IV

AMENDMENT TO THE MAHARASHTRA TAX ON THE ENTRY OF GOODS INTO LOCAL AREAS ACT, 2002.

Amendment of SCHEDULE of Mah. IV of 2003. 4. In the SCHEDULE appended to the Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002, after entry 16, the following entry shall be added, namely :—

Mah. IV of 2003.

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"17. Goods covered by clauses (iv) and (v) of entry . . 5%."
55 of Schedule C, appended to the Maharashtra
Value Added Tax Act, 2002.

Mah. IX of 2005.

CHAPTER V

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AMENDMENTS TO THE MAHARASHTRA VALUE ADDED TAX ACT, 2002.

Amendment of section 2 of Mah. IX of 2005. 5. In section 2 of the Maharashtra Value Added Tax Act, 2002 (hereinafter, in this Chapter, referred to as "the Value Added Tax Act"),—

Mah. IX of 2005.

(1) in clause (20), after *Explanation I*, the following *Explanation* shall be inserted, namely :—

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"*Explanation—IA.*—Purchase price shall not include the amount of service tax levied or leviable under the Finance Act, 1994 and collected separately by the seller.";

32 of 1994.

(2) in clause (25), after *Explanation I*, the following *Explanation* shall be inserted, namely :—

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"*Explanation—IA.*—Sale price shall not include the amount of service tax levied or leviable under the Finance Act, 1994 and collected separately from the purchaser.".

32 of 1994.

6. In section 20 of the Value Added Tax Act,—

Amendment of
section 20 of
Mah. IX of
2005.

(1) in sub-section (4), in the proviso, for the words “the aforesaid clauses” the words, brackets and letters “clause (a) or, as the case may be, clause (b),” shall be substituted;

5 (2) in sub-section (6), for the words “two thousand” the words “one thousand” shall be substituted.

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

Amendment of
section 23 of
Mah. IX of
2005.

(1) in sub-section (5),—

10 (a) in clause (a), for the words “During the course of any proceedings under this Act, if the prescribed authority is satisfied” the words “Where the prescribed authority has reason to believe” shall be substituted;

(b) in clause (d), after the proviso, the following proviso shall be added, namely :—

15 “Provided further that, in case a notice is issued under this sub-section on or after the 1st April 2015, no order of assessment under this sub-section shall be made after the expiry of six years from the end of the year, containing the transaction or, as the case may be, claim.”;

20 (2) in sub-section (11), for the brackets, figures and word “(3) or (4)” in both the places where they occur, the brackets, figures and words “(3), (4) or, as the case may be, (5)” shall be substituted;

(3) in sub-section (12), for the brackets, figures and word “(3) or (4)” the brackets, figures and words “(3), (4) or, as the case may be, (5)” shall be substituted.

8. For section 28 of the Value Added Tax Act, the following section shall be substituted, namely :—

Substitution of
section 28 of
Mah. IX of 2005.

25 “28. Where any Court or Tribunal or any Appellate authority or any other authority passes an order in appeal or review which has the effect that,—

Modification of
tax liability.

(i) any tax assessed under this Act or any other Act should have been assessed under the provisions of an Act other than that under which it was assessed, or

30 (ii) any claim allowed or disallowed modifies the tax liability under this Act or any other Act,

then in consequence of such order, such turnover or part thereof may be assessed or, as the case may be, tax liability may be determined, under this Act in accordance with the allowance or disallowance of such claim and may be subjected to tax at any time within five years from the date of such order :

35 Provided that, where any assessment has already been made, the assessment shall be modified after giving the dealer a reasonable opportunity of being heard, notwithstanding that any provision regarding limitation applies to such assessment period.”.

40 9. In section 30 of the Value Added Tax Act, in sub-section (2), after the proviso, the following proviso shall be added, namely :—

Amendment of
section 30 of
Mah. IX of 2005.

“Provided further that, in case a dealer files an annual revised return, as provided under clause (b) or, as the case may be, clause (c) of sub-section (4) of section 20, then the interest shall be payable on the excess amount of tax, as per such annual revised return, from the dates mentioned in column (2) of the Table,

45 till the date of payment of such excess amount of tax.

TABLE

Registration status in the year for which annual revised return is filed (1)	Interest to be computed from (2)
(a) Dealer, holding certificate of registration for whole year.	1st October of the year, to which the annual revised return relates. 5
(b) Certificate of registration granted, effective from any date up to the 30th September of the year to which revised return relates.	1st October of the year, to which the annual revised return relates. 10
(c) Certificate of registration cancelled, effective on any date after the 30th September of the year to which revised return relates.	1st October of the year, to which the annual revised return relates.
(d) Certificate of registration granted, effective from any date after the 30th September of the year to which revised return relates.	effective date of registration. 15
(e) Certificate of registration cancelled, effective on any date prior to the 30th September of the year to which revised return relates.	effective date of cancellation of registration.".
<p>Amendment of section 44 of Mah. IX of 2005.</p> <p>10. In section 44 of the Value Added Tax Act, after sub-section (4), the following sub-section shall be inserted, namely :—</p> <p>“(4A) For the purposes of this Act, in case of amalgamation, merger or, as the case may be, demerger, the transfer of business shall be deemed to have taken effect either from,</p> <p>(i) the date of the order of the High Court, the Tribunal or the Central Government, or</p> <p>(ii) the date on which the Registrar of Companies notifies the amalgamation, merger or as the case may be, demerger, as opted by the company.”.</p>	
<p>Amendment of section 47 of Mah. IX of 2005.</p> <p>11. In section 47 of the Value Added Tax Act,—</p> <p>(1) in sub-section (1),—</p> <p>(a) for the word “Court” the words “ Court, Tribunal ” shall be substituted;</p> <p>(b) for the words “ending on the date of the order,” the words “ending on the date, as opted by the company, to be the date of the order or the date on which the Registrar of Companies notifies the amalgamation,” shall be substituted ;</p> <p>(2) in sub-section (2), for the words “the date of the said order” in both the places where they occur, the words “such date, as opted by the company under sub-section (4A) of section 44” shall be substituted;</p> <p>(3) in sub-section (2A),—</p> <p>(a) in clause (a),—</p> <p>(i) for the word, “Court” the words “ Court, Tribunal ” shall be substituted;</p> <p>(ii) for the words “order to the date of the order” the words “order to the date, as opted by the company, to be the date of the order or the date on which the Registrar of Companies notifies the demerger” shall be substituted ;</p> <p>(b) in clause (b), for the words “ the date of the said order” wherever they occur, the words “such date, as opted by the company under sub-section (4A) of section 44” shall be substituted.</p>	

12. In Schedule C appended to the Value Added Tax Act,—

(1) in entry 4, the following *Explanation* shall be added and shall be deemed to have been added with effect from the 1st April 2005, namely:—

Amendment to
Schedule C of
Mah. IX of
2005.

“*Explanation*.—For the purposes of this entry, as it stood from time to time,
5 the “sewing thread” shall include embroidery thread.”;

(2) in entry 91, the following *Explanation* shall be added and shall be deemed to have been added with effect from the 1st April 2005, namely :—

“*Explanation*.—For the purposes of this entry, as it stood from time to time,
“spices” shall include spices in all forms, varieties and mixtures of any of the
10 spices.”.

13. In the Government Notification, Finance Department, No. VAT-1505/CR-234/Taxation-1, dated the 1st September 2005, issued under entry 54 of Schedule C of the Maharashtra Value Added Tax Act, 2002, in the Schedule appended to the said notification, in entry 2, in column (5), for the words “Desi loni” the words “Desi
Mah. IX
of 2005.
15 loni, white butter” shall be substituted and shall be deemed to have been substituted with effect from the 1st September 2005.

Amendment to
notification
issued under
entry 54 of
Schedule C of
Mah. IX of
2005.

CHAPTER VI

VALIDATION AND SAVINGS

14. (1) Notwithstanding anything contained in any judgment, decree or
20 order of any Court or Tribunal to the contrary, any assessment, review, levy or collection of tax in respect of sales or purchases effected by any dealer or person, or any action taken or thing done in relation to such assessment, review, levy or collection under the provisions of the Maharashtra Value Added Tax Act, 2002 (hereinafter, in this section, referred to as “the Value Added Tax Act”), before the
Mah. IX
of 2005.
25 commencement of the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2015 (hereinafter, in this section, referred to as “the Amendment Act”), shall be deemed to be valid and effective as if such assessment, review, levy or collection or action or thing had been duly made, taken or done under the Value Added Tax Act, as amended by the Amendment Act, and accordingly,—

Validation and
savings.

30 (a) all acts, proceedings or things done or taken by the State Government or by any officer of the State Government or by any other authority in connection with the assessment, review, levy or collection of any such tax, shall, for all purposes, be deemed to be, and to have always been done or taken in accordance with the law;

35 (b) no suit, appeal, application or other proceedings shall lie or be maintained or continued in any Court or before any Tribunal, officer or other authority, for the refund of any tax so paid; and

(c) no Court, Tribunal, officer or other authority shall enforce any decree or order directing the refund of any such tax.

40 (2) For the removal of doubts, it is hereby declared that nothing in sub-section (1) shall be construed as preventing a person,—

(a) from questioning in accordance with the provisions of the Value Added Tax Act, as amended by the Amendment Act, any assessment, review, levy or collection of tax referred to in sub-section (1), or

45 (b) from claiming refund of any tax paid by him in excess of the amount due from him by way of tax under the Value Added Tax Act, as amended by the Amendment Act.

(3) Nothing in the Value Added Tax Act, as amended by the Amendment Act, shall render any person liable to be convicted of any offence in respect of anything done or omitted to be done by him, before the commencement of the Amendment Act, if such act or omission was not an offence under the Value Added Tax Act, but for the amendments made by the Amendment Act; nor shall any person in respect 5 of such Act or omission be subject to a penalty greater than that which could have been imposed on him under the law in force immediately before the commencement of the Amendment Act.

STATEMENT OF OBJECTS AND REASONS

With a view to give effect to the proposals obtaining in the Budget Speech for the year 2015-16, to levy tax and streamline the procedural aspects of the administration of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (Mah. XVI of 1975), the Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002 (Mah. IV of 2003) and the Maharashtra Value Added Tax Act, 2002 (Mah. IX of 2005), the State Government considers it expedient to suitably amend the said Acts. It is also proposed to amend the Maharashtra Purchase Tax on Sugarcane Act, 1962 (Mah. IX of 1962), so as to exempt the payment of tax on purchase of sugarcane by the sugar factories for the year 2014-15.

2. Some of the important amendments which are proposed to be made are explained broadly as follows:—

(i) the Maharashtra Purchase Tax on Sugarcane Act, 1962 is being amended to empower the State Government to issue notification to exempt the payment of tax for the year 2014-15 to assist the sugar factories in the State to give fair and remunerative price to the farmers;

(ii) the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, is being amended to exempt the salaried women drawing salary upto Rs. 10,000 per month from the payment of profession tax;

(iii) the Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002, is being amended, to provide for the levy of tax on the goods covered by clauses (iv) and (v) of entry 55 of Schedule C of the Maharashtra Value Added Tax Act, 2002;

(iv) the Maharashtra Value Added Tax Act, 2002, is being amended,—

(a) to exclude the component of service tax from the definition of “purchase price” and “sale price”;

(b) to allow filing of multiple revised returns under clause (c) of sub-section (4) of section 20;

(c) to provide for a limitation period of six years for transaction-wise assessments under sub-section (5) of section 23 and to provide that such assessment can be commenced if the assessing authority has reason to believe that the tax is being evaded, etc ;

(d) to provide under sub-section (11) of section 23 for cancellation of the *ex-parte* assessment order, passed under sub-section (5) of section 23;

(e) to provide for the modification of tax liability under the Act within a period of five years due to the allowance or disallowance of any claims under any Act ;

(f) to provide for the computation method for interest payable under sub-section (2) of section 30;

(g) to provide for an option to the company to decide the date of transfer of business on account of amalgamation, merger or demerger of companies for the purpose of tax liability;

(h) to clarify that with effect from the 1st April 2005 the sewing thread shall include embroidery thread ;

(i) to clarify that with effect from the 1st April 2005, entry 91 of Schedule C shall cover spices in all forms, varieties and mixtures of spices ;

(j) to include with effect from the 1st September 2005, white butter in the notification issued under entry 54 of Schedule C.

3. The Bill seeks to achieve the above objectives.

Mumbai,
Dated the 26th March 2015.

SUDHIR MUNGANTIWAR,
Finance Minister.

FINANCIAL MEMORANDUM

The Bill proposes to amend the Maharashtra Purchase Tax on Sugarcane Act, 1962, the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, the Maharashtra Tax on the Entry of Goods into Local Areas Act, 2002 and the Maharashtra Value Added Tax Act, 2002.

There is no provision in the Bill which would involve the recurring or non-recurring expenditure from the Consolidated Fund of the State on its enactment as an Act of the State Legislature.

GOVERNOR'S RECOMMENDATION UNDER ARTICLE 207 OF
THE CONSTITUTION OF INDIA

**(Copy of Government of Maharashtra Order,
Law and Judiciary Department)**

In exercise of the power conferred upon him by clause (1) of Article 207 of the Constitution of India, the Governor of Maharashtra is pleased to recommend to the Maharashtra Legislative Assembly, the consideration of the Maharashtra Tax Laws (Levy, Amendment and Validation) Bill, 2015.

**ANNEXURE TO L.A. BILL No. XVI OF 2015 - THE
MAHARASHTRA TAX LAWS (LEVY, AMENDMENT AND
VALIDATION) BILL, 2015.**

*(Extracts from the Maharashtra Purchase Tax on
Sugarcane Act, 1962)*

(Mah. IX of 1962)

1. to 12. * * *

12A. and 12AA. * * *

12B. The State Government may, by notification in the *Official Gazette*, Remission
remit or exempt the whole or any part of the tax paid or payable by any and
factory or unit for such period or periods, either prospectively or exemption.
retrospectively, as specified in the notification,—

(a) to (d) * * *

(e) for the purpose of assisting the sugar factories in the State,
to give the fair and remunerative price to the farmers for the year
2013-14.

Explanation :- * * *

13. to 20. * * *

*(Extracts from the Maharashtra State Tax on Professions, Trades,
Callings and Employments Act, 1975)*

(Mah. XVI of 1975)

1. to 30. * * *

SCHEDULE - I

(See Section-3)

Schedule of rates of tax on professions, trades, callings and employments.

Serial No. (1)	Class of persons (2)	Rate of tax (3)
1.	Salary and Wages earners ; such person whose monthly salaries or wages—	
	(a) * * *	
	(b) exceed rupees 7,500 but do not exceed rupees 10,000	175 per month
	(c) * * *	
2. to 21.	* * *	
	Note 1. and Note 2.	
	SCHEDULE II	

(Extract from the Maharashtra Value added Tax Act, 2002)

(Mah. IX of 2005)

1. * * * *

Definitions.

2. In this Act, unless the context otherwise requires,-

(1) to (19) * * * *

(20) "purchase price" means the amount of valuable consideration paid or payable by a person for any purchase made including any sum charged for anything done by the seller in respect of the goods at the time of or before delivery thereof, other than the cost of insurance for transit or of installation, when such cost is separately charged;

Explanation I. The amount of duties levied or leviable on the goods under the Central Excise Act, 1944, or the Customs Act, 1962 or the Bombay Prohibition Act, 1949 shall be deemed to be part of the purchase price of such goods, whether such duties are paid or payable by or on behalf of the seller or the purchaser or any other person.

Explanation II. * * * *

Explanation III. * * * *

(21) to (24) * * * *

(25) "sale price" means the amount of valuable consideration paid or payable to a dealer for any sale made including any sum charged for anything done by the seller in respect of the goods at the time of or before delivery thereof, other than the cost of insurance for transit or of installation, when such cost is separately charged.

Explanation I. The amount of duties levied or leviable on goods under the Central Excise Act, 1944 or the Customs Act, 1962 or the Bombay Prohibition Act, 1949 shall be deemed to be part of the sale price of such goods, whether such duties are paid or payable by or on behalf of, the seller or the purchaser or any other person.

Explanation II. * * * *

Explanation III. * * * *

(26) to (35) * * * *

3. to 19. * * * *

Returns and
self-
assessment.

20. (1) to (3) * * * *

(4) Any person or dealer who, having furnished a return,—

(a) discovers any omission or incorrect statement therein, may furnish, a revised return in respect of the period covered by the return at any time before a notice for assessment is served on him in respect of the period covered by the said return or before the expiry of a period of ten months from the end of the year to which the return relates, whichever is earlier;

(b) discovers as a result of the report of audit of his accounts prepared for the purpose of section 61, any omission or incorrect statement therein may furnish a single revised return for the year as regards the period in respect of which the omission or incorrect statement is discovered, before the expiry of the period of thirty days from the date prescribed for furnishing the said report;

(c) agrees with the observation contained in any intimation received by him under section 63, that the return, fresh return or, as the case may be, revised return, filed by him contains any omission or incorrect statement, may furnish a single revised return for that year within thirty days from the date of service on him of the said intimation.

Provided that, any such person or dealer may furnish not more than one revised return under each of the aforesaid clauses and such revised return may include revision of return or revised return filed earlier.

(5) * * *

(6) Where a person or a dealer fails to file a return within the prescribed time, as provided under this section, then the said person or dealer shall, before filing of the said return, pay, by way of late fee, an amount equal to rupees two thousand if the return is filed within a period of thirty days from the expiry of the due date prescribed for filing of such return and an amount of rupees five thousand, in any other case. This amount shall be in addition to any other amount payable, if any, as per return.

Provided that, if circumstances exist which render it necessary so to do in the public interest, the State Government may, from time to time, by notification published in the *Official Gazette*, exempt the whole or any part of the late fee payable under this sub-section, by such class or classes of dealers, for such period or periods, either prospectively or retrospectively, as may be mentioned in such notification.

21. and 22. * * *

23. (1) to (4) * * *

Assessment.

(5)(a) During the course of any proceedings under this Act, if the prescribed authority is satisfied that the tax has been evaded or sought to be evaded or the tax liability has not been disclosed correctly or excess set-off has been claimed by any dealer or person in respect of any period or periods by not recording or recording in an incorrect manner, any transaction of sale or purchase, or that any claim has been incorrectly made, then in such a case notwithstanding that any notice for assessment has been issued under other provisions of this section or any other section of this Act, the prescribed authority may, after giving such dealer or person a notice in the prescribed form and a reasonable opportunity of being heard, initiate assessment of the dealer or person in respect of such transaction or claim.

(b) and (c) * * *

(d) The assessment under this sub-section shall be made separately in respect of the transaction or claim relating to the said period or periods to the best of the judgment of the prescribed authority where necessary and irrespective of any assessment made under this sub-section, the dealer may be assessed separately under the other provisions of this section in respect of the said period or periods :

Provided that, once the dealer or person is assessed under this sub-section, no tax from such transaction or claim and penalty and interest, if any, consequent upon such tax shall be levied or demanded from such dealer or person, at the time of assessment to tax under the other provisions of this section in respect of the said period or periods relating to such transaction or claim.

Explanation.— For the purposes of this sub-section, “prescribed authority”, “the said authority”, “such authority” and “any authority” shall mean the Commissioner or, as the case may be, the authorities appointed under section 10 and other officers or persons to whom the Commissioner has delegated his powers in this behalf.

(6) to (10) * * *

(11) Where a dealer has been assessed under sub-section (2), (3) or (4) and he makes an application in the prescribed form to the Commissioner within thirty days of the date of service of the assessment order, for cancellation of the assessment on the ground that he had not been able to attend or remain present before the Commissioner at the time of hearing when the assessment order had been passed, the Commissioner shall, after verifying that the contention of the applicant is correct and that the prescribed conditions have been fulfilled, cancel, by order in writing within three months from the end of the month in which such application is made, the said assessment including any penalty or interest levied in relation to or in consequence of the said assessment and shall make a fresh assessment in accordance with the provisions of sub-section (2), (3) or (4), including levy of interest or penalty, as the case may be :

Provided that, only one application for cancellation shall be entertained under this sub-section in respect of any period of assessment.

Provided further that, if no order is passed within the aforesaid period of three months, then the assessment order shall be deemed to be cancelled.

(12) Notwithstanding anything contained in sub-section (2), (3) or (4), the fresh order of assessment as provided under sub-section (11) may be passed before the expiry of a period of eighteen months from the date of service of the cancellation order or, as the case may be, from the date on which the assessment order is deemed to have been cancelled under the second proviso to sub-section (11).

(13) * * * *

24. to 27. * * * *

Classification
of turnover.

28. Where any Court or Tribunal or any Appellate authority or any other authority passes an order in appeal or review to the effect that any tax assessed under this Act or any other Act should have been assessed under the provisions of a law other than that under which it was assessed, then in consequence of such order, such turnover or part thereof may be assessed to tax at any time within five years from the date of such order, and where any assessment has already been made, the assessment shall be modified after giving the dealer a reasonable opportunity of being heard, notwithstanding that any provision regarding limitation applies to such assessment period.

29. * * * *

Interest
payable by a
dealer or
person.

30. (1) * * * *

(2) A registered dealer who has failed to pay the tax within the time specified by or under this Act, shall be liable to pay by way of simple interest, in addition to the amount of such tax, a sum calculated at the prescribed rate on the amount of such tax for each month or part thereof after the last date by which he should have paid such tax :

Provided that, in relation to the tax payable according to the return, fresh return or as the case may be, fresh return or revised return, the said dealer shall, notwithstanding anything contained in any other provision of this Act, be deemed not to have paid the amount of such tax within the time he is required by or under the provisions of this Act to pay it if he has not paid the full amount of such tax on or before the last date prescribed for furnishing of such return and accordingly, if he has not paid the full amount of such tax or has paid only the part of the amount of such tax by such date,

he shall be liable under this clause for payment of interest after such date on the full or part, as the case may be, of the amount of tax which has not been paid by such date and where a dealer has furnished a fresh return or revised return and the amount of tax payable as per the fresh return or revised return exceeds the amount of tax payable as per the original return, then for the purposes of this sub-section, the dealer shall be deemed to have been required to pay the excess amount of tax at the time he was required to pay the tax as per the original return and accordingly he shall be liable to pay interest under this sub-section on the said excess amount of tax.

(3) and (4)	*	*	*	*	
31. to 46.	*	*	*	*	Amalgamation or demerger of Companies.

47. (1) When two or more companies are to be amalgamated by the order of Court or of the Central Government passed after the appointed day and is to take effect from a date earlier to the date of the order and any two or more of such companies have sold or purchased any goods to or from each other in the period commencing on the date from which the order is to take effect and ending on the date of the order, then such transactions of sale and purchase shall be included in the turnovers of sale or purchase of the respective companies and shall be assessed to tax accordingly.

(2) Notwithstanding anything contained in the said order, for all of the purposes of this Act, the said two or more companies shall be treated as distinct companies for all the periods upto the date of the said order and the registration certificates of the said companies shall be cancelled, where necessary, with effect from the date of the said order.

(2A) (a) When any company is to be demerged by the order of the Court or of the Central Government passed after the appointed day and is to take effect from a date earlier to the date of the order, then for all of the purposes of this Act, it shall be presumed that the two or more companies brought into existence by the operation of the said order have not sold or purchased any goods to each other from the date of effect of the order to the date of the order.

(b) Notwithstanding anything contained in the said order, for the purposes of this Act, the said two or more companies shall be treated as a single company for all the periods upto the date of the said order and the registration certificate of the company to be demerged shall be cancelled with effect from the date of the said order and the said two or more companies shall, subject to rules, be granted registration certificates from the date of the said order ;

(3)	*	*	*	*	
48. to 98.	*	*	*	*	
SCHEDULE A	*	*	*	*	
SCHEDULE B	*	*	*	*	

SCHEDULE C

(See sections 2(26), 5 and 6)

List of goods for which the rate of tax is 4% or 5%

Note.—The abbreviation “%” in relation to the rate of tax indicates that tax on goods to which the entry relates shall be charged on the basis of the sale price, the tax being equal to such percentage of the sale price as is indicated against the respective goods.

Serial No. (1)	Name of Commodity (2)	Rate of tax (3)
1. to 3.	* * *	*
4.	All types of yarn whether covered with any material or not other than cotton and silk yarn in hank ; sewing thread; waste of any of them.	5%
5. to 90.	* * *	*
91.	(a) Spices of all varieties and forms including cumin seed, hing (asafoetida), aniseed, saffron, paper and poppy seeds ;	4%
	(b) for the periods starting on or after 1st April 2006, - chillies, turmeric, tamarind, coriander seeds, fenubreek and persley (suva) whether whole or powdered.	4%
92. to 115.	* * *	*

SCHEDULE D * * *

SCHEDULE E * * *

FINANCE DEPARTMENT

Mantralaya, Mumbai 400 032, dated the 1st September 2005

NOTIFICATION

MAHARASHTRA VALUE ADDED TAX ACT, 2002.

No.VAT-1505/CR-234/Taxation-1. – In exercise of the powers conferred by entry 54 of Schedule C appended to the Maharashtra Value Added Tax Act, 2002 (Mah. IX of 2005) and in supersession of Government Notification, Finance Department, No.VAT-1505/ CR-155/Taxation-1, dated the 1st April 2005, the Government of Maharashtra hereby, with effect from 1st September 2005 specifies the following goods, more particularly described in the Schedule appended hereto, to be the industrial inputs and packing materials, whether sold under a generic name or any brand name or otherwise, for the purposes of the said entry, namely :—

SCHEDULE

The Industrial inputs and packing materials covered from time to time, under the headings or sub-headings, or as the case may be, tariff items listed below of the Central Excise Tariff Act, 1985 (5 of 1986)—

Serial No. (1)	Heading No. (2)	Sub- Heading No. (3)	Tariff Item No. (4)	Description of goods (5)
1.	*	*	*	*
2.	-		0405 10 00	Desi loni.
3.to 250	*	*	*	*
<i>Note.— (1) to (4)</i>		*	*	*

**MAHARASHTRA LEGISLATURE
SECRETARIAT**

[L. A. BILL No. XVI OF 2015.]

**[A Bill further to amend certain tax laws
in operation in the State of Maharashtra.]**

**[SHRI SUDHIR MUNGANTIWAR,
Finance Minister.]**

**DR. ANANT KALSE,
Principal Secretary,
Maharashtra Legislative Assembly.**