

ORISSA ACT XXIV OF 1950

**THE ORISSA SALES TAX ( AMENDMENT )  
ACT, 1950**

[Received the assent of the Governor on the 20th  
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AN ACT TO AMEND THE ORISSA SALES TAX ACT, 1947

**W**HEREAS it is expedient to amend the Orissa Sales Tax Act, 1947, in the manner hereinafter appearing ; Orissa Act  
XIV of  
1947.

It is hereby enacted as follows :—

Short title  
and com-  
mencement.

**1.** (1) This Act may be called the Orissa Sales Tax (Amendment) Act, 1950.

(2) It shall come into force at once.

Amendment  
of section 2,  
Orissa  
Act XIV of  
1947.

**2.** In section 2 of the Orissa Sales Tax Act, 1947 (hereinafter referred to as the said Act)—

(i) in clause (d) after the words “immovable property”, the following words shall be inserted, namely :—

“and also includes all growing crops, grass and things attached to or forming part of the land which are agreed before sale or under the contract of sale to be severed ;”

(ii) for clause (i) the following shall be substituted, namely :—

“(i) “turnover” means the aggregate of the amounts of sale prices and tax, if any, received and receivable by a dealer in respect of sale or supply of goods or carrying out of any contract, effected or made during a given period.

*Explanation*—In computing the turnover the amounts, if any, refunded by the dealer to a purchaser in respect of any goods purchased and returned by the purchaser within the prescribed period, shall be deducted ; and ”.

Amendment  
of section 4,  
Orissa  
Act XIV  
of 1947.

Incidence of  
taxation.

3. For section 4 of the said Act, the following section shall be substituted, namely :—

“ 4. (1) Subject to the provisions of sections 5, 6, 7 and 8 and with effect from such date, as the State Government may, by notification, in the Gazette, appoint, being not earlier than thirty days after the date of the said notification, every dealer whose gross turnover on sales which have taken place in Orissa during the year immediately preceding the commencement of this Act exceeded Rs. 10,000 shall be liable to pay tax under the Act on sales effected after the date so notified :

Provided that the tax shall not be payable on sales involved in the execution of a contract which is shown to the satisfaction of the Collector to have been entered into by the dealer concerned on or before the date so notified.

(2) Every dealer to whom sub-section (1) does not apply shall be liable to pay tax under this Act on sales which have taken place in Orissa with effect from three months after the commencement of the year immediately following that during which his gross turnover on sales which have taken place in Orissa first exceeded Rs. 10,000.

(3) Every dealer who has become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years, during each of which his gross turnover on sales which have taken place in Orissa has failed to exceed Rs. 10,000 and such further period after the date of the said expiry as may be prescribed and his liability to pay tax under this Act shall cease on the expiry of the prescribed period :

Provided that every dealer who has been liable to pay tax and whose gross turnover on sales which have taken place in Orissa did not exceed Rs. 10,000 in the year 1949-50, shall cease to be liable to pay tax from such date as may be notified by the State Government.

(4) Every dealer who has ceased to be liable to pay tax under sub-section (3) shall again be liable to pay tax under this Act with effect from three months after the commencement of the year

immediately following that during which his gross turnover on sales which have taken place in Orissa again exceeds Rs. 10,000."

(5) — as add. by O. Act XXVII of 51

Amendment  
of section 5,  
Orissa Act  
XIV of  
1947.

4. In section 5 of the said Act—

(1) in sub-section (1) in the first proviso, for the words "half an anna" the words "one anna" shall be substituted;

(2) in sub-section (2)—

(i) in sub-clause (ii) of clause (a)—

(a) after the word "manufacture" the words "or processing" shall be inserted;

(b) after the words "goods for sale" the words and figure "other than the manufacture or processing of goods declared, from time to time, as tax-free under section 6" shall be inserted;

(c) to the said sub-clause the following proviso shall be added, namely:—

"Provided that when such goods are used by the registered dealer for purposes other than those specified in this certificate of registration the price of goods so utilised shall be included in his taxable turnover."

(ii) for the clause (b) the following clause shall be substituted, namely:—

"(b) the tax, if any, paid by the purchaser to the dealer."

Amendment  
of section 9,  
Orissa Act  
XIV of 1947.

5. In clause (b) of sub-section (6) of section 9 of the said Act, for the letters and figures "Rs. 5,000" the letters and figures "Rs. 10,000" shall be substituted.

Insertion of  
new sections  
9-A and 9-B,  
in Orissa Act  
XIV of 1947.

6. After section 9 of the said Act, the following sections shall be inserted, namely:—

Voluntary  
registration.

"9-A. (1) Notwithstanding that the gross turnover of a dealer on sales which have taken place in Orissa has not exceeded Rs. 10,000 during a year and that he is consequently not liable to pay tax under section 4, he may apply in the prescribed manner, accompanied by a fee of ~~Rs. 100~~ <sup>Rs. 200</sup> to the prescribed authority for registration under this Act.

O. Act  
XXXXII of 51

(2) The provisions of sub-sections (3) and (4) and clause (a) of sub-section (6) of section 9 shall apply in respect of such applications for registration.

(3) Every dealer who has been registered upon application made under this section shall, for so long as his registration remains in force, be liable to pay tax under this Act.

(4) The registration of a dealer upon application made under this section shall be in force for a period of not less than three complete years and shall remain in force unless cancelled under the provisions of this Act.

*provided — Ins. by o. Act XXXVII of 51*

(5) Subject to the provisions of sub-section (4), a dealer registered upon application made under this section may apply in the prescribed manner, not less than six months before the end of a year, to the authority which granted him his certificate of registration for the cancellation of such registration to take effect at the end of the year in which the application for such cancellation is made; and the said authority shall, unless the dealer is liable to pay tax under section 4, cancel the registration accordingly.

Collection of  
tax by  
dealers.

9-B. (1) No person who is not a registered dealer shall realise any tax as such on sale of goods from the purchasers.

(2) Notwithstanding anything contained in section 15, any registered dealer who realises tax as such on sale of any goods from the purchaser, shall issue a cash memo. signed by the dealer or his servant, manager or agent, to the purchaser showing separately the price for which the goods are sold and the amount realised as tax from the purchaser and shall keep a counterfoil duly signed and shall further maintain a true and correct account of all moneys realised by him as tax in the prescribed manner.

(3) The amount realised by any person as tax on sale of any goods, shall, notwithstanding anything contained in any other provision of this Act, be deposited by him in a Government treasury within such period as may be prescribed, if the amount so realised exceeds the amount payable as tax in respect of that sale or if no tax is payable in respect thereof."

Amendment of section 17, Orissa Act XIV of 1947. **7.** In section 17 of the said Act, after the words "this Act" the words "or the rules made thereunder" shall be inserted.

Amendment of section 25, Orissa Act XIV of 1947. **8.** After clause (a) of sub-section (1) of section 25 of the said Act, the following new clause shall be inserted, namely :—

"(aa) demands or charges from any purchaser tax on the sale of any goods in respect of which no tax is payable or tax at a rate higher than that payable under the provisions of this Act or in any manner contravenes the provisions of section 9-B ; or "

Amendment of section 28, Orissa Act XIV of 1947. **9.** After sub-section (3) of section 28 of the said Act, the following sub-section shall be inserted, namely :—

"(4) Nothing in this section shall apply to the disclosure of such facts to an officer of the Government of India as may be necessary, for the purpose of enabling that Government to levy or realise any tax imposed by it under the Indian Income-tax Act, 1922."

XI of 1922

Amendment of section 29, Orissa Act XIV of 1947. **10.** In sub-section (2) of section 29 of the said Act—

(i) in clauses (h) and (i) after the words and figure "under section 9" the words, figure and letter "and under section 9-A" shall be inserted ;

(ii) in clause (m) for the words and figures "under section 13" the words, figures, brackets and letter "under sub-section (3) of section 9-B and section 13" shall be substituted ;

(iii) in clause (o) for the words and figures "by section 15" the words, figures, brackets and letter "by sub-section (2) of section 9-B and section 15" shall be substituted.