

THE KERALA LOCAL AUTHORITIES ENTERTAINMENTS TAX
(AMENDMENT) BILL, 2013

(As passed by the Assembly)

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BILL

further to amend the Kerala Local Authorities Entertainments Tax Act, 1961.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Local Authorities Entertainments Tax Act, 1961 for the purposes hereinafter appearing;

BE it enacted in the Sixty-fourth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Local Authorities Entertainments Tax (Amendment) Act, 2013.

(2) It shall be deemed to have come into force on the 25th day of November, 2012.

2. *Insertion of new section 3C.*—In the Kerala Local Authorities Entertainments Tax Act, 1961 (20 of 1961) (hereinafter referred to as the principal Act), after section 3B, the following section shall be inserted, namely:—

“3C. *Levy and collection of cess.*—(1) There shall be levied and collected a cess for the purposes of the Kerala Cultural Activists’ Welfare Fund constituted under the Kerala Cultural Activists’ Welfare Fund Act, 2010 (6 of 2011) at such rate not exceeding three rupees on each admission to cinema, the price of admission to which exceed twenty five rupees, as the Government may, by notification in the Gazette, specify, from time to time.

(2) The cess levied under sub-section (1) shall be collected by the local authority along with the tax on each price for admission to cinema and the proceeds of the cess, less collection charges at such rate as may be specified by the Government by notification in the Gazette from time to time shall be paid to the Kerala Cultural Activists’ Welfare Fund Board constituted under the Kerala Cultural Activists’ Welfare Fund Act, 2010.

(3) The proceeds of the cess collected under sub-section (2) for each calendar month shall be remitted by the Secretary of the local authority to the account of the Kerala Cultural Activists’ Welfare Fund Board on or before the last working day of the succeeding month.

(4) Where the proceeds of the cess collected by the local authority is not paid within the time limit specified in sub-section (3), the local authority concerned shall pay the said amount to the Kerala Cultural Activists' Welfare Fund Board together with penalty at the rate of one and a half per cent per mensem from the said time limit.

(5) The Secretary and the President or the Chairperson of the local authority concerned shall be jointly responsible for all belated payments and any amount paid to the Kerala Cultural Activists' Welfare Fund Board by way of penalty shall be realised from such Secretary and President or Chairperson of the local authority.

(6) The provisions of sections 5, 6, 7, 7A and sections 8 to 10 shall apply in respect of cess on tickets for admission to cinema and the word 'tax' therein shall be construed as to include 'cess' also."

3. *Amendment of section 5.*—In section 5 of the principal Act,—

(a) in sub-section (1), after clause (a), the following clause shall be inserted, namely:—

“(aa) with a ticket in the electronic form, indicating the proper tax for such ticket, generated out of an electronic device with an application software approved by the Government, having the facility for access and verification of any data or information in respect of the tax due to the local authority as and when required by any officer authorised by the local authority; or” ;

(b) to sub-section (1), the following proviso shall be added, namely:—

“Provided that the Government may, by notification in the Gazette, specify that the admission to any class or classes of entertainments or to any place or places where an entertainment is held, shall be made only with a ticket under clause (aa) of sub-section (1) and thereupon no ticket under clause (a) shall be issued for admission to such entertainment.”;

(c) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) For the purpose of installing the electronic devices with the hardware and application software required for generating the tickets in the electronic form as provided in clause (aa) of sub-section (1) and for the maintenance of such devices, an amount at such rate and in such manner as may be specified in the rules made by the Government shall be levied and collected towards service charges along with the ticket.”.

4. *Amendment of section 6.*—In section 6 of the principal Act,—

(a) in sub-section (1), after the word, letter and brackets “clause (a)”, the words, letters and brackets “or clause (aa)” shall be inserted;

(b) after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) Notwithstanding anything contained in the Kerala Cinemas (Regulation) Act, 1958 (32 of 1958) or in the Kerala Panchayat Raj Act, 1994 (13 of 1994) or in the Kerala Municipality Act, 1994 (20 of 1994), no licence or permit for conducting a cinema theatre and exhibition thereof shall be renewed by the local authority concerned unless the proprietor of such theatre has remitted the entertainment tax due up to the preceding month.”.

5. *Amendment of section 11.*—In section 11 of the principal Act, after clause (b) of sub-section (2), the following clause shall be inserted, namely:—

“(c) for the fixation of the rate of service charges and the manner in which it is to be collected and paid towards installation and maintenance of hardware and software applications for generating tickets in the electronic form under sub-section (3) of section 5.”.

6. *Repeal and saving.*—(1) The Kerala Local Authorities Entertainments Tax (Amendment) Ordinance, 2013 (22 of 2013) is hereby repealed.

(2) Notwithstanding such repeal, anything done or deemed to have been done or any action taken or deemed to have been taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.
