

The Haryana Motor Vehicles Taxation Act, 2016
(Haryana Act No. 24 of 2016)

hl477

[Dated 19.9.2016]

Haryana Government
Law and Legislative Department

No. Leg. 28/2016. - The following Act of the Legislature of the State of Haryana received the assent of the Governor of Haryana on the 10th September, 2016 and is hereby published for general information. -
An Act to consolidate and regulate the law relating to levy of tax on motor vehicles in the State of Haryana and for matters connected therewith or incidental thereto.

Be it enacted by the Legislature of the State of Haryana in the Sixty-seventh Year of the Republic of India as follows:-

[1. Short title and commencement. - (1) This Act may be called the Haryana Motor Vehicles Taxation Act, 2016.

(2) It shall come into force with effect from the 1st April, 2017.]

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

- (a) "*appellate authority*" means an authority constituted by the State Government, by notification in the *Official Gazette*, for the purposes of this Act;
- (b) "*licence*" means a licence issued under this Act;
- (c) "*licensing officer*" means an officer appointed by the State Government for the purposes of this Act;
- (d) "*owner*" means a person in whose name a motor vehicle stands registered, and where such person is a minor, the guardian of such minor, and in relation to a motor vehicle which is the subject of a hire purchase, agreement or an agreement of lease or an agreement of hypothecation, the person in possession of the vehicle under that agreement;
- (e) "*prescribed*" means prescribed by the rules made under this Act;
- (f) "*prescribed authority*" means an authority constituted by the State Government, by notification in the *Official Gazette*, for the purposes of this Act;
- (g) "*Schedule*" means the Schedule appended to this Act;
- (h) "*State*" means the State of Haryana;

- (i) "*State Government*" means the Government of the State of Haryana in the administrative department;
- (j) "*tax*" means the tax leviable under this Act;
- (k) "*tax collection point*" means a facility set up at the border of the State or at any other place in the State for receiving payment of tax made under this Act.

(2) All words and expression used but not defined in this Act and defined in the Motor Vehicles Act, 1988 (Central Act 59 of 1988), shall have the meanings respectively assigned to them in that Act.

3. Levy of tax on motor vehicles. - (1) Subject to other provisions of this Act, there shall be levied and collected a tax on all motor vehicles used or kept for use in the State, at such rates and penalties, as may be specified by the State Government, by notification, from time to time:

Provided that the rates of tax shall not exceed the maximum limit as has been specified in column 3 of the Schedule.

(2) The notification issued sub-section (1) shall specify the type of motor vehicles, the periods and the manner in which the tax shall be levied.

(3) The total amount of tax after adding penalty and any other sum payable under the provisions of this Act, if any, shall be rounded off to the next tenth.

4. Declaration, payment of tax and grant of licence. - (1) Every owner shall fill up and sign a declaration in the prescribed form and shall submit the same to the licensing officer within a period of thirty days from the date of keeping the motor vehicle in the State and shall deposit the amount of tax as applicable.

(2) Where a tax in respect of a motor vehicle is paid by any owner for a particular period, the licensing officer shall grant to such owner a licence valid throughout the State, in such form, as may be prescribed:

Provided that where a one-time tax is payable under this Act, the payment of such tax shall be recorded in the certificate of registration and no licence shall be granted to such owner.

(3) No motor vehicle shall be used or kept for use in the State unless the tax levied under section 3 has been paid in respect of such vehicle.

5. Obligation on revision of rate of tax. - If as a result of revision of rate of tax levied under this Act, a motor vehicle in respect of which tax has been paid for a particular period becomes liable to tax at higher rate at any time during such period, the owner of the motor vehicle, shall be liable to pay additional tax equal to the difference between the tax already paid and the tax which becomes payable at higher rate due to such revision, within the time specified in the notification issued under section 3, for the remainder of such period.

6. Liability to payment of tax on transfer of motor vehicle. - If the tax leviable in respect of any motor vehicle remains unpaid by the owner liable

for the payment thereof and such owner, before paying the tax has transferred the ownership of such motor vehicle, the person to whom the ownership of the motor vehicle has been transferred, shall be liable to pay the said tax.

7. Liability for additional tax and additional declaration. - (1) When any motor vehicle in respect of which a tax for any period is payable or has been paid, is altered during such period or is proposed to be used during such period in such manner as to cause the motor vehicle in respect of which a higher rate of tax is payable, the owner shall in addition to the tax, if any, due from him for that period be liable to pay for the unexpired portion of such period since the motor vehicle is altered or proposed to be used, an additional tax equal to the difference between the amount of tax payable for such unexpired period at the higher rate and the rate at which the tax was payable or paid before the alteration or use of the vehicle for that period.

(2) When the owner becomes liable to the payment of additional tax under sub-section (1), he shall fill up, sign and deliver an additional declaration in the prescribed form within the time specified in the notification issued under section 3, and shall alongwith such additional declaration, pay the additional tax.

(3) On receipt of the additional tax, the licensing officer shall issue to the owner, a fresh licence in place of the original licence or shall cause an entry of such payment to be made in the certificate of registration, as the case may be.

8. Re-determination of tax. - (1) If on receipt of any information, the licensing officer discovers that the tax has not been correctly paid in respect of a motor vehicle, or the owner has not furnished declaration as provided in sub-section (1) of section 4 or the additional declaration as provided in sub-section (2) of section 7, or has given inaccurate particulars in the declaration or the additional declaration, as the case may be, the licensing officer may, at any time, after giving the owner a reasonable opportunity of being heard, proceed to determine or re-determine the tax payable.

(2) The licensing officer may, at any time, and subject to such conditions as may be prescribed, rectify any clerical or arithmetical error apparent from the record.

9. Service of notice to make declaration and to pay tax. - The licensing officer may direct a notice to be served upon the owner requiring him to fill up and sign a declaration, to be endorsed with such notice, stating that owner is liable to the payment of tax and to pay the tax to which he appears by such declaration to be liable, to the person named therein before the expiry of fourteen days from the date of service of such notice.

10. Penalty and interest for delay in payment of tax. - (1) Where the tax due in respect of any motor vehicle has not been paid by the owner, within the specified time, then in addition to payment of the tax due, he

shall also be liable to pay penalty, at such rate, as may be specified in the notification issued under section 3:

Provided that the total amount of penalty shall not exceed twice the amount of tax due where a one-time tax is payable and five times the amount of tax due for a year where the tax is payable on any other basis.

(2) Where the owner of a motor vehicle fails to pay the tax due under section 3 or the penalty under sub-section (1), he shall in addition to the amount of tax and penalty, be liable to pay simple interest on the amount of tax due and penalty, at the rate of [one percent per month or twelve percent per annum] from the date immediately following the last date for the submission of declaration as provided in section 4 or from the date specified in the order passed by the licensing officer imposing the penalty, or, if no period is specified in the order then from the 15th day from the date of the order, as the case may be, to the time till the default continues.

(3) Whosoever contravenes or fails to comply with any of the provisions of this Act or the rules made thereunder or any order or direction made or given thereunder shall, if no other penalty is provided under this Act for such contravention or failure be liable to imposition of penalty not exceeding five thousand rupees.

11. Owner to furnish security. - (1) Where an owner makes a default in the payment of tax or penalty under this Act for a continuous period of two months or more, the licensing officer, for the proper realization of the tax or penalty levied under this Act, shall, after giving an opportunity of being heard, require the owner of the motor vehicle to deposit as security, a sum equal to the amount of tax and/or penalty and interest due from him, in such manner, as may be prescribed.

(2) Where the security furnished by an owner of a motor vehicle under sub-section (1) is in the form of surety bond and the surety becomes insolvent or is otherwise incapacitated or dies or withdraws, such owner shall within fifteen days of the occurrence of any of the aforesaid events, inform the licensing officer and shall within thirty days of such occurrence, furnish a fresh surety bond.

(3) The licensing officer may, by an order in writing, for good and sufficient cause and after giving the owner a reasonable opportunity of being heard, forfeit the whole or any part of the security furnished by such owner for realizing any amount of tax or penalty payable by him under this Act.

(4) Where by reason of an order under sub-section (3), the security furnished by such owner is rendered insufficient, he shall make up the deficiency in such manner and within such time, as may be prescribed.

(5) The licensing officer may, on an application by such owner, release the security furnished by him or any part thereof, if the same is no longer required to be retained for the purposes of this Act.

12. Maintenance of time table, table of fares/freights and accounts. - An owner of a transport vehicle may be required to maintain the time table,

table of fares and freight and such accounts, as the case maybe, in such manner, as maybe prescribed and submit the same to the licensing officer as and when required.

13. Power to stop motor vehicle and search by certain officers. - (1)

Any officer specified by the State Government may require the driver of a motor vehicle in any public place to stop that motor vehicle and cause it to remain stationary so long as may reasonably be necessary for the purpose of satisfying himself that the tax has been duly paid in respect of such motor vehicle.

(2) The officer referred to in sub-section (1) may use such force or cause to use such force and take such steps or cause to take such steps, to stop the motor vehicle, as may be necessary and may search the motor vehicle for the purpose of satisfying himself.

(3) Any officer referred to in sub-section (1) may for the purpose of this Act, enter at any time between sunrise and sunset, in any premises, where he has reason to believe that a motor vehicle is kept in contravention of the provisions of this Act.

14. Recovery of tax, penalty, interest or fine as an arrear of land revenue. - Any tax, penalty, interest or fine due under this Act may be recovered as arrears of land revenue.

15. Power to seize and detain motor vehicle. - Without prejudice to the provisions of sections 10 and 14, where any tax, penalty, interest or fine in respect of any motor vehicle has not been paid, the officer under section 13 may seize and detain such motor vehicle and for this purpose take or cause to be taken such steps, as he may consider necessary, for the temporary safe custody of the vehicle, until the tax, penalty or interest is paid.

16. Saving, exemption, reduction or other modification of tax. - (1) Nothing in this Act shall apply to an agricultural tractor, agricultural trailer, agricultural harvester, agricultural power-tiller and other agricultural machinery.

[(2) The Government may, by notification, exempt a person or class of persons from liability to pay the whole or part of the tax or penalty in respect of any motor vehicle or class of motor vehicles, and may exclude any motor vehicle or class of motor vehicles from the operation of this Act and may give it prospective or retrospective effect.]

17. Impounding of licence etc. - (1) The prescribed authority may, if it has reason to believe that the driver or conductor of a motor vehicle has contravened any provision of the Motor Vehicles Act, 1988 (Central Act 59 of 1988) or the rules made thereunder or any order or direction made or given under this Act or rules made thereunder, seize the licence held by such driver or conductor, or any other document relating to the vehicle in their possession, which in the opinion of the prescribed authority shall be useful for, or relevant to, any proceeding under sub-section (3) of section 10 and

shall keep or forward the same to the licensing officer concerned, as the case may be.

(2) The prescribed authority seizing the licence or other document under sub-section (1) shall give to the person surrendering the same a temporary acknowledgement thereof and such acknowledgement shall have effect, until the licence or other document is returned to the driver or conductor, as the case may be, as if the same had not been seized.

18. Appeal and revision. - (1) Any person aggrieved by an order relating to the assessment, imposition or recovery of the tax or penalty may, within a period of thirty days from the date of such order, file an appeal to the appellate authority.

(2) Save as provided in sub-section (3), an order passed by the appellate authority shall be final and conclusive.

(3) The Transport Commissioner on his own motion or on receipt of an application from the owner, may call for the record of any proceedings which are pending before, or have been disposed of by the licensing officer or the appellate authority for the purpose of satisfying himself as to the legality or propriety of such proceedings or order made therein and may pass such order in relation thereto, as he may think fit.

(4) No order shall be passed under sub-section (3) which adversely affects any owner unless such owner has been given a reasonable opportunity of being heard.

19. Protection of action taken in good faith. - No suit, prosecution, or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

20. Bar of jurisdiction. - No civil court shall have any jurisdiction to entertain any suit or proceedings in respect of anything done, any action taken or any order or direction issued by the State Government or any other authority or officer in pursuance of any power conferred by or in relation to any functions under this Act.

21. Offences and fines. - (1) Whoever,-

(a) keeps in his possession or control any motor vehicle, without having paid the amount of tax, due in accordance with the provisions of this Act in respect of such vehicle; or

(b) fails to stop the motor vehicle when required to do so or obstructs an officer in the exercise of the powers conferred by section 13,

shall on conviction be punishable for the first offence with fine which shall not be less than twenty thousand rupees and which may extend to fifty thousand rupees and for any subsequent offence with fine which shall not be less than one lakh rupees and which may extend to two lakh rupees.

(2) When any offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in-charge of

and was responsible to the company for the conduct of the business of the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(3) Notwithstanding anything contained in sub-section (2), where an offence punishable under this Act has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any secretary, director, manager, or other officer of the company, such secretary, director, manager, or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation. - For the purposes of this section,-

(a) "*Company*" means any corporate body and includes a firm or other association of individuals; and

(b) "*Director*" in relation to a firm, means a partner in the firm.

22. Compounding of offence. - (1) Any offence committed under this Act may either before or after the institution of the prosecution, be compounded by such officer and for such amount, as the State Government may, by notification, specify in this behalf.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence.

23. Trial of offence. - (1) No court inferior to that of a Judicial Magistrate of a First class shall try any offence punishable under this Act.

(2) The offence under this Act shall be cognizable and bailable.

24. Refunds. - The State Government or any other officer authorized by the State Government in this regard shall refund to the owner, applying in this behalf, any amount of tax or penalty paid by such owner in excess of the amount due from him under this Act, [retrospectively or prospectively] in such manner, as maybe prescribed:

Provided that no refund under this section shall be allowed unless all the arrears of tax are cleared:

Provided further that no refund under this section shall be allowed, unless the claim for refund is made within a period of six months from the date on which such claim accrues.

25. Power to make rules. - The State Government may, by notification and subject to the condition of previous publication, make rules for carrying out the purposes of this Act.

26. Power to remove difficulties. - If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the

provisions of this Act, as appear to it to be necessary or expedient for the purpose of removing the difficulty.

27. Repeal and savings. - (1) The Haryana Motor Vehicles Taxation Act, 2013 (28 of 2013) and the Punjab Passenger and Goods Taxation Act, 1952 (Punjab Act 16 of 1952), as applicable to the State of Haryana, are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken or purporting to have been taken in exercise of any powers conferred by the said Acts shall be deemed to have been done or taken under this Act and all arrears of tax and other amounts due at the commencement of this Act may be recovered as if they had accrued under this Act.

[(3) Notwithstanding such repeal, all the assessment cases under the Punjab Passengers and Goods Taxation Act, 1952 (Punjab Act 16 of 1952) pending with the Excise and Taxation Department before the commencement of this Act, shall be disposed off by the said department and any proceedings, such as appeal/revision, arising out of such disposal shall also be disposed off by the said department and for all the aforesaid purposes, the provisions of the Punjab Passengers and Goods Taxation Act, 1952 and the rules framed thereunder, shall be applicable, as if the said Act/rules had not been repealed and this Act has not come into force.]

Schedule

(see section 3)

Serial No.	Categories of motor vehicles	Maximum rate of tax
1.	Non-transport vehicles	
	(i) Motor-cycle, motor car and invalid carriage.	20% of the cost of motor vehicle on one time basis
	(ii) Excavator, Loader, Backhoe, Compactor Roller, Road Roller, Dumper, Motor Grader, Mobile Crane, Dozer, Fork Lift Truck, Self-Loading Concrete Mixer or any other construction equipment vehicle, Camper Van or Trailer for private use, Vehicles or Trailers fitted with equipments like rig, generator, compressor etc., Crane Mounted Vehicle, Tow Truck, Brake-down Van, Recovery Vehicle, Tower Wagon and Tree Trimming Vehicle or any other non-transport vehicle not covered under any category.	

- (a) Purchased as chassis 30% of the cost of chassis on one time basis
- (b) Purchased with complete body 20% of the cost of motor vehicle on one time basis

2. Transport Vehicles

(i) Contract Carriage including All India Tourist Vehicles,

- (a) Motor vehicle with seating capacity upto 12+1. Rs. 20,00,000 on one time basis
or
Rs. 2,00,000 per year
- (b) Motor vehicle with seating capacity above 12+1. Rs.20,00,000 per year

(ii) Private Service Vehicle.

- (a) Motor vehicle with seating capacity upto 12+1. Rs. 20,00,000 on one time basis
or
Rs. 2,00,000 per year
- (b) Motor vehicle with seating capacity above 12+1. Rs. 20,00,000 per year

(iii) Educational Institution Vehicle

- Rs. 10,00,000 on one time basis
or
Rs. 1,00,000 per year

(iv) Stage Carriage registered in Haryana Rs.

	45,00,000 per year
(v) Goods Carriages including Agricultural Tractor-Trailer combination not used for agricultural purpose.	Rs. 15,00,000 on one time basis or Rs. 1,50,000 per year
(vi) Fire Tender, Snorked Ladder, Mobile Clinic, X-Ray Van, Ambulance, Animal Ambulance, Hearse, Library Van, Mobile Workshop, Mobile Canteen, Cash Van, Camper Van or Trailer for other than private use, and Agricultural Tractor, Agricultural Trailer and Power Tiller used for non-agricultural purpose.	Rs. 15,00,000 on one time basis or Rs. 1,50,000 per year
3. Any other vehicle registered in Haryana not covered above.	Rs. 20,00,000 on one time basis or Rs. 2,00,000 per year
4. Vehicles of other States when entering and plying in Haryana.	
(i) Stage Carriage	Rs. 20,000 per day
(ii) Contract Carriage including All India Tourist Vehicle.	
(a) Motor vehicle with seating capacity upto 12+1.	Rs. 7,500 per day
(b) Motor vehicle with seating capacity above 12+1.	Rs. 20,000 per day
(iii) Private Service Vehicle.	Rs. 20,000 per day
(iv) Educational Institution Vehicles.	Rs. 5,000 per day

(v) Goods Carriage.	Rs. 5,000 per day
(vi) Any other vehicle registered in any other State not covered above.	Rs. 20,000 per day