

SIKKIM SALES TAX ACT,1983



THE to consolidate and SIKKIM SALES TAX ACT, (ACT NO. 4 OF 1983) AN ACT 1983 (3. 3. 83) amend the law relating to the levy of tax on sale of goods in the State of Sikkim. Be it enacted by the Legislature of Sikkim in the Thirty—fourth year of the Republic of India as follows : — 1. 2. 1. (1) (2) (3) CHAPTER 1 PRELIMINARY This Act may be called the Sikkim Sales Tax Act, 1983. It extends to the

whole of Sikkim. It shall come into force on such date as the State Go- title, extent Short and commencement. Definitions. vernment may, by notification in the Official Gazette, appoint. In this Act unless there is anything repugnant in the sub— ject or context,— (a) "business" includes any trade, commerce or manufac- ture or any adventure or concern in the nature of trade, commerce or manufacture carried on with or without a motive for profit whether or not any profit accrues from such activities and any transaction ancillary or incidental to or in connection with such trade, commerce or manufacture or adventure or concern (b) "commissioner" means the Commissioner of Commer— Cial Taxes appointed under sub-section (I) of Section 3 ; "dealer" means any person who carries on business (c) of buying and selling of goods for commission, remuneration or otherwise and includes any firm, Hindu Undivided Family, company, corporation, a department of Government. society, club or association, I z_ the incorporation of such society, club or association] Explanation 1. —A factor, broker, commission—agent, del-credere agent, auctioneer or any other mercantile agent, by whatever name called, who carries on the business of Inserted by the Sikkim Sales Tax (Amendment) Act NO. 4 of 1986 w,e.f.1/4/86 buying or selling of goods and who has, in the course of his business, authority to sell goods belonging to their ow- ners, shall be deemed to be a dealer for the purposes of this Act ; Explanation 2. —The manager or agent of a dealer residing outside the State, and who sells or purchases goods in the State, shall in respect to such business, be deemed to be a dealer for the purpose of this Act ; (d) "declared goods" means the goods declared by section 14 of the Central Sales Tax Act, 1956 to be of special importance in inter-State trade or commerce • (e) 6'goods" means all kinds of movable property in solid, liquid or gaseous form, and includes all materials, com- modities, articles and also electricity but does not include newspapers, actionable claims, stocks, shares and securities ; Explanation. —Nlaterials, commodities and articles attached to or

forming part of immovable property which are agreed to be severed under the contract of sale, shall be deemed to be goods within the meaning of this clause; (f) "manufacture" with all its grammatical variations and cognate expressions, means producing, making, extracting, altering, ornamenting, finishing or otherwise processing or adopting, any goods but does not include such manufacture or manufacturing process as may be prescribed; (g) "notification" means a notification published in the Official Gazette; (h) "place of business" includes— (1) in the case of any dealer who carries on business through an agent (by whatever name called), the place of business of such agent; (2) a warehouse, godown or other place where a dealer stores his goods; and (3) a place, where a dealer keeps his books of accounts; "prescribed" means prescribed by rules made under this Act; 74 of 1956. "prescribed authority" means such authority as may be prescribed; registered dealer" means a dealer registered under section IO; "rules" means the rules made under this Act; "sale" with its grammatical variations and cognate expressions means any transfer of property in goods by one person to another for cash or for deferred payment or for any other valuable consideration and includes the transfer, delivery or supply of goods by one person to another person in any of the following ways, namely :— (a) the transfer, otherwise than in pursuance of a contract, of property in any goods for cash, deferred payment or other valuable consideration; (b) the transfer for property in goods (whether as goods or in some other form) involved in the execution of a works contract ; (c) the delivery of goods on hire—purchase or any system of payment by instalments ; (d) the transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration; (e) the supply of goods by any unincorporated association, or body of persons to a member thereof for cash, deferred payment or other valuable consideration ; (f) the supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating) , where such supply or service is for cash, deferred payment or other valuable consideration, does not include a mortgage or hypothecation of or a pledge on goods. 3 [Explanation 1.— Transfer of goods on hire-purchase or other system of payment by instalments shall be deemed to be a sale if and when there is a transfer of property or goods from the seller to the buyer;] 2. Inserted by the Sikkim Sales Tax (Amendment) Act No. 4 3. Omitted by the Sikkim Sales Tax (Amendment) Act No. 4 of 1986 1986 w.e.f.1/4/86 w.e.f.1/4/86 (2) (3) (4) (1) (2) (3) (s) 5 The Executive Committee may open such accounts, in such banks, as it Executive Committee deems fit, to deposit and operate the moneys belonging to the Board's to operate Bank Accounts. Fund referred to in section 9 and any other funds and moneys belonging to the Board, including the TNA Capital Fund referred to in section IO (r) (Subject to the restrictions and stipulations, if any, made by the Government regarding the said fund), and may operate such accounts on behalf of the Board at its discretion for the benefit of the school and the Board and for giving effect to the provisions of this Act. Subject to the powers and functions assigned by it to him, the Executive Powers may be delegated— Committee may delegate, from time to time, through written orders, to the Secretary. any or all, part or whole, of its powers stated in sub-sections (1) and (2) above to the Secretary. (a) (b) The Executive Committee shall ensure that proper accounts are Accounts and audit. maintained in respect of all financial transactions of the Board, and that the auditor is enabled to audit all such accounts effectively and in proper time. The Executive Committee may also cause internal audit to be conducted as and when it deems fit

CHAPTER V Executive Committee Every year, at its Annual Meeting, the Board shall constitute an Executive Committee consisting of persons referred to in sub-section (3), in the order to be constituted order to carry out the purposes of this Act and run the school on behalf of the Board. The tenure of the Executive Committee shall be only for the period starting with the date of its constitution and ending with the date of the constitution of the next year's Executive Committee in the next Annual Meeting. Subject to sub-section (4), the Executive Committee shall consist of five members, one of whom shall be named as its President, who shall be an ex-officio member of the Board (other than the Principal/Secretary) and the remaining members shall consist of another ex-officio member of the Board (other than the Principal/Secretary), the Principal (who shall be named its Secretary), and two experts in the field of education to be nominated as hereinafter provided, who may or may not be members of the Board. Notwithstanding the provisions of Sub-Section (3), the Chairman may nominate not more than two additional members of his choice to function as members of the Executive Committee as and when he considers it necessary. One of the experts in the field of education nominated as member of the Experts in the Executive Committee shall

be the Principal/Headmaster of any residential of Education. public school of good standing located in Sikkim or Northern Bengal, and the other shall be an educationist of high standing who normally resides or works in any part of North Eastern India, including the State of West Bengal. The initial constitution of the Executive Committee in the year in which Initial Constitution, this Act comes into force shall be the following:— (iii) Secretary, Department of Education, Government of Sikkim- President ; Secretary, Department of Finance, Government Of Sikkim ; Secretary, Establishment Department, Two experts in the field of education to be nominated by the Chairman ; Members in ex-officio capacity. Existing Executive Committee to continue in certain cases. Chairman to issue orders. Consultative Committee. Procedure to fill in vacancy of nominated member. Procedure for the meetings of the Executive Committee. Powers and Functions in addition to those enumerated in Section Review and Advice on several matters concerning school. Sub-Committee for appointment etc. 14. 16. (7) (8) (9) (i) (2) (3) (4) (v) The Principal, who shall be the Secretary of the Executive Committee. The members of the Executive Committee (other than the two experts in the field of education) shall hold office only in an ex-officio capacity, and shall cease to be members once they cease to be members of the Board. If no new Executive Committee is constituted, or there is delay in its Constitution, the existing Executive Committee shall continue to function till a new Executive Committee is constituted. The Chairman shall issue all orders, on behalf of the Board, constituting the Executive Committee. The President may constitute a Consultative Committee consisting of two representatives of the members of the teaching staff of the school and two representatives of the parents or guardians of the students of the School. The nomination of these representatives and their tenure shall be such as may be prescribed. The members of the Consultative Committee shall have right only to attend the meetings of the Executive Committee if and when invited to do so, and to tender their advice or express their views but shall have no right to vote. They also shall have right to attend only those parts of the proceedings to which the President has invited them. Nothing contained in this Act shall bar the President from seeking the advice from experts in the field of education, law, etc, and allowing them to take part in the proceedings of the Executive Committee, but they shall have no right to vote. If any vacancy arises in the Executive Committee due to resignation, death or such other causes of a nominated member of the Executive Committee, the Chairman shall, in consultation with the remaining members of the Executive Committee fill in the vacancy, and such new member shall be in office till the term of the said Executive Committee expires. (1) (2) (3) (4) The Executive Committee shall meet as often as required by exigencies, provided that there shall be not less than four meetings in a year. At least ten days' notice shall be given to all members of the Executive Committee and the Agenda shall be circulated among them at least seven days in advance of the meeting: Provided that in fit cases the above time limits may be reduced at the discretion of the President. The quorum shall be a majority of the members. Other rules of procedure of the meetings shall be such as may be prescribed

CHAPTER VI Powers and Functions of the Executive Committee The Executive Committee shall have the following powers, functions and duties, (a) (b) To review and advice in the proper care, upkeep and administration of the school, its staff, finances, land, buildings, furniture and equipment and maintenance of necessary records and accounts. Every appointment, termination of service, dismissal, retirement, extension of service or re-employment Of any of the employees of the school other than its Principal, and every case of disciplinary action against any such employee where, according to the relevant service rules, the maximum punishment involves dismissal or compulsory retirement, shall be considered and decided by a Sub-Committee consisting of the President, Secretary, Establishment Department of the Government and Principal/ Secretary which shall make recommendations to the Chairman. (i) (ii) The Principal and the Vice-Principal of the school shall be Appointment of Principal etc. appointed by the Board. All matters regarding the service of the Principal including any disciplinary proceedings against him and his dismissal, discharge, extension of service. etc., shall be considered and decided by the Board. 18. (d) (f) (g) (h) (j) (k) (e) (m) (n) (1) (2) (3) (4) To frame service rules governing the Principal and staff of the school: Service rules. Provided that when such rules are framed for the first time they shall be placed before the first Annual Meeting of the Board taking place after that, and any amendments in those rules made in any year shall be recorded in the Annual Report submitted to the immediately following Annual Meeting. To sanction or refuse to sanction any leave (with or without pay) of more than three months or any extension of such leave beyond three months. To sanction or refuse to sanction any study leave (with or without pay To prescribe scales of salary and allowances as may be necessary from time to time. To sanction new posts

or abolish existing posts or upgrade existing posts. To sanction expenditure on major repairs and purchase of furniture and equipment beyond the powers delegated by the Executive Committee to the Principal. To negotiate and carry through all transactions relating to property on behalf of the Board, To approach and negotiate with Government or any local authority or any individual or body, whether incorporated or not, for grants, subventions, donations and gifts and loans on behalf of the Board. To sanction opening of bank accounts by the Principal/Secretary and prescribe procedure for operation of such bank accounts. To consider the yearly budgets, supplementary budgets and revised estimates submitted by the Principal and pass such budgets and estimates. To define the powers and functions of the Principal, delegate to him any of the powers vested in it under this Act and regulations made thereunder and to amend those from time to time



CHAPTER VII Powers, Functions and Duties of the Principal. The Principal shall be the ex-officio Secretary both of the Board and the Powers, Functions and Duties of the Executive Committee. Principal. It shall be the duty of the Principal, in his capacity as Secretary, to convene meetings of the Board and the Executive Committee, to record their proceedings, circulate the minutes and keep records Of the Board and Executive Committee. (i) (ii) He shall be in overall charge of the School, exercising immediate control and supervision of all staff, and all powers not specifically reserved for the Executive Committee or the Board elsewhere in this Act shall be exercised by him on behalf of the Executive Committee and the Board. In particular, he shall be, subject to the powers and functions delegated to him by the, Executive Committee, responsible for the planning and execution of the academic and co-curricular activities of the school and discipline among staff and students. The Principal shall have power to incur expenditure upto such extent as may be determined by the Executive Committee from time to time. Removal of difficulties. Power of Board to make regulations. Procedure regarding its solution etc. Member of Board or Committees not to vote in certain cases. 20. 21. (1) (2) (b) (c) (d) (e) (3) Acts or Proceedings of 23. Board and Executive Committee not to be 8 CHAPTER VIII Miscellaneous If any difficulty arises in giving effect to any of the provisions of this Act, the Government may, by order, remove such difficulty. The Board may, from time to time, make regulations consistent with this Act; In particular, and without prejudice to the generality of the foregoing provision, such regulations may be made on the following matters, namely procedure for election of members referred to in clauses (i) and (j) of section 4 ; procedure for holding meetings of the Board; nomination and tenure of members of Consultative Committees referred to in section 14; rules and procedure of the meetings of the Executive Committee other than those enumerated in sub-sections (1) to (3) of section 16 ; procedure for preferring appeals to Executive Committee by members of staff of the school; any other matter which has to be, or may be, prescribed. Till such time as regulations regarding the terms and condition of service of the school employees and finance and money matters are made under the provisions of this Act, the corresponding rules of the Government may be followed, or followed to the extent the circumstances permit: Provided that this is without prejudice to any provisions already incorporated in this Act relating to such matters. All decisions may be made, and resolutions passed, by the Board and the Executive Committee as far as possible unanimously, and where there is disagreement, a simple majority of members present and voting shall decide the issue. In case of equality of votes, the presiding officer shall have a second and casting vote. A member of the Board or Executive Committee who has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the Board or Executive Committee shall as soon as possible after relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting, and the disclosure shall be recorded in the minutes of the Board or Executive Committee, as the case may be, and the member shall not take any part in any deliberation or decision of the Board or Executive Committee with respect to that matter. No act or proceeding of the Board or the Executive Committee shall be invalidated merely by reason of— invalidated. Repeal. (a) (b) any vacancy in, or 'any defect in, the constitution of the Board or Executive Committee; any defect in the appointment of a person acting as a member of the Board or Executive Committee; or any irregularity in the procedure of the Board or Executive Committee not affecting the merits of the case. 24 On and from the appointed day, any law, proclamation, order, rules, regulations or notifications in relation to the Tashi Namgyal Academy, Gangtok, shall stand repealed. B.R. PRADHAN, Secretary to the Government of Sikkim Law Department. F. No. 10 (28)/LD/83. PRINTED AT THE SIKKIM GOVERNMENT PRESS, GANGTOK. SIKKIM GOVERNMENT EXTRAORDINARY PUBLISHED BY AUTHORITY Gangtok Tuesday, 29th September 1992 GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK 2. GAZETTE No. 119 No: 8/LD//1992. Dated Gangtok, the 28th September, 1992 NOTIFICATION The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 23rd day of September 1992 is hereby published for general information THE SIKKIM SALES TAX (AMENDMENT) ACT, 1992. (ACT No. 8 OF 1992) AN ACT further to amend the Sikkim Sales Tax Act, 1983. Be. it enacted by the Legislative Assembly of Sikkim in the Forty-third year of the Republic of India as follows Short title, extent and commencement. Amendment of section 5. (2) (3) This Act may be called the Sikkim Sales Tax (Amendment) Act, 1992. It. extends to the whole of Sikkim. be deemed to have come into force with effect from Its first day of April, 1992. In section of the Sikkim Sales Tax Act, 1983 in sub-section in clause, (c), for the words "five paise", the words "ten paise" shall be substituted. 4 of 1983 By order of the

Governor. B. R. Pradhan SIKKIM GOVERNMENT EXTRAORDINARY PUBLISHED BY
 AUTHORITY Gangtok Friday, 22nd April, 1994 GOVERNMENT OF SIKKIM LAW DEPARTMENT
 GANGTOK GAZETTE NO. 39 No. 2/LD/1994. Dated Gangtok the 11th April, 1994. NOTIFICATION
 The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 29th
 March, 1994 is hereby published for general information:- THE SIKKIM SALES TAX (AMENDMENT (ACT, NO. OF 1994) AN ACT further to amend the Sikkim Sales Tax Act, 1983. Be it enacted by the
 Legislature of Sikkim in the Forty-fifth Year of the Republic of India as - Short title and commencement.
 Amendment of section 2. (1) Act may be called the Sikkim Sales Tax (Amendment) Act, 1994. it shall
 come into force on (2) Section 2 of the Sikkim Sales Tax Act, 1983 (hereinafter referred to as the
 principal Act),- after clause (a), the following Explanation shall be inserted, namely : "Explanation.-
 Transfer, delivery, supply, sales or disposal of goods in any of the manner referred to in clause (m) shall
 be deemed to be included within the meaning of this expression. " (b) after clause (b) the following
 clause shall be inserted namely:- (ba) 'contractor' means any dealer who undertakes any works - contract
 for execution and includes a sub-contractor (c) in clause after Explanation 2, the following Explanation
 shall be inserted, namely "Explanation 3. - Any person as aforesaid who transfers, delivers, supplies, sells
 or otherwise disposes of goods in any of the manner referred to in clause (m) for commission,
 remuneration or otherwise, for cash, deferred payment or other valuable consideration, shall be deemed to
 be a dealer for the purposes of this Act." (d) Explanation below clause (e) shall be deleted, (e) in clause
 (1) for the existing Explanation, the following Explanation shall be substituted, namely "Explanation.- The
 turnover in each year shall include - the amounts realised by a dealer by sale of surplus, unserviceable (a) bled
 and discarded goods, fixed or other assets, Of the business, by-products and subsidiary products of
 manufacture or processing. and (b) the aggregate amount for which goods are transferred, delivered,
 Insertion of new sections 4.4 and a. Levy of tax on right to use any Amendment of section 13. 2 supplied, sold or
 otherwise disposed of in any of the manner referred to in clause (m) by a dealer but shall not include
 sales in a canteen owned and run by a caterer for the benefit of his workmen or labourers (f) after clause (r),
 the following clause shall be inserted, namely (rp) C 'works contract' means and includes any agreement
 for carrying out, for cash, deferred payment or other valuable consideration, the fitting construction,
 improvement, out, ment or repair of any building, road, bridge or other immovable property or the installation,
 fitting out, improvement or repair of any movable property. Explanation.-' A sub-contract for carrying out
 any or all of the aforesaid works shall be deemed to be a works contract. ' 3. After section 4 of the
 principal Act, the following sections shall be inserted, namely '4.A. (1) Notwithstanding anything contained
 in section 4, but subject to Other provisions of this Act, every dealer shall pay each year, a tax under
 this Act on his taxable turnover for transfer or property in goods (whether as goods or in some other form)
 involved in the execution of works contract, determined at the rates and in the manner specified by or
 under section 5. If a contractor proves to the satisfaction of the Commissioner (2) that tax on the turnover
 of goods supplied in the course of execution of works contract has been paid by his sub-contractor, the
 contractor shall not be liable to pay tax again on the turnover of such goods. If a sub-contractor proves to
 the satisfaction of the Commissioner (3) that the tax has actually been paid by his principal contractor on
 the turnover of goods supplied in the course of execution of works contract, the sub-contractor shall not be
 liable to pay tax again on the turnover of such goods, Explanation 1. For the purposes of this Act, the
 transfer of property in goods involved in the execution of a works contract shall be deemed to have taken
 place in Sikkim, if the goods so transferred are within this State at the time of their use, application or
 appropriation, for the execution of the works contract, irrespective of the place where the agreement for the
 works contract is made, and whether the consent of the other party, prior or subsequent to such use,
 application or appropriation has been obtained or not. Explanation 2. The levy of tax in this section shall be
 made whether the works contract is executed fully or partly during a year, or abandoned or terminated
 before completion. Notwithstanding anything contained in section 4, but subject to the Other provisions of
 this Act, every dealer shall pay each year, a tax under this Act on his taxable turnover in respect of the
 right to use any goods (whether or not for a specified period) at the rates specified by or under section
 applicable to the sales of the same goods, had they been sold otherwise than by the transfer of the right to
 use them Provided that if the transfer of the right to use any goods is made by a dealer on more than one
 occasion in a year to the same or different party, the tax shall be leviable on each such occasion

Explanation.- For the purposes of this Act, the transfer of the right to use any goods for any purpose (whether or not for a specified , period) shall deemed to have taken place in Sikkim, if such goods so transferred are in the State at the time of such transfer irrespective of the place where the agreement for the transfer of right to use the goods is made . " In section 13 of the principal Act, after sub-section (4), the following sub-section shall be inserted, namely If a registered dealer fails to prove to the satisfaction of the prescribed authority, the correctness of the sale price of the goods transferred, delivered, supplied, sold or otherwise disposed of in of the manner referred to in clause (m) of section 2, the said authority may determine the said price according to the best of its judgement subject to such rules as may be prescribed. "

3 After section 40 of the principal Act, the following section shall be inserted, namely (1) Notwithstanding anything contained in sections 14A and 14B, at source from 5, the State Government may prescribe that every person or any specified class of persons, making any payment to contractors as valuable consideration for the transfer of property in goods, whether as goods or in some other form, involved in the execution of works contracts, shall deduct such amount, as may be prescribed, not exceeding four per centum of the said payment, towards tax payable under this Act and remit the amounts so deducted to the State Government. (2) The manner in which the deduction under sub-section (1) shall be made, the period within which the amounts so deducted shall be remitted to the State Government, the



form in which the certificate of deduction should be issued to the contractors and other incidental and ancillary matters shall be such as may be prescribed. If any person fails to deduct, or having deducted, fails to remit (3) to the State Government within the prescribed time, the amount deductible under sub-section he shall be for a penalty of a sum not exceeding twice the amount deductible. The amount deductible and actually deducted under sub-section (4) (I) and penalty levied under sub-section (3) shall be deemed to be a tax for the purpose of the Sikkim (Collection of Taxes and of Evasion of 1937 Payment of Taxes) Act, 1937. In section 18 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:-

(1A) Every registered dealer who transfers, delivers, supplies, sells or otherwise disposes of goods in any of the manner referred to in sub-clauses (b), (c) and (d) of clause (m) of section 2 shall keep and maintain in his place of business, the original copies of all the agreements or contracts entered into by him which are under operation statement of expenditure involved in any such work contract. Provided that the Commissioner may, on application for reasons to be recorded, permit any such dealer to keep and maintain the aforesaid documents at any other place in the State of Sikkim or keep and maintain xerox or other copies thereof only in the place of business, the originals being made available on demand by the prescribed authority under this section. In section 25 of the principal Act, in sub-section (4), after clause the following clauses shall be inserted, namely the manner in which the price is to be determined under sub-section (e) of section 3 (b) prescribing the rate of tax, the manner of its deduction, the time within which the amount is to be remitted and the form of certificate of deduction to be issued to the contractors and other incidental and ancillary matters under section 14A. By order of the Governor B.R. Pradhan Secretary to the Government of Sikkim, Law Department. F. No. PRINTED AT THE SIKKIM GOVT. PRESS, GANGTOK. GOVERNMENT SIKKIM EXTRAORDINARY GAZETTE No. 75 No. 4/LD/97 PUBLISHED BY AUTHORITY Gangtok Thursday 15th May, 1997 GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK Dated: the 30th April. NOTIFICATION The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 24th day of April, 1997 is hereby published for general information:- THE SIKKIM SALES TAX (AMENDMENT) ACT, 1997 (ACT NO 4 OF 1997) ACT further to amend the Sikkim Sales Tax Act, 1983. Be it enacted by the Legislature of Sikkim in the Forty-eighth Year of the Republic of India as follows:- Short title and commencement Amendment of section 5. Amendment of section 26- (1) This Act may be called the Sikkim Sales Tax (Amendment) Act, 1997 (2) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint In section 5 of the Sikkim Sales Tax Act, 1983 (hereinafter referred to as the principal Act), in sub-section (1), in clause (c), for the words "ten paisa" the words "fifteen paisa" shall be substituted. In section 26 of the principal Act, after sub-section (2), the following sub-section shall be added, namely:-

(3) (a) If, on a search conducted under sub-section or on a scrutiny of the documents, declarations or other proof filed under sub-section (2), or on information otherwise received, the prescribed authority under section 13 or the authority in charge of the check post, is satisfied that there has been, or, there is a likelihood of, evasion of tax under this Act in respect of the sale or purchase of the goods, it may, for reasons to be recorded and after giving a reasonable opportunity of hearing, detain the goods and direct that they shall not be transported across the check post, unless the tax evaded or likely to be evaded is paid or adequate security is furnished to the satisfaction of the said authority is furnished for the payment of the tax due or likely to become due thereon: Provided that a time of not less than seven days shall be allowed for the payment of tax or for furnishing the security. If the owner or the person in charge of the goods fails to pay the tax or furnish the security as aforesaid, the said authority may seize the goods and dispose of them by public auction and the sale proceeds shall be appropriated in the manner prescribed: Provided that if the goods are perishable or hazardous when stored, they shall not be seized but shall be released on undertaking by the consignor or the consignee to the State and that the tax will be paid on the sale or the purchase of the goods and these goods will be properly accounted for in the books of account, along with a Bank Guarantee or cash security equivalent to the current market value of goods. The Bank Guarantee or cash security so furnished shall be as soon as the due amount of tax is paid. After section 26 of the principal Act, the following section shall be inserted, namely "26A. Inspection and seizure of goods stored in the State, (1) (2) Where the prescribed authority is satisfied that goods stored in any godown or other storage are intended for sale in the State or, in the course of interstate trade or commerce or in the course of import or export, it may inspect the godown or other place where the goods

are stored and check and verify the accounts maintained and also make a physical verification Of the stock to ensure (hat the accounts have been maintained correctly, If, on the verification under sub-section the prescribed authority is satisfied that the accounts have not been maintained correctly or that the stock. of goods do not correspond to the stock, shown in the accoun{ss it [nay assess the tax evaded ot" sought to be evaded by the dealer to whom lhe goods belong cr who has a right of disposal over them and directl him to pay the tax turthwlth along with a penalty equal to .the• amount of the 'tax evaded or sought to be evaded Provided that no order under this sub-section shall be passed unless the dealer has been given a reasonable opportunity of showing cause against the levy of the tax and the penalty. By Order of the Governor, B R.

PRADHAN, Secretary to the Govt. of Sikkim, Law Department. (File) SIKKIM GOVERNMENT

GAZETTE Gangtok, No.6/LD/2000 The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 7th day of April, 2000 is hereby published tor general information:-

THE SIKKIM SALES TAX (AMENDMENT) ACT, 2000 (ACT NO. 6 OF 2000) AN ACT further to amend the Sikkim Sales Tax Act, 1983. Be it enacted by the Legislature Of Sikkim in the Fifty-first year of the Republic of India as follows:- Short title, extent 1. and commence- ment. EXTRAORDINARY PUBLISHED BY AUTHORITY Tuesday, 18th April , 2000 No. 127 GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK Dated tho 17th April, 2000 NOTIFICATION I. (1) This Act may be called the Sikkim Sates Tax (Amendment) Act, 2000. (2) It extends to the whole of Sikkim. (3) It shall be deemed to have come into force on the 13th day of January

2000. Amendment of 2.In the Sikkim Sales Tax Act, 1983 (hereinafter referred to as the principal Act), section. Amendment Of section 14 A. Amendment of Schedule I and Schedule 11. in section 5, in sub-section (I),- (i) in clause (a), for the words" at the rate of ten paise in the rupee". the words, at such rates not exceeding twenty paise in the rupee as the State Government may, from time to time by notification specifY', shall be substituted; (ii) In clause Ior the words • at such rate not exceeding fifteen paise in the rupee", the words' at such rates not exceeding twenty paise in the rupee," shall be substituted

3. In the principal Act, in section 14 A, in sub-section (1), for the words " not exceeding four percentum of tine said payment," the words" not exceeding eight percent of the said payment", shall be substituted

4. In the principat Act.for the existing Schedule •I and Schedule 11. the following Schedules shall be substitutuéd. namely:- SCHEDULE I (See section 8) Betel Leaves. 2. 3. 4. 5. 6. 7. a. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24, 25. 26. 27. 0) Books, Periodicals, Journals and Newspapers, exercise books, educational charts, maps and instrument, boxes, globes and other instruments used in educational institutes. Unbranded bread. Condoms and contraceptives. Curd, lassi and butter milk except when sold in sealed container. Fresh eggs. Electrical energy. Fresh meat and fish. Fresh vegetable, green or dried. (except when sold in sealed container) including chilli. Jaggery. Unpröcessed salt. Unprocessed cerea's and pulses including rice and wheat. Fresh flowers. Fresh milk and pasteurised milk other than powdered or condensed milk. Vegetables seed• Planting materials tike seed, seedlings, suckers, nursery plants used for raising crops. Handloom Woven a) Handloom Khadi products except those made from silk yarn b) Khadi/handloom garments, I-ocelly produced handicrafts. C) Khandsari. Organic manure. Flour including atta, suji and maida. Wheel chairs. crutches and such other articles used by handicapped persons. Glass bangles. Livestock including poultry. Non•Judicial stamp papers, Cartridge paper sold by Govt. treasury througn stamp vendors. Raw cotton. Text books. Exercise books for educational purposes. Life saving drugs, namely:- ANTIDOTES a) b) c) d) f) g) h) Atropine Oxime-Pratidoxime - Obidoxime Naloxone SODium Calcium. edetate (EDTA) Dimer Caprol (BAL) Penicillamine Amyl Nitrate and others. (El) CARDIAC STIMULANTS a) Adrenaline b) Dopamine 2 (III) FIBRINOLYTIC AGENTS a) Stroptokinase b) Urokinase c) Ateplase (PA) (IV) STERIODS a) Dexa methasone b) Hydrocortisone (v) ANALEPTICS a) Nikethamide b) Doxapram (VI) DRUGS FOR HYPERTENSIVE EMERGENCIES a) Diazoxide b) Sodium Nitroprusside (vil) ANDRENERGIC CRISIS a) b) (Vill) a) b) c) d) e) f) Phentolamine Phenoxy Benzamine ANTI TOXINS Tetanus Antitoxin Gas Gangrene Antitoxin Diptheria Antitoxin Anti snake venom Anti•D-Immunogi0bulin (Human) Anti rabies Hyperimmune Serum (DO INTRA VENOUS FLUIDS a) Normal Saline b) Dextrose. 5%, 10%, 25% c) Dextran d) Hemacael and others 28. ANTI T.B. DRUGS a) Ethambutol {tablet} b) Isoinazid (tablet/syrup) c) Refampicin (injection) d) Streptomycin (injection) e) Pyrizinamide (tablet) 29. Rubber and plastic/ Chappell sandal and shoes with MRP of Rs. 200/- or less. Turmeric

30. Tamarind 31. Sugar as defined in the Central Excises and Salt Act, 1944 (1 of 1944) excluding 32 imported sugar in all forms. all varieties of cotton fabrics, man made fabrics and woollen fabrics excluding 33. imported varieties of such fabrics. [Explanation:- The expression "cotton fabrics" "man made fabrics" and "woollen fabrics". shall have the same meanings as are respectively assigned to them in the Central Excises and Salt Act, (1 of 1944) excluding imported varieties of such fabrics]. 3 Tobacco as defined under the Central Excises and Salt Act, 1944 (1 of 1944)

34. Renewable energy devices, and spare parts

35. Cooked food

36. Agricultural Implements

37. Poultry feed, Cattle feed, Pig feed, Fish feed including feed additives like 38. nutrients, medicines or supplements of such feed

39. Rape seed oil and Palm/Palmoleon Oil. SCHEDULE 11 (See section 5) Mustard oil and mixture of mustard oil. 1. Vehicles of all types driven or operated by petrol/diesel or electrical energy 2. except those specified elsewhere in this Schedule. Declared goods. 3

4. Edible oils and oil cakes other than Mustard oil, Rapeseed oil, Palm/Palmoleon oil, or other than those specified elsewhere in the Schedule. Processed salt, fish and meat when sold in sealed containers. S. Cumin seed

6. Branded bread. 7

8. Bicycles

9. Ready made garments. Utensils and Kitchenwares

10. Bone meal

11. Chemical fertilizers, pesticides, weedicides and insecticides. 12

13. Ores and minerals. Ice

14. All types Of Yarn

15. Charcoal

16. Raw wool

17. Hosiery goods. 18

19. Bran oil. Sponge-iron. 20

21. HDPE packs. GI pipe

22. Starch

23. Garlic and ginger

24. Maize products

25. Safety matches

26. Cardamom

27. Gingeli Oil

28. Hand pump/water pump and oil engines

29. Aluminium in all its forms namely : aluminium ingots, slabs, bars, roast pipes. 30. tubes, wires, coils sheets, plates, circles, sections, channels. angles, joists, extrusions, including aluminium scraps but excluding aluminium foils. Information technology (IT) products. namely: computers. computer peripherals. 31. 4 digital electronic equipments, communication equipments. electronic components, IT software other than those specified elsewhere in the Schedule

32. Industrial inputs (a) (b) (c) (d) (g) (h) Non ferrous metal viz Sulphur and zinc. belting, bearing, all types of chemicals and intermediate chemicals including barytes. hydrogen peroxide, silicon carbide, lime, caustic soda including wax and paraffin and ferro silicon. dyes and chemicals, ferro alloy and super alloy, transformer, polystyrene. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62

63. Bulk drugs other than those specified elsewhere in this schedule. Blanket of all kinds, quilt, quilt cover and quilt razaigelafts. Orange. Pollution control equipments. Sand, stone chips and stones. Butter and

ghee. Fruits, vegetables and spices such as pastes, squashes, juices, pickles, jams and jellies processed or manufactured in Sikkim. Sewing thread. Napa slabs. Kerosene. Vanaspati (vegetable ghee) Fire wood. Raw silk. Beedi leaves. packing materials including HDPE bags Corrugated boxes and containers. De-oiled cake. Vegetable oil. Solvent oil. RCC sleepers. Filters. Agarbatti Tiles. Ceramics. Suitcases Cast Iron Castings. Surgical Instruments. All types of electrical goods including fans but excluding Transformers. Tanned leather and leather goods. Paper and paper pulp. Saree falls. All kinds of bricks including refractory bricks. 564. Printing ink

65. Electrodes

66. Sanitary ware

67. Stainless steel

68. Milk food and milk products

69. Sewing machines

70. Nut powder, 71. Flasks

72. Explosives

73. Blades and razors etc, 74. Timber

75. Drugs and medicines other than life saving drugs and anti-tuberculosis drugs (as listed in S.NO. 27 and 28 of Schedule 1) 76. Foot wear other than rubber and plastic (chappals/sandals and shoes with MRP of Rs. 200/- or less

77. Magnets. 78. Electric Motors

79. Nutrition food

80. Hose pipes

81. Sweet meat

82. Plants and machinery including spare parts, components and accessories thereof

83. Tea and coffee 84. Toffee, chocolate, biscuits and confectionery

85. Cake, pastries, cocoa products including chewing gums 86. Toothpaste, tooth brush. tooth powder, mouth wash and deodorants

87. Batteries and parts thereof. 88. All types of furniture

89. Camphor

90. Electrical bulbs and tube lights including vapour lamps, halogen lamps of all varieties and descriptions

91. Photographic goods

92. Tyres and tubes and flaps of tyres and tubes

93. Foam. 94. Electronic goods other than those specified elsewhere in the Schedule. 95. Cooking gas (LPG)

96. Building materials such as ply-wood and cement

97. Paints and colours

98. Diesel oil

99. Dry fruits

100. Plastic goods other than plastic chappals, sandals, and shoes with MRP of as 200/- or less

101. Roofing light and false roofing materials including cement and asbestos sheets, hard and soft boards and panels as well as asphaltic roofings. 102. All types of cables and electrical wires. 103. Fire fighting equipments— 6

104. Cereals and pulses when sold in sealed containers including poly packets. 105. Articles of foods and drinks including sweet and sweet meat when sold:- (a) In the three star, four star and five star hotels as recognised by the Ministry of Tourism, Government of India] Sikkim. (b) In places other than (a) above when sold in sealed container. or packet including polythene packet

- 106. Food preservatives, food colors and food flavouring essences.** 107. Hardware goods specified as hardware under the Notification No. B32/ST/11/ 3096 Dt: 16.12.86. 108. Jointing power and SITU mixture for laying tiles and chips and deodorants
- 109. Kirana goods and spices when sold in sealed containers or polythene packets.** 110. Mercury
111. Mosquito repellents
112. Magnesium Carbide/Carbonate
- 113. Manihari goods specified as "manihari goods" under Notification No.832/ST/11/ 3096 Dt:16.12.86**
114. Lubricants including lubricating oil, brake oil, grease and engine oil
- 115. Optical goods namely spectacles.** sun glasses, goggles, lenses and frames including attachments
- 116. Pipes and pipefittings of all varieties including casing, other than GI pipe.** 117. Rolling shutters and collapsible gates whether operated manually, mechanically or electrically and their parts and accessories thereof, 118. Sacks of all types. 119. Sport goods of all types
- 120. Stoves, that is gas stove and kerosene stoves, Gas metallic cylinder, Gas mantle, parts and accessories thereof.** 121. Chicory, Coffee beans, seed raw or toasted
- 122. Chana-choor, dalmut.** fried potato chips, fried gram when sold in sealed containers including polypackets
123. Fruits, vegetables and spices such as pastes, squashes, juices, pickles, jams and jellies processed or manufactured outside Sikkim
- 124. Instant mix such as jamoon mix, idli mix, ice-cream mix, jelly mix and the like.** sambar and rasam powders and pastes, masala powders and pastes, curry powder and pastes such as soft drink concentrates (other than soft and vegetable concentrates) whether in liquid or powder or crystal form when sold in bottles, tins, cans, or in any cans, or in any kinds of sealed containers
125. Water tank and storage tank of all varieties and description
126. Toys other than electronic toys
- 127. Motor parts, accessories and components thereof.** 128. Stationeries including the items specified under Notification No.832/ST/11/3096 dt:16.12.86
- 129. Glazed earthenware.** 130. Chinaware including crockery
131. Gypsum of all forms and descriptions
- 132. Acids.** 133. Coir products of all kinds
134. Bulldozers, tractors, excavators, pipelayers, wheel laden scrapers, mobile cranes, power tillers, earth movers, dumpers, dippers and parts and accessories/components thereof
135. Items of goods not specified by name or description other than those specified in Schedule I and Schedule II and by any other Notifications
136. Weather proofing compounds
- 137. Fire works.** 138. Furs and skins
139. Lifts and elevators
140. Marble and marble tiles
141. Sandal wood and oil
142. Telephone including cellular and mobile phones, pagers and parts/accessories thereof
143. Typewriters
144. Cutlery
145. Preserved Food articles
- 146. Silk and silk fabrics** 147. Vacuum cleaners. 148. T.V. VCR and C.D and VCD
- 149. Teleprinters.** 150. Transmission wires and tower. 151. Voltage stabilizers
- 152. Washing machines** 153. Wireless equipments. 154. Air conditioner. 155. Arms and ammunition, 156. Articles of Stainless steel other than those specified elsewhere in the Schedule, 157. Carpets

158. Cushion and mattress

159. Electronic toys

160. Fancy leather goods 161. Musical instruments and equipments

162. Non Alcoholic drinks, that is to say mineral water, aerated water including soa water, soft water whether or not flavoured or sweetened and whether or not containing vegetables or fruit juice or fruit pulp when sold in bottles, tins, cans or in any kind of sealed containers

163. Hair oil

164. Synthetic gems. 165. Calculating machines. 166. Cigarette cases and lighters

167. Cinematographic equipment

163. Ivory products. 16.9 ALBYulators and air coolers. — 1.70. Glassware other than glass bangles. 8 8 Repeal and Saving. 171. Naphtha

172. Spark plugs, 173. Rubber goods other than •rubber chappals, sandals and shoes with MRP of Rs.200/- or less

174. Cosmetics and soaps. 175. Adhesives. 176. pvc articles

177. Laminated sheets

178. Oxygen and gas

179. Aeronautics

180. Watches and clocks. 181. ACSR conductors

182. Refrigerators

183. Radios, spare parts. accessories and components thereof

184. Loud speakers/public address systems. 185. Duplicating/address printing machines. 186. Binoculars and telescopes

187. Disc antenna, spare parts and accessories thereof

188. Photocopiers

189. Granite stones whether polished or unpolished, polished cuddapah stones. slabs and tiles

190. Industrial gas 191. Petroleum products including motor spirit, aviation and turbine fuel

192. Liquor

193. Narcotics

194. Molasses

195. Rectified spirits

196. Bullion

197. Gold articles

198. Precious stones

199. Silver articles." 5(1) The Sikkim Sales Tax (Amendment) ordinance. 2000 (Ordinance No.1 of 2000) is hereby repealed. (2) Notwithstanding such repeal any thing done or any action taken under the Ordinance SO repealed shall be deemed to have been done or taken under the corresponding provisions of this Act. By Order of the Governor. T.D. Rinzing, Secretary to the Govt. of Sikkim, Law Department. F. No. SIKKIM GOVERNMENT GAZETTE Gangtok, No. 12/LD12001 EXTRAORDINARY PUBLISHED BY AUTHORITY 12th November, Monday, GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK. NOTIFICATION 2001 No. 414 Dated : 12.11.2001 The following Act (Li the. Sibljm Legislative Assembly having received the assent of the Governor on 6th day•of November, .001 is hereby published for general information :- THE SIKKIM SALES TAX (AMENDMENT) ACT 2001 ACT NO. 12 OF 2001 AN ACT further to amend the Sikkim Sales Tax Act, 1983. Be it enacted by the Legislature of tho Sikkim in the Fifty -Second year of the Republic of India as follows:- Shon title and commencement. Amendment of Schedule I Amendment of Schedule 11 2. 3. (1) This Act may be called the Sikkim Sales Tax (Amendment) Act, 2001. (2) . It shall come into force at once. In the Sikkim Sales Tax Act, 1983, (hereinafter referred to as the said Act), in Schedule I, - the following shall be omitted, namely:- "36. Cooked food; 39. Rape Seed oil and Palm/Palmolion oil"; serial numbers 37 and 3d shall be

renumbered as serial numbers 23 and 37 respectively; after serial number 37 as so renumbered, the following shall be added, namely:- *38. Artificial limbs

39. Kum Kum

40. Hand made safety matches

41. Indigenous Handmade Musical Instruments

42. Plain Water

43. Aluminium Utensils. In the said Act, in Schedule 11, - (i) in serial number 4, the words "Mother than Mustard oil" shall be omitted; (iii) (iv) In serial number 10, after the words "Utensils and Kitchenware" the words "Hexcluding aluminium utensils" shall be inserted, in serial number 26, after the words "Safety matchesh, the words "excluding handmade safety matches" shall be inserted, for serial number 31, and the entries relating thereto, the following shall be substituted, namely 'ZI. Information Technology products as follows, namely 84.69 84.70 84.71 84.72 85.01 85.03 85.04 85.05 85.17 85.18 85.20 85.22 85.23 85.24 85.25 85.27 Workd.processing machines and electronic typewriters. Electronic calculators. Cotnöuter systems and peripherals. electronic diaries. Parts and accessories of word processing machines, electronic calculators, electrical typewriters, computer systems and peripherals, electronic diaries. DC micro motors/stepper motors of an output not exceeding 37.50 watts. Parts of HSN 85.01 for items listed above. Un-iherrupted power suppliers (LJPS) and their parts. Permanent magnets and articles, intended to become permanent magnets (Ferrites). Electrical apparatus for line telephony or line telegraphy including lline telephone sets with coidless hand sets and telecommunication apparatus for cur, nt line systems for digital line systems, videophones. Microphones, multimedia speakers, head phones, earphones an cort bines of micro. phones/speaker sets and their parts. Telephone answering machines. Parts of telephone answering machines. Prepared unrecorded media for sound recording or similar recording of other phenomena. I.T. Software on any media. Tradsmmission apparatus other than apparatus for radio broad casting or TV broadcasting transmission apparatus incorporating reception apparatus, digital still image video cameras. Radio communication receivers, radio pagers. 85.29 (i) Aerials, antennas and their parts. f itans at 85.25 and 85.27 listed above. 85.31 LCD Panels, LED Panels an parts thereof. {\$.32 Electheat capacitors, fixed variable or adjustable (Pre-set) and parts thereof. 85.33 Electrical reslstors incleding rheostats and otentiometers other than heating resistors. 85.34 Printed circuits. 85.36 Switßhes, connectors an e Flays for upto 5 amps, at voltage not exceeding 250 volts, Electiönlc fuses. 85.40 Data/graphic display tubes, other than T.V. picture tubes and parts thereof. 85.41 Diodes, transistors and conductor devices, photosensitive semi conductors devices including photo voltaic cell wnether or not assembled I modules or made up Into panels; light emitting diodes; mounted piezo- electric crystals. 85.42 Electronic integrated circuits and micro assemblies. 85.43 Signal generators and parts thereof. 85.44 Optical fibre cables. 90.01 OptiCai fibre and optical fibre bundles and cables. 90.13 Liquid crystal devices, flat panel display devices and parts thereof. 90.30 Cathode ray oscilloscopes, spectrum analysers, cross-talk meters, gain measuring instru- (v) ments-, distortion factor meters, psophometers, net work and logic analyzer and Signal analyzer." in serial number 161, after the words "musical instruments and equipments", the words "excluding indigenous hand made musical 'instruments", shall be inserted, after serial number 199, the following serial number and the entries relating thereto shall be added, namely :- " 200 Cooked Food". By Order, T. D. Rinzlng, Secretary to the Govt. of Slkkkm, Law Department. F. No. 16(82) LD/2001. Insertion of new section 5B "composite tax on works contract". charges not involving any transfer of property in goods, actually incurred in connection with the execution of works contract or such amounts calculated on the basis of thirty percent of the value of works contract, if they are not ascertainable'rom the books of accounts maintained and produced by a dealer before the assessing authority, shall be allowed to be deducted from gross turnover of such dealer in determining his taxableturnover"

4. In the principal Act, after section 5A, the following section shall be inserted, namely,:- "5B (1) Notwithstanding anything contained in section 4Aj section 11 and section 14A, every contractor referred to in sub-section (ba) of section 2, may, subject to such restrictions and conditions and in•such manner as may be prescribed, at his option, instead of paying tax in accordance with section 4A and section 14A,pay, on the total value of each of the works contract executed by him, a lump sum tax, by way of composition, at such rate, not exceeding fifteen percent, as the State Government may, from time to time, by notification, specify Provided that in case of cancellation of the

permission granted for payment of lump sum tax by way of composition, the provisions of section 4A and 14A and the rules made thereunder shall apply.(2) A contractor, exercising option under sub-

section (1) shall, so long as the option remains in force, not be required to maintain accounts of his business under this Act or the rules made thereunder except the records in original of the works contract, extent of their execution and payments received or receivable in relation to such works contract, executed or under execution. (3) The State Government may prescribe that every person or any specified class of persons, making any payment to contractor who has exercised option under 2 situated in Sikkim, any local body, any authority or corporation established by or under a statute and any State or Central Government undertaking shall, at the time of credit of such sum to the account of the dealer or at the time of payment thereof in cash or by cheque or draft or any other mode, deduct the amount of sales tax from the bills or invoices, at the rate or rates notified under this Act from time to time. The amount of sales tax so deducted shall be deemed to be the amount of sales tax collected by the dealer from the State or Central Government Departments or aforesaid organizations or authorities, as the case may be, within the meaning of section 15. ii. iii. iv. 5 While making deduction as referred to in sub- section (1), the deducting authority shall grant a certificate to the dealer in the prescribed form and shall send a copy thereof to the concerned authority of the Commercial Tax Office within whose jurisdiction such sale or supply is made. The dealer shall furnish an authenticated copy of such certificate to the concerned assessing authority along with the returns as a proof of payment of sales tax. The amount deducted from the bills or invoices shall be deposited to the credit of the State. Government within fifteen days from the date of such deductions in such form or challan as may be prescribed or through book adjustment prescribed by the Department of Finance, Revenue and Expenditure, Government of Sikkim. The deducting authority shall supply a copy of the form or challan or document of books adjustment, as the case may be, showing the details of deduction of sales tax, to the concerned Commercial Tax Office. The remittance or deposit of deducted sales tax to the credit of the State Government shall be adjusted by the Commercial Tax Office towards the sales tax liability of the dealer and shall constitute a good and sufficient discharge of the liability of the deducting authority to the dealer to the extent of the amount remitted or deposited. v. vi. If any person fails to deduct, or having deducted, fails to remit to the State Government within the stipulated time, the amount deductible under sub-section (1), he shall be liable for penalty of a sum not exceeding twice the amount deductible: Provided that no penalty under this sub- section shall be imposed unless a reasonable opportunity of being heard is given to such person. The amount deductible and actually deducted under sub-section (1) and penalty levied under sub-section (6) shall be deemed to be a tax for the purpose of the Sikkim (Collection of Taxes and Prevention of Evasion of Payment of Taxes) Act, 1987 (7 of 1987). Amendment of section 22 Amendment of section 23 Amendment of section 28 Amendment of section 28 11

12. In the principal Act, in the first proviso to section 22, for the words "a rupee" the words "ten rupees" and for the words "five hundred rupees" the words "one thousand rupees" shall respectively be substituted.In the principal Act, in section 23, - a. In sub-section (1), - 1. 2. 6 after clause (h), the following clause shall be inserted, namely: - "(ha) fails, having opted for composite tax, to pay tax in accordance with or contravenes the provisions of section 5B, or" for the words "ten thousand rupees" the words "twenty thousand rupees" and for the words "one hundred rupees" the words "two hundred rupees" shall respectively be substituted; Amendment of section IO Amendment of section 1 1 Omission of section 12 Amendment of section 14 Insehon of new section 15A goods (whether as goods or some other form) involved in the execution of works contract shall furnish within fifteen days from the date of signing of the contract/ letter of intent such information as may be prescribed, to the assessing authority under whose jurisdiction the contractor's place of business is situated. Failure to do so shall entail a penalty not exceeding five hundred rupees per day of default after affording such person a reasonable opportunity of being heard

6. In the principal Act, in sub-section (4) of section IO,- a.for the words "penalty of rupees twenty five", the words "penalty of rupees fifty" shall be substituted; b. after the first proviso the following proviso shall be inserted, namely: - "Provided further that if the dealer has failed to pay tax for the period during which business was carried out without obtaining registration, interest at fifteen percent per annum shall accrue and be charged on the entire amount of tax determined by the assessing authority as payable from the date of commencement of the business till the day preceding the date on which the dealer's registration takes

effect and such interest shall be treated as it were tax under this Act and shall be paid by the dealer in the prescribed manner"

7. In the principal Act, in sub-section (3) of section 11, for the words "not exceeding rupees five" the words "not exceeding rupees fifty" shall be substituted

8. In the principal Act, section 12 shall be omitted

9. In the principal Act, in sub-section (3) of section 14, for the words "ten percent per annum", the words "fifteen percent per annum" shall be substituted

10. In the principal Act, after section 15, the following section shall be inserted, namely: -"15A (1) Notwithstanding anything contained in any other law or contract 'Deduction of to the contrary, any person or any specified class of tax at source persons responsible to pay any sum to any dealer for from the payment to sale or supplies made by it to the State or Central Government including department of other States, dealer'".
4 SIKKIM GAZETTE GOVERNMENT • 1.1 EXTRAORDINARY
PUBLISHED BY AUTHORITY Gangtok NO.12/LD/P/2004 Monday January, 2004 12th
GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK NOTIFICATION No. 4 Dated: 7.1.2004. The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 3rd day of January, 2004 is hereby published for general information:- THE SIKKIM SALES TAX (AMENDMENT) ACT, 2003 (ACT NO. 12 OF 2003) AN ACT further to amend the Sikkim Sales Tax Act, 1983. Be it enacted by the Legislature of Sikkim in the Fifty-fourth Year of the Republic of India-as follows:- Short title and commencement Insertion of new section 5A "Lump sum payment in lieu of the tax on lottery tickets". (I) This Act may be called the Sikkim Sales Tax (Amendment) Act, 2003. (2) It shall come into force at once

2. In the Sikkim Sales Tax Act, 1983 (hereinafter referred to as the said Act), after section 5, the following section shall be inserted, namely:- 5A. Any dealer dealing in lottery tickets where prizes are offered on the basis of last two digit number printed on the body of the lottery ticket and the draws of such Lotteries are held either on weekly, fortnightly or monthly basis, shall be liable to pay sales tax per draw as per the rate as specified in "Schedule Explanation: - A lottery shall be categorized as either weekly, fortnightly or monthly where each subsequent draws of the lottery do not exceed either seven days or fifteen days or thirty days and based on such pattern of periodic draw it shall be categorized as such". Insertion of new Schedule III Serial No

3. In the said Act, after the existing Schedule 11, the following Schedule shall be inserted, namely:- "Schedule III Type of Draw Weekly/fortnightly/monthly draw on lotteries where prizes are offered on the basis of last two digits. By Order. Rate per Draw Rs. 10,000/- (Rupees ten thousand)" T. D. RINZING, Secretary to the Govt. of Sikkim, Law Department. Printed at Sikkim Government Press, Gangtok, GOVERNMENT SIKKIM GAZETTE Gangtok NO. 6/1-0/2004 EXTRAORDINARY PUBLISHED BY AUTHORITY Tuesday, 26th October, GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK NOTIFICATION 2004 No. 409 Dated: 15.10.2004 The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 4th day of October, 2004 is published for general information.- THE SIKKIM SALES TAX (AMENDMENT) ACT, 2004 (ACT NO. 6 OF 2004) AN ACT further to amend the Sikkim Sales Tax Act, 1983. Be it enacted by the Legislature of Sikkim in the Fifty-fifth Year of the Republic of India, as follows: Short title, extent and commencement Amendment of section 2 Insertion of proviso to section 4A(1) (1) This Act may be called the Sikkim Sales Tax 1. (Amendment) Act, 2004. (2) it extends to the whole of Sikkim. (3) It shall come into force at once

2. In the Sikkim Sales Tax Act, 1983 (hereinafter referred to as the principal Act, in clause (ra) of section 2, after the words "immovable property or the" and before the word "installation", the following words shall be inserted, namely: -"fabrication, manufacture, processing modification, erection, commissioning" **3. In the principal Act, in sub-section (I) of section 4A, the following proviso shall be inserted, namely: -**"Provided that all amounts towards labour charges and other like Insertion of new section 5C "information of awarding of works contract". this section, shall deduct towards payment of lump sum tax, by way of composition at the prescribed rate or rates from the contractor on account of the works contract executed by him and remit the amounts so deducted to the State Government. (4) If any person fails to deduct or having deducted fails to remit to the State Government within the prescribed time, the amount deductible under sub-section (1) and sub-section (3), shall be liable for penalty of a sum not

exceeding twice the amount deductible. (5) The amount deductible and actually deducted under sub-section (3) and sub-section (4) shall be deemed to be a tax for the purpose of the Sikkim (Collection of Taxes and Prevention of Evasion of Payment of Taxes) Act, 1987 (7 of 1987). (6) The prescribed authority may, for the purpose of ascertaining the deduction or payment of tax in appropriate manner and for evaluation thereof, require any contractor, including a contractor not registered under this Act, to produce before him any of the relevant documents maintained by the contractor and or to furnish any information connected with the works executed by such contractor, subject to sub-section (2) of this section, and the contractor shall comply with such requirements. (7) Subject as aforesaid, the relevant documents shall, at all reasonable times, be open to inspection, search and seizure, if need be, by the prescribed authority or any person appointed to assist him undersub-section (1) of section 3. The provisions laid down under sub-section (5) of section 18 shall apply in case of seizure of the documents"

5. In the principal Act, after section 5B, the following section shall be inserted, namely - "5C.Any person entering into any contract/letter of intent with any contractor for transfer of property in 3 Illustration: - A dealer selling five hundred tickets shall be liable to pay twenty percent of sale price of the five hundred tickets sold, as sales tax. (3) Compounded rate of tax on sale of lottery tickets: • (a) Any dealer of lottery tickets registered under this Act and liable to pay tax on sales made in the State of Sikkim, may, at his option, pay the tax in lieu of tax payable under sub-section (2) of section 5A at such compounded rate as prescribed in the Schedule appended herewith. (b) The tax payable at a compounded rate prescribed in the Schedule referred to in clause (a) of sub-section (3) shall be paid by the dealer to the Government in the manner as may be prescribed. (c) Any dealer who intends to opt for payment under clause (a) of sub-section (3) shall make an application for permission to the Commissioner in such manner as may be prescribed. (d) After verification as may be deemed necessary, the Commissioner, if satisfied, may grant, permission to the applicant who applies for permission under clause (c) of sub-section (3) of section 5A. Sl. No. 01 02 03 05 06 07 SCHEDULE Type of draw on the basis Of price of ticket. Draw for tickets having a price upto Re.1/- Draw for tickets having a price above Re. 1/- and upto Rs.2/- Draw for tickets having a price above Rs.2/- and upto Rs.5/- Draw for tickets having a price above Rs.5/- and upto Rs. 10/- Draw for tickets having a price above Rs. 10/- and upto Rs.20/- Draw for tickets having a price above Rs.20/- but less than Rs.50/- Draw for tickets having a price of Rs.50/- and above Compounded rate per draw. Rs.5,000/- Rs. 10,000/- Rs. 15,000/- Rs.20,000/- Rs.25,000/- Rs.30,000/- Rs.50,000/- (4) (a) The dealer of lottery tickets liable to pay tax under this section shall furnish statements of each draw within seven days from the date Of draw in the form and manner as may be prescribed. (b) Notwithstanding anything contained in section 1 1, such dealer shall furnish quarterly returns within thirty days from the last day of the end of each quarter along with the proof of payment Of tax, in such form and manner as may be prescribed." 2 Insertion of new item in Schedule 11 Repeal and Savings 3

4. In the said Act, in Schedule 11, after serial number 200, the following serial number shall be added, namely, - "201 Lottery tickets (I) The Sikkim Sales Tax (Amendment) Ordinance, 2005 (Ordinance No.1 of 2005) is hereby repealed. (2) Notwithstanding such repeal, anything done or any action taken in exercise of the powers conferred by or under that Ordinance shall be deemed to have been done or taken in exercise of the powers conferred by or under this Act as if this Act was in force on the day on which such things was done or such action was taken. BY ORDER. R. K. PURKAYASTHA, SSJS Legal Remembrancer-cum-Secretary Law Government of Sikkim, Gangtok File No. 16 (82)LD/2005 13. 14. (ii) in sub-section (4), for the words "twenty thousand rupees" the words "thirty thousand rupees" shall be substituted. In the principal Act, in sub-section (3) of section 28 for the words, "rupees one thousand" the words "rupees twenty thousand" and for the words, "rupees fifty" the words "rupees five hundred" shall be substituted. In the principal Act, in clause (fb) of sub-section (4) of section 28, after the words and figures "under section 14A" the words and figures section 5B and section 15A" shall be inserted. By Order of the Governor. Tashi Wangdi, SSJS Legal Remembrancer-cum-Secretary Law. File No. SIKI<BM GAZETTE GOVERNMENT EXTRAORDINARY PUBLISHED BY AUTHORITY No. 212 Gangtok No. 6/LD/P/2005 Thursday, 19th May, 2005 GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK NOTIFICATION Dated: 15.4.2005 The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 9th day oi March, 2005 is hereby published for general information:- SIKKIM SALES TAX (AMENDMENT) ACT, 2005 (ACT NO. 6 OF 2005) ACT further to amend and consolidate the laws relating to the levy ot tax on sale of goods in the State of Sikkim. BE it

enacted by the Legislature of Sikkim in the fifty-sixth year of the Republic of India as follows:- Short title, extent and commencement Amendment of section 29. I (1) This Act may be called the Sikkim Sales Tax (Amendment) Act, 2005. (2) It extends to the whole of Sikkim. (3) It shall come into force with effect from 1st April, 2005. Notwithstanding anything contained in the Sikkim Sales Tax Act, 1983 (hereinafter referred to as the Principal Act) the provisions of the said Act, shall in so far as they relate to the commodities/products which fall under the purview of provisions of Sikkim Value Added Tax Act, 2005 shall stand repealed: Provided further that in so far as commodities/products not covered by the provisions of Sikkim Value Added Tax Act, 2005 and are covered by the provisions of Sikkim Sales Tax Act, 1983 shall accordingly continue to be dealt with and governed by the provisions of this Act. By Order R. K. PURKHAVASTA, SSJS LEGAL REMEMBRANCER-CUM- SECRETARY GOVERNMENT OF SIKKIM, GANGTOK. F. No. 16 (82) LD/2005. SIKKIM GAZETTE GOVERNMENT EXTRAORDINARY PUBLISHED AUTHORITY 0th September 2005 Tuesday to GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK No: OILD/2005 NOTIFICATION NO. 346 Dated: 20/9/2005 The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 7th September, 2006 is hereby published for general information:- THE SIKKIM SALES TAX (AMENDMENT) ACT, 2005 (ACT NO. 11 OF 2005) ACT further to amend the Sikkim Sales Tax Act, 1983. Be it enacted by the Legislature of Sikkim in the Fifty-sixth year of the Republic of India as follows: - Short title, extent and Substitution of section 5A (1) This Act may be called the Sikkim Sales Tax (Amendment) Act, 2005. (2) It extends to the whole of Sikkim. (3) It shall come into force at once

2. In the Sikkim Sales Tax Act, 1983, (hereinafter referred to as the said Act) for the existing section 5A, the following shall be substituted, namely: - "5A (1) Every dealer dealing in lottery tickets who has been registered on application made under Sikkim Sales Tax Act, 1983, for so long as his registration remains in force, is liable to pay tax under this Act. (2) Levy and rates on sale of tickets: - The tax payable by a dealer on sale of lottery tickets, who is liable to pay tax under this section on his taxable turnover of sales, shall be levied at the e, nh turnover/sales which represents jabs lottery