

THE NAGALAND SALES TAX (AMENDMENT) ACT, 1974

(NAGALAND ACT NO. 12 OF 1974)

(Received assent of the Governor on the 19th November, 1974 and published in the Nagaland Gazette Extraordinary dated 30th November, 1974).

An

Act

further to amend the Nagaland Sales Tax Act, 1967 and to consolidate the law on Sales Tax in Nagaland.

It is hereby enacted in the twenty-fifty year of the Republic of India as follows : —

1. Short title, extent and commencement.

- (1) This Act may be called the Nagaland Sales Tax (Amendment) Act, 1974.
- (2) It extends to the whole of Nagaland.
- (3) It shall come into force on such date as the State Government they, by notification in the official Gazette appoint, and different dates may be appoint for different provision and different areas.

2. Amendment of Section 2.

- (1) In the Nagaland Sales Tax Act, 1967 (as amended in 1971) (hereinafter referred to as the Principal Act) sub-section (3) of Section 2 of the Principal Act shall be substituted by the following sub-section (3), namely : —“Dealer” means any person who carries on the business of buying or selling goods in Nagaland and includes Government. *Explanation I*:- A Cooperative Society or a club or any Association Which sells goods to its members is a dealer. *Explanation II* : — A factor, a broker, a commission agent, a delcredere agent, an auctioneer or any other merchantile agent, by whatever name called, and whether of the same description as hereinbefore mentioned or not who carries on the business of Selling goods and who has in the customary course of business, authority to sell goods belonging to others including the principal is a dealer. *Explanation III* :— ‘Business’ includes
 - (a) any trade, commerce or manufacture or any adventure or concern in the nature of trade, commerce, or manufacture, whether or not such trade, commerce, manufacture, adventure or Concern is carried on with the motive to make profit and whether or not may profit accrues from such trade, commerce, manufacture or concern; and
 - (h) any transaction in connection with or ancillary or incidental to such trade, commerce, manufacture, adventure or concern.”
- (2) After sub-section (7) of Section 2 of the principal Act, the following sub-section. shall he inserted, namely —“(7A) ‘Concessional turnover’ means the turnover which is covered by sub-clause (h) of clause 1 of section 14.”
- (3) (a) In clause (a) of sub-section (12) of section 2 of the principal Act, the words “or” appearing at the end of the said clause of sub-section (12) of Section 2 of the principal Act shall he omitted.
 - (h) Clause (b) of sub-section (12) of Section 2 of the principal Act shall be omitted.

3. Amendment of Section 4.

- (1) Sub-section (1) of Section 4 of the principal Act shall he substituted by the following sub-section (1) namely —“Subject to the provision of this Act, every dealer whose gross

turnover from sales which have taken place either wholly in Nagaland or both in and outside Nagaland during the twelve months immediately preceding the date of such commencement exceeded Rs; 12,000/- shall he liable to pay tax under this Act on all sales which hose taken place in Nagaland on and from date of such commencement.”

(2) Sub-section (2) of Section 4 of the principal Act shall he substituted by the following sub—section (2) namely : —“Every dealer to whom sub—section (1) does not apply shall. if his gross turnover calculated from the commencement of any year exceeds the taxable quantum, at any time within such year, be liable to pay tax under this Act, on the expiry of two calendar ^{onths} from the date On which such gross turnover first exceeds the taxable quantum, on sales effected after such expiry.”

(3)Sub-section (6) of Section 4 of the principal Act shall be substituted by the following sub-section (6) namely : —“Every dealer whose liability to pay tax under the provision of subsection (4), shall, if his gross turnover calculated from the commencement of any year again exceeds the taxable quantum at any time within such year, be liable to pay such tax on the expiry of two calendar months from the dates on which such gross turnover again first exceeds the taxable quantum on all sales effected after such expiry.”

(4)After sub-section (7) of Section 4 of the principal Act the following sub-section shall be inserted, namely —“(8)In this Act the expression ‘taxable quantum’ means —

- (a) In relation to any dealer who brings from outside the State any goods inside Nagaland for sale or’ manufacture/processes/produces any goods for sales 5,000/- Rupees; or
- (b) in relation to any other dealer, 20,000/-Rupees.”

4. Amendment of Section 5.

Section 5 of the principal Act shall be substituted by the following Section, namely : —
“The tax payable by a dealer under this Act shall be at the rates specified in the schedule I attached to this Act; provided that the State Government may, by notification in the official Gazette, notify different rates for different classes of goods; provided further that the rate of tax on any class or classes of goods shall not exceed twelve per-centum.”

5. Amendment of Section 6.

Sub-section (1) of Section 6 of the principal Act shall be substituted by the following sub-section namely : —“(1)(a) The tax shall be charged at the specified rates for each class of goods on the ‘Gross turnover’ of a dealer subject to such deduction as may be prescribed.

- (b) Every dealer shall pay tax at such rates as may be prescribed on his “concessional turnover”.

Provided that the State Government may, by notification in the official Gazette, enhance or reduce the rate of tax on ‘concessional turnover’;

Provided further that the rate of tax as concessionalJ turnover shall not exceed three per-centum.

6. Amendment of Section 7.

Section 7, of the principal Act shall be substituted by the following Section, namely —“No tax shall be levied under this Act on the sale of —

- (1) Goods taxable under the Nagaland (Sales of Petroleum and Petroleum Products, including Motor Spirit and Lubricants) Taxation Act, 1%7.
- (2) Goods covered by sub-section (4) of Section 4 *ibid*.
- (3) Goods specially exempted under the provisions of this Act.”

7. Amendment of Section 11.

Sub-section (1) of Section 11 of the principal Act shall be substituted by the following sub-section namely —“(1) Any dealer whose gross turnover during a year exceeds 5,000/- rupees may not withstanding that he may not be liable to pay tax under Section 4, apply in the prescribed manner to the prescribed authority for registration under this Act.”

8. Amendment of Section 14.

Clause (b) of sub-section (1) of Section 14 shall be substituted by the following clause, namely —“Sales to a registered dealer of goods of the class or classes specified in the certificate of registration of such dealer as being intended for resale by him in Nagaland or for use by him directly in the manufacture in Nagaland of goods for sale, and of containers

and other materials for the packing of goods of the class or classes so specified;
Provided that deduction on account of sales referred to in sub-clause (b) shall be allowed to the dealer who sells the goods only when he can furnish in the prescribed manner a declaration containing prescribed particulars in the prescribed form obtainable in such manner and subject to such conditions and restrictions as may be prescribed by the prescribed authority duly filled up and signed by the registered dealer to whom the goods are sold.”

9. Amendment of Section 22.

Sub-section (3) of Section 22 of the principal Act shall be omitted.

10. Amendment of Section 48.

Sub-sections (4) and (5) of Section 48 of the principal Act shall be omitted.

11. Amendment of Section 57.

Clause (d) of sub-section (2) of Section 57 shall be omitted.

12. The following entry shall be inserted after number 23 in the Schedule I appended to the principal Act, and the same shall be renumbered as entry number 24.

“24. Wines, Liquors and Alcoholic drinks other than drugs.”