

Rep. Reg. Act 58 of 1960, S. 2 & Sec I (w.r. 28.12.60)

THE CENTRAL SALES TAX (AMENDMENT) ACT, 1957

No. 16 OF 1957

[4th June, 1957]

An Act to amend the Central Sales Tax Act, 1956.

BE it enacted by Parliament in the Eighth Year of the Republic of India as follows:—

Short title. 1. This Act may be called the Central Sales Tax (Amendment) Act, 1957.

Amendment of section 8. 2. In section 8 of the Central Sales Tax Act, 1956 (hereinafter referred to as the principal Act), in sub-section (5), for the words "the Central Government" and "any Union territory", the words "the State Government" and "the State" shall respectively be substituted.

Amendment of section 14. 3. In section 14 of the principal Act, after item (ii), the following item shall be inserted, namely:—

"(iia) cotton yarn, but not including cotton yarn waste;"

Substitution of new section for section 15. Restrictions and conditions in regard to tax on sale or purchase of declared goods within a State. 4. For section 15 of the principal Act, the following section shall be substituted, namely:—

"15. Every sales tax law of a State shall, in so far as it imposes or authorises the imposition of a tax on the sale or purchase of declared goods, be subject to the following restrictions and conditions, namely:—

(a) the tax payable under that law in respect of any sale or purchase of such goods inside the State shall be levied only in respect of the last sale or purchase inside the State and shall not exceed two per cent. of the sale or purchase price;

(b) notwithstanding anything contained in clause (a), no tax shall be levied in respect of the last sale or purchase inside the State if the declared goods purchased are intended for sale in the course of inter-State trade or commerce.

Explanation.—The expression “last sale or purchase inside the State” means the transaction in which a dealer registered under the sales tax law of the State—

(i) sells to or purchases from another such dealer declared goods for use by the purchaser in the manufacture of goods for sale or for use by the purchaser in the execution of any contract; or

(ii) purchases declared goods from another such dealer for sale to a dealer not registered under the sales tax law of the State or to a consumer in the State.”