

## ACT NO. II OF 1917.

[PASSED BY THE INDIAN LEGISLATIVE COUNCIL.]

(Received the assent of the Governor General on the 16th  
February, 1917.)

An Act to provide for the imposition and levy  
of certain duties on motor spirit.

**W**HEREAS it is expedient to impose an excise  
duty and to increase the existing customs  
duty on motor spirit; It is hereby enacted as fol-  
lows:—

1. (1) This Act may be called the Motor Spirit  
(Duties) Act, 1917;

Short titles  
extent and  
duration.

(2) It extends to the whole of British India; and

(3) It shall remain in force during the continuance  
of the present war, and for a period of six months  
thereafter.

2. "Manufactory" means any place where  
motor spirit is refined or otherwise prepared.

Definitions.

"Motor spirit" means any inflammable hydro-  
carbon (including any mixture of hydro-carbons or  
any liquid containing hydro-carbon) which is capable  
of being used for providing reasonably efficient  
motive power for any form of motor vehicle.

3. (1) There shall be levied and collected at every  
manufactory in British India on all motor spirit  
produced in such manufactory, a duty at the rate of  
six annas on each imperial gallon.

Imposition of  
excise duty  
on motor  
spirit manu-  
factured in  
British India.

*Explanation.*—Motor spirit is said to be produced,  
within the meaning of this section, when it is issued  
out of the premises of the manufactory.

(2) If any duty payable under sub-section (1) is  
not paid within the time fixed by a notice issued in  
accordance

accordance with any rules made under this Act, the authority to which such duty is payable may, in lieu thereof, recover any sum not exceeding double the amount of the duty so unpaid, which such authority may in its discretion think it reasonable to require.

(3) All sums recoverable under sub-section (1) shall be recovered in the manner prescribed in the Indian Income-tax Act, 1886, section 30, sub-sections (1), (2) and (3), with respect to the sums therein referred to. II of 1886.

Issue of motor spirit after commencement of Act.

4. (1) After the commencement of this Act, no person shall issue any motor spirit out of the premises of any manufactory, except in accordance with the provisions of rules made under this Act in that behalf, or, until such rules are made, in accordance with the general or special orders of the Local Government.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with fine which may extend to rupees one thousand, or to a sum double the amount of the duty payable on any motor spirit so issued, whichever is greater.

Application of Sea Customs Act and rule-making power.

5. (1) The Governor General in Council may, by notification in the Gazette of India, declare that any of the provisions of the Sea Customs Act, 1878, relating to the levy of and exemption from, custom duties, drawback of duty, warehousing, offences and penalties, confiscation, and the procedure relating to offences and appeals shall, with such modifications and alterations as he may consider necessary or desirable to adapt them to the circumstances, be applicable in regard to like matters in respect of the duty on motor spirit imposed by section 3, and may further, for the purpose of providing for the assessment and collection of the said duty and for purposes ancillary thereto, make rules— VIII of 1878.

- (i) imposing on owners of manufactories the duty of furnishing returns and keeping records and books, prescribe the forms of such returns, records and books and the particulars to be contained therein respectively, and the manner in which the same are to be verified and

and all such other conditions thereof as may be necessary;

- (ii) providing for the regulation of the issue of motor spirit out of manufactories, the assessment of the duty, and the issue of notices requiring payment and for the recovery of unpaid duty;
- (iii) providing for the inspection of manufactories and for the taking of samples, and for the making of tests of any substance produced therein;
- (iv) generally carrying into effect the purposes hereinbefore specified.

(2) In making any rule under the rule-making power hereinbefore conferred, the Governor General in Council may declare that any breach thereof shall be punishable with fine which may extend to rupees five hundred.

VIII of 1894. **6.** In addition to the duty imposed by section 3 of the Indian Tariff Act, 1894, as subsequently amended, read with Schedule II of the said Act, there shall be levied and collected at every port to which that Act applies a duty at the rate of six annas on each imperial gallon of motor spirit, and this additional duty shall be deemed to be a duty imposed under section 3 of the said Act, and that Act shall apply accordingly.

Imposition of additional duty on motor spirit imported into British India.