

Rep. Act 2 of 1941.  
(When notified)

## ACT No. X OF 1941.

[PASSED BY THE INDIAN LEGISLATURE.]

(Received the assent of the Governor General on the 31st March, 1941.)

**An Act to provide for the imposition and collection of an excise duty on tyres.**

**W**HEREAS it is expedient to provide for the imposition and collection of an excise duty on tyres;

It is hereby enacted as follows:—

1. (1) This Act may be called the Tyres (Excise Short title and extent. Duty) Act, 1941.

(2) It extends to the whole of British India.

2. In this Act, unless there is anything repugnant Definitions. in the subject or context,—

(a) "manufactory" means any premises wherein tyres are manufactured;

(b) "owner" includes any person expressly or impliedly authorised by an owner of a manufactory to be his agent in respect of the manufactory;

(c) "tyre" means a pneumatic tyre in the manufacture of which rubber is used, and includes the inner tube and the outer cover of such a tyre.

3. (1) A duty of excise at the rate of ten per cent. Imposition of and amount of duty. on the value thereof shall be levied on all tyres manufactured in any manufactory in British India and issued out of such manufactory on or after the 1st day of April, 1941, and shall be payable by the owner of the manufactory.

(2) For the purposes of levying the duty imposed by sub-section (1) the Central Government may, by notification in the official Gazette, fix the values of tyres or of any class of tyres; and where no such value has been fixed the value of a tyre shall be deemed to be the wholesale cash price, less trade discount, for which a tyre of the like kind and quality is sold or is capable of being sold by a manufactory without any abatement or deduction whatever except the amount of the excise duty payable on it at the time of issue out of the manufactory.

4. (1) If

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Price Anna 1 or 1½d.

Applied to Br. Baluchistan, see Notifn. No. 50-F, dated 1.4.41., G. of I. 1941, Pt. I, p. 467.

Recovery of  
duty with  
penalty.

4. (1) If any duty payable under section 3 is not paid within the time fixed by a notice issued in accordance with any rules made in this behalf under this Act, it shall be deemed to be an arrear, and the authority to which such duty is payable may, in lieu thereof, recover any sum, not exceeding double the amount of the duty unpaid, which such authority may in its discretion think it reasonable to require.

(2) An arrear of duty, or any sum recoverable in lieu thereof under this section, shall be recoverable as an arrear of land-revenue and shall be recoverable in addition to, and not in substitution for, any other penalty incurred under this Act.

Issue from  
manufactory.

5. (1) No person shall issue any tyres out of any manufactory except in accordance with the provisions of rules made under section 8 regulating such issue, or, until such rules are made, in accordance with the general or special orders of the Central Government.

(2) Whoever contravenes any such rule or order shall be punishable with fine which may extend to one thousand rupees or to a sum double the amount of the duty on any tyres issued in contravention of such rule or order, whichever is greater.

Application of  
the provisions  
of Act VIII of  
1878 to the  
duty on tyres.

6. The Central Government may, by notification in the official Gazette, declare that any of the provisions of the Sea Customs Act, 1878, relating to the levy of VIII of 1878. and exemption from customs duties, drawback of duty, warehousing, offences and penalties, confiscation and procedure relating to offences and appeals shall, with such modifications and alterations as it may consider necessary or desirable to adapt them to the circumstances, be applicable in regard to like matters in respect of the duty imposed by sub-section (1) of section 3.

Power of  
Central  
Government  
to prohibit  
import.

7. The Central Government may, by notification in the official Gazette, prohibit absolutely, or with such exceptions as it thinks fit, the bringing of tyres into British India from the territory of any specified Indian State.

Power to make  
rules.

8. (1) The Central Government may, by notification in the official Gazette, make rules—

(a) imposing on owners of manufactories the duty of furnishing returns and keeping records and books, and prescribing the form of such returns, records and books and the particulars to be contained therein, and the manner in which the same are to be verified ;

(b) regulating the issue of tyres out of manufactories;

(c) providing

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*Tyres (Excise Duty).*

- (c) providing for the assessment and collection of the duty, the issue of notices requiring payment, the authority to whom the duty shall be payable and the recovery of arrears;
- (d) authorising and providing for the inspection of manufactories; and
- (e) generally for carrying into effect the provisions of this Act.

(2) Such rules may provide that any breach thereof shall be punishable with fine which may extend to five hundred rupees:

Provided that the breach of any rule made under clause (b) of sub-section (1) shall be punishable with the punishment provided for an offence against section 5.