

**THE UTTARAKHAND CESS ACT, 2015**  
**[UTTARAKHAND ACT NO. 23 OF 2015]**

**AN**  
**ACT**

to provide for the purpose of State Disease Fund (Rajya Vyadhi Nidhi) and other matters connected therewith incidental thereto:

Be it enacted by the Uttarakhand Legislative Assembly in the Sixty-sixth Year of the Republic of India as follows:-

**Short title, Extent  
and  
Commencement**

1. (1) This Act may be called the Uttarakhand Cess Act, 2015.
- (2) It extends to the whole of Uttarakhand.
- (3) It shall come into force on such date as the State Government may, by notification appoint and different dates may be appointed for different provisions of this Act.

**Definition**

2. In this Act, and the context otherwise requires -
  - (a) “**Cess**” means a charge levied for meeting the objectives of this Act ;
  - (b) “**Commissioner**” means the Commissioner as defined in section 2 of the Uttarakhand Vat Act, 2005;
  - (c) “**Dealer**” means dealer as defined in section 2 of the Uttarakhand Value Added Act, 2005;
  - (d) “**Goods**” means goods as defined in section 2 of the Uttarakhand Value Added Act, 2005;
  - (e) “**Notification**” means a notification published in the official Gazette of the State of Uttarakhand;
  - (f) “**Person**” means person as defined in section 2 of the Uttarakhand Value Added Act, 2005;
  - (g) “**Prescribed**” means prescribed by the Act or by rules made

thereunder.

- (h) **“Rules”** means the rules made by the State Government under this Act;
- (i) **“Sale”** means sale as defined in section 2 of the Uttarakhand Value Added Act, 2005;
- (j) **“Sale Price”** means sale price as defined in section 2 of the Uttarakhand Value Added Act, 2005;  
<sup>1</sup>{Provided that the amount of tax under Uttarakhand Value Added Tax Act, 2005 (Act No. 27 of 2005), if separately charged by the dealer shall not be included in the sale price.}
- (k) **“Schedule”** means a schedule appended to this Act;
- (l) **“Vehicle”** means vehicle as defined in section 2 of the Uttarakhand Value Added Act, 2005.

## Part I

### Cess for Development of Road Infrastructure

**Levy and collection of cess**      **3**

(1) There shall be levied a cess under this Act;

(a) for the purpose of development of Road Infrastructure, on the sale or purchase of such goods, within the State, as specified in Schedule I of this Act, with effect from such date and at such point and at such rate, as the State Government may, by notification in the official Gazette, specify provided that such rate shall not exceed ten percent of the sale or purchase price of such goods, subject to the conditions, if any, as specified in the Schedule –I.

(b) for the purpose of State Disease Fund (Rajya Vyadhi Nidhi) on the sale or purchase of such goods, within the State, as specified in Schedule II of this Act, with effect from such date and at such point and at such rate, as the State Government may, by notification in the Official Gazette, specify:

.....  
 1- Inserted by section 2 of Uttarakhand Act no. 16 of 2020.

Provided that such rate shall not exceed ten percent of the sale or purchase price of such goods, subject to the conditions, if any, as specified in the Schedule II.

(c) for the purpose of protection of environment, on the goods carried by road, as specified in Schedule III of this Act, with effect from such date and at such point and at such rate, as the State Government may, by notification in the official Gazette, specify,

provided that such rate shall not exceed Rs. fifty per quintal of such goods, or ten percent of the sale or purchase price of the goods, as the case may be subject to the conditions, if any, as specified in the Schedule .

(2) Every dealer or person, who sells the goods specified in Schedule I or Schedule II and who is registered or is liable to be registered under the provisions of the Uttarakhand VAT Act, 2005, shall be liable to pay Cess in a manner and within a time, as may be prescribed.

(3) The owner or person duly authorised by such owner or the driver or person in-charge of the vehicle or of such goods, as specified in Schedule III, in movement, as the case may be, who carries or intends to carry such goods by road shall, before movement of such goods, pay the said Cess or cause such Cess to be realized by such person and in such a manner as may be prescribed:

(a) Realization of tax through seller or supplier:

Notwithstanding anything contained in any other provision of this Act, any person who intends to carry the goods of Schedule III to a place outside the State from any seller or supplier within the State, shall at the time of taking delivery of the goods from the supplier, pay to such supplier the cess payable on carriage of such

goods to outside the State and the seller or supplier shall receive the cess so paid. The seller or supplier shall also be bound to give delivery of such goods to the transporter only when the amount of such cess has been paid by the transporter only when the amount of such cess has been paid by the transporter to the seller or supplier. The seller or supplier shall deposit the Cess so received, in such manner and within such time as may be prescribed.

(b) where any seller or supplier fails to recover the Cess or fails to deposit it under this section, he shall be liable to pay the cess along with the interest and penalty to the extent of two times of the cess, which shall be recoverable as arrears of land revenue.

(4) The proceeds of the cess collected under different schedules of this Act, shall be applied to specially created funds as follows;

(i) Cess collected under Schedule I shall be applied to the fund created for Development of Road Infrastructure and Road Safety Measures.

(ii) Cess collected under Schedule II shall be applied to the State Disease Fund (Rajya Vyadhi Nidhi).

(iii) Cess collected under Schedule III shall be applied to the Specially Created Fund for the protection of environment (Paryavaran Sanrakshan Kosh).

**credit of the  
proceeds of the  
cess or fee to  
specially created  
funds**

**4**

(1) The proceeds of the cess or the fee shall be applied respectively to the specially created funds as detailed in the foregoing provisions.

(2) The amount in the credit of the above funds shall be at the discretion of the State Government and it shall be utilized for the purpose for which it is levied and realized.

(3) If any question arises as to whether a purpose for which the

fund is being utilized is a purpose falling under section 3 or section 4 or section 5, the decision of the State Government thereon shall be final and conclusive.

(4) The person responsible for the payment of the cess, shall deposit the amount of cess due from him in such manner as may be prescribed.

**Mutatis Mutandis  
application of  
different acts**

5 (1) Subject to other provisions of this Act and the rules made thereunder, the authorities for the time being empowered to assess, reassess, collect and enforce payment of any tax under the Uttarakhand Value Added Tax Act, 2005, shall assess, reassess, collect and enforce payment of cess, including any interest or penalty payable by a dealer or person, as if the cess or penalty or interest payable by such dealer or a person under this Act is a tax or penalty or interest payable by such dealer or a person under the Uttarakhand Value Added Tax Act, 2005 and for this purpose they may exercise all or any of the powers they have under the Uttarakhand Value Added Tax Act, 2005 and the rules framed thereunder and the provisions of such law, including the provisions relating to the returns, provisional assessment, assessment, reassessment, rectification, review, advance payment of tax registration, imposition of the tax liability, recovery of tax from third parties, appeals, reviews, revisions, rectifications, references, refunds, rebates, interest or penalty, charging or payment of interest, compounding of offences, shall mutatis mutandis apply.

(2) The provisions of Forest Rules relating to the issuance of Abhivahan Pass for movement of Timber shall be deemed to be part of this Act and the requirements of such Abhivahan Pass to be accompanied with Timber before their movement, shall be deemed to be mandatory requirement for the purposes of this Act,

<b>Power of commissioner</b>	<b>6</b>	<p>(1) The Commissioner shall have jurisdiction over whole of the State and shall exercise all the powers conferred, and perform all the duties imposed upon him by or under the Act or Rules made thereunder.</p> <p>(2) Consistent with the provisions of the Act and the Rules made thereunder, the Commissioner shall have superintendence over all officers and persons employed in the execution of the Act and the Rules, and the Commissioner may from time to time issue such orders, instructions and directions as he may deem fit for the proper administration of the Act and for regulating the procedure to be followed in carrying out the provisions of the Act and the rules;</p> <p>Provided that no such instructions or directions shall be given so as to interfere with the discretion of the Appellate Authority in the exercise of his appellate functions.</p> <p>(3) The Commissioner shall have all the powers exercisable by his subordinate authorities other than the appellate authorities.</p> <p>(4) Subject to such restrictions and conditions as may be specified by the Government from time to time, the Commissioner may, by order in writing, delegate any of his power and functions under the act and the Rules made thereunder, to any officer subordinate to him.</p>
<b>Inspection of accounts, search and seizures</b>	<b>7</b>	<p>With a view to prevent or check avoidance or evasion of cess or attempt of evasion of cess, the provisions of chapter VI of Utrkhand Value Added Tax Act, 2005 regarding Inspection of Accounts, search and seizures shall mutatis-mutandis apply.</p>
<b>Sale invoice</b>	<b>8</b>	<p>In case of sale or purchase of goods, the amount of cess charged shall be shown separately in the invoice. Other provisions of section 60 of UK Vat Act, 2005 regarding sale invoice shall mutatis-mutandis apply.</p>

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|-------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Powers of State Government to make rules</b> | <b>9</b>  | The State Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act. However, where no rule has been framed regarding any mater, the Utrakhand Value Added Tax Rule, 2005 shall mutatis-mutandis.                                                           |
| <b>Indemnity</b>                                | <b>10</b> | No suit, prosecution or other legal proceedings shall lie against the State Government or any officer of the State Government for anything, which is done or intended to be done in good faith under this Act and rules or regulations made thereunder.                                                         |
| <b>Power to remove difficulties</b>             | <b>11</b> | If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as may appear to be necessary for removing the difficulty.                                |
| <b>Overriding effect on other laws</b>          | <b>12</b> | Save as otherwise provided in this Act, the provisions of this Act, or rules or regulations or by-laws made thereunder, shall have effect notwithstanding anything inconsistent therewith contained in other law, enacted by the State Legislature and for the time being in force in the State of Uttarakhand. |
| <b>Bar on jurisdiction of civil courts</b>      | <b>13</b> | No order passed or action taken under this Act, rules or regulation made thereunder, shall be subject to challenge except as provided in this Act and no civil court shall have jurisdiction in respect of any mater, which the Authority is empowered to decide and adjudicate upon.                           |

**Schedule I**  
**Cess on Sale or Purchase of Goods**

[under sub-section (1) (a) of section 3 of the Uttrakhand Cess Act, 2015]

Sl.No.	Description of Goods	Incidence of Cess	Rate
1	Petrol	On first sale of goods in the State after import into the State from outside the State	One rupee per liter
2	Diesel	On first sale of goods in the State after import into the State from outside the State	Twenty five paise per liter

**Schedule II**  
**Cess on Sale or Purchase of Goods**

[under sub-section (1) (b) of section 3 of the Uttrakhand Cess Act, 2015]

Sl.No.	Description of Goods	Incidence of Cess	Rate of cess
1	All kinds of Liquor	At the point of sale to consumer	two percent of the value of the goods
2	Khaini, Tobacco, Cigarette, Gutkha	At the point of manufacture or at the point of first sale of goods in the State, after their import from outside the State	two percent of the value of the goods



**Schedule III**  
**Cess on carriage of goods by Road**

**[under sub-section (1) (c) of section 3 of the Uttrakhand Cess Act, 2015]**

Sl.No.	Description of Goods	Incidence of Cess	Rate of Cess
1	Timber and wood of all kinds and of al trees of whatever species, whether growing, cut or sawn but not including their products and firewood.	on goods being carried by road to outside the State	Rs. 50 per quintal
2	Ready to eat foods (fast foods) sold by Pizza Outlets or Fried Chicken Outlets, Pre-packed eatables, Pre-packed soft drinks, fruit drinks, flavoured drinks and beverages but not including pre-packed lassi, buttermilk and milk.	At the point of manufacture or at the point of first sale of goods in the State, after their import from outside the State	5 percent of the value of the goods.