

Point: 227 to 231

Department: Commercial Tax

ET Act Sec. 3 : Incidence of taxation

III-7

²¹Sec. 3 : Incidence of taxation

(1) There shall be levied an entry tax,-

- (a) on the entry in the course of business of a dealer of goods specified in Schedule - II, into each local area for consumption, use or sale therein; and
- (b) on the entry in the course of business of a dealer of goods specified in Schedule - III into each local area for consumption or use of such goods but not for sale therein;

and such tax shall be paid by every dealer liable to tax under the ²²[VAT Act] who has effected entry of such goods :

Provided that no tax under this sub-section shall be levied,-

- (i) in respect of goods specified in Schedule - II other than the local goods, purchased from a registered dealer on which entry tax is payable or paid by the selling registered dealer;
- (ii) in respect of goods specified in Schedule - II which after entry into a local area are sold outside the State or in the course of inter-State trade or commerce or in the course of export out of the territory of India;
- (iii) in respect of goods specified in Schedule - III imported from outside the State for consumption or use but which have been disposed of in any other manner;
- (iv) in respect of goods exempted from entry tax under Section 10;
- ²³(v) in respect of goods specified in Schedule II and Schedule III, which are entered by an industrial unit established by a registered dealer, from one local area to another local area either within the same industrial growth centre developed by Audyogik Kendra Vikas Nigam or within the same industrial area, for consumption as raw material;
- (vi) in respect of goods specified in Schedule II and Schedule III, being semi-finished product of an industrial unit established by a registered dealer, which are transferred to an industrial unit situated in different local area for intermediate processing or finishing and after such processing or finishing, are transferred back to the original unit for manufacture of final saleable product;

²¹ Sec. 3 substituted by Entry Tax (Second Amendment) Act, 1997, w.e.f. 1.10.97.

²² Subs. for the words 'Vanijyik Kar Adhinyam' first by Entry Tax (Amendment) Ordinance, 2006 and then by Entry Tax (Amendment) Act, 2006 w.e.f. 1.4.06.

²³ Clause (v) to (vii) of the first proviso inserted by Entry Tax (Amendment) Act, 2011, w.e.f. 1.4.2011.