

Environment Tax-2010.

The Central Government has made Bharat Stage-I pollution norms mandatory from April 2000 for the vehicle manufacturers. The Bharat Stage-IV norms, for vehicular pollution have become mandatory in Mumbai and other 10 cities, while Bharat stage -III norms being in effect in the remaining areas.

The permissible carbon monoxide content for petrol driven four wheelers was 14.3 to 27.1 gm/km in 1991. This is 9 to 14 times more than the pollutants emitted by the presently manufactured vehicles. Hence to reduce the vehicular pollution, it is necessary that the use of old vehicles may be discouraged and the use of new vehicles complying the new pollution norms be promoted on road. The old polluting vehicles will be levied environment tax. The environment tax collected from these vehicles shall be utilised towards pollution control measures clean fuels, strengthening the public transport system, establishment of advanced vehicle testing stations for issue / renewal of fitness certification of the vehicles.

To achieve the goal of cleaner air, the Environment tax has been levied on the old vehicles vide on ordinance dt. 15th Oct, 2010.

Bill of Environment tax on Motor Vehicles-2010

Vide an ordinance dated 15th Oct, 2010 the Environment tax has been levied in Maharashtra State on vehicles of age above 8 years and 15 years. The non transport vehicles above 15 years of age and light transport vehicles running on CNG / LPG have been levied with an environment tax at prescribed rate for every 5 years. Also, the light transport vehicles above 8 years of age, not running on CNG/ LPG and all types of medium and heavy vehicles have been levied with an environment tax at a prescribed rate for 5 years and 1 year respectively.

At present, there are approximately more than 15 lakh vehicles above the age of 15 years and more than 6 lakh vehicles of age above 8 years. The environment tax will be recovered from such vehicles. Due to levy of this tax, part of the owners will phase out / scrap their vehicles which will result in reduction in the pollution load. The

owners, who will use their old vehicles will pay the environment tax which will be used for pollution control, clean fuel, strengthening the public transport system, to establish advanced vehicle testing stations for issue or renewal of the certificates of fitness etc. Considering the above facts, the expected revenue from environment tax is Rs. 171 crores. From 15th Oct, 2010 to January, 2011 of Rs. 7.99 crores has been recovered.

Copy of the ordinance is enclosed for ready reference.



**महाराष्ट्र शासन राजपत्र
असाधारण भाग आठ**

वर्ष २, अंक ३६] शुक्रवार, ऑक्टोबर १५, २०१०/आश्विन २३, अंक १९३२ [पृष्ठे ५, किंमत : रुपये १९.००

असाधारण क्रमांक ५९

प्राधिकृत प्रकाशन

महाराष्ट्र विधानमंडळाचे अधिनियम व राज्यपालांनी प्रख्यापित केलेले अध्यादेश व केलेले विनियम आणि विधी व न्याय विभागाकडून आलेली विधेयके (इंग्रजी अनुवाद).

In pursuance of clause (3) of article 348 of the Constitution of India, the following translation in English of the Bombay Motor Vehicles Tax (Amendment) Ordinance, 2010 (Mah. Ord. XV of 2010), is hereby published under the authority of the Governor.

By order and in the name of the Governor of Maharashtra,

H. B. PATEL,
Secretary to Government,
Law and Judiciary Department.

(Translation in English of the Bombay Motor Vehicles Tax (Amendment) Ordinance, 2010 (Mah. Ord. XV of 2010), published under the authority of the Governor.)

HOME DEPARTMENT

Mantralaya, Mumbai 400 032, dated the 15th October 2010.

MAHARASHTRA ORDINANCE No. XV OF 2010.

AN ORDINANCE

furtherto amend the Bombay Motor Vehicles Tax Act, 1958.

WHEREAS both Houses of the State Legislature are not in session ;

AND WHEREAS the Governor of Maharashtra is satisfied that circumstances exist which render it necessary for him to take immediate action further to amend the Bombay Motor Vehicles Tax Act, 1958, for the purposes hereinafter appearing :

Bom.
LXV
of
1958

भाग अठ-५९-१

महाराष्ट्र शासन राजपत्र असाधारण भाग भा. २, अंकित २५, २०१०/आश्विन २३, शके १९३२

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 213 of the Constitution of India, the Governor of Maharashtra is hereby pleased to promulgate the following Ordinance, namely :—

Short title and commencement. 1. (1) This Ordinance may be called the Bombay Motor Vehicles Tax (Amendment) Ordinance, 2010.
(2) It shall come into force at once.

Amendment of section 2 of Bom. LXV of 1958. 2. In section 2 of the Bombay Motor Vehicles Tax Act, 1958 (hereinafter referred to as "the principal Act"), in clause (6), after the words "additional or one time tax" the words "or environment tax" shall be inserted. Bom. LXV of 1958.

Insertion of section 3A in Bom. LXV of 1958. 3. After section 3 of the principal Act, the following section shall be inserted, namely :—

Levy of environment tax. "3A. (1) There shall be levied and collected a lump sum tax called the environment tax in addition to the tax levied under this Act on the motor vehicles used or kept for use in the State as specified in column (2) of the Fifth Schedule at the rates specified in column (3) thereof:

Provided that, where the transport motor vehicle running on the Compressed Natural Gas or Liquefied Petroleum Gas or the non-transport motor vehicle has completed more than 15 years from the date of first registration of such vehicle, on or before the date of commencement of the Bombay Motor Vehicles Tax (Amendment) Ordinance, 2010, such vehicle shall be deemed to have completed 15 years for the purposes of levy of the environment tax, as specified in the Fifth Schedule:

Mah. Ord. XV of 2010.

Provided further that, where the specified transport vehicle, whether running on or not running on the Compressed Natural Gas or Liquefied Petroleum Gas has completed more than 8 years from the date of first registration of such vehicle, on or before the date of commencement of the Bombay Motor Vehicles Tax (Amendment) Ordinance, 2010, such vehicle shall be deemed to have completed 8 years for the purposes of levy of the environment tax, as specified in the Fifth Schedule.

Mah. Ord. XV of 2010.

(2) The provisions of this Act and the Rules made thereunder excluding those relating to refund of tax, shall *mutatis mutandis* apply in relation to the levy, assessment and collection of the environment tax payable under sub-section (1)."

Amendment of section 11 of Bom. LXV of 1958. 4. In section 11 of the principal Act, after sub-section (3), the following sub-section shall be added, namely :—

"(4) The State Government shall use the proceeds of the environment tax for the following purposes,—

(a) to establish and develop vehicle inspection centres,

भारतीय शासन राजपत्र असाधारण भाग आठ, अक्टोबर १५, २०१०/आर.वि.नं. २३, शके १९३२

- (b) to establish and develop network of pollution checking centres,
 - (c) to establish and develop air quality testing centres,
 - (d) to encourage use of clean fuel,
 - (e) to encourage the use of vehicles running on solar energy or hybrid technology,
 - (f) to strengthen the public transport system,
 - (g) to train the drivers of the public transport system and enhance their awareness about preservation of environment,
 - (h) to establish advanced vehicle testing stations to issue or renew certificates of fitness,
 - (i) to undertake a research to suggest various methods and mechanisms to reduce pollution and to improve environment."
5. After Fourth Schedule to the principal Act, the following Schedule shall be added, namely:—

" FIFTH SCHEDULE

(See section 3A)

Addition of Fifth Schedule in Form LXV of 1968.

Sr. No.	Class and age of vehicle	Rate of environment tax in rupees
(1)	(2)	(3)
(1)	Non-transport vehicles which have completed 15 years from the date of their first registration, for every 5 years in lump sum, after completion of such 15 years,—	
	(a) Two wheeler	2000
	(b) Other than two wheeler (Petrol driven vehicles)	3000
	(c) Other than two wheeler (Diesel driven vehicles)	3500.
(2)(I)	Transport vehicles which have completed 8 years from the date of their first registration, and not running on Compressed Natural Gas (CNG) or Liquefied Petroleum Gas (LPG), for every 5 years in lump sum, after completion of such 8 years,—	
	(a) Three wheeler auto-rickshaw	750

FIFTH SCHEDULE—concl'd.

(1)	(2)	(3)
	(b) Taxis fitted with fare meters and permitted to carry not more than six passengers and Jeep type motor cab (black and yellow).	1250
	(c) Tourist taxi	2500
	(d) Light goods vehicles	2500.
(II)	Transport vehicles which have completed 15 years from the date of their first registration and running on Compressed Natural Gas (CNG) or Liquefied Petroleum Gas (LPG), for every 5 years in lump sum, after completion of such 15 years,—	
	(a) Three wheeler auto-rickshaw	750
	(b) Taxis fitted with fare meters and permitted to carry not more than six passengers and Jeep type motor cab (black and yellow).	1250
	(c) Tourist taxi	2500
	(d) Light goods vehicles	2500.
(3)	Transport vehicles other than those covered in entry (2) above, which have completed 8 years from the date of their first registration, thereafter for every year,—	
	(a) Medium, Heavy and Articulated goods vehicles with gross vehicle weight more than 7500 kg.	10 per cent. of annual tax.
	(b) Contract carriage buses and motor vehicles covered under Clause A-VII of the First Schedule.	2.5 per cent. of annual tax.
	(c) Private service vehicles	2.5 per cent. of annual tax.
	(d) Tourist buses	2.5 per cent. of annual tax.
	(e) Camper Van (Transport), Stage Carriage Vehicle, Special purpose Vehicle, Mobile Clinic, Ambulance, X-Ray Van, Library Van, Mobile Workshop, Cash Van, Hearse, Animal Ambulance, Fire Brigade Vehicles and motor vehicles covered under Clause A-VI of the First Schedule.	2.5 per cent. of annual tax.

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STATEMENT

Section 3 of the Bombay Motor Vehicles Tax Act, 1958 (Bom. LXV of 1958), provides for levy and collection of tax, on all motor vehicles used or kept for use in the State, at the rates fixed by the State Government, by notification in the *Official Gazette*, which shall not exceed the maximum rates specified in the First Schedule of the Act. However, at present, there is no provision for levy of an "environment tax" on the transport and non-transport vehicles in the State.

2. Newly manufactured transport and non-transport vehicles are being manufactured as per the environmental pollution norms. However, there are many old vehicles which do not comply the present environmental pollution norms and are still plying in the State causing environmental pollution which is more than the pollution caused by new vehicles. As a measure to control the environmental pollution caused by the old vehicles, the Government considers it expedient to levy the environment tax on the transport and non-transport vehicles. It is proposed that the Government shall use the proceeds of the environment tax for the purposes mentioned in the proposed new sub-section (4) of section 11 of the Act.

3. As both Houses of the State Legislature are not in session and the Governor of Maharashtra is satisfied that circumstances exist which render it necessary for him to take immediate action further to amend the Bombay Motor Vehicles Tax Act, 1958, for the purposes aforesaid, this Ordinance is promulgated.

Mumbai,
Dated the 14th October 2010.

K. SANKARANARAYANAN,
Governor of Maharashtra.

By order and in the name of the
Governor of Maharashtra,

C. S. SANGITRAO,
Secretary to Government.