

**KARNATAKA ACT No. 8 of 2007**  
**THE KARNATAKA MOTOR VEHICLES TAXATION (AMENDMENT) ACT, 2007**  
**Arrangement of Sections**

**Sections:**

1. Short title and commencement
2. Amendment of section 3
3. Amendment of section 4
4. Amendment of Section 7
5. Amendment of Section 10
6. Substitution of Section 15
7. Amendment of the Schedule

**STATEMENT OF OBJECTS AND REASONS**

**Amending Act 8 of 2007.**— To give effect to the proposals made in the Budget speech of 2007-2008, it is considered necessary to amend the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act 35 of 1957).

Hence, the Bill.

[L.A. Bill No. 18 of 2007]

[Entry 57 of List II of the Seventh Schedule to the Constitution of India.]

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**KARNATAKA ACT No. 8 of 2007**

(First Published in the Karnataka Gazette Extra-ordinary on the thirtieth day of March, 2007)

**THE KARNATAKA MOTOR VEHICLES TAXATION (AMENDMENT) ACT, 2007**

(Received the assent of the Governor on the thirtieth day of March 2007)

An Act further to amend the Karnataka Motor Vehicles Taxation Act, 1957.

Whereas it is expedient further to amend the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act 35 of 1957) for the purpose hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the Fifty eighth year of the Republic of India as follows:-

**1. Short title and commencement.-** (1) This Act may be called the Karnataka Motor Vehicles Taxation (Amendment) Act, 2007.

(2) It shall come into force with effect from the First day of April, 2007.

**2. Amendment of Section 3.-** In the Karnataka Motor Vehicles Taxation Act, 1957 (Karnataka Act 35 of 1957) (hereinafter referred to as the principal Act), in section 3,-

(1) in sub-section (1), in the fourth proviso, after clause (a), the following shall be inserted, namely:-

“(aa) In case of goods vehicles having gross vehicle weight exceeding 1,500 kgs but not exceeding 3,000 Kgs in weight laden, whether used for hire or reward or not, tax shall be levied at the rates specified in Part A6 of the Schedule”.

(2) after sub-section (4), the following shall be inserted, namely:-

“(5) Notwithstanding anything contained in sub-sections of (1) to (4), a tax at the rate specified in Part ‘E’ of the Schedule shall be levied on all motor vehicles including chassis, requiring temporary registration.”

**3. Amendment of Section 4.-** In section 4 of the principal Act, in sub section (1), after the third proviso, the following shall be inserted, namely:-

“Provided further that in case of goods vehicles having gross vehicle weight exceeding 1,500 kgs but not exceeding 3,000 kgs in weight laden, in respect of which tax is already paid prior to 1<sup>st</sup> day of April, 2007, the tax specified in clause (aa) to the fourth proviso to sub-section (1) of Section 3, shall be levied after the expiry of the period for which the tax is paid under sub-section (1) and such tax shall be paid within one month from the date of commencement of the Karnataka Motor Vehicles Taxation (Amendment) Act, 2007.”

**4. Amendment of Section 7.-** In section 7 of the principal Act, in sub-section (3), for the words, letters and figures “Part C, Part CC, Part C1, Part C2, Part C3 and Part C4”, the words, letters and figures “Part C, Part CC, Part C1, Part C2, Part C3, Part C4 and Part C5” shall be substituted.

**5. Amendment of Section 10.-** In section 10 of the principal Act, in clause (ii), after sub-clause (h), the following explanation shall be inserted, namely:-

“**Explanation** : For the purpose of this section, gross revenue from fares and freights shall not include the amount reimbursed by the Government in respect of concessional passes issued by the Fleet Owner.”

**6. Substitution of Section 15.-** For section 15 of the principal Act, the following shall be substituted, namely:-

“**15. Appeals.-** (1) Any person who is aggrieved by any order of a Taxation Authority made under this Act, may within the prescribed time and in the prescribed manner, appeal to the prescribed authority.

(2) (a) No appeal shall be entertained by the appellate authority unless it is accompanied by satisfactory proof of the payment of the tax not disputed in the appeal.

(b) Notwithstanding that an appeal has been preferred under sub-section (1), the tax or other amount shall be paid in accordance with the order against which the appeal has been preferred:

Provided that the appellate authority may, in its discretion, give directions as it thinks fit in regard to the payment of the tax or other amount payable under clause (b), if the applicant furnishes sufficient security to its satisfaction in such form and in such manner as may be prescribed.

(3) Any appeal preferred after the prescribed period shall be dismissed."

**7. Amendment of the Schedule.-** In the Schedule to the principal Act,-

**(1) In Part A.-**

(i) In item 3, in sub-item (1), clause (a) and entries relating thereto shall be omitted.

(ii) In item 3A, in column 3, for the words, figures and letters "2200.00 plus Rs.50.00 for every 250 kgs. or part thereof in excess of 15000kgs" the words, figures and letters "Rs.2200.00 plus Rs. 75.00 for every 250 Kgs. or part thereof in excess of 15000 Kgs" shall be substituted.

(iii) In item No. 5(a)(i),-

(a) in column 2, the words and figures "and covered by permit issued under section 74 of the Motor Vehicles Act, 1988" shall be and shall always be deemed to have been omitted.

(b) in column 3, for the figures "750.00", the figures "1000.00" shall be substituted.

(iv) In item No.5(a)(ii),-

(a) in column 2, the words and figures "and covered by permit issued under section 74 of the Motor Vehicles Act, 1988 and complying with rule 128 of the Central Motor Vehicles Rules 1989" the words and figures "other than those liable to be taxed under item 5(a) (i)" shall be and shall always be deemed to have been substituted.

(b) in column 3, for the figures "2000.00", the figures "2500.00" shall be substituted.

(v) In item No.5(b), in column 3, for the figures "600.00", the figure "700.00" shall be substituted.

(vi) In item 6,-

(a) in clause (a), in column 3, for the figures "2000.00" the figures "2500.00" shall be substituted;

(b) clause (b) and entries relating thereto shall be omitted.

(vii) For item 7, the following shall be substituted, namely:-

"7 (a) Campers van used for hire or reward based on floor area for every square meter 4700.00

(b) Motor vehicles registered as sleeper coaches and permitted to carry more than 12 passengers (excluding the driver and conductor or attendant) for every sleeper which the vehicle is permitted to carry

3000.00"

(viii) In item 8A,-

(a) in clause (a), in column 3, for the figures "1000.00" the figures "1100.00" shall be substituted;

(b) in clause (b), in column 3, for the figures "1050.00", the figures "1200.00" shall be substituted;

- (c) in clause (c), in column 3, for the figures "1150.00", the figures "1300.00" shall be substituted;
- (d) in clause (d), in column 3, for the figures "1300.00", the figures "1500.00" shall be substituted.

(ix) In Item 10, in clause (g), in column 3, for the figures and words, "2300.00 plus Rs. 35.00 for every 250 Kgs, or part thereof in excess of 15000 Kgs", the figures and words "Rs.2300.00 plus Rs. 75.00 for every 250 Kgs or part thereof in excess of 15000 Kgs" shall be substituted.

(2) For Part A1, the following shall be substituted, namely:-

**" Part A1  
[See Section 3(1)]  
Lifetime Tax for Two-wheelers**

Sl. No.	Class of vehicles	Motor cycles whose cost does not exceed Rs.50,000	Motor cycles cost of which exceeds Rs.50,000
A.	At the time of Registration of New Vehicles.	8 Percent of cost of the vehicle.	10 percent of the cost of the vehicle.
B.	If the vehicle is already registered and its age from the month of Registration is :	Percentage of the life time tax levied under Clause A	Percentage of the life time tax levied under Clause A
1.	Not more than 2 years	93%	93%
2.	More than 2 years but not more than 3 years	87%	87%
3.	More than 3 years but not more than 4 years	81%	81%
4.	More than 4 years but not more than 5 years	75%	75%
5.	More than 5 years but not more than 6 years	69%	69%
6.	More than 6 years but not more than 7 years	64%	64%
7.	More than 7 years but not more than 8 years	59%	59%
8.	More than 8 years but not more than 9 years	54%	54%
9.	More than 9 years but not more than 10 years	49%	49%
10.	More than 10 years but not more than 11 years	45%	45%
11.	More than 11 years but not more than 12 years	41%	41%
12.	More than 12 years but not more than 13 years	37%	37%
13.	More than 13 years but not more than 14 years	33%	33%
14.	More than 14 years but not more than 15 years	29%	29%
15.	More than 15 years	25%	25%

**Notes :**

1. In respect of vehicles for which lifetime tax was due prior to the 1<sup>st</sup> day of April, 2007, but has not been paid, such tax shall be collected at the rates prevailing prior to such day along with the penalty due, if any.
2. Purchase invoice shall be produced in respect of vehicles which are registered on or after 1<sup>st</sup> day of April 2007.
3. Cost of the vehicle in relation to a motor vehicle means –
  - (a) In respect of a vehicle manufactured in India, cost of the vehicle as per the purchase invoice issued either by the manufacturer or by the dealer of the vehicle including the excise duty, sales tax, surcharge or cess, entry tax etc., as payable in the State of Karnataka; and
  - (b) In respect of an imported motor vehicle, irrespective of its place of manufacture, the total cost incurred in importing the vehicle, that is to say, the value of the motor vehicle as endorsed in the Bill of Entry or such other document and assessed as such under the Customs Act 1962, together with the Customs Duty levied, freight charges incurred and other taxes levied thereupon including additional duty/penalty levied if any, by the Customs Department or any other Department."

(3) For Part A5 of the Schedule, the following shall be substituted, namely:-

**" Part A5  
[See Section 3(1)]  
Lifetime Tax for Motor Cars, Jeeps, Omni Buses and Private Service Vehicles**

Sl. No.	Class of vehicles	Motor cars, Jeeps, Omni Buses and Private Service Vehicles having floor area upto 5 Sq.Mtrs, cost of which does not exceed Rs.5 Lakhs	Motor cars, Jeeps, Omni Buses and Private Service Vehicles having floor area upto 5 Sq.Mtrs, cost of which exceeds Rs.5 Lakhs but not exceeding Rs.10 Lakhs	Motor cars, Jeeps, Omni Buses and Private Service Vehicles having floor area upto 5 Sq.Mtrs, cost of which exceeds Rs.10 Lakhs
A.	At the time of Registration of New Vehicles.	10 Percent of cost of the vehicle.	11 percent of the cost of the vehicle.	14 percent of the cost of the vehicle.
B.	If the vehicle is already registered and its age from the month of Registration is :	Percentage of the life time tax levied under Clause A	Percentage of the life time tax levied under Clause A	Percentage of the life time tax levied under Clause A
1.	Not more than 2 years	93%	93%	93%
2.	More than 2 years but not more than 3 years	87%	87%	87%
3.	More than 3 years but not more than 4 years	81%	81%	81%
4.	More than 4 years but not more than 5 years	75%	75%	75%
5.	More than 5 years but not more than 6 years	69%	69%	69%
6.	More than 6 years but not more than 7 years	64%	64%	64%
7.	More than 7 years but not more than 8 years	59%	59%	59%

Sl. No.	Class of vehicles	Motor cars, Jeeps, Omni Buses and Private Service Vehicles having floor area upto 5 Sq.Mtrs, cost of which does not exceed Rs.5 Lakhs	Motor cars, Jeeps, Omni Buses and Private Service Vehicles having floor area upto 5 Sq.Mtrs, cost of which exceeds Rs.5 Lakhs but not exceeding Rs.10 Lakhs	Motor cars, Jeeps, Omni Buses and Private Service Vehicles having floor area upto 5 Sq.Mtrs, cost of which exceeds Rs.10 Lakhs
8.	More than 8 years but not more than 9 years	54%	54%	54%
9.	More than 9 years but not more than 10 years	49%	49%	49%
10.	More than 10 years but not more than 11 years	45%	45%	45%
11.	More than 11 years but not more than 12 years	41%	41%	41%
12.	More than 12 years but not more than 13 years	37%	37%	37%
13.	More than 13 years but not more than 14 years	33%	33%	33%
14.	More than 14 years but not more than 15 years	29%	29%	29%
15.	More than 15 years	25%	25%	25%

**Notes :**

- In respect of vehicles for which lifetime tax was due prior to the 1<sup>st</sup> day of April, 2007, but has not been paid, such tax shall be collected at the rates prevailing prior to such day along with the penalty due, if any.
- Purchase invoice shall be produced in respect of vehicles which are registered on or after 1<sup>st</sup> day of April 2007.
- Cost of the vehicle in relation to a motor vehicle means –
  - In respect of a vehicle manufactured in India, cost of the vehicle as per the purchase invoice issued either by the manufacturer or by the dealer of the vehicle including the excise duty, sales tax, surcharge or cess, entry tax etc., as payable in the State of Karnataka; and
  - In respect of an imported motor vehicle, irrespective of its place of manufacture, the total cost incurred in importing the vehicle, that is to say, the value of the motor vehicle as endorsed in the Bill of Entry or such other document and assessed as such under the Customs Act 1962, together with the Customs Duty levied, freight charges incurred and other taxes levied thereupon including additional duty/penalty levied if any, by the Customs Department or any other Department."
- After Part A5 of the Schedule, the following shall be inserted, namely:-

**" Part A6  
(See Section 3(1))**

**Life time tax for goods vehicles having gross vehicle weight exceeding 1,500 kgs but not exceeding 3,000 Kgs in weight laden, whether used for hire or reward or not.**

Item No.	Class of vehicles	Goods vehicle having gross vehicle weight exceeding 1500 Kgs and not exceeding 2000 Kgs Rs.	Goods vehicle having gross vehicle weight exceeding 2000 Kgs and not exceeding 3000 Kgs – Rs.
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
A.	At the time of registration of new vehicle	10000.00	15,000
B.	If the vehicle is already registered and its age from the month of Registration is :		

Item No.	Class of vehicles	Goods vehicle having gross vehicle weight exceeding 1500 Kgs and not exceeding 2000 Kgs Rs.	Goods vehicle having gross vehicle weight exceeding 2000 Kgs and not exceeding 3000 Kgs – Rs.
1.	Not more than 2 years	9300.00	13950.00
2.	More than 2 years but not more than 3 years	8700.00	13050.00
3.	More than 3 years but not more than 4 years	8100.00	12150.00
4.	More than 4 years but not more than 5 years	7500.00	11250.00
5.	More than 5 years but not more than 6 years	6900.00	10350.00
6.	More than 6 years but not more than 7 years	6400.00	9600.00
7.	More than 7 years but not more than 8 years	5900.00	8850.00
8.	More than 8 years but not more than 9 years	5400.00	8100.00
9.	More than 9 years but not more than 10 years	4900.00	7350.00
10.	More than 10 years but not more than 11 years	4500.00	6750.00
11.	More than 11 years but not more than 12 years	4100.00	6150.00
12.	More than 12 years but not more than 13 years	3700.00	5550.00
13.	More than 13 years but not more than 14 years	3300.00	4950.00
14.	More than 14 years but not more than 15 years	2900.00	4350.00
15.	More than 15 years	2500.00	3750.00

**Notes :**

1. Purchase invoice shall be produced in respect of vehicles which are registered on or after 1<sup>st</sup> day of April 2007.
2. Cost of the vehicle in relation to a motor vehicle means –
  - (a) In respect of a vehicle manufactured in India, cost of the vehicle as per the purchase invoice issued either by the manufacturer or by the dealer of the vehicle including the excise duty, sales tax, surcharge or cess, entry tax etc., as payable in the State of Karnataka; and
  - (b) In respect of a motor vehicle import into India, irrespective of its place of manufacture, the total cost incurred in importing the vehicle, that is to say, the value of the motor vehicle as endorsed in the Bill of Entry or such document and assessed as such under the Customs Act 1962, together with the Customs Duty levied, freight charges incurred and other taxes levied thereupon including additional duty/penalty levied if any, by the Customs Department or any other Department."

**(5) In Part B.-**

(i) In Item No.5, in columns 3 and 4, for the figures "100.00" and "250.00", the figures "300.00" and "450.00" respectively shall be substituted.

(ii) In Item No.6,-

(a) in column 2,-

(i) the words and brackets "(Luxury buses)" shall be and shall always be deemed to have been omitted;

(ii) for the words and figures "and complying with Rule 128 of Central Motor Vehicles Rules 1989 or otherwise", the words and figures "other than those liable to be taxed under item No.5" shall be and shall always be deemed to have been substituted.

(b) in columns 3 and 4 for the figures "400.00" and "1000.00", the figures "600.00" and "1500.00" shall respectively be substituted.

**(6) For Part CC**, the following shall be substituted, namely:-

**"PART CC**  
**[See Section 7(3)]**  
**Refund table for two-wheelers irrespective of the cost of the vehicles in respect of which**  
**Lifetime tax is paid on or after 01-04-2007**

Sl. No.	If after the registration removal of vehicles or cancellation of Registration of vehicle takes place.	Percentage of Life time tax paid to be refunded.
(1)	(2)	(3)
1.	Within a year	93%
2.	After 1 year but within 2 years	87%
3.	After 2 years but within 3 years	81%
4.	After 3 years but within 4 years	75%
5.	After 4 years but within 5 years	69%
6.	After 5 years but within 6 years	64%
7.	After 6 years but within 7 years	59%
8.	After 7 years but within 8 years	54%
9.	After 8 years but within 9 years	49%
10.	After 9 years but within 10 years	45%
11.	After 10 years but within 11 years	41%
12.	After 11 years but within 12 years	37%
13.	After 12 years but within 13 years	33%
14.	After 13 years but within 14 years	29%
15.	After 14 years but within 15 years	25%
16.	After 15 years	Nil

**Note :**

In cases where the Lifetime tax has been paid under Part A1 as in force prior to the First day of April, 2007 the refund of tax shall be as provided under the refund tables as in force prior to the First day of April, 2007."

**(7) For Part C4**, the following shall be substituted, namely -

**" PART C4**  
**[See Section 7(3)]**  
**Refund table for Motor Cars, jeeps, Omni Buses and Private Service Vehicles having floor area upto 5 Sq.Mtrs irrespective of the cost of the vehicles in respect of which Lifetime tax is paid on or after 01-04-2007**



Sl. No.	If after the registration removal of vehicles or cancellation of Registration of vehicle takes place.	Percentage of Life time tax paid to be refunded.
(1)	(2)	(3)
1.	Within a year	93%
2.	After 1 year but within 2 years	87%
3.	After 2 years but within 3 years	81%
4.	After 3 years but within 4 years	75%
5.	After 4 years but within 5 years	69%
6.	After 5 years but within 6 years	64%
7.	After 6 years but within 7 years	59%
8.	After 7 years but within 8 years	54%
9.	After 8 years but within 9 years	49%
10.	After 9 years but within 10 years	45%
11.	After 10 years but within 11 years	41%
12.	After 11 years but within 12 years	37%
13.	After 12 years but within 13 years	33%
14.	After 13 years but within 14 years	29%
15.	After 14 years but within 15 years	25%
16.	After 15 years	Nil

**Note :**

In case where the Lifetime tax has been paid under Part A5 prior to the First day of April, 2007 the refund of tax shall be under the refund table as in force prior to the First day of April, 2007."

**(8) After Part C4**, the following shall be inserted, namely:-

**" Part C5**

**(See Section 7(3))**

**Refund table for goods vehicles having gross vehicle weight exceeding 1,500 Kgs but not exceeding 3,000 Kgs in respect of which life time tax is paid under Part A6 on or after 01-04-2007.**

Sl. No.	If after the registration removal of vehicles or cancellation of Registration of vehicle takes place.	Percentage of Life Time Tax paid to be refunded	
		Goods vehicle having gross vehicle weight exceeding 1500 Kgs and not exceeding 2000 Kgs Rs.	Goods vehicle having gross vehicle weight exceeding 2000 Kgs and not exceeding 3000 Kgs – Rs.
(1)	(2)	(3)	(4)
1.	Within a year	9300.00	13950.00
2.	After 1 year but within 2 years	8700.00	13050.00

Sl. No.	If after the registration removal of vehicles or cancellation of Registration of vehicle takes place.	Percentage of Life Time Tax paid to be refunded	
		Goods vehicle having gross vehicle weight exceeding 1500 Kgs and not exceeding 2000 Kgs Rs.	Goods vehicle having gross vehicle weight exceeding 2000 Kgs and not exceeding 3000 Kgs – Rs.
3.	After 2 years but within 3 years	8100.00	12150.00
4.	After 3 years but within 4 years	7500.00	11250.00
5.	After 4 years but within 5 years	6900.00	10350.00
6.	After 5 years but within 6 years	6400.00	9600.00
7.	After 6 years but within 7 years	5900.00	8850.00
8.	After 7 years but within 8 years	5400.00	8100.00
9.	After 8 years but within 9 years	4900.00	7350.00
10.	After 9 years but within 10 years	4500.00	6750.00
11.	After 10 years but within 11 years	4100.00	6150.00
12.	After 11 years but within 12 years	3700.00	5550.00
13.	After 12 years but within 13 years	3300.00	4950.00
14.	After 13 years but within 14 years	2900.00	4350.00
15.	After 14 years but within 15 years	2500.00	3750.00
16.	After 15 years	Nil	Nil"

(9) After Part D, the following shall be inserted, namely:-

**" Part – E  
(See Section 3 (5))**

**Tax payable on all motor vehicles including chassis, requiring temporary registration**

Item No.	Class of vehicles	For a period not exceeding 30 days
<b>1</b>	<b>2</b>	<b>3</b>
a.	Motor Cycles / three wheeled vehicles	100.00
b.	Light Motor Vehicles, other than three wheeled vehicles	200.00
c.	Medium Passenger Vehicles / Medium Goods Vehicles.	400.00
d.	Heavy Passenger Vehicles / Heavy Goods Vehicles.	600.00

e.	Chassis to which body has not been attached.	500.00
f.	Any other vehicles.	300.00"

By Order and in the name of the Governor of Karnataka

**G. K. BOREGOWDA**  
Secretary to Government,  
Department of Parliamentary Affairs and Legislation

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ನಿರ್ದೇಶಕರು, ಮುದ್ರಣ, ಲೇಖನ ಸಾಮಗ್ರಿ ಮತ್ತು ಪ್ರಕಟಣೆಗಳ ಇಲಾಖೆ, ಬೆಂಗಳೂರು