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**THE MYSORE BETTING TAX ACT, 1932**  
**[MYSORE ACT NO. IX OF 1932]**

**Arrangements of Sections**

**Sections:**

1. Short Title, Extent and Commencement
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3. Tax on totalisators and payment thereof
- 3A. Payment of totalisator tax by way of composition
4. Procedure for making over totalisator tax to State Government
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12. Functioning as Turf Commission Agents prohibited
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## STATEMENT OF OBJECTS AND REASONS

### I

**Karnataka Act No. 11 of 1958:**-Under the Mysore Betting Tax Act, 1932, Government can notify the rate of totalisator and betting taxes subject to the condition that such rate does not exceed 25 per cent. The Act does not provide for different rates of tax being notified in respect of collections at different races or classes of races. It is considered desirable to specify a lesser rate of tax in respect of specified classes of races which will be notified by Government. It is, therefore, proposed to amend the Mysore Betting Tax Act, 1932 so as to empower the Government to reduce the rate of tax in respect of certain classes of taxes. Hence this Bill.

### II

**Karnataka Act No. 22 of 1980:-**1. It has come to the notice of Government that some persons not being licensed bookmakers, are purchasing as Turf Commission Agents either by receiving bets from the public or by purchasing tickets on behalf of public in respect of horses running in horse races or in respect of riders of such horses outside the premises of the licensed Race Courses at Bangalore and Mysore, and are thereby depriving Government of huge amounts of betting tax.

2. The Bangalore Turf Club and the Commissioner of Police, Bangalore have brought to the notice of Government that it is necessary to prohibit the functioning of Private Turf Commission Agents by suitably amending the Betting Tax Act, 1932. Since the Bangalore Summer Meetings commenced from 16<sup>th</sup> May 1980 and the Summer Meetings are expected to give more revenue by way of betting tax receipts, an Ordinance was promulgated on 23<sup>rd</sup> May, 1980 to check the malpractices and fraudulent acts by Private Turf Agencies. A Notification has also been issued under sub-Section (2) of

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Section 1 of the Mysore Betting Tax (Karnataka Amendment) Ordinance 1980 (Karnataka Ordinance No.2 of 1980) appointing the 23<sup>rd</sup> day of May 1980 as the date on which the said Ordinance shall come into force. It is necessary to replace the Ordinance by introducing a bill in this regard, so as to amend the Mysore Betting Tax Act, 1932 (Mysore Act IX of 1932).

3. Hence the Bill.

### III

**Karnataka Act No. 20 of 1981:-**It has been brought to the notice of Government that Bookmakers sometime fail to produce the betting cards for verification at the time of audit on the ground that such betting cards were cancelled. There is no provision in the Mysore Betting Tax Act, 1932 (Mysore Act 9 of 1932), for imposing penalty in case the bookmakers fail to preserve and produce the winning and cancelled cards and also to render property account of the cards to the auditors. On account of this, it has become difficult to insist on the production of all the betting cards used or cancelled for the verification. There is a possibility of evasion of betting tax by the way of non-production of betting cards on the ground that such cards have been cancelled or are missing. It is necessary to make a provision requiring the licensed bookmakers to preserve and produce the winning and cancelled cards and also to render proper account thereof to the Prescribed Authority in such manner and within such period as may be prescribed by Rules. It is also necessary to make a provision in the Act to provide a penal clause to impose, upon a defaulter, by way of penalty a fine of Rs. 100 for each unaccounted card. The proposed bill is intended to regulate proper accounting of the betting tax cards on the one hand and also to safeguard the State revenue by checking evasion of betting tax.

Hence the Bill.

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## VI

**Karnataka Act No. 21 of 1989:-** Section 10 of the Mysore Betting Tax Act, 1932 empowers the State Government to make rules prospectively. It is proposed to amend the section to empower the State Government to make rules retrospectively.

Hence the Bill.

## V

**Karnataka Act No. 7 of 1997:-** It is considered necessary to amend the Karnataka Tax on Luxuries (Hotels, Lodging Houses and Marriage Halls) Act 1979 (Karnataka Act 22 of 1979), the Karnataka Tax on Entry of Goods Act, 1979 (Karnataka Act 27 of 1979), the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976 (Karnataka Act 35 of 1976), the Karnataka Excise Act, 1966 (Karnataka Act 21 of 1966), the Karnataka Entertainments Tax Act, 1958 (Karnataka Act 30 of 1958), the Karnataka Agricultural Income-Tax Act, 1957 (Karnataka Act 22 of 1957), the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957), the Mysore Betting Tax Act, 1932 (Mysore Act IX of 1932), and to give effect to the proposals made in the Budget Speech and matters connected therewith. Certain consequential amendments are also made.

Hence the Bill.

## VI

**Karnataka Act No. 3 of 1998:-** It is considered necessary to amend the Karnataka Taxation Laws (Amendment) Act, 1997 (Karnataka Act 7 of 1997), the Karnataka Tax on Entry of Goods Act, 1979 (Karnataka Act 27 of 1979), the Karnataka Tax on Luxuries (Hotels, Lodging Houses and Marriage Halls) Act, 1979 (Karnataka Act 22 of 1979), the Karnataka Tax on Professions, Trades, Callings

and Employment Act, 1976 (Karnataka Act 35 of 1976), the Karnataka Entertainments Tax Act, 1958 (Karnataka Act 30 of 1958), the Mysore Betting Tax Act, 1932 (Mysore Act IX of 1932), the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957) and to give effect to the proposals made in the Budget Speech and matters connected therewith. Certain consequential amendments are also made.

Hence the Bill.

## VII

**Karnataka Act No. 5 of 2000:-** It is considered necessary to amend the Mysore Betting Tax Act, 1932 (Mysore Act IX of 1932), the Karnataka Agricultural Income-tax Act, 1957 (Karnataka Act 22 of 1957), the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957), the Karnataka Tax on Luxuries Act, 1979 (Karnataka Act 22 of 1979) and the Karnataka Entertainments Tax Act, 1958 (Karnataka Act 30 of 1958) to give effect to the proposals made in the Budget Speech and matters connected therewith. Certain consequential amendments are also made.

Hence the Bill.

**MYSORE ACT NO. IX OF 1932**  
**THE MYSORE BETTING TAX ACT, 1932**

(Received the assent of His Highness the Maharaja on the  
 Thirty-first day of December, 1932)

(As amended by Act Nos. 1 of 1949; III of 1950; XVIII of 1950;  
 VIII of 1952; I of 1956 and Karnataka Act Nos. 11 of 1958; 7  
 of 1974; 22 of 1980; 20 of 1981; 21 of 1989; 18 of 1994; 6 of  
 1995; 7 of 1997; 3 of 1998 and 5 of 2000)

An Act to provide for the imposition of a Tax on certain forms of betting.

Preamble.- Whereas it is expedient to impose a tax on certain forms of Betting.

It is hereby enacted as follows:

**1. Short Title, Extent and Commencement.-** (1) This Act may be called <sup>1</sup>[the Mysore Betting Tax Act, 1932]<sup>1</sup>.

1. Substituted for the words and figures "the Betting Tax Act, 1932" by Act No. 1 of 1956.

(2) It extends to the <sup>1</sup>[whole of the State of Karnataka except Bellary District]<sup>1</sup>.

1. See the Karnataka Adaptation of Laws Order, 1953

(3) It shall come into force in such local areas and from such dates as the <sup>1</sup>[State Government]<sup>1</sup> may, by Notification in the Official Gazette, direct.

3. Substituted for the word "Government" by Act No. 1 of 1956

**2. Definitions-** In this Act,-

(1) "Backer" includes any person who bets with a licensed bookmaker or at a totalisator;

(2) "Bet" includes "wager" and "betting" includes "wagering"

<sup>1</sup>[(2-A) "Commissioner" means a person appointed to be a Commissioner of Commercial Taxes under Section 3

of Karnataka Sales Tax Act, 1957 (Karnataka Act No. 25 of 1957);<sup>1</sup>

1. Clause (2-A) inserted by Act No. 7 of 1997, w.e.f. 1-4-1997

<sup>1</sup>[(2-B)]<sup>1</sup> “Licensee” means a person for whom a licence has been granted for horse-racing on a race course under Section 4 of <sup>2</sup>[the Mysore Race Courses Licensing Act, 1952]<sup>2</sup>

1. Existing Clause (2-A) renumbered as Clause (2-B) by Act No. 7 of 1997, w.e.f. 1-4-1997

2. Substituted for the words and figures “the Mysore Race Courses Licensing Act, 1951” by Act No.1 of 1956.

(3) “Licensed Bookmaker” means any person who carries on the business or vocation of or acts as a bookmaker or turf commission agent under a <sup>1</sup>[permit granted by a licensee to enable him to carry on his business or

vocation under <sup>2</sup>[the Mysore Race Course Licensing Act, 1952]<sup>2</sup>, as specified in the permit;]<sup>1</sup>

1. Substituted for the words “licence or permit” by Act No. VIII of 1952.

2. Substituted for the words and figures “the Mysore Race Courses Licensing Act, 1951” by Act No.1 of 1956.

(4) “Prescribed” means prescribed by this Act or the rules made thereunder;

<sup>1</sup>[(5) x x x x x]<sup>1</sup>

1. Clause (5) omitted by Act. No 8 of 1952

(6) “Totalisator” means a totalisator in an enclosure which <sup>1</sup>[the licensees have set apart in accordance with the provisions of <sup>2</sup>[the Mysore Race Courses Licensing Act, 1952]<sup>2</sup>]<sup>1</sup>, and includes any instrument, machine or contrivance known as the totalisator, or any other instrument, machine or

contrivance of a like nature or a sweep or any other scheme for enabling any number of persons to make bets with one another on the like principles.

1. Substituted for the words and figures “the stewards controlling a race meeting have set apart in accordance with the mysore police Act, 1908” by Act No 8 of 1952.

2. Substituted for the words and figures “the Mysore Race Courses Licensing Act, 1951” by Act No.1 of 1956.

<sup>1</sup>[(7) “Turf Commission Agent” means any other than a licenced bookmaker, who.-

- (i) received bets from the public in general; or
- (ii) purchases tickets on behalf of others; or
- (iii) makes bets on behalf of others;

for commission or remuneration in respect of any horse, mare or gelding run in a horse-race or in respect of a rider of any such horse, mare or gelding’.]<sup>1</sup>

5. Clause (7) inserted by Act No. 22 of 1980 and shall be deemed to have come into force w.e.f. 23-5-1980.

**3. Tax on totalisators and payment thereof.-** There shall <sup>1</sup>[x x x]<sup>1</sup> be charged, levied and paid to the <sup>2</sup>[State Government]<sup>2</sup> out of all moneys paid into any totalisator by way of stakes or bets, a tax on backers, hereinafter referred to as the totalisator tax, at such rate not exceeding <sup>3</sup>[twenty five percent]<sup>3</sup> of every sum so paid as the <sup>4</sup>[State Government]<sup>4</sup> may, from time to time, notify in this behalf; and such portion of the moneys so paid into a totalisator as is equal to the amount of the totalisator tax at the rate notified as aforesaid by the <sup>5</sup>[State Government]<sup>5</sup> in this behalf, shall be deemed to have been paid by the backer on account of the totalisator tax, and shall be received by the <sup>6</sup>[licensees]<sup>6</sup> on behalf of the <sup>7</sup>[State Government]<sup>7</sup>.

1. The words “and figures as from the First day of February, 1933” omitted by Act No.VIII of 1952

2. Substituted for the word “Government” by Act No. 1 of 1956



3. Substituted by Act No. 3 of 1950
4. Substituted for the word "Government" by Act No.1 of 1956
5. Substituted for the word "Government" by Act No. 1 of 1956
6. Substituted for the words "stewards of the race-meeting" by Act No. VIII of 1952
7. Substituted for the word "Government" by Act No. 1 of 1956

<sup>1</sup>**3-A. Payment of totalisator tax by way of composition.-** Notwithstanding anything contained in Section 2, but subject to such rules as may be prescribed, the Government may if a licensee so elects accept in lieu of the totalisator tax payable under Section 3 during any year by way of composition an amount as may be notified by the Government. Different amounts may be notified in respect of different licensees.

**Explanation.-** For the purpose of this section "year" means the year commencing on the First Day of April.]<sup>1</sup>

1. Section 3-A inserted by Act No. 18 of 1994, w.e.f. 1-4-1994

**4. Procedure for making over totalisator tax to**<sup>1</sup>**[State Government]**<sup>1</sup>.- The <sup>2</sup>[licensees]<sup>2</sup> shall, at such times and in such manner as may be prescribed, forward to the prescribed officer a return stating the total amount of the moneys paid into the totalisator at the meeting, and shall, at the prescribed time, make over to the prescribed officer the amount of tax for that meeting.

1. Substituted for the word "Government" by Act No. 1 of 1956
2. Substituted for the words "stewards of the race-meeting" by Act No. VIII of 1952

<sup>1</sup>**4-A. Imposition of penalty in certain cases.-** If any default is committed in the payment of tax in accordance with Sections 3, 3-A and 4 beyond ten days after the expiry of the due date, the licensees shall pay by way of penalty at two per

cent per month during the period in which such default is committed.]<sup>1</sup>

1. Section 4-A inserted by Act No.5 of 2000, w.e.f. 1-4-2000.

**5. Accounts of totalisator tax.-** (1) The <sup>1</sup>[licensees]<sup>1</sup> shall keep accounts in the prescribed form of all moneys paid into the totalisator at that meeting.

1. Substituted for the words “stewards of the race-meeting” by Act No. VIII of 1952

(2) Every person having the custody of any such accounts shall, when required by an officer empowered in this behalf by the <sup>1</sup>[State Government]<sup>1</sup>, permit such officer, or an officer authorised in writing by him in this behalf, to inspect and take copies of them.

1. Substituted for the word “Government” by Act No. 1 of 1956

**6. Betting Tax.-** (1) There shall <sup>1</sup>[x x x]<sup>1</sup> be charged, levied and paid to the <sup>2</sup>[State Government]<sup>2</sup> <sup>3</sup>[out of all moneys paid or agreed to be paid to a licensed bookmaker by a backer in respect]<sup>3</sup> of a bet made in an enclosure set apart <sup>4</sup>[by the licensee in accordance with the provisions of <sup>5</sup>[the Mysore Race Courses Licensing Act, 1952]<sup>4</sup>]<sup>5</sup>, on any race, <sup>6</sup>[whether run on the same race course or on any other race course either within the State or outside the State]<sup>6</sup> a tax, <sup>7</sup>[x x x]<sup>7</sup> (hereinafter referred to as the betting tax) at a rate not exceeding <sup>8</sup>[twenty-five percent]<sup>8</sup> of all such moneys as the <sup>9</sup>[State Government]<sup>9</sup> may, from time to time, notify in this behalf.

1. The words and figures “as from the First day of February, 1993” omitted by Act No. VIII of 1952

2. Substituted for the word “Government” by Act No. 1 of 1956

3. Substituted by Act No. XVIII of 1950

4. Substituted for the words and figures “under the provisions of the Mysore Police Act, 1908” by Act No. VIII of 1952.

5. Substituted for the words and figures “the Mysore Race Courses Licensing Act, 1951” by Act No. 1 of 1956.

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6. Inserted by Act No. 7 of 1974 and shall be deemed to have come into force w.e.f. 29-11-1973
  7. The words “on backers” omitted by Act No. XVIII of 1950
  8. Substituted by Act No. XVIII of 1950
  9. Substituted for the word “Government” by Act No. 1 of 1956

(2) The betting tax shall be deducted or collected by the licensed bookmaker from such moneys at the time when the money is <sup>1</sup>[paid by the backer]<sup>1</sup> or in the case of credit bets at such time as may be prescribed, and shall be deemed to have been paid by the backer on account of the tax, and shall be retained by the licensed bookmaker on behalf of the <sup>2</sup>[State Government]<sup>2</sup>.

1. Substituted by Act No. XVIII of 1950
2. Substituted for the word “Government” by Act No. 1 of 1956

<sup>1</sup>[~~6-A.x x x.~~]<sup>1</sup>

1. Section 6-A omitted by Act No. 3 of 1998, w.e.f. 1-4-1998

**7. Procedure for making over betting tax to <sup>1</sup>[State Government]<sup>1</sup>.**- All sums retained on account of the betting tax shall be made over by the licensed bookmaker, by whom they have been retained, to the prescribed officer at such times and in such manner as may be prescribed.

1. Substituted for the word “Government” by Act No.1 of 1956

**8. Accounts of betting tax.**- (1) The <sup>1</sup>[licensees]<sup>1</sup> shall, at such times and in such manner as may be prescribed, forward to the prescribed officer, returns setting out the names of the bookmakers, licensed or permitted by them to carry on the business or vocation of a bookmaker at that meeting.

1. Substituted for the words “stewards of the race-meeting” by Act No. VIII of 1952

<sup>1</sup>[(1-A) A licensed bookmaker shall preserve and produce the winning and cancelled cards to the prescribed authority, and shall also render proper account thereof in such manner and within such period as may be prescribed. If any person fails to so produce or render account, the prescribed authority, after giving him a reasonable opportunity of being heard, may, by order in writing, impose upon him by way of penalty a fine of one hundred rupees for each unaccounted card.]<sup>1</sup>

1. Sub-Section (1-A) inserted by Act No. 20 of 1981, w.e.f. 7-4-1981

(2) All licensed bookmakers shall keep accounts <sup>1</sup>[all moneys paid or agreed to be paid to them by backers in respect of bets]<sup>1</sup>, in such manner as may be prescribed, and shall, when required in writing by an officer empowered in this behalf by the <sup>2</sup>[State Government]<sup>2</sup> permit such officer, or an officer authorised in writing by him in this behalf, to inspect and take copies of such accounts.

1. Substituted by Act No. XVIII of 1952

2. Substituted for the word "Government" by Act No. 1 of 1956

<sup>1</sup>**8-A. Reduction of totalisator tax and betting tax.**- (1) Notwithstanding anything contained in Section 3 and 6, the State Government may, by Notification in the Official Gazette, reduce of such classes of races as may be specified in the Notification.

(2) Every Notification, under sub-section (1) shall be laid as soon as may be after it is issued, before the State Legislative Assembly while it is in session for a period of thirty days which may be comprised in one session or in two or more sessions and if before the expiry of the period, the State Legislative Assembly makes any modification in the Notification or directs that the Notification shall not have effect, the notification shall hereafter have effect only in such modified form or be of no effect as the case may be]<sup>1</sup>.

1. Section 8-A inserted by Act No. 11 of 1958, w.e.f. 3-4-1958

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**<sup>1</sup>[8-B. Powers to order production of books of accounts and powers of entry, inspection and seizure.-** (1) Any Officer empowered by the State Government in this behalf, may for the purpose of this Act, require any licensed bookmaker to produce before him the accounts, records, registers, cards and other documents and to furnish any information relating to the money paid or agreed to be paid to him by backers in respect of bets, relating to any meeting or period.

(2) All accounts, records, registers, cards or documents maintained by the licensed bookmakers relating to the business or vocation carried on by them, shall be open to inspection at all reasonable times by Officers empowered under sub-Section (1).

(3) For the purpose of inspection, under sub-section (2), any such Officer shall have power to enter and search any enclosure or booth within the premises of the Racing Club where betting takes place, during the meetings or any other office premises of whatsoever type or nature, where such Officer has reason to believe that the licensed bookmaker keeps or is for the time being keeping, any accounts, records, registers, cards or documents of his business or vocation:

Provided that no residential accommodation, not being a place of business-cum-residence, shall be entered into and searched by such Officer except on the authority of a search warrant issued by a Magistrate having jurisdiction over the area and all searches under this section shall, so far as may be, be made in accordance with the provisions of the Code of Criminal Procedure, 1973 (Central Act 2 of 1974).

(4) If any such Officer has reason to suspect that any licensed bookmaker is attempting to evade the payment of tax due from him under this Act, he may, for reasons to be recorded in writing, seize such accounts, registers, records, cards or other documents of the licensed bookmaker as he may consider necessary and shall give the licensed bookmaker a receipt for the same. The accounts, registers,

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records, cards or other documents so seized shall be retained by such Officer only for so long as may be necessary for examination and for any enquiry or proceeding under this Act:

Provided that retention under sub-section (4) shall not be for a period exceeding one hundred and eight-days from the date of seizure, unless reasons for retaining the same beyond the said period are recorded by him in writing and approval of the Commissioner is obtained and such approval in any case shall not be for more than sixty days at a time.

(5) Where such Officer, upon examining the accounts, registers, records, cards and other documents seized under sub-section (4), has reason to believe that the licensed bookmaker, having deducted or collected any amounts towards betting tax from the moneys paid in respect of cash or credit bets by the backers, failed to make over such betting tax to State Government as required by Section 7 or in respect of any moneys paid or agreed to be paid to them by backers in respect of any cash or credit bets, has attempted to evade payment of the betting tax, in respect of any period or meeting, such Officer shall determine to his best of judgment the amount of betting tax payable by the licensed bookmaker, either in respect of the already deducted or collected betting tax or in respect of betting tax attempted to be evaded and shall accordingly pass orders levying the betting tax;

Provided that before taking action under sub-section (5), the licensed bookmaker shall be given a reasonable opportunity of being heard and also showing cause against such order.

(6) In passing an order under sub-section (5), such Officer may also direct the licensed bookmaker to pay in addition to the betting tax, a penalty not exceeding one and a half times the amount of betting tax levied in the said order:

Provided that no penalty under this sub-section shall be imposed unless the licensed bookmaker affected is

afforded a reasonable opportunity of showing cause against such imposition.

(7) The amount of betting tax and penalty, if any, levied in the orders passed under sub-sections (5) and (6), shall be paid by the licensed bookmaker within twenty-one days from the date of service on him of such order and the amount of tax and penalty shall be recoverable as per provisions of Section 9.]<sup>1</sup>

1. Section 8-B inserted by Act No. 7 of 1997, w.e.f. 1-4-1997

**9. Methods of recovery of totalisator tax and betting tax.**- <sup>1</sup>[(1) The totalisator tax payable under Section 3, shall be recoverable from the licensee as an arrear of land revenue.]<sup>1</sup>

1. Sub-section (1) substituted by Act No. VIII of 1952

<sup>1</sup>[(2) All moneys which a licensed bookmaker is liable to make over to the prescribed Officer under Section 7 and the amount of betting tax and penalty levied in the order passed under sub-sections (5) and (6) of Section 8-A, shall be recoverable from the licensed bookmaker.-

(a) as if it were an arrear of land revenue;

(b) notwithstanding anything contained in the Code of Criminal Procedure, 1973 (Central Act 2 of 1974), on application to any Magistrate, by such Magistrate as if it were a fine imposed by him.]<sup>1</sup>

1. Sub-section (2) substituted by Act No. 7 of 1997, w.e.f. 1-4-1997

<sup>1</sup>**[9-A. Appeals.**- (1) A licensed bookmaker objecting to an order affecting him passed under the provisions of Section 8-A may within thirty days from the date of communication of such order, appeal to the Commissioner:

Provided that the Commissioner may admit an appeal preferred after the period of thirty days aforesaid if he is satisfied that the licensed bookmaker had sufficient cause for not preferring the appeal within that period.

(2) No appeal shall be entertained unless it is accompanied by satisfactory proof of payment of the betting tax and penalty not disputed in the appeal.

(3) 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 Commissioner may, in his discretion, give such directions as he thinks fit in regard to the payment of tax or other amount payable under this sub-section, if the licensed bookmaker furnishes sufficient security to his satisfaction.

(4) The appeal shall be in the prescribed form and shall be verified in the prescribed manner.

(5) In disposing of an appeal, the Commissioner may, after giving the licensed bookmaker a reasonable opportunity of being heard, pass such orders as he thinks fit.

(6) Every order passed in appeal under this section shall, subject to the provisions of Section 9-B, be final.

**9-B. Appeal to High Court.-** (1) Any licensed bookmaker objecting to an order passed by the Commissioner under Section 9-A, may appeal to the High Court within sixty days from the date on which the order was communicated to him:

Provided that the High Court may admit an appeal preferred after the period of sixty days aforesaid, if it is satisfied that the licensed bookmaker had sufficient cause for not preferring the appeal within that period.

(2) The appeal shall be in the prescribed form, shall be verified in the prescribed manner and shall be accompanied by a fee of five hundred rupees.

(3) The High Court shall, after giving both parties to the appeal a reasonable opportunity of being heard, pass such order thereon as it thinks fit.]<sup>1</sup>

1. Sections 9-A and 9-B inserted by Act No. 7 of 1997, w.e.f. 1-4-1997



**10. Rules.-** <sup>1</sup>[(1)]<sup>1</sup> The <sup>2</sup>[State Government]<sup>2</sup> may make rules for securing the payment of the totalisator tax and the betting tax, the production and inspection of accounts kept under this Act and generally for carrying into effect the provisions of this Act, and for dealing with such matters as are therein directed to be prescribed.

1. Section 10 renumbered as sub-section (1) thereof by Act No. 21 of 1989, w.e.f. 17-4-1989

2. Substituted for the word "Government" by Act No. 1 of 1956

<sup>1</sup>[(2) Any rule may be made under the Act after previous publication to have effect retrospectively and when any such rule is made a statement specifying the reasons for making such a rule shall be laid before both the Houses of the State Legislature along with rule.]<sup>1</sup>

1. Sub-section (2) inserted by Act No. 21 of 1989 w.e.f. 17-4-1989

<sup>1</sup>**[11. Punishment.-** (1) If any licensee or licensed bookmaker evades or attempts to evade the collection or payment of the totalisator tax or betting tax, as the case may be, leviable and payable under this Act or fails to maintain the accounts or supply any information which such licensee or bookmaker is required to maintain or supply by or under this Act, or knowingly maintains false accounts or supplies false information, such licensee or bookmaker shall be punishable with imprisonment which may extend to six months or with fine or with both.

(2) If any person contravenes or fails to comply with any of the provisions of this Act or of any rule made thereunder, and not otherwise provided for in sub-section (1) <sup>2</sup>[or Section 12]<sup>2</sup>, he shall be punishable with fine which may extend to five hundred rupees.

<sup>3</sup>**[Explanation.-** x x x x x. ]<sup>3</sup><sup>1</sup>

1. Section 11 substituted by Act No. VIII of 1952

2. Inserted by Act No. 22 of 1980 and shall be deemed to have come into force w.e.f. 23-5-1980

3. Explanation omitted by Act No. 22 of 1980 and shall be deemed to have come into force w.e.f. 23-5-1980

**<sup>1</sup>[12. Functioning as Turf Commission Agents prohibited.-** (1) After the appointed day no person shall carry on the business or vocation of, or act or function, as a turf commission agent.

(2) Any person who contravenes or attempts to contravene or abets the contravention of the provisions of sub-section (1) or any rule made to carry out the purposes of the said sub-section shall, on conviction, be punishable with rigorous imprisonment for a term which may extend to three years and shall also be liable to fine which may extend to five thousand rupees.

**Explanation.-** In this section “appointed day” means the date of commencement of the Mysore Betting Tax (Karnataka Amendment) Act, 1980.

**13. Offences by companies.-** (1) If the person committing an offence under this Act is a company, every person who, at the time the offence was committed was in charge of and was responsible to the company for the conduct of the business of the company as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any

neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

**Explanation.-** For the purposes of this section.-

(a) “company” means a body corporate and includes a firm or other association of individuals, and

(b) “director” in relation to a firm means a partner in the firm.

**14. Protection of action taken in good faith.-** No suit, prosecution or other legal proceeding shall lie against the Government or any authority or officer of the Government or any person for anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order made thereunder.]<sup>1</sup>

1.Sections 12 to 14 inserted by Act No. 22 of 1980 and shall be deemed to have come into force w.e.f. 23-5-1980

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