

CHAPTER IV- TAXES ON VEHICLES

4.1 Result of audit

Test check of records relating to taxes on vehicles during the year 2005-06 revealed non assessment of tax and loss of revenue amounting to Rs.2.99 crore in 852 cases which can broadly be categorised as under:

(In crore of rupees)

Sl. No.	Category	Number of cases	Amount
1.	Non/ short levy of vehicle tax	777	2.85
2.	Others	75	0.14
	Total	852	2.99

An amount of Rs.0.37 crore had been recovered in 142 cases during the year.

An illustrative case involving Rs.2.11 crore is mentioned in succeeding paragraph:

4.2 Non levy of vehicle tax and penalty

According to the provisions of Chhattisgarh Motoryan Kardhan Adhiniyam, 1991 and Rules made thereunder, tax is leviable at prescribed rates on every vehicle used or kept for use in the state. In case of non payment of tax, the owner shall be liable to pay penalty at the rate of one twelfth of the unpaid tax for each month of default or part thereof but not exceeding the unpaid tax. If the owner fails to pay the unpaid tax or penalty or both, the taxation authority is required to issue a demand notice and recover the dues as arrears of land revenue.

Test check of records of Additional Regional Transport Office, Ambikapur and Regional Transport Office, Raigarh and Raipur revealed between September 2005 and November 2005 that vehicle tax in respect of 364 vehicles of different categories such as goods carriages, stage carriages, public service vehicles, spare State carriages/ public service vehicles amounting to Rs.1.08 crore and penalty amounting to Rs.1.03 crore was not levied and recovered from vehicles during the period between May 2002 and March 2005. This resulted in non realisation of revenue of Rs.2.11 crore.

After this was pointed out in May 2006 the Transport Commissioner replied in September 2006 that in 142 cases, recovery of Rs.36.76 lakh has been made and Rs.44.19 lakh was irrecoverable as recovery was not effected in time. Recovery of balance amount of Rs.1.30 crore would be intimated. Further reply was awaited (October 2006).

The matter was reported to Government in May 2006; no reply was received (October 2006).