

L. A. BILL No. XIII OF 2023.

A BILL

*further to amend the Maharashtra State Tax on Professions, Trades,
Callings and Employments Act, 1975.*

5 (As passed by the Legislative Assembly on the 21st March, 2023.)

Mah. XVI WHEREAS, it is expedient further to amend the Maharashtra State Tax
of 1975. on Professions, Trades, Callings and Employments Act, 1975, for the purposes
hereinafter appearing; it is hereby enacted in the Seventy-fourth Year of the
Republic of India, as follows :—

10 **1. (1) This Act may be called the Maharashtra State Tax on Professions, Trades, Callings and Employments (Amendment) Act, 2023.** Short title and commencement.

(2) It shall come into force on the 1st April 2023.

Amendment
of section
27A of Mah.
XVI of 1975.

2. In section 27A of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (hereinafter referred to as “ the principal Act ”),—

Mah. XVI
of 1975.

(1) for clause (c), the following clause shall be substituted, namely :—

“ (c) (i) any person with benchmark disability as defined in clause (r) of section 2 of the Rights of Persons with Disabilities Act, 2016; or 49 of 2016.

(ii) parents or guardians of a child with a benchmark disability, provided such person or child with benchmark disability holds the certificate of disability issued by the certifying authority under the said Act or the rules made thereunder : 10

Provided that, such individual or, as the case may be, employer produces the aforesaid certificate before the prescribed authority in respect of the first assessment year for which he claims exemption under this clause: 15

Provided further that, an individual or, as the case may be, employer who has already produced a certificate before the prescribed authority for the purposes of this section, as it stood immediately before the 1st April 2023, shall not be required to produce it again; ”;

(2) clause (e) shall be deleted ; 20

(3) clause (g) shall be deleted.

Amendment of
SCHEDULE I
of Mah. XVI
of 1975.

3. In *SCHEDULE I* appended to the principal Act, for entry 1, the following entry shall be substituted, namely :—

“ 1. Salary and wage earners—

(i) in case of men, whose monthly salaries or wages,— 25

(a) do not exceed Nil.
rupees seven thousand
five hundred ;

(b) exceed rupees seven one hundred seventy-five per month.
thousand five hundred but 30
do not exceed rupees ten
thousand ;

(c) exceed rupees ten two thousand five hundred per annum
thousand ; to be paid in following manner :— 35
(a) two hundred per month except
for the month of February ;
(b) three hundred for the month
of February;

(ii) in case of women, whose monthly salaries or wages,— 40
(a) do not exceed rupees Nil.
twenty-five thousand ;

(b) exceed rupees two thousand five hundred per
twenty-five thousand ; annum to be paid in following
manner :—

(a) two hundred per month except 45
for the month of February ;
(b) three hundred for the month
of February. ”.

STATEMENT OF OBJECTS AND REASONS.

With a view to give effect to the proposals contained in the Budget Speech for the financial year 2023-24, the Government considers it expedient to amend the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (Mah. XVI of 1975),—

(a) to exempt the profession tax payable by the women who draw the monthly salary or wages upto rupees twenty-five thousand ;

(b) to streamline and expand the scope of exemption for the persons with benchmark disability in line with provisions of the Rights of the Persons with Disabilities Act, 2016 (49 of 2016).

2. The Bill seeks to achieve the above objectives.

Mumbai,
Dated the 16th March, 2023.

DEVENDRA FADNAVIS,
Deputy Chief Minister.

FINANCIAL MEMORANDUM

The Bill proposes to amend section 27A and *Schedule I* of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (Mah. XVI of 1975), so as to give effect to the proposals contained in the Budget Speech for the financial year 2023-2024. There is no provision in the Bill which would involve the recurring or non-recurring expenditure from the Consolidated Fund of the State on its enactment as an Act of the State Legislature.

GOVERNOR'S RECOMMENDATION UNDER ARTICLE 207 OF THE
CONSTITUTION OF INDIA

(Copy of Government of Maharashtra Order, Law and
Judiciary Department)

In exercise of the power conferred upon him by clause (I) of Article 207 of the Constitution of India, the Governor of Maharashtra is pleased to recommend to the Maharashtra Legislative Assembly, the Introduction of the Maharashtra State Tax on Professions, Trades, Callings and Employments (Amendment) Bill, 2023.

ANNEXURE TO THE L. A. BILL No. XIII OF 2023 -

THE MAHARASHTRA STATE TAX ON PROFESSIONS, TRADES,
CALLINGS AND EMPLOYMENTS (AMENDMENT) BILL, 2023

(Extracts from the Maharashtra Tax on Professions, Trades, Callings
and Employments Act, 1975)

(Mah. XVI of 1975)

1. to 27.

* * * *

27A. Nothing contained in section 3 and other provisions of this Act shall apply to,- Exemptions.

(a) and (b) * * * *

(c) Any person suffering from a permanent physical disability (including blindness), being a permanent physical disability specified in the rules made in this behalf by the State Government, which is certified by a physician, a surgeon or an oculist, as the case may be, working in a Government Hospital and which has the effect of reducing considerably such individual's capacity for normal work or engaging in a gainful employment or occupations:

Provided that such individual or, as the case may be, employer produces the aforesaid certificate before the prescribed authority in respect of the first assessment year for which he claims deduction under this sub-section :

Provided further that the requirement of producing the certificate from a physician, a surgeon or an oculist, as the case may be, working in a Government Hospital shall not apply to an individual who has already produced a certificate before the prescribed authority under the provisions of this sub-section as they stood immediately before the 1st day of April 1995.

Explanation. - For the purpose of this sub-section, the expression "Government Hospital" includes a departmental dispensary whether full time or part time established and run by a Department of the Government for the medical attendance and treatment of a class or classes of Government servants and members of their families, a hospital maintained by a local authority and any other hospital with which arrangements have been made by the Government for the treatment of Government servants;

(d) * * * *

(e) Any person with Intellectual and Development Disabilities (Mental Retardation) specified in the rules made in this behalf, which is certified by a psychiatrist working in a Government Hospital and which has the effect of reducing considerably such individual's capacity for normal work or engaging in gainful employment or occupation and parents or guardian of such person :

Provided that, such individual or, as the case may be, employer produces the aforesaid certificate before the prescribed authority in respect of the first assessment year for which he claims deduction under this clause.

Explanation. - For the purpose of this clause, the expression "Government Hospital" shall have the same meaning as assigned to it in clause (c);

(f) * * * *

(g) parents of guardians of a child suffering from a physical disability as specified in clause (c);

(h)

28. and 29. * * * *

SCHEDULE I

(See section 3)

Schedule of rates of tax on professions, trades, callings and employments

Serial No.	Class of persons	Rate of tax Rs.
1	2	3
1.	Salary and wage earners - such persons whose monthly salaries or wages,--	
	(a) Do not exceeds Rs. 7500	Nil
	(b) Exceeds Rs. 7500 but do not exceed Rs. 10,000	175 per month.
	(c) Exceeds Rs. 10,000	2,500 per annum, to be paid in the following manner:-
		(a) rupees two hundred per month except for the month of February;
		(b) rupees three hundred for the month of February.

1A. * * * *

2. to 21.

Note 1 - Notwithstanding anything contained in this Schedule, where a person is covered by more than one entry of this Schedule, the highest rate of tax specified under any of those entries shall be applicable in his case. This provision shall not be applicable to entry 16(iv) of the Schedule.

Note 2 - For the purposes of Entry 8 of the Schedule, the Profession Tax shall be calculated on the basis of the "turnover of sales or purchases" of the previous year. If there is no previous year for such dealer, the rate of Profession Tax shall be Rs. 2,000. The expressions "turnover of sales" or "turnover of purchases" shall have the same meaning as assigned to them, respectively, under the Maharashtra Value Added Tax Act, 2002".

SCHEDULES II * * * *

**MAHARASHTRA LEGISLATURE
SECRETARIAT**

[L. A. BILL No. XIII OF 2023.]

**[A Bill further to amend the Maharashtra
State Tax on Professions, Trades, Callings
and Employments Act, 1975.]**

**[SHRI DEVENDRA FADNAVIS,
Deputy Chief Minister.]**

**[As passed by the Legislative Assembly on
the 21st March, 2023.]**

**RAJENDRA BHAGWAT,
Principal Secretary,
Maharashtra Legislative Assembly.**