

The Bihar Tax on Advertisements Rules, 2007]¹.

S.O. 57 dated 20.7.2007.—In exercise of the powers conferred by section 12 of the Bihar Tax on Advertisements Act, 2007, the Governor of Bihar is pleased to make the following Rules.

1. Short title and commencement.—(1) These rules may be called the Bihar Tax on Advertisements Rules, 2007.

(2) These Rules shall come into force with effect from the date of issue.

2. Definitions.—(1) In these rules unless there is anything repugnant to the subject or context—

- (a) 'Circle' means an unit of Commercial Taxes administration of the State as specified in the Government Notification issued in this behalf from time to time under the Bihar Value Added Tax Act, 2005 (Act 27 of 2005) within the local limits of which the advertising agent or the person who is liable to pay tax under the Act is registered;
- (b) 'Form' means a Form prescribed under these rules;
- (c) 'Government' means the State Government of Bihar;
- (d) 'Government Treasury' means, in relation to an advertising agent or person, the Treasury or Sub-Treasury, as the case may be, of the District or Sub-division in which the said advertisement is being made;
- (e) 'Month' means a calendar month;
- (f) 'Officer Incharge' of a circle means a Commercial Taxes Officer or the Assistant Commissioner of Commercial Taxes or Deputy Commissioner of Commercial Taxes, Incharge of a circle;
- (g) 'Act' means the Bihar Tax on Advertisements Act, 2007;
- (h) 'Prescribed Authority' means the authority prescribed under the Act and these rules;
- (i) 'Place of business' means and includes, in relation to an advertising agent, any place where such advertising agent makes or exhibits the advertisement or keeps accounts relating to them;
- (j) 'Quarter' means the quarter ending on the 30th June, 30th September, 31st December and 31st of March;
- (k) 'Tax' means the tax levied under the Act;
- (l) 'Tribunal' means the Tribunal constituted under Section 9 of Bihar Value Added Tax Act, 2005 (Bihar Act 27 of 2005);
- (m) 'Year' means Financial Year;
- (n) 'Commercial Taxes Officer', Assistant Commissioner, Deputy Commissioner, Joint Commissioner of Commercial Taxes, means and denotes a Commercial Taxes Officer, Assistant Commissioner of Commercial Taxes, Deputy Commissioner of Commercial Taxes

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(2) Words and expressions used but not defined in these rules shall have the meaning assigned to them in the Act and Bihar Value Added Tax Rules, 2005.

3. Registration.—(1) Every advertising agent who is liable to pay tax under the Act, shall make an application for registration separately in respect of every place of business before the Deputy Commissioner/Assistant Commissioner/Commercial Taxes Officer/Incharge of the Circle within seven days of becoming liable to pay tax under the Act.

(2)(a) Such application shall be in Form I and shall be signed and verified in the manner prescribed in the Form, by the proprietor if the advertising agent is an individual, the authorised partner, if the advertising agent is a partnership firm, by the *Karta*, if the advertising agent is Hindu Undivided Family and in case of a Company or a Corporation constituted under any law, the managing director or principal executive officer thereof or in case of Society, Club or Association or persons or a Department of the Government or Local Authority by the Principal or Chief Executive Officer thereof.

(b) The applicant shall also attach two passport size photographs of the proprietor, if the advertising agent is an individual, of the authorised partner if the advertising agent is partnership firm and of the *Karta* if the advertising agent is an Hindu Undivided family firm.

(3) On receipt of an application for registration, the officer Incharge of the Circle after verifying or causing to be verified the particulars furnished by the dealer, grant him a registration certificate in Form II within a period ordinarily not exceeding seven day from the date of the receipt of the said application:

Provided that in order to ensure proper payment of tax the officer Incharge of the Circle before granting the certificate of registration may require the advertising agent to furnish such security and in such a manner as he may consider desirable but such security shall not be more than the amount of tax which may be estimated as payable for a year.

(4) The security required to be furnished under sub-rule (3) may be in either of the following manner:—

- (i) Cash deposit in the Government Treasury; or
- (ii) Post Officer Savings Bank Account or Government Securities pledged to the Office Incharge of the Circle concerned; or
- (iii) Bank guarantee from a Bank approved in this behalf by the officer Incharge agreeing to pay to the Government or, demand the amount of security fixed by the officer Incharge; or
- (iv) By furnishing two securities, acceptable to the Officer Incharge by executing a security bond for such amount in Form III.

(5) The relevant rules of the Bihar Value Added Tax Rules, 2005 in force at the appropriate time shall *mutatis mutandis* apply in all matters relating to information necessitated by any change in the ownership or constitution of business, change in the name and style of business, place of business or any other material change

7. **Returns and payment of tax.**—(1) Every registered advertising agent or any other person liable to pay tax under section 3 of the Act shall furnish a true and complete return for each quarter in Form IV and also an annual return for each year in Form V in respect of advertisement made and tax payable thereon in accordance with the provisions of the Bihar Value Added Tax Act, 2005 (Bihar Act 27, 2005) and in the manner as laid down in the rules made thereunder in this behalf.

(2) (a) Every advertising agent or any other person liable to pay tax under the Act shall pay the amount of tax, interest or penalty payable by him under the Act into Government treasury by challan in Form VI:

Provided that if the officer Incharge of the Circle is satisfied that a advertising agent has been maintaining and is maintaining adequate funds in his Bank account he may permit him to pay amount of tax or interest including penalty, if any, where such amount exceeds Rs. 500.00 through a crossed cheque or crossed Bank draft on a Bank functioning at the place where the Government Treasury is situated. Such permission may, at any time be revoked without assigning any reason:

(b) A challan in Form VI shall be in five copies. The portion of the challan marked 'Original' shall be sent by the Treasury Officer to the officer Incharge of the Circle, the portion marked 'Duplicate' shall be retained by the Treasury officer and the portion marked 'Triplicate and Quadruplicate' shall be returned to the advertising agent or the payer after being duly receipted and the copy marked "for the circle" shall be forwarded by the bank to the Circle Incharge. The advertising agent or the payer shall annex the portion marked 'Quadruplicate' with the quarterly return as required to be furnished under sub-rule (1).

5. Maintenance of Accounts and issue of cash-memo, bill, invoice etc.—Every advertising agent or any other person liable to pay tax under the Act shall keep true and complete detailed accounts relating to the advertisements made by him, the payments received and expenses incurred relating thereto.

6. Application of certain rules of the Bihar Value Added Tax Rules, 2005.—The relevant rules of the Bihar Value Added Tax Rules, 2005 shall *mutatis* apply in respect of all such procedural and other matters incidental to carrying out the purposes of the Act for which no provision has been made in these rules.

7. Punishment for breach of rules.—Any advertising agent who contravenes the provisions of these rules shall be punishable with a penalty not exceeding five thousand rupees and where the contravention is continuing one with a penalty not exceeding rupees one hundred for every day of such contravention:

Provided that the prescribed authority before imposing such penalty shall allow the person contravening the rules an opportunity of being heard.