

**MATERIALS FOR UPDATION OF GOVERNMENT WEBSITE
(PARLIAMENTARY AFFAIRS DEPARTMENT)**

CABINET DECISIONS

11.12.2004

- 1. Additional Memorandum to the proposal to enact a new legislation for levy and collection of tax on sale or purchase of goods to be called “Orissa Valued Added Tax Act”.**

Approved.

- 2. The Orissa Excise Bill, 2004.**

The Bihar & Orissa Excise Act, 1915 enacted for the then Province of Bihar and Orissa is now perhaps the only piece of legislation in force after sixty eight years of formation of separate State of Orissa. It is, therefore, high time to go for an independent legislation for the State of Orissa.

The other purpose of having a new law is that the penal provisions of the Act are considered too inadequate to combat with the offenders and hardcore bootleggers. Indulgence in illicit and spurious liquor trade is increasing day by day. No offence under the existing Act is non-bailable to keep pace with the changing scenario, the situation warrants the repeal of the Existing Act giving place to the new.

The provisions of punishment provided in the existing Bihar & Orissa Excise Act, are very low compared to the seriousness of the present day excise offences committed by liquor mafias. Particularly, the fine amounts are quite small. The offences still continue to be bailable. Spread of illicit, spurious and non-duty paid liquor could not be effectively checked even after coming into force of amendments of 1999. There is demand from every quarter to firmly deal with the liquor mafia who by indulging in illicit and spurious liquor trade not only pose serious hazards to the public health but also avoid payment of huge excise revenue. Hence, the necessity to consolidate the existing law relating to

alcoholic liquor and other intoxicants in the State to make it more stringent to the offenders and help the State to generate more revenue.

Therefore, it was decided for enactment of the Orissa Excise Bill, 2004 in which it is proposed to keep some of the Provisions of the Existing Act with some modifications thereto and to incorporate some new provisions.

3. Proposal to amend the Orissa Development Authorities Act, 1982(Orissa Act 14 of 1982).

1. As per sub-section(1) of section 83 of the Orissa Town Planning & Improvement Trust Act. 1956, the duty imposed by the Indian Stamp Act, 1 of 1899 on any deed of transfer of immovable property shall in the case of immovable property situated within the area to which this act applies increased by two percentum on the value of the property transferred or in the case of usufructuary mortgage on the amount secured by the instrument.

2. As per sub-section (1) of section 78 of the Orissa Development Authorities Act, 1982, the duty imposed under the Indian Stamp Act, 1899.(2 of 1899) in respect of any deed of transfer of immovable property shall, in the case of immovable property situated within the area to which this act applies, be increased by three percentum on the value of the property transferred or in the case of a usufructuary mortgage on the amount secured by the instrument.

3. To have a rationality in different rates of surcharge on stamp duty in case of Special Planning Authorities & improvement Trust and Development Authorities, the State Finance Commission has recommended a uniform rate of the three percent of surcharge on stamp duty in the areas under Special Planning Authorities & Improvement Trust and Development Authorities.

4. It was decided to raise the surcharge on stamp duty for transfer of properties under the Orissa Town Planning and Improvement Trust Act, 1956 from the present 2% to 3% in the

areas under Special Planning Authorities so as to bring it at par with similar rates at present applicable to the areas under Development Authorities as per provisions of section 78(1) of the Orissa Development Authority Act 1982.

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