



## The Punjab Passenger and Goods Taxation Act

Act 16 of 1952

**Keyword(s):**

**Business, Goods, Owner, Passenger, Motor Vehicle**

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**THE PUNJAB PASSENGERS AND GOODS  
TAXATION ACT, 1952**

**Punjab Act No. 16 of 1952.**

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**THE PUNJAB PASSENGERS AND GOODS TAXATION ACT, 1952**

Punjab Act No. 16 of 1952.

[1st September, 1952]

[Received the assent of the Governor of the Punjab on the 30th August, 1952, and first published in Punjab Government Gazette (Extraordinary) of 1st September, 1952.]

1	2	3	4
Year	No.	Short title	Whether repealed or affected by legislation
1952	16	The Punjab passengers and Goods Taxation Act, 1952	Amended in part, Punjab Act 21 of 1952 <sup>2</sup> Amended in part, Punjab Act 6 of 1953 <sup>3</sup> Amended in part, Punjab Act 13 of 1954 <sup>4</sup> Amended in part, Punjab Act 17 of 1955 <sup>5</sup>

<sup>2</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1952, page 542; for proceedings in Assembly, see *Punjab Legislative Assembly Debates*, 1952, Volume II, pages (18)39—(18)80 and (19)46—(19)57.

<sup>3</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1952, page 1174; for proceedings in Assembly, see *Punjab Legislative Assembly Debates*, 1952. This Act repealed the Punjab Ordinance No. 11 of 1952. This Act repeals the Punjab Passengers and Goods Taxation (Amendment) Ordinance 1952.

<sup>4</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1953, page 198; for proceedings in Assembly, see *Punjab Legislative Assembly and Council Debates*, 1953.

<sup>5</sup>For statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1954, page 266; for proceedings in Assembly, see *Punjab Legislative Assembly and Council Debates*, 1954.

<sup>6</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1955, page 742; for proceedings in Assembly, see *Punjab Legislative Assembly and Council Debates*, 1955.

1	2	3	4
Year	No.	Short title	Whether repealed or affected by legislation
1952	XVI		<p>Amended in part, Punjab Act No. 4 of 1956 <sup>1</sup></p> <p>Extended to the territories which immediately before the 1st November, 1956, were comprised in the State of Pepsu, Punjab Act 7 of 1957 <sup>2</sup></p> <p>Amended in part, Punjab Act 16 of 1957 <sup>3</sup></p> <p>Amended in part, Punjab Act 45 of 1957 <sup>4</sup></p> <p>Amended by Punjab Act No. 19 of 1958 <sup>5</sup></p> <p>Amended by Punjab Act No. 7 of 1963 <sup>6</sup></p> <p>Amended by Punjab Act No. 9 of 1963 <sup>7</sup></p> <p>Amended by Punjab Act No. 33 of 1963 <sup>8</sup></p> <p>Amended by Punjab Act No. 25 of 1964 <sup>9</sup></p> <p>Amended by Punjab Act No. 11 of 1965 <sup>10</sup></p> <p>Amended by Punjab Act No. 22 of 1969 <sup>11</sup></p> <p>Amendment by President Act No. 23 of 1971 <sup>12</sup></p> <p>Amendment by Punjab Act 28 of 1973. <sup>13</sup></p>

<sup>1</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1956, page 472; for proceedings in Assembly, see *Punjab Legislative Assembly Debates*, 1956.

<sup>2</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1957, page 551.

<sup>3</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1957, page 752.

<sup>4</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1957, page 1746.

<sup>5</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1958, page 450.

<sup>6</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1963, page 218.

<sup>7</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1963, page 456.

<sup>8</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1963, page 1334.

<sup>9</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1964, pages 935—937.

<sup>10</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1965, page 348.

<sup>11</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1969, page 1086.

<sup>12</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary) Legislative Supplement*, 1971, page 32.

<sup>13</sup>For Statement of Objects and Reasons, see *Punjab Government Gazette (Extraordinary)*, 1973, page 318.

*An Act to provide for levying a tax on passengers and goods carried by road in certain motor vehicles.*

It is hereby enacted as follows:—

1. (1) This Act may be called the Punjab Passengers and Goods Taxation Act, 1952.

Short title, extent and commencement.

(2) It shall extend to the whole of the State of Punjab.

(3) It shall come into force on the first day of August, 1952.

2. In this Act, unless there is anything repugnant in the subject or context,—

Definitions.

- (a) "business" means the business of carrying passengers and goods by motor vehicles;
- (b) "Commissioner" means the Excise and Taxation Commissioner, Punjab;
- (c) "fare" includes sums payable for a season ticket or in respect of the hire of a contract carriage;
- (d) "goods" include livestock and anything carried by a motor vehicle except living persons, but does not include the personal luggage of passengers travelling in the vehicles when such luggage is not charged for and the equipment ordinarily used with the vehicle;
- (e) "owner" means the owner of a motor vehicle in respect of which a permit has been granted or countersigned under the provisions of the Motor Vehicles Act, 1939, and includes
  - (a) the holder of a permit in respect of such vehicle, (b) any person for the time being in charge of such vehicle, (c) any person responsible for the management of the place of business of such owner, (d) Government or a Corporation constituted under the Road Transport Corporations Act, 1950;
- (f) "passengers" means any person travelling in a public service vehicle, but shall not include the driver or the conductor or an employee of the owner of the vehicle travelling in the *bona fide* discharge of his duties in connection with the vehicle;

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- (g) "prescribed" means prescribed by rules framed under this Act;
- (h) "State" means the State of Punjab;
- (i) "Motor vehicle" means a public service vehicle or public carrier, or a trailer when attached to any such vehicle;
- (j) all words and expressions used in this Act but not defined shall have the meaning assigned to them in the Motor Vehicles Act, 1939.

Act IV of  
1939.

Levy of tax.

3. <sup>1</sup>[(1) There shall be levied, charged and paid to the State Government a tax on all fares and freights in respect of all passengers carried and goods transported by motor vehicles at the rate of <sup>2</sup>[thirty-five per centum] of the value of the fare or freights, as the case may be, <sup>3</sup>[the amount of tax being calculated to the nearest multiple of five naye paise by ignoring two naye paise or less and counting more than two naye paise as five naye paise.]

Provided that—

- (a) no such tax shall be levied, charged and paid on goods including minerals and mineral ores, proved to be exported out of the territory of India, whether by one transaction or by a series of transactions; <sup>4</sup>[ \* \* ]
- (b) in respect of minerals and mineral ores transported to any place within the territory of India, such tax shall be levied, charged and paid at the rate of one-twentieth of the value of the freight; <sup>5</sup>[and]

<sup>1</sup> Substituted by Punjab Act No. 9 of 1963, section 2, with effect from the 1st April, 1968. This sub-section was previously substituted by Punjab Act No. 16 of 1957, section 2.

<sup>2</sup> Substituted for the words "one-fourth" by Punjab Act No. 22 of 1969, section 2.

<sup>3</sup> The words "Subject to a maximum of two naya paise in any one case, the amount of tax being calculated to the nearest naya paisa" substituted by Ordinance No. 11 of 1963 which has been replaced by Punjab Act 33 of 1963.

<sup>4</sup> The word "and" omitted by Punjab Act 33 of 1963.

<sup>5</sup> Added by *ibid.*

<sup>1</sup>[(c) the rate of tax on fare and freights in respect of all passengers carried and goods transported by motor vehicles in hilly areas or sub-montane areas specified in this behalf by the State Government by notification shall be one-sixth of the value of the fares or freights.

*Explanation.*—When passengers are carried and goods are transported by a motor vehicle, and no fare or freight has been charged, the tax shall be levied and paid as if such passengers were carried or goods transported at the normal rate prevalent on the route.]

(2) Where any fare or freight charged is a lump sum paid by a person on account of a season ticket or as subscription or contribution for any privilege, right or facility which is combined with the right of such person being carried or his goods transported by a motor vehicle without any further payment or at a reduced charge, the tax shall be levied on the amount of such lump sum or on such amount as appears to the prescribed authority to be fair and equitable having regard to the fare or freight fixed by a competent authority under the Motor Vehicles Act, 1939.

<sup>2</sup>[(3) Where passengers are carried or goods transported by a motor vehicle operating on a joint route the tax shall be payable in respect of the distance covered within the State at the rate laid down in sub-section (1) and shall be calculated on such amount as bears the same proportion to the total fare or freight as the distance covered in the State bears to the total distance of the journey.

*Explanation.*—For the purpose of this sub-section “joint route” means a route which lies partly in the State of Punjab and partly in any other State or Union Territory.]

<sup>3</sup>[3A. (1) Notwithstanding anything contained in this Act, there shall be levied, charged and paid to the State Government an additional tax on all fares in respect of all passengers carried by motor vehicles at the rate of five per centum of the value of the fare, if the value of the fare is not less than one rupee.

(2) The provisions of this Act shall, so far as may be, apply in relation to the additional tax

Levy of additional  
tax

<sup>1</sup> Clause (c) of the Proviso added by Pb. Act 33 of 1963.

<sup>2</sup> Substituted by Punjab Act No. 22 of 1969, section 2.

<sup>3</sup> Inserted by Punjab Act 28 of 1973, section 2.

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chargeable under sub-section (1) as they apply in relation to the tax chargeable under section 3].

4. The tax shall be collected by the owner of the motor vehicle and paid to the State Government in the prescribed manner:

<sup>1</sup>[Provided that in case of public carriers the Government may accept a lump sum in lieu of the tax chargeable on freight in the manner prescribed:]

<sup>2</sup>[Provided further that in case of contract carriages the Government may accept a lump sum in lieu of the tax chargeable on fare in the manner prescribed.]

5. (1) Save as otherwise provided by this Act, no passenger shall be allowed to travel by the owner in a motor vehicle unless he is issued a ticket in the prescribed form for the journey, denoting that the tax has been paid:

Provided that if a journey begins outside the State, the tax shall become chargeable on entry within the State, in the prescribed manner.

(2) Save as otherwise provided by this Act, no goods shall be allowed to be carried in a motor vehicle unless the person in charge of the vehicle or a passenger, as the case may be, has in his possession a receipt in the prescribed form issued by the owner of the motor vehicle, showing the freight charged and denoting that the tax due under the Act has been paid.

6. (1) An owner may be required to keep such accounts and to submit such returns at such intervals and to such authority as may be prescribed.

<sup>3</sup> (2)	*	*	*	*	*]
<sup>3</sup> (3)	*	*	*	*	*]

(4) If the prescribed authority is satisfied that the tax has not been correctly levied, charged and paid, he may after giving the owner a reasonable opportunity of being heard, proceed to levy the amount of tax due and recover the same.

7. (1) For carrying out the purpose of this Act, the Commissioner may be assisted by such other person or persons as the State Government may appoint in this behalf.

1. Proviso added by Punjab Act 21 of 1952, section 2, and shall be deemed always to have been so added.

2. Further Proviso added by Punjab Act 13 of 1954, section 2.

3. Sub-sections (2) and (3) omitted by Punjab Act No. 22 of 1969, section 3.

Method of collection of tax

Method of levy.

Keeping of accounts and submission of returns.

Taxing Authorities.



(2) The Commissioner, and the person or persons appointed under sub-section (1) shall exercise such powers and perform such duties as may be assigned to them under this Act.

8. No owner shall ply his motor vehicle in the State unless he is in possession of a valid registration certificate as provided hereinafter.

Registration of owner.

9. (1) A registration certificate shall be granted in the prescribed manner to any owner applying therefor to the prescribed authority <sup>1</sup>[ \* \* \* ] on payment of a fee of one rupee.

Grant of Registration certificate.

(2) Every such registration certificate shall be valid without renewal till it is cancelled or suspended.

Act IV of 1939.

(3) No registration certificate shall be granted to any person who has not registered his motor vehicle under the Motor Vehicles Act, 1939, and if any such registration under that Act is suspended or cancelled, any registration certificate granted under this Act shall be deemed to be suspended or cancelled, as the case may be.

(4) If the prescribed authority is satisfied that any owner is liable to pay tax under the provisions of this Act in respect of any period but who has wilfully failed to apply for registration or to pay the tax, the said authority may, after giving the owner a reasonable opportunity of being heard, assess the amount of tax, if any, due from the owner, and also direct that the owner shall pay in the prescribed manner by way of penalty, a sum not exceeding <sup>2</sup>[five times the amount of the tax so assessed.]

(5) If an owner, who has been granted a certificate of registration under sub-section (1) transfers, discontinues or closes his business, he shall inform the prescribed authority within thirty days of his doing so, and the said authority shall cancel the registration certificate from the

<sup>1</sup> The words "in the district in which his motor vehicle is registered under the Motor Vehicles Act, 1939", omitted by Punjab Act 6 of 1953.

<sup>2</sup> Substituted for the words "one-and-a-half times the amount of tax" by Punjab Act 11 of 1965, Section 2.

date of transfer, discontinuance or closing down of the business.

(6) (i) On the death of an owner any person claiming to be the legal representative of the deceased shall inform the prescribed authority of this fact within a period of thirty days.

(ii) The prescribed authority shall thereupon transfer the certificate in the name of the applicant.

(7) When any owner transfers any motor vehicle, the transferee shall be liable to pay tax and penalty, if any, remaining unpaid by the transferor up to the date of transfer as if he was the registered owner, and the transferee shall not ply the said motor vehicle without getting himself registered or getting his registration certificate amended, if he is already registered.

**Exemptions.**

<sup>1</sup>[10. The State Government may, by general or special order and subject to specific conditions, if any, exempt any person or class of persons from the operation of all or any of the provisions of this Act, if in its opinion, such exemption would promote national or public interest.]

**Supply of time table and table of fares and freights.**

11. An owner shall, in the prescribed manner, furnish to the prescribed authority a table of fares and freights of public service vehicles and public carriers, a table regulating timings of arrival and departure of motor vehicles and such other particulars connected with the business as the prescribed authority may by order from time to time require.

**Arrears of tax to be recovered as arrears of land revenue.**

12. Any arrears of tax or penalty imposed under this Act shall be recoverable as an arrear of land revenue.

**Powers of entry and inspection.**

13. (1) The driver of a motor vehicle shall cause the vehicle to stop and remain stationary, when required so to do by any prescribed authority in order to enable the said authority to carry out any duty imposed by or under this Act and the said authority may also enter and travel in the motor vehicle for doing so.

(2) A person authorised under sub-section (1) shall wear such uniform or such other distinguishing insignia as may be prescribed, may enter and inspect any place ordinarily used by the owner for garaging a vehicle or keeping accounts of his business for the purpose of seeing or verifying whether the provisions of this Act or any rules framed thereunder are being complied with and countersign any documents during the course of such inspection.

[(3) The prescribed authority may, in order to ensure that any provision of this Act is not being evaded by the owner of a motor vehicle, inspect and if necessary, seize the log book from the driver of such motor vehicle and give a temporary acknowledgement therefor to the driver until the log book is returned to him.]

<sup>2</sup>[(4) All accounts, registers, documents and other books of an owner of a motor vehicle shall at all reasonable times be open to inspection by the Commissioner or any other prescribed authority and the Commissioner or such authority may countersign any or all of such accounts, registers, documents and books.

(5) If the Commissioner or the prescribed authority has reason to suspect that any owner of a motor vehicle is attempting to evade payment of the tax under this Act, the Commissioner or such authority may, for reasons to be recorded, seize such accounts, registers, documents or other books of such owner as may be necessary, and shall grant a receipt for the same, and shall retain the same only for so long as may be necessary for examination thereof or <sup>3</sup>[for the purpose of any proceeding under this Act.]

(6) For the purposes of sub-sections (4) and (5) the Commissioner or the prescribed authority, as the case may be, may enter any place of business of the owner of a motor vehicle.

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1 Added by Punjab Act No. 19 of 1958, section 2.

2 Sub-sections (4) to (6) added by Punjab Act No. 7 of 1963.

3 Substituted for the words "for a prosecution" by Punjab Act No. 22 of 1962, section 4.

Impounding of  
licence etc.

<sup>1</sup>[13-A (1) The prescribed authority may, if he has reasons to believe that the driver or conductor of a motor vehicle has contravened any provision of this Act, or the rules made thereunder or any order or direction made or given thereunder, seize any licence held by such driver or conductor, or any other document relating to the vehicle in his possession, which in the opinion of the prescribed authority will be useful for, or relevant to any proceeding under section 14-A and forward the same to the Excise and Taxation Officer or Assistant Excise and Taxation Officer concerned, as the case may be.

(2) The prescribed authority seizing the licence or other document under sub-section (1) shall give to the person surrendering the same a temporary acknowledgement therefor and such acknowledgement shall have effect, until the licence or other document is returned to the driver or conductor, as the case may be, as if the same had not been seized.]

Production of  
tickets

14. A passenger shall upon demand made during the course immediately before or after the journey, produce to any prescribed authority the ticket, voucher or document relating to his travel, or to the carriage of his goods. On his failure to do so he would be chargeable with twice the fare as penalty.

Penalty.

<sup>2</sup>[14-A (1) Whoever contravenes, or fails to comply with, any of the provisions of this Act or the rules made thereunder, or any order or direction made or given thereunder, shall, if no other penalty is provided under this Act or such contravention or failure, be liable to imposition of a penalty not exceeding five hundred rupees.

(2) Any officer of the Excise and Taxation Department, not below the rank of an Assistant Excise and Taxation Officer, appointed under sub-section (1) of 7, may, after affording to the person concerned a reasonable opportunity of being heard, impose the penalty specified in sub-section (1)].

<sup>1</sup> New section 13-A added by Punjab Act No. 45 of 1957 and substituted by Punjab Act No. 22 of 1969, section 5.

<sup>2</sup> New section 14-A inserted by Punjab Act No. 22 of 1969 section 4.  
<sup>3</sup> substituted by Punjab Act 28 of 1973, section 1.

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15. (1) An appeal shall lie to the appellate authority appointed by the State Government in this behalf, against any original order passed under this Act, within sixty days of the passing of such order or within such further period as the appellate authority may, for sufficient causes, allow.

Appeals.

Provided that no appeal shall be entertained by such authority unless he is satisfied that the amount of tax assessed and penalty imposed has been paid:

Provided further that such authority, if satisfied that any owner is unable to make such payment may, for reasons to be recorded in writing, entertain an appeal without such payment having been made.

to be

(2) Save as provided in section 16, an order passed by the appellate authority shall be final.]

of

16. (A) The Commissioner, of his own motion, or on application made to him in the prescribed manner, may call for the record of any proceedings, which are pending before or have been disposed of by any other authority subordinate to him under this Act for the purpose of satisfying himself as to the legality or propriety of such proceedings, or of any order made therein and may pass such orders in relation thereto as he may think fit:

Revisions.

Provided that the owner may make such application only within one year from the date of the order required to be revised.

Power to

(1-A) No application under sub-section (1) shall be entertained unless the application is accompanied by satisfactory proof of the payment of the tax or of the penalty, if any, imposed, or of both, as the case may be:

Provided that if the Commissioner is satisfied that the owner is unable to pay the tax assessed or the penalty, if any, imposed or both, he may, for reasons to be recorded

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in writing, entertain the application without the tax or penalty or both having been paid or after part payment of such tax or penalty or both.]

(2) No order shall be made under this section or the next preceding section without giving an owner or any other person interested a reasonable opportunity of being heard.

1[17. \* \* \* \* \* ]  
2[18. \* \* \* \* \* ]

Bar of Proceedings.

19. No prosecution shall lie against any person authorised under this Act for anything done or purporting to have been done in good faith under this Act or the rules made thereunder.

Exclusion of jurisdiction of civil courts

20. No civil court shall have jurisdiction in any matter, which the State Government or any prescribed authority is empowered by this Act or the rules made thereunder to dispose of or take cognizance of, and regarding the manner in which the State Government or any prescribed authority exercise any powers vested in it or him by or under this Act or the rules made thereunder.

Refunds.

21. The prescribed authority shall, in the prescribed manner, refund to a registered owner, applying in this behalf, any amount of tax paid by such owner in excess of the amount due from him under this Act.

Power to make rules.

22. (1) The State Government may make<sup>3</sup>rules, consistent with this Act, for securing the payment of tax and generally for the purposes of carrying into effect the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, the State Government may make rules:—

(a) prescribing the manner in which and the intervals at which tax shall be paid under section 3 and section 4;

1. Section 17 omitted by Punjab Act No. 22 of 1969, section 9.

2. Section 18 omitted by Punjab Act 22 of 1969 section 9.

3. For Rules framed under this Act see Puniab Government notification No. 8497-E&T/6187, dated 9th September, 1952.

- (b) prescribing the authority or authorities for the purpose of carrying out any function under any of the provisions of this Act;
- (c) prescribing the forms of tickets and receipts under section 5;
- <sup>1</sup>(d) prescribing the manner of granting registration certificate under section 9 and the manner of payment of tax and penalty assessed and imposed under this Act;]
- (e) prescribing the manner and table of fares under section 11;
- <sup>1</sup>[(f) prescribing the manner in which appeals under this Act may be preferred;]
- (g) prescribing the manner in which revision application may be preferred;
- (h) prescribing the manner in which refund under section 21 shall be made;
- (i) to provide for any other matter for which rules can be or may be prescribed.

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1. Clauses (d) and (f) substituted by Punjab Act No. 22 of 1969, section 10.