



The Tamil Nadu Local Authorities Finance Act, 1961

Act 52 of 1961

Keyword(s):

Establishment Tax Act, Local Authority

Amendments appended: 16 of 1970, 32 of 1975, 5 of 1978, 51 of 1979, 40 of 1989

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¹[TAMIL NADU] ACT No. 52 OF 1961².

THE ¹[TAMIL NADU] LOCAL AUTHORITIES
FINANCE ACT, 1961.

[Received the assent of the Governor on the 16th January 1962, first published in the Fort St. George Gazette on the 24th January 1962 (Magha 4, 1883).]

An Act to enable local authorities to augment their finances by empowering them to levy to certain taxes.

WHEREAS it is expedient to enable local authorities to augment their finances by empowering them to levy certain taxes.

BE it enacted in the Twelfth Year of the Republic of India as follows :—

1. (1) This Act may be called the ¹[Tamil Nadu] Local Authorities Finance Act, 1961. Short title and commencement.

(2) It shall come into force on such date as the Government may, by notification, appoint.

2. In this Act, unless the context otherwise requires,— D finition.

(a) “Entertainments Tax Act” means the ¹[Tamil Nadu] Entertainments Tax Act, 1939 (¹[Tamil Nadu] Act X of 1939) ;

(b) “Government” means the State Government ;

¹ These words were substituted for the word “Madras” by the Tamil Nadu Adaptation of Laws Order, 1969, as amended by the Tamil Nadu Adaptation of Laws (Second Amendment) Order, 1969.

²For Statement of Objects and Reasons see Fort St. George Gazette Extraordinary, dated the 26th August 1961, Part IV—Section 3, page 326.

(c) "local authority" means—

(i) the Corporation of Madras, or

(ii) a municipal council or a township committee constituted under the [Tamil Nadu] District Municipalities Act, 1920 ([¹Tamil Nadu] Act V of 1920), or

(iii) a township committee constituted under the Mettur Township Act, 1940 ([¹Tamil Nadu] Act XI of 1940) or the Courtallam Township Act, 1954 ([¹Tamil Nadu] Act XVI of 1954) or the Bhavanisagar Township Act, 1954 ([¹Tamil Nadu] Act XXV of 1954), or

(iv) a panchayat union council constituted under any law for the time being in force ;

(d) "year" means the financial year ;

(e) all words and expressions used but not defined in this Act and defined in the Entertainments Tax Act shall, in relation to a tax leviable under section 3, have the meanings respectively assigned to them in that Act.

Levy of taxes as surcharge on entertainments tax and on tax on cinematograph exhibitions.

3. (1) Any local authority may levy, in the form of a surcharge,—

(a) a tax on each payment for admission to any entertainment held within the local limits of the local authority at such a rate, not exceeding the rate of tax levied under section 4 of the Entertainments Tax Act for that payment, as the local authority may determine ;

(b) a tax on each show of cinematograph exhibition held within the local limits of the local authority at such rate not exceeding ²[one and a half] the rate of tax levied under section 4-A of the Entertainments Tax Act for that show, as the local authority may determine.

¹These words were substituted for the word "Madras" by the Tamil Nadu Adaptation of Laws Order, 1969, as amended by the Tamil Nadu Adaptation of Laws (Second Amendment) Order, 1969.

² These words were substituted for the words "three times" by section 3 (1) of the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1970 (Tamil Nadu Act 16 of 1970), which was deemed to have come into force on the 1st April 1970.

¹ [Provided that where, in case the proprietor of a cinematograph exhibition held in the theatres specified in column (2) of the table under section 5-A or 5-B of the Entertainments Tax Act and located in the local areas specified in the corresponding entry in column (1) of the said table pays, tax under section 5-A or 5-B, as the case may be, of that Act, no surcharge shall be levied under this section by the local authority concerned.]

(2) Any resolution of a local authority determining to levy a tax under sub-section (1) shall specify the date from which it shall be levied.

² [(3) * * * * *]

¹ The following proviso which was added by section 3 of the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1974 (Tamil Nadu Act 38 of 1974) was omitted by section 3 of the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1975 (Tamil Nadu Act 32 of 1975), which was deemed to have come into force on the 21st July 1975 :—

“Provided that where in any case the proprietor of a cinematograph exhibition pays tax at the compounded rates specified in section 5-A of the Entertainments Tax Act, no surcharge shall be levied under this section by the local authority concerned.”

The present proviso was added by section 3 of the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1978 (Tamil Nadu Act 5 of 1978), which was deemed to have come into force on the 26th December 1977.

² The following sub-section was omitted by section 3 (2) of the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1970 (Tamil Nadu Act 16 of 1970), which was deemed to have come into force on the 1st April 1970 :—

“(3) Where any resolution under this section has taken effect for a particular year, no proposals to alter the rate or date fixed in such resolution so far as that year is concerned shall be taken into consideration by the local authority concerned.

If any proprietor of a cinematograph exhibition was paying tax at the rates specified in section 5-A of the Tamil Nadu Entertainments Tax Act, 1939 (Tamil Nadu Act X of 1939) as in force immediately before the 21st July 1975, such proprietor shall, with effect on and from the said date, be liable to pay taxes in accordance with the provisions of that Act and of the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961) as amended by Tamil Nadu Act 32 of 1975.

(4) Any resolution abolishing an existing tax levied under sub-section (1) or reducing the rate of such tax shall not be carried into effect without the sanction of the Government.

(5) When a local authority shall have determined to levy a tax under sub-section (1) for the first time or at a new rate, the local authority shall forthwith publish a notice in such manner as may be prescribed, specifying the rate at which and the date from which such tax shall be levied.

Tax under section 3 to be assessed and collected by the Government

4. (1) Any tax payable under section 3 shall be assessed and collected by the Government in the manner provided in sub-section (2).

(2) The authorities for the time being empowered to assess, collect and enforce payment of any tax under the Entertainments Tax Act shall, subject to any rules made under this Act, assess, collect and enforce payment of any tax payable under clause (a), or clause (b) of sub-section (1) of section 3 (including any penalty payable in respect thereof) in the same manner as the tax under section 4 or section 4-A, as the case may be, of the Entertainments Tax Act is assessed, paid and collected; and for this purpose they may exercise all or any of the powers they have under the Entertainments Tax Act; and the provisions of that Act including the provisions relating to composition of tax, returns, appeals, revisions, offences, penalties and the compounding of offences, shall apply accordingly.

(3) Notwithstanding anything contained in sub-section (2), the proceeds in any year of any tax so collected shall be paid to the local authority concerned after deducting towards the expenses incurred by the Government such percentage of the proceeds as the Government may fix.

1[(4) The person liable to pay the tax under section 3 shall, in addition to the payment of security mentioned in sub-section (1-A) of section 6 of the Entertainments Tax Act, also give security up to an amount and in a manner approved by the Government for the payment of the tax due under section 3.]

¹ This sub-section was added by section 3 (1) of the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1979 (Tamil Nadu Act 51 of 1979).

¹[4-A. The amount of surcharge, fee, penalty, fine or any other sum payable, and the amount of refund due, under the provisions of this Act shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise, then, if such part is fifty paise or more, it shall be increased to one rupee and if such part is less than fifty paise, it shall be ignored.]

Rounding off of surcharge on entertainments tax and on tax on cinematograph exhibitions, fees, penalty, etc.

²[4-B. (1) If the Government are of opinion that it is necessary or expedient in the public interest to publish the names of any assesseees and any other particulars relating to any proceedings under this Act in respect of such assesseees, they may, subject to such conditions as may be prescribed, cause to be published such names and particulars in such manner as they think fit.]

Publication of information respecting assesseees.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings under this Act, until the time for presenting an appeal or a revision, as the case may be, has expired without an appeal or revision having been presented or the appeal or revision, if presented, has been disposed of.

Explanation.—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Government, the circumstances of the case justify it.]

5. Notwithstanding anything contained in this Act, ³[the Government, or any local authority with the previous sanction of the Government, may exempt]—

Power to exempt.

¹ This section was inserted by section 2 of the Tamil Nadu Local Authorities Finance (Amendment) Act, 1973 (Tamil Nadu Act 29 of 1973).

² This section was inserted by section 3(2) of the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1979 (Tamil Nadu Act 51 of 1979).

³ This expression was substituted for the expression "any local authority may, with the previous sanction of the Government exempt" by section 2 of the Tamil Nadu Local Authorities Finance (Second Amendment) Act, 1973 (Tamil Nadu Act 42 of 1973).

(a) admissions to any entertainment or class of entertainments from liability to the tax payable under clause (a) of sub-section (1) of section 3 ;

(b) shows of any cinematograph exhibition or class of exhibitions from liability to the tax payable under clause (b) of sub-section (1) of section 3.

Other laws
not affected.

6. The provisions of this Act are in addition to, and not in derogation of, the Entertainments Tax Act or any other law for the time being in force.

7. [The amendment made by this section has been already incorporated in the principal Act, namely, the Madras City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919)].

Power to
make rules.

8. (1) The Government may make rules for the purpose of carrying out the provisions of this Act.

(2) All rules made under this Act shall be published in the **Fort St. George Gazette* and unless they are expressed to come into force on a particular day, shall come into force on the day on which they are published.

(3) Every rule made under this Act shall, as soon as possible after it is made, be placed on the table of both Houses of the Legislature and if, before the expiry of the session in which it is so placed or the next session, both houses agree in making any modification in any such rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power to
remove
difficulties.

9. (1) If any difficulty arises in giving effect to the provisions of this Act, the Government as occasion may require may, by order, do anything which appears to them necessary for the purpose of removing the difficulty.

* Now the *Tamil Nadu Government Gazette*.

(2) Every order issued under sub-section (1) shall, as soon as possible after it is issued, be placed on the table of both Houses of Legislature, and, if before the expiry of the session in which it is so placed or the next session, both Houses agree in making any modification in any such order or both Houses agree that the order should not be issued, the order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

TAMIL NADU ACT No. 16 OF 1970.*

THE TAMIL NADU ENTERTAINMENTS TAX AND
LOCAL AUTHORITIES FINANCE (AMENDMENT)
ACT, 1970.

[Received the assent of the Governor on the 4th June 1970,
first published in the Tamil Nadu Government Gazette
Extraordinary, on the 9th June 1970 (Jyaishta 19, 1892).]

An Act further to amend the Tamil Nadu Entertainments
Tax Act, 1939 and the Tamil Nadu Local Authorities
Finance Act, 1961.

BE it enacted by the Legislature of the State of Tamil Nadu
in the Twenty-first Year of the Republic of India as
follows :—

1. (1) This Act may be called the Tamil Nadu Enter-
tainments Tax and Local Authorities Finance (Amendment)
Act, 1970.

Short title
and com-
mencement.

(2) It shall be deemed to have come into force on
the 1st April 1970.

2. [The amendment made by this section has already
been incorporated in the principal Act, viz., the Tamil Nadu
Entertainments Tax Act, 1939 (Tamil Nadu Act X of
1939).]

3. [The amendment made by this section has already
been incorporated in the principal Act, viz., the Tamil
Nadu Local Authorities Finance Act, 1961 (Tamil Nadu
Act 52 of 1961).]

4. Notwithstanding anything contained in section 3,
any resolution of a local authority determining the levy of
tax under clause (b) of sub-section (1) of section 3 of
the said Act and in force immediately before the date of the
commencement of this Act shall continue in force after
such date, until a fresh resolution determining the levy of
tax under clause (b) of sub-section (1) of section 3 of the
said Act as amended by this Act has taken effect.

Saving.

*For Statement of Objects and Reasons, see *Fort St. George
Gazette* Extraordinary, dated the 4th April 1970, Part IV—Section
3, page 66.

TAMIL NADU ACT NO. 32 OF 1975.*

**THE TAMIL NADU ENTERTAINMENTS TAX
AND LOCAL AUTHORITIES FINANCE
(AMENDMENT) ACT, 1975.**

[Received the assent of the Governor on the 13th November 1975, first published in the Tamil Nadu Government Gazette Extraordinary on the 15th November 1975 (Aippasi 29, Iratchasa (2006-Tiruvalluvar Andu)).]

An Act further to amend the Tamil Nadu Entertainments Tax Act, 1939 and the Tamil Nadu Local Authorities Finance Act, 1961.

BE it enacted by the Legislature of the State of Tamil Nadu in the Twenty-sixth Year of the Republic of India as follows :—

1. (1) This Act may be called the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1975. Short title and commencement.

(2) It shall be deemed to have come into force on the 21st July 1975.

2. [The amendments made by this section have already been incorporated in the principal Act, namely, the Tamil Nadu Entertainments Tax Act, 1939 (Tamil Nadu Act X of 1939).]

3. [The amendment made by this section has already been incorporated in the principal Act, namely, the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961).]

4. For the removal of doubts, it is hereby declared that if any proprietor of a cinematograph exhibition was paying tax at the rates specified in section 5-A of the Tamil Nadu Entertainments Tax Act, 1939 (Tamil Nadu Act X of 1939), as in force immediately before the 21st July 1975, such proprietor shall, with effect on and from the 21st July 1975, be liable to pay taxes in accordance with the provisions of that Act and of the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961), as amended by this Act. Special provision regarding payment of tax.

5. The Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Ordinance, 1975 (Tamil Nadu Ordinance 6 of 1975), is hereby repealed. Repeal.

* For Statement of Objects and Reasons, see *Tamil Nadu Government Gazette* Extraordinary, dated the 21st October 1975 Part IV—Section 1, Page 228.

TAMIL NADU ACT NO. 5 OF 1978.*

THE TAMIL NADU ENTERTAINMENTS TAX AND
LOCAL AUTHORITIES FINANCE (AMENDMENT)
ACT, 1978.

[Received the assent of the Governor on the 20th January 1978, first published in the Tamil Nadu Government Gazette Extraordinary on the 21st January 1978 (Thai 8, Pinkala (2009—Tiruvalluvar Andu)).]

An Act further to amend the Tamil Nadu Entertainments Tax Act, 1939 and the Tamil Nadu Local Authorities Finance Act, 1961.

BE it enacted by the Legislature of the State of Tamil Nadu in the Twenty-eighth Year of the Republic of India as follows :—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1978.

(2) It shall be deemed to have come into force on the 26th December 1977.

Amendment of Tamil Nadu Act X of 1939.

2. In the Tamil Nadu Entertainments Tax Act, 1939 (Tamil Nadu Act X of 1939),—

(1) in section 4-A, for the *Explanation* under subsection (1), the following *Explanation* shall be substituted, namely :—

“*Explanation.*—For the purposes of this subsection and of sections 4-C, 5-A and 5-B, ‘show’ means one complete exhibition or the repeated exhibition of a full length feature film with or without approved documentaries and news reviews, for one payment for admission.”;

(2) in section 5, after the words “on the application of the proprietor of any entertainment”, the expression “[other than a proprietor of an entertainment held in any theatre specified in column (2) of the Table under section 5-A or 5-B and located in the local areas specified in the corresponding entry in column (1) of the said Table]” shall be inserted;

* For Statement of Objects and Reasons, see *Tamil Nadu Government Gazette Extraordinary*, dated the 6th January 1978, Part IV—Section 1, Pages 104—105.

(3) after section 5, the following sections shall be inserted, namely :—

“ 5-A. Tax on shows held in certain theatres.—

(1) Notwithstanding anything contained in this Act or in the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961) (hereinafter referred to in this section as the Local Authorities Finance Act), in the case of cinematograph exhibitions held in the theatres specified in column (2) of the Table below and located in the local areas specified in the corresponding entry in column (1) of the said Table, there shall be levied and paid to the State Government, a tax at the rate specified in the corresponding entry in column (3) thereof.

THE TABLE.

<i>Local Areas.</i>	<i>Theatres.</i>	<i>Rate of tax for every show.</i>
(1)	(2)	(3)
(a) Municipalities, Second Grade.	(i) Permanent and semi-permanent theatres.	27½ per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) theatre.	24 per cent of the gross collection capacity for every show.
(b) Municipalities, Third Grade.	(i) Permanent and semi-permanent theatres.	26 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) theatre.	23 per cent of the gross collection capacity for every show.

THE TABLE—*cont.*

<i>Local Areas.</i>	<i>Theatres.</i>	<i>Rate of tax for every show.</i>
(1)	(2)	(3)
(c) Selection Grade Panchayat towns.	(i) Permanent and semi-permanent theatres.	25 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) theatre.	22 per cent of the gross collection capacity for every show.
(d) Other Panchayat towns.	(i) Permanent and semi-permanent theatres.	24 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) theatre.	21 per cent of the gross collection capacity for every show.
(e) Panchayat villages.	(i) Permanent and semi-permanent theatres.	21 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) theatre.	20 per cent of the gross collection capacity for every show.

Explanation I.—For the purposes of this section and of section 5-B, “gross collection capacity” in relation to a cinematograph exhibition, means the notional aggregate of all payments for admission for a show (inclusive of the entertainments tax and the surcharge and additional surcharge on the entertainments tax leviable under the Local Authorities Finance Act or under this Act) if all the seats or other accommodation available in the theatre were occupied by spectators.

Explanation II.—For the [purposes of this section and of section 5-B,—

(i) “Municipalities, Second Grade” means the Municipalities specified in Part A of Schedule I;

(ii) “Municipalities, Third Grade” means the Municipalities specified in Part B of Schedule I;

(iii) “Selection Grade Panchayat Towns” means the Selection Grade Panchayat Towns specified in Schedule II.

(2) The tax levied under sub-section (1) shall be recoverable from the proprietor.

(3) (a) Every proprietor of a cinematograph exhibition who is liable to pay tax under this section or who opts to pay tax under section 5-B shall submit a return relating to the actual number of shows held by the proprietor in a week to the prescribed authority in such manner and within such period as may be prescribed and also give prior notice to the prescribed authority of any proposed variation in the gross collection capacity per show in respect of the place of entertainment. Such prior notice shall not be less than such period as may be prescribed.

(b) If the prescribed authority is satisfied that any return submitted under clause (a) is correct and complete, it shall assess the proprietor on the basis thereof.

(c) If no return is submitted by the proprietor under clause (a) within the prescribed period, or if the return submitted by him appears to the prescribed authority to be incomplete or incorrect, the prescribed authority shall, after making such enquiry as it may consider necessary, assess the proprietor to the best of its judgment :

Provided that before taking action under this clause, the proprietor shall be given a reasonable opportunity of proving the correctness or completeness of any return submitted by him or that no return was due from him.

(4) The tax payable under sub-section (1) shall be calculated for the actual number of shows held by the proprietor in a week.

(5) No proprietor of a cinematograph exhibition who is liable to pay tax under this section shall conduct such cinematograph exhibition unless he has given security up to an amount and in a manner approved by the State Government for the payment of tax under this section.

5-B. Option to pay.—(1) In lieu of the tax payable under section 5-A, in the case of cinematograph exhibitions held in the theatres specified in column (2) of the Table below and located in the local areas specified in the corresponding entry in column (1) of the said Table, the proprietor of such cinematograph exhibition may, at his option and subject to such conditions as may be prescribed, pay the amount of tax to the State Government every week as specified in the corresponding entry in column (3) thereof.

THE TABLE.

<i>Local Areas.</i>	<i>Theatres.</i>	<i>Amount of tax.</i>
(1)	(2)	(3)
(a) Municipalities, Second Grade.	(i) Permanent and semi-permanent theatres.	22½ per cent of the gross collection capacity for a show multiplied by 20.
	(ii) Temporary (touring) theatre.	19 per cent of the gross collection capacity for a show multiplied by 16.
(b) Municipalities, Third Grade.	(i) Permanent and semi-permanent theatres.	21 per cent of the gross collection capacity for a show multiplied by 20.
	(ii) Temporary (touring) theatre.	18 per cent of the gross collection capacity for a show multiplied by 16.

THE TABLE—cont.

Local Areas. (1)	Theatres. (2)	Amount of tax. (3)
(c) Selection Grade Panchayat towns.	(i) Permanent and semi-permanent theatres.	20 per cent of the gross collection capacity for a show multiplied by 16.
	(ii) Temporary (touring) theatre.	17 per cent of the gross collection capacity for a show multiplied by 14.
(d) Other Panchayat towns.	(i) Permanent and semi-permanent theatres.	19 per cent of the gross collection capacity for a show multiplied by 16.
	(ii) Temporary (touring) theatre.	16 per cent of the gross collection capacity for a show multiplied by 14.
(e) Panchayat villages.	(i) Permanent and semi-permanent theatres.	16 per cent of the gross collection capacity for a show multiplied by 16.
	(ii) Temporary (touring) theatre.	15 per cent of the gross collection capacity for a show multiplied by 14.

(2) The amount of tax referred to in sub-section (1) shall be payable by the proprietor, irrespective of the actual number of shows held by him in a week.

(3) Any proprietor who opts to pay tax under this section, shall apply in the prescribed form, to the prescribed authority to be permitted to pay the tax under this section.

(4) On being so permitted, such proprietor shall pay the tax for every week as specified in sub-section (1).

(5) The option permitted under this section shall continue to be in force till the end of the financial year in which such option is permitted.

(6) No proprietor of a cinematograph exhibition who opts to pay tax under this section, shall conduct such cinematograph exhibition unless he has given security up to an amount and in a manner approved by the State Government for the payment of tax under this section.

5-C. Tax under section 5-A or 5-B to be in lieu of the other taxes under this Act or under Tamil Nadu Act 52 of 1961.—(1) No tax or additional surcharge shall be payable under section 4, 4-A, 4-B or 4-C of this Act and no surcharge shall be payable under the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961), by any proprietor of a cinematograph exhibition held in the theatres specified in column (2) of the Table under section 5-A or 5-B, and located in the local areas specified in the corresponding entry in column (1) of the said Table.

(2) The State Government may make rules whether prospectively or retrospectively for carrying into effect the provisions of sections 5-A and 5-B. Such rules shall also provide for the issue of tickets for admission and the manner in which and the conditions subject to which a ticket may be issued.

(3) The provisions of this Act (other than sections 4, 4-A, 4-B, 4-C, 6 and 7) and of the rules made thereunder shall, so far as may be, apply in relation to the tax payable under section 5-A or 5-B, as they apply in relation to the tax payable under section 4-A.” ;

(4) in sub-section (2) of section 8, for the words “The State Government may”, the words “The State Government may subject to such conditions as they deem fit” shall be substituted ;

(5) to sub-section (1) of section 13, the following proviso shall be added at the end, namely :—

“ Provided also that where in any case the proprietor of a cinematograph exhibition held in the theatres specified in column (2) of the Table under section 5-A or 5-B and located in the local areas specified in the corresponding entry in column (1) of the said Table pays tax under section 5-A or 5-B, there shall be paid to the municipality, the panchayat and the panchayat union council concerned such sum as may be specified by the State Government in this behalf.” ;

(6) in section 14,—

(a) in sub-section (1), for the portion commencing with the words “shall, on conviction by a Magistrate” and ending with the words “five hundred rupees”, the following shall be substituted, namely :—

“shall, on conviction by a Magistrate,—

(i) in respect of each such offence falling under clause (a) or sub-clause (ii) of clause (b), be liable to a fine which may extend to one thousand rupees ;

(ii) in respect of an offence falling under sub-clause (i) of clause (b), be punished with imprisonment of either description for a term which may extend to one year and with fine.” ;

(b) after sub-section (1), the following sub-sections shall be inserted, namely :—

“(1-A) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (Central Act 2 of 1974), an offence falling under sub-clause (i) of clause (b) of sub-section (1) shall be cognizable.

(1-B) No court shall take cognizance of an offence falling under sub-clause (i) of clause (b) of sub-section (1), except upon complaint, in writing, made by any officer not below the rank of Deputy Commercial Tax Officer and authorised in this behalf by the State Government by general or special order.” ;

(7) in section 15,—

(a) in clause (a), for the words “five hundred rupees or double the amount of the tax”, the words “one thousand and five hundred rupees or thrice the amount of the tax” shall be substituted ;

(b) in clause (b), for the words “five hundred rupees”, the words “one thousand rupees” shall be substituted ;

(8) after section 16, the following section shall be inserted, namely :—

“16-A. *Power to amend Schedules.*—(1) The State Government may, by notification, having due regard to the population including the floating population, annual income and such other matters as may be prescribed, amend any of the Schedules.

(2) Where a notification has been issued under sub-section (1), there shall, unless the notification is in the meantime rescinded, be introduced in the Legislature, as soon as may be, but in any case during the next session of the Legislature following the date of the issue of the notification, a Bill on behalf of the State Government, to give effect to the amendment specified in the notification, and the notification shall cease to have effect when such Bill becomes law, whether with or without modifications, but without prejudice to the validity of anything previously done thereunder :

Provided that if the notification under sub-section (1) is issued when the Legislature is in session, such a Bill shall be introduced in the Legislature during that session :

Provided further that where for any reason a Bill as aforesaid does not become law within six months from the date of its introduction in the Legislature, the notification shall cease to have effect on the expiration of the said period of six months.

(3) All references made in this Act to any of the Schedules shall be considered as relating to the Schedules as for the time being amended in exercise of the powers conferred by this section .” ;

(9) after section 20, the following Schedules shall be added, namely :—

“SCHEDULE I.

[*See Explanation II to section 5-A (1).*]

PART A.

MUNICIPALITIES—SECOND GRADE

North Arcot district.

1. Ambur.
2. Arni.
3. Arcot.
4. Arkonam.
5. Vaniyambadi.

South Arcot district.

1. Panruti.
2. Tiadivanam.
3. Virudhachalam.

Chengalpattu district.

1. Alandur.
2. Chengalpattu.
3. Pallavapuram.

Coimbatore district.

1. Dharapuram.
2. Mettupalayam.
3. Sathyamangalam.

Dharmapuri district.

1. Dharmapuri.
2. Krishnagiri.

Madurai district.

1. Bodinayakanur.
2. Cumbum.
3. Periakulam.
4. Theni-Allinagaram.

Ramanathapuram district.

1. Aruppukottai.
2. Paramakudi.
3. Ramanathapuram.
4. Sivakasi.
5. Srivilliputhur.

Salem district.

1. Namakkal.
2. Rasipuram.
3. Tiruchengode.

Thanjavur district.

1. Mannargudi.
2. Pattukkottai.
3. Tiruvarur.

Tirunelveli district.

1. Kovilpatti.
2. Tenkasi.

PART B.

MUNICIPALITIES—THIRD GRADE.

North Arcot district.

1. Ranipet.
2. Walajapet.

South Arcot district.

Nellikuppam.

Chengalpattu district.

1. Maduranthakam.
2. Tiruvallur.

Kanyakumari district.

1. Colachel.
2. Kuzhithurai.
3. Padmanabhapuram.

Madurai district.

Chinnamanur.

Pudukkottai district.

Arantangi.

Ramanathapuram district.

1. Devakottai.
2. Sattur.
3. Sivaganga.

Salem district.

1. Idappadi.
2. Suramangalam.

Thanjavur district.

Sirkali.

Tiruchirappalli district.

1. Goldenrock.
2. Manapparai.
3. Thuraiyur.

Tirunelveli district.

1. Kadayanallur.
2. Melapalayam.
3. Puliankudi.
4. Sankarankoil.
5. Shencottah.

SCHEDULE II.

[See *Explanation* II to section 5-A (1) .]

SELECTION GRADE PANCHAYAT TOWNS.

North Arcot district.

1. Thiruvettipuram.
2. Vandavasi.
3. Polur.
4. Pernampet.

South Arcot district.

1. Tirukoilur.
2. Kallakurichi.
3. Chinnasalem.

Chengalpattu district.

1. Tiruttani.
2. Villivakkam.
3. Uthiramerur.
4. Poonamallee.
5. Tirukalikundram.
6. Saligramam.
7. Velacheri.
8. Manali.

Coimbatore district.

1. Andhiyur.
2. P. Puliampatti.
3. Bhavani.
4. Kavandapadi.
5. Veerapanchatram.
6. Kodumudi.
7. Kangayam.
8. Kottur.
9. Palladam.

Coimbatore district—cont.

10. Sular.
11. Irugur.
12. Annur.
13. Sirumugai.
14. Avanashi.
15. Karamadai.
16. Thelungupalayam.
17. Kunniyamuthur.
18. Kurichi.
19. Perianaickenpalayam.
20. Lakkampatti.
21. Kasipalayam.
22. Nambiyur.
23. Ganapathi.
24. Sunganur.
25. Thudialur.
26. Vellakinar.
27. Vettaikaranpudur.
28. Vaniputhur.

Dharmapuri district.

1. Hosur.
2. Harur.
3. Kaveripattinam.
4. Karimangalam.

Madurai district.

1. Natham.
2. Oddanchatram.
3. Sholavandan.
4. Chinnalapatti.
5. Usilampatti.
6. Gudalur.
7. Uthamapalayam.
8. Thirupparankundram.

Madurai district—cont.

9. Thirumangalam.
10. Melur.
11. Batlagundu.
12. Nilakkottai.

Nilgiris district.

1. Kotagiri.
2. Melur.
3. Hulical.
4. Gudalur.

Salem district.

1. Velur.
2. Kumarapalayam.

Thanjavur district.

1. Thiruthuraiipoondi.
2. Thiruvaiyaru.

Tiruchirappalli district.

1. Lalgudi.
2. Ariyalur.
3. Pallapatti.
4. Kulithalai.
5. Musiri.
6. Manachanallur.
7. Thottiam.
8. Kallakudi.

Tirumelveli district.

1. Ambasamudram.
2. Vikramasingapuram.
3. Veeravanallur.
4. Kallidaikurichi.
5. Vadakkuvalliyoor.”.

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3. [*The amendment made by this section has already been incorporated in the principal Act, viz., the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961).*]

4. (1) The Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Ordinance, 1977 (Tamil Nadu Ordinance 5 of 1977), is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act as if this Act had come into force on the 26th December 1977.

TAMIL NADU ACT NO. 51 OF 1979.*

**THE TAMIL NADU ENTERTAINMENTS TAX AND
LOCAL AUTHORITIES FINANCE (AMENDMENT)
ACT, 1979.**

*[Received the assent of the Governor on the 29th November
1979, first published in the Tamil Nadu Government
Gazette Extraordinary on the 3rd December 1979
(Karthigai 17, Chitharathi (2010—Tiruvalluvar Andu)).]*

**An Act further to amend the Tamil Nadu Entertainments
Tax Act, 1939 and the Tamil Nadu Local Authorities
Finance Act, 1961.**

BE it enacted by the Legislature of the State of Tamil
Nadu in the Thirtieth Year of the Republic of India as
follows :—

Short title and commencement. 1. (1) This Act may be called the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1979.

(2) (i) Clause (2) of section 2 shall be deemed to have come into force on the 6th August 1979 ;

(ii) Clauses 5 (a) (i), (5) (a) (ii) (B), (5) (b) and (6) of section 2 shall be deemed to have come into force on the 17th October 1979 ;

(iii) Clause (5) (a) (ii) (A) of section 2 shall be deemed to have come into force on the 24th October 1979.

Amendment of Tamil Nadu Act X of 1939. 2. In the Tamil Nadu Entertainments Tax Act, 1939 (Tamil Nadu Act X of 1939),—

(1) in section 3, for clause (9), the following clause shall be substituted, namely :—

“(9) “proprietor” in relation to any entertainment means a licensee of cinematograph exhibition under the Tamil Nadu Cinemas (Regulation) Act, 1955 (Tamil

* For Statement of Objects and Reasons, see *Tamil Nadu Government Gazette* Extraordinary, dated the 3rd November 1979, Part IV—Section 1, Pages 435—436.

Nadu Act IX of 1955) and includes the State Government, any local authority or any person responsible for the management thereof.” ;

(2) in section 5-B, in the Table under sub-section (1), in the entries in column (3), against items (a) and (b), for the figures “ 16 ”, the figures “ 14 ” shall be substituted;

(3) in section 6, in sub-sections (1-A) and (2), for the expression “ the entertainments tax ”, the expression “ the entertainments tax, the additional tax on cinematograph exhibition, the additional surcharge on entertainments tax and the additional surcharge on tax on cinematograph exhibition ” shall be substituted;

(4) after section 10-A, the following section shall be inserted, namely :—

“ 10—AA. *Publication of information respecting proprietors.*—(1) If the State Government are of opinion that it is necessary or expedient in the public interest to publish the names of any proprietors and any other particulars relating to any proceedings under this Act in respect of such proprietors, they may, subject to such conditions as may be prescribed, cause to be published such names and particulars in such manner as they think fit.

(2) No publication under this section shall be made in relation to any penalty imposed or any conviction for any offence connected with any proceedings under this Act, until the time for presenting an appeal or a revision, as the case may be, has expired without an appeal or revision having been presented or the appeal or revision, if presented, has been disposed of.

Explanation.—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the State Government, the circumstances of the case justify it.” ;

(5) in Schedule I,—

(a) in PART A,—

(i) under the heading “ *Chengalpattu District* ”, item 1 shall be omitted ;

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(ii) under the heading "*Ramanathapuram district*"—

(A) item 1 shall be omitted ;

(B) item 4 shall be omitted ;

(b) in PART B, under the heading "*Madurai district*", after item 2, the following item shall be added, namely :—

" 3. Thirumangalam. ";

(6) in Schedule II, under the heading "*Madurai district*", item 9 shall be omitted.

Amendment of
Tamil Nadu
Act 52 of 1961.

3. In the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961),—

(1) in section 4, after sub-section (3), the following sub-section shall be added, namely :—

" (4) The person liable to pay the tax under section 3 shall, in addition to the payment of security mentioned in sub-section (1-A) of section 6 of the Entertainments Tax Act, also give security up to an amount and in a manner approved by the Government for the payment of the tax due under section 3. ";

(2) after section 4-A, the following section shall be inserted, namely :—

" 4-B. *Publication of information respecting assesses.*—(1) If the Government are of opinion that it is necessary or expedient in the public interest to publish the names of any assesses and any other particulars relating to any proceedings under this Act in respect of such assesses, they may, subject to such conditions as may be prescribed, cause to be published such names and particulars in such manner as they think fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings under this Act, until the time for presenting an appeal or a revision, as the case may be, has expired without an appeal or revision having been presented or the appeal or revision, if presented, has been disposed of.

Explanation.—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Government, the circumstances of the case justify it.”

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 17th November 1989 and is hereby published for general information:—

ACT No. 40 OF 1989.

An Act further to amend the Tamil Nadu Entertainments Tax Act, 1939 and the Tamil Nadu Local Authorities Finance Act, 1961.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fortieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Entertainments Tax and Local Authorities Finance (Amendment) Act, 1989. Short title and commencement

(2) It shall be deemed to have come into force on the 1st July 1989.

Tamil Nadu Act X of 1939.

2. In the Tamil Nadu Entertainments Tax Act, 1939 (hereinafter referred to as the principal Act) in section 4,— Amendment of section 4.

(1) for sub-section (1), the following sub-section shall be substituted, namely:— Amendment (a)

“(1) There shall be levied and paid to the State Government, a tax (hereinafter referred to as the entertainments tax) calculated at the following rates, namely:—

(a) on each payment for admission to any cinematograph exhibition, at the rate of forty per cent of the gross payment for admission inclusive of the amount of the tax ;

(b) on each payment for admission to any horse-race,—

Where such payment (inclusive of the amount of the tax)	Rate of tax.
(i) is not more than thirty paise	one-fourth of such payment.
(ii) is more than thirty paise but is not more than one rupee and fifty paise	one-third of such payment.
(iii) is more than one rupee and fifty paise	two-fifths of such payment.”

(i) is not more than thirty paise

(ii) is more than thirty paise but is not more than one rupee and fifty paise

(iii) is more than one rupee and fifty paise

(2) after sub section (2), the following shall be added, namely:—

“(3) The tax levied under clause (a) of sub-section (1) shall be recoverable from the proprietor.”

3. Sections 4-A and 4-C of the principal Act shall be omitted. Omission of sections 4-A and 4-C.

4. In section 4-B of the principal Act,—

(i) for the marginal heading “Additional surcharge on tax on payment for admission to entertainments”, the following marginal heading shall be substituted, namely:— Amendment of section 4-B

“Additional surcharge on tax on payment for admission to horse-race”;

(ii) sub-section (1) shall be omitted;

(iii) in sub-section (2), the expression “clause (a) of” shall be omitted ;

(iv) in sub-section (3), the expression “Save as otherwise provided in sub-section (1)” shall be omitted.

5. In section 4-D of the principal Act,—

(i) in sub-section (1), for the expression “sections 4, 4-A, 4-B and 4-C of this Act and sub-section (1) of section 3 of the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961)”, the expression “section 4 of this Act” shall be substituted; Amendment of section 4-D.

(ii) in sub-section (2), the figures and the letters “4-B, 4-C” shall be omitted.

6. In section 5-A of the principal Act, for sub-section (1) and The Table thereunder, the following shall be substituted, namely.— Amendment of section 5-A

“(1) Notwithstanding anything contained in this Act, in the case of cinematograph exhibitions held in the theatres specified in column (2) of the Table below and located in the local areas specified in the corresponding entry in column (1) of the said Table, there shall be levied and paid to the State Government, a tax at the rate specified in the corresponding entry in column (3) thereof :

Provided that nothing contained in this sub-section shall apply to theatres, other than the temporary (touring) and open air theatres, located in the area within five kilometres from the outer peripheral limits of the area where clause (a) of sub-section (1) of section 4 is in force :

Provided further that where the theatres, other than the temporary (touring) and open air theatres, located in the local areas specified in the Schedules fall within the scope of clause (a) of sub-section (1) of section 4 in view of their location within five kilometres from the outer peripheral limits of the area where clause (a) of sub-section (1) of section 4 is in force, nothing

THE TABLE.

Local areas.	Theatres.	Rate of tax for every show.
(1)	(2)	(3)
(a) Municipalities, Selection Grade	(i) Permanent and semi-permanent theatres.	35 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	26 per cent of the gross collection capacity for every show.
(b) Municipalities, First Grade	(i) Permanent and semi-permanent theatres.	34 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	25 per cent of the gross collection capacity for every show.
(c) Municipalities, Second Grade	(i) Permanent and semi-permanent theatres.	30 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	23 per cent of the gross collection capacity for every show.
(d) Municipalities, Third Grade	(i) Permanent and semi-permanent theatres.	27 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	22 per cent of the gross collection capacity for every show.
(e) Selection Grade Panchayat towns	(i) Permanent and semi-permanent theatres.	27 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	21 per cent of the gross collection capacity for every show.
(f) Other Panchayat towns	(i) Permanent and semi-permanent theatres.	25 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	20 per cent of the gross collection capacity for every show.
(g) Panchayat villages	(i) Permanent and semi-permanent theatres.	21 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	19 per cent of the gross collection capacity for every show.
(h) Townships (Municipal)	(i) Permanent and semi-permanent theatres.	27 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	22 per cent of the gross collection capacity for every show.
(i) Townships (Panchayats)	(i) Permanent and semi-permanent theatres.	25 per cent of the gross collection capacity for every show.
	(ii) Temporary (touring) and open air theatres.	20 per cent of the gross collection capacity for every show.

Explanation I.—For the purposes of this section and section 5-B, “gross collection capacity” in relation to a cinematograph exhibition, means the notional aggregate of all payments for admission for a show (inclusive of the Entertainments Tax) if all the seats or other accommodation in the theatre as specified in the licence issued by the competent authority under the Tamil Nadu Cinemas (Regulation) Act, 1955 were occupied by spectators.

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1955.

Explanation II.—For the purposes of this section and section 5-B,—

- (i) “Municipalities, Selection Grade” means the Municipalities specified in Part A of Schedule I ;
- (ii) “Municipalities, First Grade” means the Municipalities specified in Part B of Schedule I ;
- (iii) “Municipalities, Second Grade” means the Municipalities specified in Part C of Schedule I ;
- (iv) “Municipalities, Third Grade” means the Municipalities specified in Part D of Schedule I ;
- (v) “Selection Grade Panchayat Towns” means the Selection Grade Panchayat Towns specified in Schedule II ;
- (vi) “Townships (Municipal)” means the townships specified in Part A of Schedule III ;
- (vii) “Townships (Panchayat)” means the townships specified in Part B of Schedule III ;

Explanation III.—For the purposes of this section and section 5-B, “show” means one complete exhibition or the repeated exhibition, of a full length feature film with or without approved documentaries and news reviews, for one payment for admission”.

7. In section 5-B of the principal Act, for sub-section (1) and The Table thereunder, the following shall be substituted, namely:—

Amendment
of
section 5-B

“(1) In lieu of the tax payable under section 5-A, in the case of cinematograph exhibitions held in the theatres specified in column (2) of the Table below and located in the local areas specified in the corresponding entry in column (1) of the said Table, the proprietor of such cinematograph exhibition may, at his option and subject to such conditions as may be prescribed, pay the amount of tax to the State Government every week as specified in the corresponding entry in column (3) thereof :

Provided that nothing contained in this sub-section shall apply to theatres, other than the temporary (touring) and open air theatres, located in the area within five kilometres from the outer peripheral limits of the area where clause (a) of sub-section (1) of section 4 is in force :

Provided further that where the theatres other than the temporary (touring) and open air theatres, located in the local areas specified in the Schedules, fall within the scope of clause (a) of sub-section (1) of section 4 in view of their location within five kilometres from the outer peripheral limits of the area where clause (a) of sub-section (1) of section 4 is in force, nothing contained in the Schedules shall apply to such theatres.

THE TABLE

(1)	(2)	(3)
	Theatres.	Amount of tax.
(a) Municipalities, Selection Grade	(i) Permanent and semi-permanent theatres.	30 per cent of the gross collection capacity for a show multiplied
	(ii) Temporary (touring) theatres.	20 per cent of the gross collection capacity for a show multiplied 14.
	(iii) Open air theatres.	20 per cent of the gross collection capacity for a show multiplied
(b) Municipalities, First Grade	(i) Permanent and semi-permanent theatres.	29 per cent of the gross collection capacity for a show multiplied
	(ii) Temporary (touring) theatres.	19 per cent of the gross collection capacity for a show multiplied
	(iii) Open air theatres.	19 per cent of the gross collection capacity for a show multiplied
(c) Municipalities, Second Grade	(i) Permanent and semi-permanent theatres.	26 per cent of the gross collection capacity for a show multiplied
	(ii) Temporary (touring) theatres.	19 per cent of the gross collection capacity for a show multiplied
	(iii) Open air theatres.	19 per cent of the gross collection capacity for a show multiplied
(d) Municipalities, Third Grade	(i) Permanent and semi-permanent theatres.	22 per cent of the gross collection capacity for a show multiplied
	(ii) Temporary (touring) theatres.	18 per cent of the gross collection capacity for a show multiplied
	(iii) Open air theatres.	18 per cent of the gross collection capacity for a show multiplied
(e) Selection Grade Panchayat Towns	(i) Permanent and semi-permanent theatres.	21 per cent of the gross collection capacity for a show multiplied
	(ii) Temporary (touring) theatres	17 per cent of the gross collection capacity for a show multiplied
	(iii) Open air theatres.	17 per cent of the gross collection capacity for a show multiplied
(f) Other Panchayat Towns	(i) Permanent and semi-permanent theatres.	19 per cent of the gross collection capacity for a show multiplied
	(ii) Temporary (touring) theatres.	16 per cent of the gross collection capacity for a show multiplied
	(iii) Open air theatres.	16 per cent of the gross collection capacity for a show multiplied
(g) Panchayat Villages	(i) Permanent and semi-permanent theatres.	17 per cent of the gross collection capacity for a show multiplied
	(ii) Temporary (touring) theatres.	15 per cent of the gross collection capacity for a show multiplied
	(iii) Open air theatres.	15 per cent of the gross collection capacity for a show multiplied

(1)	Theatres.	Amount of tax.
(ii) Townships (Municipal)	(i) Permanent and semi-permanent theatres.	22 per cent of the gross collection capacity for a show multiplied by 21.
	(ii) Temporary (touring) theatres.	18 per cent of the gross collection capacity for a show multiplied by 14.
	(iii) Open air theatres.	18 per cent of the gross collection capacity for a show multiplied by 12.
(i) Townships (Panchayat)	(i) Permanent and semi-permanent theatres.	19 per cent of the gross collection capacity for a show multiplied by 17.
	(ii) Temporary (touring) theatres.	16 per cent of the gross collection capacity for a show multiplied by 14.
	(iii) Open air theatres.	16 per cent of the gross collection capacity for a show multiplied by 12.

8. In section 5-C of the principal Act,—

Amendment of section 5 C.

(1) for the marginal heading "Tax under section 5-A or 5-B to be in lieu of the other taxes under this Act or under Tamil Nadu Act 52 of 1961.", the following marginal heading shall be substituted, namely:—

"Tax under section 5-A or 5-B to be in lieu of tax under section 4 of this Act.";

(2) in sub-section (1), for the expression "No tax or additional surcharge shall be payable under section 4, 4-A, 4-B or 4-C of this Act and no surcharge shall be payable under the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961)", the expression "No tax shall be payable under section 4 of this Act" shall be substituted;

(3) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) The provisions of this Act (other than sections 4, 6 and 7) and of the rules made thereunder shall apply in relation to the tax payable under section 5-A or 5-B."

9. In section 5-D of the principal Act, the expression "or in the Tamil Nadu Local Authorities Finance Act, 1961 (Tamil Nadu Act 52 of 1961)" shall be omitted.

Amendment of section 5-D.

10. In section 5-F of the principal Act,—

Amendment of section 5-F.

(1) for the marginal heading "Tax under section 4-D, 5-D or 5-E to be in lieu of the other taxes under this Act or under Tamil Nadu Act 52 of 1961", the following marginal heading shall be substituted, namely:—

"Tax under section 4-D, 5-D or 5-E to be in lieu of tax under section 4 of this Act.";

(2) for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) No tax shall be payable under section 4, 5-A or 5-B of this Act by any proprietor exhibiting a cinematograph film on Television Screen through Video Cassette Recorder.";

(3) in sub-section (3), the expression "4-A, 4-B, 4-C" shall be omitted.

11. In section 6 of the principal Act, in sub-sections (1-A) and (2), for the expression "the additional tax on cinematograph exhibition, the additional surcharge on entertainments tax and the additional surcharge on tax on cinematograph exhibition", the expression "and the additional surcharge on tax on payment for admission to horse-race" shall be substituted.

Amendment of section 6.

12. In section 7-A of the principal Act, in sub-section (3), the expression "or 4-A or under both" shall be omitted.

Amendment of section 7-A.

Amendment of section 7-B.

13. In section 7-B of the principal Act,—

(1) for sub-section (1), the following sub-section shall be substituted, namely :—

“(1) Where, for any reason, any payment for admission to any entertainment has escaped assessment to tax under section 4, the authority prescribed under sub-section (1) of section 7-A may, subject to the provisions of sub-section (3) and at any time within such period as may be prescribed, assess to the best of its judgment the tax due on such payment or exhibition under section 4, after making such enquiry as it may consider necessary and after giving the proprietor a reasonable opportunity to show cause against such assessment.”;

(2) in sub-section (2), the expressions “or 4-A” and “or 4-A, as the case may be” shall be omitted.

Amendment of section 10.

14. In section 10 of the principal Act, in sub-section (1), the expression “or 4-A or under both” shall be omitted.

Amendment of section 13.

15. In section 13 of the principal Act, in sub-section (1),—

(i) for the expression “Ten per cent”, the expression “Thirty per cent” shall be substituted ;

(ii) for the expression “ninety per cent” in three places where it occurs, the expression “seventy per cent” shall be substituted.

Amendment of Schedule I.

16. In Schedule I to the principal Act,—

(1) in Part-A, after the heading “*Pasumpon-Thevar Thirumagan district*” and the entry relating thereto, the following heading and entry shall be inserted, namely :—

“*Pudukkottai district.*

Pudukkottai.”;

(2) in Part -B, after the heading “*Madurai district*” and the entry relating thereto, the following heading and entry shall be inserted, namely :—

“*Nilgiris district.*
Coonoor.”.

Amendment of Tamil Nadu Act 52 of 1961.

17. In the Tamil Nadu Local Authorities Finance Act, 1961,—

(1) in section 3,—

(i) for the marginal heading “*Levy of taxes - as surcharge on entertainments tax and on tax on cinematograph exhibitions*”, the following marginal heading shall be substituted, namely :—

Levy of tax as surcharge on tax on payment for admission to horse-race”;

(ii) for sub-section (1), the following shall be substituted, namely :—

“(1) Any local authority may levy in the form of a surcharge, a tax on each payment for admission to any horse-race held within the local limits of the local authority at such a rate, not exceeding the rate of tax levied under section 4 of the Entertainments Tax Act for that payment, as the local authority may determine”;

(2) in section 4, in sub-section (2), for the expression “under clause (a), or clause (b) of sub-section (1) of section 3 (including any penalty payable in respect thereof) in the same manner as the tax under section 4 or section 4-A as the case may be”, the expression “under sub-section (1) of section 3 (including any penalty payable in respect thereof) in the same manner as the tax under section 4” shall be substituted ;