The 16th May, 1988

No. LL(B) 27/88/41.- The following Act, of the Meghalaya Legislative Assembly which received the assent of the Governor/President is hereby published for general information.

MEGHALAYA ACT NO. 7 OF 1988

THE MEGHALAYA MINERALS CESS ACT, 1988

(As passed by the Meghalaya Legislative Assembly on 29th April, 1988)

[Received the assent of the Governor on the 12th May, 1988]

(Published in the *Gazette of Meghalaya*, Extra-ordinary, dated 16th May, 1988)

An

Act

To provide for the levy and collection of cess on some minerals of the State for the development of Primary education and for development and improvement of mining areas and for matters connected therewith.

Be it enacted by the Legislature of the State of Meghalaya in the Thirty-ninth Years of the Republic of India as follows:-

Short title, extent and commencement. 1 (1) This Act may be called the Meghalaya Minerals Cess Act, 1988
(2) It extent to the whole of the State of Meghalaya.
(3) It shall come into force on such date as the Government may by notification in the Official Gazette appoint, and different dates may be appointed for different areas.

Definitions 2 In this Act unless there is anything repugnant in the subject for context-
(a) 'Act' means the Meghalaya Minerals Cess Act, 1988;
(b) 'Cess' means the tax leviable as cess under section 3;
(c) 'Government' means the Government of the State of Meghalaya;
(d) 'minerals' means coal, sillimate, limestone and fireclay;
(e) 'prescribed' means prescribed by the rules made under this Act; and
(f) 'section' means a section of this Act;

Imposition of cess 3 On and from the coming into force of this Act, there shall be levied and collected as cess a tax on coal, silliminate, limestone and fire-clay from any person who extracts or removes the minerals from any mine or quarry in the State according to the provisions of this Act;

Rate of Cess

4 (1) The rate of the cess to be levied and collected under section 3 shall be, in the case of-

(a) coal, rapees, ten per matric tonne;

(b) sillimanite, rupees ten per matric tonne;

(c) limestone, rupees two and paise eighty per matric tonne; and

(d) fire clay, rupees one and paise twenty-five per matric tonne.

(2) The rate of cess fixed under sub-section (1) may from time to time be revised by Government by notification in the official Gazette.

Application to the proceeds of the tax

5 The proceeds of tax collected under this Act shall first be credited to the Consolidated Fund of the State to be utilised, after due appropriation made by the Legislature by law, for the purpose of-

(a) Developing primary education; and

(b) Developing and improving the mining areas, in the State;

Provided that not more than twenty per cent of the proceeds so collected shall at any time be utilised for the purpose referred to in clause (b).

Manner of collection and payment of the tax.

6 (1) The tax under this Act shall be leviable and payable in the manner as may be prescribed.

(2) Under the tax due under this Act has been paid no person shall remove or transport or attempt to remove or transport any mineral from any mine or quarry in the State.

Penalty for non-payment of tax

7 If any tax payable under this Act is no paid within such period as may be prescribed it shall be deemed to be in arrears and the authority prescribed in this behalf may impose on the person extracting or removing the minerals a penalty not exceeding the amount of tax in arrears;

Provided that before imposing the penalty such person shall be given an opportunity of being heard and if the said authority is satisfied that the default was for good and sufficient reason, no penalty shall be imposed under this section.

Recovery of sums due

8 Any tax due under this Act including any penalty under Section 7 if not paid within the time prescribed, shall be recoverable by detaining and selling by the authority prescribed in this behalf any mineral belonging to such person and if the sum cannot be so recovered the same shall be recoverable as if were an arrear of land revenue.

Offences

9 Whoever evades payment of the tax under this Act shall on conviction by a court be punishable with imprisonment for a term which may extend to six months or with fine which may extend to rupees two thousand or with both.

Offences by companies.

10 Where an offence under this Act has been committed by a company every person who at the time the offence was committed was in charge of, and was responsible for the conduct of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly;

Provided that such person shall not be liable to any punishment under this section if, he proves that the offence was committed without his knowledge and that he had exercised all due diligence to prevent the commission of such offence.

Protection of action taken in good faith

11 No suit, prosecution or legal processing shall lie against the Government or any of its officers or staff for anything done or intended to be in good faith done under this Act or the rules made there under.

Power to make rules.

12 (1) The Government may by notification in the official Gazette make rules for carrying out the purpose of this Act.

(2) In particular and without prejudice to the generality of the foregoing power such rules may provide for all or any of the following matters, namely-

(i) The manner of levy and payment of the tax;

(ii) The time within which the tax and penalty (under Section 7) shall be paid;

(iii) The authority which may impose penalty under Section 7;

(iv) The authority which may detain and sell the minerals under Section 8;

(v) The manner in which the cess shall be applied for the purpose of this Act;

(vi) The form of receipts for payment of the tax; and

(vii) Any other matter that may have to be prescribed.

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