ABSTRACT

Motor Vehicles – Taxation – grant of concessional rate of life time tax inrespect of Battery Operated two wheeler/Four wheeler non-transport vehicles – orders issued.

HOME (TRANSPORT-1) DEPARTMENT

G.O.Ms.No.342 **Dated:12.03.2008**

Read :

From the Transport Commissioner, Chennai letter No.68898 /D1/2006 dated 29.09.2006 and D.O. letter dated 29.10.2007

ORDER:

The Government of India, Ministry of Shipping Road Transport and Highways, Department of Road Transport and Highways in their letter dated 14.10.2005, reported that Electrically Operated Vehicles (EOVs) are ecologically benign and emit zero pollution. In order to promote use of such eco-friendly vehicles, one suggestion that has emanated from several quarters is exemption of road tax for EOVs. they have therefore requested the States / Union Territories to consider the suggestion for exempting EOVs, from road tax in the interest of promotion of these eco-friendly vehicles.

2. The Government of India vide their Notification No.GSR 589(E), dated 16.09.2005 have defined the Battery Operated Vehicle in sub-rule (U) of rule 2 of Central Motor Vehicles Rules, 1989 which reads as follows:-

'(U) "Battery Operated Vehicle" means a vehicle adapted for use upon roads and powered exclusively by an electric motor whose traction energy is supplied exclusively by traction battery installed in the vehicle:

Provided that if the following conditions are verified and authorized by any testing agency specified in rule 126, the battery operated vehicle shall not be deemed to be a motor vehicle.

i) The thirty minutes power of the motor is less than 0.25.KW;
ii) The maximum speed of the vehicle is less than 25 k.m/h;
iii) Bi-cycles with pedal assistance which are –

(a) equipped with an auxillary electric motor having a thirty minute power less than 0.25 KW, whose output is progressively reduced and finally cut off as the vehicle reaches a speed of 25 km/h, or sooner if the cyclist stops pedaling; and (b) fitted with suitable brakes and retro-reflective devices, i.e. one white reflector in the front and one red reflector at the rear.

<u>Explanation</u>: "The thirty minute power of the motor is defined in AIS:049:2003 and method of verification is prescribed in AIS:041:2003, till the corresponding BIS specifications are notified under the Bureau of Indian Standards Act, 1986 (Central Act 63 of 1986);"

3. Considering the Eco friendly pollution free, noise free nature and because of the speed limit (25-40 km. per hr) best suited on roads on the road safety point of view and non use of fuel by the Battery Operated Vehicles, the Transport Commissioner has suggested to encourage the usage of such vehicles in the States of Tamil Nadu as has been allowed in certain other States. The Transport Commissioner has further reported that the Transport Commissioner, himself can grant permission for registration on production of certificate from the Automotive Research Association of India, Pune. The Transport Commissioner has therefore, recommended that life time tax inrespect of battery operated vehicles which were declared as motor vehicle by testing agency specified in rule 126 of the Central Motor Vehicles Rules, 1989 may be fixed at the rate of Rs.750/- ie 50% of the rate of life time tax of Rs.1500/- for ordinary two wheelers and life time tax inrespect of battery operated four wheelers may be fixed as 50% of the normal rate of life time tax fixed (ie 6% of the total cost of the vehicle) specified in Part- I of the Third Schedule ie 3% of the total cost of the Battery Operated Vehicles.

4. The Government, after careful consideration, have decided to grant concessional rate of tax for Battery Operated (a) motor cycle at the rate of 50% of the life time tax of Rs.1500 specified in item (A) in part-I of the Second Schedule to the Tamil Nadu Motor Vehicles Taxation Act, 1974 (Tamil Nadu Act 13 of 1974) i.e. Rs.750 and (b) Non Transport new motor vehicle at the rate of 3% of the rate of tax of the total cost (50% of the rate of tax of 6% tax) of the cost of new motor vehicles specified in part –I of the Second Schedule to the said Act by invoking the provisions under the Tamil Nadu Motor Vehicles Taxation Act, 1974.

5. This order issues with the concurrence of Finance Department vide it's U.O. No.14827/2008 dated 07.03.2008.

6. The following Notification will be published in the Tamil Nadu Government Gazette:-

NOTIFICATION

In exercise of the powers conferred by clause (1) of section 20 of the Tamil Nadu Motor Vehicles Taxation Act, 1974, (Tamil Nadu Act 13 of 1974), the Governor of Tamil Nadu hereby reduces the rate of life time tax payable in respect of Battery Operated Motor Cycle from Rs.1500/-specified in item (A) of the Second Schedule to the said Act to Rs.750/- (Rupees seven hundred and fifty only) and also reduces the rate of life time tax payable in respect of non-transport Battery Operated New Motor Vehicles from 6% of the total cost of the vehicle specified in Part I of the Third Schedule to the said Act, to 3% (three percent) of the total cost of the vehicle.

2. The Notification hereby issued shall come into force on the Twelth March 2008.

(BY ORDERED OF THE GOVERNOR)

S. MALATHI
SECRETARY TO GOVERNMENT

To
The Transport Commissioner, Chennai-5.
The Accountant General, Chennai-18.
The Accountant General, Chennai-06
The Works Manager
Government Central Press
Chennai-79.(for Publication of the
Notification in the Tamil Nadu Government Gazettee and
send 50 copies to Government)
All Collectors
All Regional Transport Officers

Copy to
The Under Secretary to Government of India
Ministry of Shipping Road Transport and
Highways, New Delhi.
Finance /Law /Transport /Departments
Chennai-9.
All Transport Sections.

// FORWARDED BY ORDER //

SECTION OFFICER