

GOVERNMENT OF KARNATAKA

No. FD 01 CLT 2016

Karnataka Government Secretariat,
Vidhana Soudha,
Bengaluru, dated 20/01/2016.

NOTIFICATION

Whereas Section 3-E of the Karnataka Tax on Luxuries Act, provides for levy of tax on luxuries as follows:

"There shall be levied and collected tax at the rate of 8% on the charges collected for luxuries provided in a hospital in a room such as accommodation, air-conditioning, telephone, telephone calls, television, radio, music, extra beds and the like, where such charges are more than Rs.1000/- per day per room."

Whereas State Government is of the opinion that Luxury Tax on ICUs provided in the Hospital shall be exempted from the Luxury Tax.

Whereas, under Section 12-A, Sub-Section (a) provided for exempt or reduce of Luxury Tax payable in respect of a class of Hospitals, Clubs, Marriage Halls only.

Whereas, the intention of the Government is to exempt not a class of Hospital but class of facility provided in a Hospital which is not covered in the above said provision.

Whereas, difficulty has arisen to the State Government to give exemption to class of facility provided in a Hospital.

Now, therefore, in exercise of the powers conferred under Section 21 of the said Act, Government of Karnataka in order to remove difficulties, hereby makes the following provision:

20/1/2016.

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In exercise of the powers conferred by Section 12-A read with Section 21 of the Karnataka Tax on Luxuries Act, 1979 (Karnataka Act 22 of 1979), the Government of Karnataka being of the opinion that it is necessary in public interest so to do, hereby exempts with immediate effect the tax payable under the said Act, by the proprietor towards luxuries provided in an Intensive Care Unit (ICU) of a Hospital.

By Order and in the name of
Governor of Karnataka,

K.S. Padmavathi

(K.S.PADMAVATHI)

Under Secretary to Government
Finance Department [C.T-1]

To:

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2. The PS to Hon'ble Chief Minister, Vidhana Soudha.
3. The PS to Hon'ble Minister for Health and Family Welfare, Vikasa Soudha.
4. The Commissioner of Commercial Taxes, Gandhinagar, Bengaluru - 560 009.
5. The Secretary, Karnataka Legislature Secretariat, Bengaluru.
6. The Secretary to Government, Department of Parliamentary Affairs, Vidhana Soudha.
7. The Director of Health and Family Welfare Department, Ananda Rao Circle, Bengaluru - 560 009.
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