

No. B2/2262/TC/2012.

Transport Commissionerate, Kerala,
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Dated, 09.03.2012.

From

The Transport Commissioner,
Thiruvananthapuram.

To

All Deputy Transport Commissioners

All Regional Transport Officers/
All Joint Regional Transport Officers.

Sir,

Sub:- Motor Vehicles Department – Escaped assessment – Judgment in
WA. 1613/10 – Connected cases – reg.

Ref:- Judgment dated.28th October, 2010.

I am to invite your attention to the subject matter and bring it to your notice
the following observation made by the Hon'ble High Court vide reference cited.

Through this common judgment the Hon'ble High Court has pointed out
that Section 26 can apply for recovery of tax for increased seating capacity only
from the date on which the registering authority directed enhancement of seating
capacity in the vehicles and not before. The amendments to be carried in the
Registration Certificate Book and permit and consequent endorsement of tax
liability can be made effective only from the date on which the Regional
Transport Officer makes the entries which means, recovery of tax for the
enhanced seating capacity is possible after the tax endorsements are ordered to
be changed by the registered owner consequent upon change in the permit and
not for back periods.

The Department had taken up the matter with the Government to file
Special Leave Petition against this verdict. However, you are requested to take

note of the observation of the Hon'ble High Court with respect to Section 26 of the Kerala Motor Vehicle Taxation Act and ensure that necessary endorsements on seating capacity and tax structure are made at the time of change of permit itself to avoid recurrence of such cases that lead to significant revenue loss. Further, it is conveyed that any such lapses in future will make the responsible accountable for the loss.

Yours faithfully,

Sd/-
Senior Deputy Transport Commissioner,
for Transport Commissioner

Approved for Issue


Senior Superintendent

