

## Chapter V

### DUTIES AND FEES

Sections

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28. **Duty on excisable articles** - <sup>2</sup>[(1)[An excise duty or a countervailing duty, as the case may be]<sup>3</sup> at such rate or rates as the [State Government]<sup>4</sup> shall direct<sup>5</sup> may be imposed, either generally or for any specified local area, on any excisable article-

- (a) imported in accordance with the provisions of section 12(I); or
- (b) exported in accordance with the provisions of section 13; or
- (c) transported; or
- (d) manufactured, cultivated or collected under any license granted under section 17; or
- (e) manufactured in any distillery established, or any distillery or brewery licensed, under section 18;

Provided as follows-

(i) duty, shall not be so imposed on any article which has been imported [\*\*\*]<sup>1</sup> India and was liable on such importation to duty under the Indian Tariff Act, 1894<sup>2</sup>, or the Sea Customs Act, 1878.

(ii) [\*\*\*]<sup>3</sup>

*Explanation-* Duty may be imported under this section at different rates according to the places to which any excisable article is to be removed for consumption, or according to the varying strength and quality of such article,

<sup>4</sup>[(2) The State Government shall, in imposing an excise duty or a countervailing duty as aforesaid and in fixing its rate, be guided by the directive principles specified in Article 47 of the Constitution of India.

(3) Such duty shall not exceed the maximum as provided hereinafter:-

(a) Countervailing duty on excisable articles imported in accordance with provisions of section 12(1)-

Item No.	Description of excisable articles	Maximum rate of duty
		Rs.
1.	Country liquor (excepting tari)	20 per litre
2.	Liquor manufactured in India and sophisticated or coloured so as to resemble in flavour or colour liquor imported into India; and rectified spirit-	
	(a) Ale, beer, porter, cider and other fermented liquors	<sup>1</sup> [5 per litre]
	(b) Perfumed spirit (other than medicinal and toilet preparations)	15 per litre
	(c) Wines	8 per litre
	(d) Liquors, cordials, mixtures and other	70 per litre

	preparations containing spirit not otherwise specified (other than drugs and medicines)	
	(e) Brandy, gin, whisky, rums, rectified spirit and other sorts of spirit not otherwise specified	60 per litre of alcohol
3.	Ganja	300 per Kg.
4.	Bhang	14 per Kg.

(b) Excise or countervailing duty on excisable articles exported in accordance with the provisions of section 13-

Item No.	Description of excisable articles	Maximum rate of duty
		Rs.
1.	Country liquor (excepting tari) and other fermented alcoholic beverages)	20 per litre alcohol
2.	Liquor manufactured in India and sophisticated or colored so as to resemble in flavour or colour liquor imported into India (excepting beer)	20 per litre alcohol
3.	Beer brewed in India	2 per bulk litre
4.	Ganja	150 per Kg.
5.	Bhang	4 per Kg.

1. In sub-section (3) in clause (a)
  - (i) For the figure and words "2 per litre" the figure and words "4 per litre" subs. by Sec. 2 of U.P. Act 13 of 1979 retrospectively w.e.f. 30-11-1978.
  - (ii) For the figure and words "4 per litre" the figure and words "5 per litre" subs. by Sec. 2 of U.P. Act 5 of 1989.
  - (iii) "5 per litre" deemed effective from June 4, 1975 by Sec. 2 of U.P. Act 1 of 1990.

(c) Excise or countervailing duty on excisable articles transported-

Item No.	Description of excisable articles	Maximum rate of duty
		Rs.
1.	Country liquor (excepting tari)	20 per litre
2.	Liquor manufactured in India and sophisticated or coloured so as to resemble in flavour or colour liquor imported into India; and rectified spirit-	
	(a) Ale, beer, porter, cider and other fermented liquors	<sup>1</sup> [5 per litre]
	(b) Perfumed spirit (other than medicinal and toilet preparations)	15 per litre
	(c) Wines	8 per litre
	(d) Liquors, cordials, mixtures and other preparations containing spirit not otherwise specified (other than drugs and medicines)	70 per litre
	(e) Brandy, gin, whisky, rums, rectified spirit and other sorts of spirit not otherwise specified	<sup>2</sup> [60 per litre] of alcohol

3.	Ganja	300 per Kg.
4.	Bhang	14 per Kg.

Sub-section (3) of Sec. 28- Clause (b)

(1) Amended by section 2 of U.P. Act No. 18 of 1974 as under:-

Item 1 - duty raised from 70 paise to Rs. 2.00

" 2 - Ditto - 70 paise to Rs. 2.00

" 3 - Ditto - 70 paise to Rs. 2.00

(2) Amended by section of U.P. Act 23 of 1983 as under:-

Item 1 - For figure and words "2 per litre of alcohol" figure and words "5 per litre of alcohol" substituted.

Item 2 - Ditto -

(3) Sub-section (3) of Sec. 28 - Clause (c)

(I) Amended by Sec. 2 of U.P. Act No. 5 of 1986 as under:-

Item 2 (a) - For figure and words "2 per litre" the figure and words "5 per litre" substituted.

(d) Excise duty on excisable articles manufactured, cultivated or collected under any license granted under section 17.

Item No.	Description of excisable articles	Maximum rate of duty
		Rs.
1.	Country liquor (excepting tari)	20 per litre
2.	Liquor manufactured in India and sophisticated or coloured so as to resemble in flavour or colour liquor imported into India; and rectified spirit-	
	(a) Ale, beer, porter, cider and other fermented liquors	<sup>1</sup> [5 per litre]
	(b) Perfumed spirit (other than medicinal and toilet preparations)	15 per litre
	(c) Wines	8 per litre
	(d) Liquors, cordials, mixtures and other preparations containing spirit not otherwise specified (other than drugs and medicines)	70 per litre
	(e) Brandy, gin, whisky, rums, rectified spirit and other sorts of spirit not otherwise specified	60 per litre of alcohol
3.	Ganja	300 per Kg.
4.	Bhang	14 per Kg.

1. Sub-section (3) of Sec. 28 - Clause (d)

(1) Amended by section 2 of U.P. No. 19 of 1986 as under :-

Item 4 - For figure and words "14 per kg " the figure and words " Rs. 25 per kg. " substituted.

(2) Amended by Sec. 2 of U.P. Act No. 5 of 1989 as under:-

Item 2 (a) - For figure and words "2 per litre" the figure and words "5 per litre" substituted.

(e) Excise duty on excisable articles manufactured in 'any distillery established, or any distillery or brewery licensed under section 18-

Item No.	Description of excisable articles	Maximum rate of duty
		Rs.
1.	Country liquor (excepting tari and other fermented alcoholic beverages))	20 per litre
2.	Liquor manufactured in India and sophisticated or coloured so as to resemble in flavour or colour liquor imported into India; and rectified spirit-	
	(a) Ale, beer, porter, cider and other fermented liquors	<sup>1</sup> [5 per litre]
	(b) Perfumed spirit (other than medicinal and toilet preparations)	15 per litre
	(c) Wines	8 per litre
	(d) Liquors, cordials, mixtures and other preparations containing spirit not otherwise specified (other than drugs and medicines)	70 per litre
	(e) Brandy, gin, whisky, rums, rectified spirit and other sorts of spirit not otherwise specified	60 per litre of alcohol] <sup>1</sup>

<sup>2</sup>[(4) Notwithstanding anything contained in sub-section (3), the maximum rate of duty on Ale, beer, porter, cider and other fermented liquors occurring against item 2(a) in the table, in clause (e) of sub-section (3) shall be deemed to be Rupees 5 per litre with effect from June 4, 1975 and any notification issued on or after June 4, 1975, which is in conformity with the provisions of this sub-section shall be deemed to be, and always to have been, valid and lawful as if the provisions of this sub-section were in force at all material times.]

1. Sub-section (3) of Sec. 28 - Clause (e)

1. Amended by Sec. 2 of U.P. Act No. 5 of 1989 as under:-

Item 2 (a) - For figure and words "2 per litre" the word and figure "5 per litre" substituted and the maximum rate of Rs. 5 per litre deemed to be effective from June 4, 1975 by U.P. Act 1 of 1990.

2. Ins. by Sec. 2 of U.P. Act 1 of 1990.

<sup>1</sup>[**28-A. Imposition of additional duty in certain cases-**(1) Where the quantity of spirit or beer in stock in a brewery is found, on examination by such officer of the Excise Departments may be authorised by the Excise Commissioner in this behalf to exceed the quantity in hand as shown in the stock account, the brewery shall be liable to pay duty on such excess at the ordinary rates fixed under Section 28.

(2) Where the quantity of spirit or beer is found less than the shown in the stock account on such examination and deficiency exceeds ten per cent (allowance to that extent being made to cover losses due to evaporation, sillage and other contingencies within the brewery, and also to cover loss in bottling and storage) the Excise Commissioner shall levy and additional duty at the rate of one hundred per cent of ordinary rates of duty in respect of such deficit as exceeds ten per cent over the above ordinary rates of duty.]

**29. Manner in which duty may be levied-** Subject to such rules<sup>2</sup> as the [Excise Commissioner]<sup>3</sup> may be notification direct :

(a) in the case of excisable articles imported under section 12 (1)-

(i) by payment either in the province of import or in the province or territory of export; or

(ii) by payment upon issue for sale from a warehouse established or licensed under section 18 (d);

(b) in the case of excisable articles exported under section 13- by payment either in the province of export or in the province or territory of import;

(c) in the case of excisable articles transported -

(i) by payment in the district from which the excisable article is to be transported; or

(ii) by payment upon issue for sale from a warehouse established or licensed under section 18 (d);

(d) in the case of intoxication drugs manufactured under any license granted under section 17 (1) -

(i) by a rate charged upon the quantity manufactured

under a license granted under the provisions of section 17(1)(a), or issued from a warehouse established or licensed under section 18(d);

(ii) where the intoxicating drug is manufactured from hemp plant (cannabis sativa) cultivated or collected under a license granted under the provisions of section 17(1)(b) and (c), by an acreage rate levied on the cultivation, or by a rate charged upon the amount collected;

(e) in the case of spirit or beer manufactured in any distillery established or any distillery or brewery licensed under section 18-

(i) by a rate charged upon the quantity produced or issued from the distillery or brewery, as the case may be, or issued from a warehouse established or licensed under section 18(d);

(ii) by a rate charged in accordance with such scale of equivalents, calculated on the quantity of materials used or by the degree of attenuation of the wash or wort, as the case may be, as the [State Government]<sup>1</sup> may prescribe :

Provided that, where payment is made upon issue of an excisable article for sale from a warehouse established or licensed under section 18 (d), it shall be at the rate of duty which is in force on the article on the date when it is issued from the warehouse.

<sup>2</sup>[30. **Payment for exclusive privileges** - (1) Instead of or in addition to any duty leviable under the Chapter, the State Government or on its behalf the Excise Commissioner may accept payment of a sum in consideration of the grant of license for any exclusive or other privilege under Section 24 or Section-24A.]

<sup>3</sup>[(2) The sum payable under sub-section (1) may either be fixed by auction or inviting tenders or otherwise or be assessed on the basis of the sales made or quota lifted under the license or partly fixed and partly assessed in the aforesaid manner.]

[30-A. **Saving for duties being levied at commencement of the Constitution** - (I) Until provision to the contrary is made by the [Parliament]<sup>2</sup> the [State Government]<sup>3</sup> may continue to levy any duty to which this section applies which it was lawfully levying immediately before the commencement of [the Constitution]<sup>2</sup> under this Chapter as then in force.

(2) The duties to which this section applies are -

(a) any duty on intoxicants [for medicinal or toilet preparations containing alcohol]<sup>4</sup> which are not excisable articles within the meaning of this Act; and

(b) any duty on an excisable article produced outside India and imported into [Uttar Pradesh]<sup>5</sup> whether across a customs frontier as defined by the Central Government or not.

(3) Nothing in this section shall authorize the levy by the [State Government]<sup>3</sup> of any duty which, as between goods manufactured or produced in the [State]<sup>6</sup>, and similar goods not so manufactured or produced, discriminates in favour of the former, or which, in the case of goods manufactured or produced outside the [State]<sup>6</sup>, discriminates between goods manufactured or produced in one locality and similar goods manufactured or produced in another locality.]