

Taxation

The Government of Kerala has constituted a law, The Kerala Motor Vehicles Taxation Act 1976 which requires the department to levy tax on every motor vehicle used or kept for use in the state of Kerala at the rates specified by the Government for each type of vehicle. The Government has powers to increase the rate of tax from time to time. On payment of tax, a Tax License in the form prescribed by the Government will be issued.

One time tax will be levied on some type of Non Transport Vehicles for a period of 15 years at the time of Registration of those vehicles. In other kind of vehicles tax shall be paid for a period of one year if the annual tax does not exceed Rs.1500/- otherwise it shall be paid for a period of three months. Provisions are there to collect tax for a shorter period from the transport vehicles arrived in the state for a short visit.

Vehicles owned by differently abled persons used solely for the conveyance of those persons will be exempted from payment of tax. The vehicles used solely for agricultural purposes can also claim exempt from the payment of tax.

SI No.	Category of Vehicle	Period within which tax is to be paid
1	Non.Transport Vehicles and Contract carriages ordinarily kept in the state	14 days from the date of commencement of the quarter
2	(i) Transport Vehicles other than contract carriages and the Stage Carriages ordinarily kept in the state	One month from the date of commencement of the quarter
	(ii) Stage Carriages	45 days from the date of commencement of the quarter.
3	Vehicles newly purchased and registered in the state or brought from outside the state for permanent use in the state within the quarter	
	(i) In the case non transport vehicles	14 days from the date of purchase or bringing of the vehicle in the state without prejudice to the period allowed herein above
	(ii) In the case of Transport Vehicles	7 days from the date of endorsement of tax in the certificate of Registration without the prejudice to the period allowed herein above.
4	Transport Vehicles of other states permitted to ply in this state	Before the commencement of the quarter or the date of issue of permit if permit is issued within the quarter as the case may be
5	(i) Vehicles in respect of which tax at reduced rate or balance tax become payable within the quarter consequent on the grant of exemption, alteration or any other reason.	7 days from the date of endorsement or such reduced tax or balance tax, without prejudice to the period allowed herein above
	(ii) Vehicles in respect of which tax at reduced rate or balance tax payable due to enhancement of rate of tax	Along with the payment of tax due for the subsequent period.

An additional tax at the rate applicable on the date of payment shall be paid along with the tax on belated payments. Rate of additional tax is shown below.

Table I

Additional Tax in respect of motor vehicles for which tax is realized for one year or more

Within one month after the prescribed period	10 % of the tax due for one year or part thereof
Within 3 months after the prescribed period	20 % of the tax due for one year or part there of
Within 6 months after the prescribed period	25 % of the tax due for one year or part there of
In other cases	50 % of the tax due for one year or part there of

Table II

Additional Tax in respect of motor vehicles for which tax is realized quarterly.

Within one month after the prescribed period	10 % of the tax due for a quarter or part thereof
Within 3 months after the prescribed period	20 % of the tax due for a quarter or part there of
Within 6 months after the prescribed period	25 % of the tax due for a quarter or part there of
In other cases	50 % of the tax due for a quarter or part there of