REGISTERED No. M - 302
L.-7646

The Gazette of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, THURSDAY OCTOBER 15, 2020

PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF GILGIT-BALTISTAN

LAW AND PROSECUTION DEPARTMENT

(Gilgit-Baltistan Secretariat)

Gilgit, the 17th June, 2020

The Hotel Regulation and Levy Act, 2020

(ACT NO. XX OF 2020)

AN

ACT

To consolidate the law relating to the levy on Hotels/Guest Houses in Gilgit-Baltistan

1. **Preamble.—**WHEREAS it is expedient to introduce certain levis and duties in Gilgit-Baltistan;

It is hereby enacted as follows:—

Price : Rs. 10.00

[6210(2020)/Ex. Gaz.]

Scanned with CamScanner

2. **Short title, extent and commencement.**—(1) This Act may be called the Gilgit-Baltistan Hotel Regulation and Levy Act, 2020;

(2) It shall extend to the whole of the Gilgit-Baltistan.

(3) It shall come into force on such date as the Gilgit-Baltistan Government may be notify.

3. **Explanation.**—In this section, unless there is anything repugnant in the subject or context:

(a) "Hotel/Guest House" means establishment where lodging with board or other service is provided for a monetary consideration, but shall not include:

(i) Any home or hostel maintained exclusively for aged or sick persons, or, as the case may be, for student, by or under the control of charitable, medical or educational institution.

(ii) Any rest house, mess or other premises belonging to or in the possession of the Federal or a Provincial Government, where lodging, board or other services are provided for Government officials or members of the Defence Forces.

(b) "Lodging Unit" means a bed or other sleeping accommodation which is, or is intended to be, provided to a person staying overnight in a room for lodging.

(c) "Room Rent" includes fans, air-conditioning, light, heat, telephone, bedding and all other payments connected with the lodging unit, except the portion, if any, directly attributable to supply of foodstuff.

4. **Levy on Hotels.**—There shall be levied and collected every year a levy on hotels/guest houses, to be charged to the guests/customers, by the owner or management, thereof, at the rate of five percent of the room rent per lodging unit per day. Ninety percent of the amount so collected shall be deposited in Gilgit-Baltistan Consolidated Fund Account, through a challan, monthly basis. The remaining ten percent shall be retained by the owners of the hotels/guest houses as an incentive.

5. **Levy on Motels, Camping Sites, porter Service, Glimpse, tour operators, tour guides, marriage hall and boats.**—There shall be levied and collected every year a levy on Motels, Camping Sites, Porter Service, Glimpse, Tour Operators, Tour Guides, Marriage Hall and Boats to be Charged to the Guests/ customers, by the owner or management, thereof at the rate of five percent of total

Scanned with CamScanner

charge/fee. Ninety percent of the amount so collected shall be deposited in Gilgit Baltistan Consolidated Fund Account, through a challan, monthly basis. The remaining ten percent shall be retained by the owners of the hotels/guest houses as an incentive:

Provided that the residents/domicile holders of Gilgit Baltistan will be exempted from the said levy, as the Federal Government has announced tax holiday for the residents of Gilgit Baltistan.

6. **Records and account.**—every taxpayer shall be responsible to maintain and retain proper records and accounts as may be prescribed of all sums of money received by him in respect of services rendered to a guest of visitor.

7. **Inspection and checking.**—the Excise and Taxation Officer (ETO) or any officer not below the rank of Excise Sub-Inspector may, for the purpose of ensuring that the provisions of this Act, and the Rules made there under have been complied with:

(i) Enter any hotel, Guest House or Restaurant at any reasonable hour and inspect the records and books of accounts maintained in respect of Hotel Levy and may seize such records, books and documents and retain the same until produced as evidence in any court or if not so produced for a period not exceeding sixty days:

(ii) Require by a prescribed notice any taxpayer to appear, produce and furnish any records, books of accounts, documents and information which may be called in such notice for determining the correct liability of the Hotel Levy.

8. **Best Judgment Assessment.**—(1) If no records of accounts are maintained by a taxpayer, or the records and books of accounts maintained by him, are, on examination, found to be defective and un-satisfactorily maintained in so far as they do not reflect the true and correct receipts of charges in respect of services rendered by the said establishment, the Excise and Taxation Officer (ETO) may asses and estimate to the vest of his judgment, the amount of Hotel Levy payable by the taxpayers keeping in view all relevant factors.

(2) On such assessment, the Hotel Levy shall be so payable by the taxpayers within thirty days of the receipt of the notice of demand from the Excise and Taxation Officer (ETO).

9. **Refunds.**—Where an amount paid by the taxpayer exceeds his liability under this act due to appeal or any other reason, the taxpayer shall be entitled to receive the excess amount back as refund after the same has been determined by an order of an authorized officer.

Scanned with CamScanner

10. **Offences.**—(1) Without prejudice to the provisions of any other law for the time being in force, any person who:—

(a) commits or attempts to commit the breach of any provision of this Act or any regulation made there under:

(b) denies access to or obstructs any officer authorized by the Excise and Taxation Officer (ETO), to inspect records and books of accounts relating to hotel Levy:

(c) refuses to pay the amount of levy payable under this Act or falsifies the records or books of accounts with a view to reduce the liability toward Hotel Levy payable under this Act:

(d) refuses to appear to give information when required to do so by an authorized officer:

(e) makes or causes to be made any false statement in any documents used for the purpose of compliance with this Act or the Regulations made there under, or fails or refuses to answer truthfully and question put to him by any public officer exercising his power under this Act or the Regulations:

(f) abets any of the offence mentioned in this section , is guilty of an offence and shall, on conviction by a court, be punished with fine not exceeding fifty thousand Rupees (Rs.50,000).

(2) Where any office under this Act is committed by a body corporate, then any person who at the relevant time was concerned as a Director or an officer, with the management of the affairs of the body corporate, shall also be liable to be proceeded against and punished accordingly.

(3) Where any offence under this Act is committed by a person as an agent or employee, then, the principal or the employer shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

11. **Appeals.**—(1) If a taxpayer is aggrieved by any order of an officer making assessment or demanding levy or imposing penalty under this Act, can appeal before the Deputy Director in the prescribed manner within fifteen days.

(2) The Deputy Director, after hearing the aggrieved person may pass such order as he deems fit, granting relief or confirming the order appealed against or increasing the liability of the taxpayer as the case may be within fifteen days. The aggrieved person, in case of dis-satisfaction from the decision of Deputy Director, may appeal to the Secretary Excise and Taxation within thirty days.

Scanned with CamScanner

12. **Penalties.**—(1) Where any taxpayer who is liable under this Act to pay the Levy, fails to pay the whole or any part of such levy, within such time and in such manner as may be prescribed by Regulations made hereunder:—

a. an additional levy equal to twenty five percent (25%) of the unpaid amount of the levy, shall be payable by way of penalty.

b. in a case where such amount remains unpaid for more than thirty days after the prescribed due date, the rate of the additional levy prescribed by paragraph (a), shall by increased by ten percent (10%) of the amount of levy remaining unpaid in respect of each period of thirty days or part thereof during which the levy remains unpaid and such additional levy shall be payable by way of penalty.

(2) If a taxpayer fails to submit the prescribed returns and statements in time and in the manner prescribed by this Act or the Rules made there under, he shall be liable to pay a penalty not exceeding fifty thousand rupees (Rs.50,000).

(3) The penalties mentioned in this section, may be imposed by the Excise and Taxation Officer (ETO) after hearing the defaulting taxpayer.

13. **Power to make rules.**—(a) The Government may make "Rules" for carrying out the purposes of this Act.

b. All rules made under this section or any other provisions of this Act, shall be collected, arranged and published along-with general orders and departmental instructions, directions, notifications and rulings, if any, at appropriate intervals and sold to the public at a reasonable price.

SPEAKER/PRESIDING OFFICER,
Gilgit-Baltistan Assembly.

RAJA JALAL HUSSAIN MAQPOON,
Governor
Gilgit-Baltistan .

PRINTED BY THE MANAGER, PRINTING CORPORATION OF PAKISTAN PRESS, ISLAMABAD.
PUBLISHED BY THE DEPUTY CONTROLLER, STATIONERY AND FORMS, UNIVERSITY ROAD, KARACHI.

Scanned with CamScanner