

Ministry of Road Transport and Highways

Subject: Proposal to introduce 'All India Permit for Tourist Buses' on payment of annual consolidated fee in lieu of taxes or fees levied by the State Governments/Union Territories

At present, there is wide variation of taxes on motor vehicles from State to State not only in terms of quantum of tax but also in terms of basic taxation structure whereas some States are charging Passenger Tax in terms of capacity of the vehicle, some are charging on per passenger basis. As per the Motor Vehicle Act, 1988, the vehicle covered by the National Permit and coming from outside the State has to pay taxes or fees of the concerned State.

2. Recognizing the need to facilitate seamless movement of tourist buses across the States, MoRTH has examined the following three options, with IT based facility for granting All India Permit for Tourist Buses:-

Option I (existing system):

(i) As per Section 88 (9) of the Motor Vehicle Act, 1988 Permits can be granted to tourist vehicles valid for the whole of India or in such contiguous States not being less than three in number including the States in which the permit is issued.

Accordingly the following rules have been made to obtain the Permit by Tourist Vehicles:-

Tourist Permit can be obtained either under Rules 82 to 85 A of the Motor Vehicle Rules, 1989 or permit under The Motor Vehicles (All India Permit for Tourist Transport Operators) Rules, 1993.

Applications under Rules 82 (1) & 83 (1) of the Motor Vehicle Rules, 1989 can be made in Form 45 & 46 for grant of tourist permit and grant of authorization for a tourist permit respectively. Under rule 84, tourist permit holder has to make payment of tax / fees, if any leviable of the respective States.

ii) Application under Rule 4(1) of The Motor Vehicles (All India Permit for Tourist Transport Operators) Rules, 1993 can be made under Schedule I for obtaining permit and authorization certificate for tourist transport operators on payment of composite fee as levied by the respective States.

Option II:

The tour operator will be granted a National Tourist Permit for a period of at least three months. The Tourist Permit fee will be the same as the highest fee structure among all the States/UTs

Option III:

Introduction of 'All India Permit for Tourist Buses' with a validity of five years, which will allow a Tourist Bus to move across the country seamlessly on payment of annual consolidated fee at the following rates:-

- Rs.50,000/- for ordinary tourist buses,
- Rs.75,000/- for luxury tourist buses and
- Rs.1,00,000/- for super luxury tourist buses

MoRTH will make online collection of consolidated fee through designated banks in respect of Option II & III above. Distribution of the consolidated fee to the States/UTs will be made on monthly basis as per the following formula:-

SR_n	=	$SS_n \times (\text{Actual Revenue of Month for the Country})$
SR_n	=	Actual State Revenue for the Month for nth State
SS_n	=	State Share of nth State
	=	$\frac{\text{Average Estimated Revenue for Each State for preceding 3 Financial Years}}{\text{Average Estimated Revenue of Country for preceding 3 Financial Years}}$

5. Comments are invited from all the stakeholders/general public on the above Options so as to formulate a scheme for grant of All India Permit for Tourist Buses which will allow seamless movement of Tourist Buses across the State. The comments may be sent at ds.pathania@nic.in within a period of 15 days.

sd/-

(Devesh Singh Pathania)

Under Secretary to the Government of India