

Finance Act, 2000

Section 120 - Validation

(1) The provisions of section 9 of the Central Sales Tax Act, 1956 (74 of 1956) (hereafter in this section referred to as the Central Sales Tax Act), shall have effect, and shall be deemed always to have had effect, as if that section also provided-

(a) that all the provisions relating to interest of the general sales tax law of each State shall, with necessary modifications, apply in relation to-

(i) the assessment, reassessment, collection and enforcement of payment of any tax required to be collected under the Central Sales Tax Act, in such State; and

(ii) any process connected with such assessment, reassessment, collection or enforcement of payment; and

(b) that for the purposes of the application of the provisions of such law, the tax under the Central Sales Tax Act shall be deemed to be tax under such law.

(2) Notwithstanding anything contained in any judgment, decree or order of any Court, Tribunal or other authority, general sales tax law of any State imposed or purporting to have been imposed in pursuance of the provisions of section 9 of the Central Sales Tax Act, and all proceedings, acts or things taken or done for the purposes of, or in relation to, the imposition or collection of such interest, before the commencement of this Act, shall, for all purposes, be deemed to be and to have always been imposed, taken or done as validly and effectively as if the provisions of sub-section (1) had been in force when such interest was imposed or proceedings or acts or things were taken or done and, accordingly,-

(a) no suit or other proceedings shall be maintained or continued in, or before, any Court, Tribunal or other authority for the refund of any amount received or realised by way of such interest;

(b) no Court, Tribunal or other authority shall enforce any decree or order directing the refund of any amount received or realised by way of such interest;

(c) where any amount which had been received or realised by way of such interest is refunded before the date on which the Finance Act, 2000 receives the assent of the President and such refund would not have been allowed if the provisions of sub-section (1) had been in force on the date on which the order for such refund was passed, the amount so refunded may be recovered as an arrear of tax under the Central Sales Tax Act;

(d) any proceeding, act or thing which could have been validly taken, continued or done for the imposition or collection of such interest at any time before the commencement of this section if the provisions of sub-section (1) had then been in force but which had not been taken, continued or done, may, after such commencement, be taken, continued or done.

(3) Nothing in sub-section (2) shall be construed as preventing any person-

(a) from questioning the imposition or collection of any interest or any proceedings, act or thing in connection therewith; or

(b) from claiming any refund,

in accordance with the provisions of the Central Sales Tax Act, read with sub-section (1).

Explanation.-For the purposes of this section, "general sales tax law" shall have the same meaning assigned to it in the Central Sales Tax Act.