ENERGY SECRETARIAT

NOTIFICATION

NO. EN 144 EBS 2013, Bangalore, dated: 19.08.2014.

In exercise of the powers conferred by section 10 of the Karnataka Electricity (Taxation on consumption or sale) Act, 1959 (Karnataka Act 14 of 1959), the Government of Karnataka hereby makes the following rules, namely:-

RULES

1. **Title and commencement**.-(a) These rules may be called the Karnataka Electricity (Taxation on consumption or Sale) Rules, 2014.

2. **Definitions**.- In these rules, unless the context otherwise requires,-

(a) **"Act"** means the Karnataka Electricity (Taxation on Consumption or sale) Act 1959

(b) **"Form"** means a form appended to these rules;

(c) **"Inspecting Officer"** means an Inspecting Officer notified under sub-section (1) of Section 6 of the Act;

(d) **"Section"** means a Section of the Act.

3. **Time and Manner of Collection and Payment**.- (a) A licensee shall include the electricity tax leviable under the Act as a separate item in the bill of charges for the electricity supplied by him which belongs to him; or in case it belongs to a non-licensee supplied through him, to any consumer at the applicable rates, and shall recover the same from the consumer along with his own charges for the supply of such electricity. In respect of the tax so collected by him in a month, the licensee shall credit into a Government Treasury within two months after the expiry of the month for which electricity is consumed;

(b) Every non-licensee,–

(i) shall, remit the applicable tax to the State Government on the units of electricity consumed by himself as prescribed under clause (a) and (b) of sub-section (2) of section 3 of the Act; and

(ii) shall pay or collect and pay the applicable tax as under sub-section (1) of section 3 of the Act for the units of electricity supplied by him through his own system. by crediting the amount of tax due in respect of every calendar month into a Government Treasury within a period of Thirty days from the end of that consumption month.

4.Books of Accounts.- (1) The books of account to be kept by a licensee of each consumer under section 5 of the Act shall be in Form-A and

Form-D and shall contain the following particulars, namely:-

(i) number of units of electricity belonging to him, and belonging to others if any supplied for different classes of consumers specified in the notification under section 3 of the Act;

(ii) description of the premises to which the electricity is supplied;

(iii) amount of electricity tax with the rate of charges collected and not collected shown separately in respect of the different classes of consumers; and

(iv) date of disconnecting the supply of electricity on failure of payment of electricity tax.

Provided that the licensee may furnish particulars specified at item (ii) above in a separate statement to the satisfaction of the Inspecting Officer.

(2) The books of account to be kept by a non-licensee under section 5 shall be in Form –F and shall contain the following particulars, namely:-

(i) place of generation of electricity and total units of electricity generated;

(ii) number of units of electricity consumed for auxiliary consumption and the amount of tax payable thereon;

(iii) number of units of electricity consumed by himself and the amount of tax payable thereon; and

(iv) number of units of electricity; supplied by him to others,-

(a) through licensees grid; and

(b) through dedicated transmission lines. and the amount of tax payable and recovered thereon.

(3) The books of accounts to be kept by a licensee or a non licensee under section 5 of the Act shall be maintained up to date in a register for a minimum period of five

years. All the entries shall be made in ball point pen duly signed by the owner of the installation or the authorized signatory. No entries shall be erased or effaced or over written, incorrect entries shall be scored out under attestation and correct entries shall be made.

Provided that where an appeal under the Act is pending for disposal , the Licensee or Non licensee as the case may be shall maintain and keep the books of accounts until the disposal of such appeal.

5**. Returns and Assessment**.- (1) The following monthly returns shall be filed, to the inspecting Officer in duplicate by a licensee with one copy to the Deputy Commissioner of the District under section 5 of the Act within two months after the expiry of the month for which electricity is consumed in,-

(i) returns showing the units of electricity supplied, electricity tax recovered thereon and paid to Government during the month in Form B;

(ii) returns showing the particulars of the consumers of electricity who have defaulted in payment of electricity tax during the month in

(iii) returns showing the particulars of person to whom electricity supplied by licensee belonging to non licensee, and the amount of electricity tax recovered and paid to Government during the month in

Form D;

(iv) a statement showing the demand, collection and balance of electricity tax of each division for the month in Form E; and

(v) statement showing the details of withdrawal/adjustment of excess tax remitted in Form-E1

(2) The monthly returns in Form G shall be filed by non-licensee in duplicate to the inspecting Officer with one copy to the Deputy Commissioner of the District under section 5 of the Act within a period of 30 days from the end of that consumption month, showing the particulars of electricity generated, Auxiliary consumption, captive consumption, sale through grid or through dedicated transmission line and also tax paid details

(3) Every licensee or non licensee shall furnish Original copies of the Challan or Receipt as a satisfactory proof of the remittance of such tax along with the returns.

(4) On receipt of returns filed under this rule, the inspecting officer in this behalf may verify and assess the returns.

(5) A demand in Form -H shall be served based on the assessment as and when an amount is due based on the assessment, the licensee or non licensee shall thereupon pay the amount along with applicable rate of interest.

(6) In case of non filling of the returns by the licensee or non-licensee, notice shall be issued in

Form-I.

6. **Inspection of Books of Accounts, etc**,.- An Inspecting Officer may, at any time during the working hours of the office may require a licensee or non-licensee, as the case may be, to appear and produce such books and records as may be deemed necessary as specified in rule 4 for ascertaining or verifying the generation, consumption, supply and also the amount of electricity tax leviable, collected and credited to the State Government under the Act.

7. Power of entry of Inspecting Officers.- Notwithstanding the requirements to produce books and records as required under rule 6, an Inspecting Officer may enter any premises, where electricity is, or is believed to be supplied by a licensee, or supplied or consumed by a non-licensee for the purpose of,-

(i) verifying the entries made in the books of account kept and returns filed by the licensee or non-licensee as the case may be;

(ii) verifying the amount of electricity consumed or supplied, as against recording of the Energy meters; and

(iii) verifying the particulars required in connection with the levy of electricity tax.

8. Reading of Energy meters.- (1) A licensee or a non licensee shall cause the Energy meter of every consumer, liable to remit electricity tax under the Act, to be read as far as possible, on the same date in each month, and record the units of electricity consumed in the month. The period between two such consecutive readings shall be reckoned as one month, for the purpose of calculation of electricity tax.

(2) Every consumer shall allow a licensee or any person authorized by him in writing in this behalf, for the purpose of reading or testing calibrating the Energy meters, to enter, between sun-rise and sun-set, any premises in which Energy meter is or is believed to be installed.

9. **Adjustments and Refunds.-** (1) A licensee shall make allowance for fast and slow recording Energy meters and incorrect readings, after intimating the same to the Inspecting Officer.

(2) Electricity tax recovered in excess, if any, during the month may either be adjusted in future bills or refunded, subject to verification, by the licensee in case of

sale . Notice of final Assessment and Refund Order / Refund Adjustment Order shall be in FormJ. However the refund shall be subject to the satisfaction of the Chief Electrical Inspector to Government.

10. **Installation, operation, maintenance and Inspection of Energy meters.-**(1) Every licensee and non licensee shall provide energy meters, metering Current Transformers and Potential Transformers conforming to Bureau of India Standards and shall install as per Central Electricity Authority Regulations by providing covered metal Clad Box designed and specified by the licensee/ Inspecting officer ,as the case may be, to facilitate sealing of Energy meters, Current Transformers and Potential Transformers.

(2) An Inspecting Officer shall have power to enter the premises of any consumer at any time for the purpose of inspecting the Energy meter and verifying the correctness of readings and for ensuring conformity with sub-rule (1).

(3) If any Inspecting Officer has reason to doubt the accuracy of any Energy meter installed under sub-rule (1), he shall,-

(a) refer the Energy meter to the licensee in respect of such Energy meters provided by the licensee to test the Energy meter in his presence.

(b) get the same tested in his presence as well as the Consumer by the authorized agency and the report shall be served on all concerned. The results of the tests so carried out shall be final. Assessment of the tax Liability shall be based on such test report of the Energy meter.

(4) In case, where the consumer disputes the Energy meter to be tested, the inspecting officer shall refer the matter to the Chief Electrical Inspector to Government.

11. Appeal to the Chief Electrical Inspector to Government or to the State Government.-(1) An appeal against an order passed by the Inspecting Authority or the Chief Electrical Inspector to Government shall be filed before the appellate authority within sixty days from the date of such order under Section 9 A.

(2) Every such appeal shall be filled in Form K duly filled in the manner specified therein along with the following enclosures in triplicate,-

(a) the order against which appeal is filed;

(b) a receipt for having remitted the charges as specified in sub Sec (2) of Sec 9A.

(c) Challan for having remitted not less than 25% of the amount of assessment.

(3) The appeal may be sent to the appellate authority by registered post or may be presented in person

(4) Notwithstanding the requirement to prefer the appeal within sixty days as per sub-rule (1), the appellate authority may admit the appeal if, he satisfied that the appellant had sufficient cause for not preferring the appeal within such period and not exceeding , further period of sixty days.

12. Procedure in case of death of an appellant.-(1) During the pendency of the appeal proceedings, further proceedings may be adjourned by the appellate authority on account of the death or inability of the appellant to appear for further proceedings until a legal heir or authorized person is brought on record within ninety days of the demise or inability of the original appellant.

(2) Notwithstanding anything contained in sub-rule (1), there shall be no abatement by reason of the death of any party between the conclusion of the hearing and passing of the order but the order may, in such case, be passed notwithstanding the death, and shall have the same force and effect as if it had been passed before the death took place.

(3) Where a person is or is not the legal representative of the deceased appellant, such question may be determined by the Appellate Authority, in a summary way, taking into record the available records in substantiation of the same.

13. Determination of correct assessment by Appellate Authority or Chief Electrical Inspector to Government.- Where the tax as determined by the Inspecting Officer appears to be not the correct amount of the tax payable by a licensee or non licensee, the Appellate authority shall, before passing orders, determine the correct amount after providing the consumer or licensee an opportunity of being heard.

14. Communication of Appellate Orders.- (1) Every order of an Appellate Authority under section 9-A of the Act shall be communicated to the appellant or to every other party affected by the order, as well as to the Officer against whose order the appeal was filed and to any other authority concerned.

(2) The order passed on appeal shall be given effect to by the Inspecting Officer or the Chief Inspector to Government who shall arrange to adjust for the future tax payments or refund as the case may be without interest within thirty days of the receipt of the order.

15. Recoveries.-(1) If the electricity tax or any amount payable under this Act is not paid within the period specified, interest along with tax payable shall be recovered under section 7.

Note: For calculation of interest, part of a month shall be treated as one month.

(2) If the amount credited by any person or by the licensee or non licensee, is less than the amount payable by him as aforesaid the balance amount shall be treated as tax arrears and this balance amount together with the applicable interest shall be recovered as per section 7.

16. Electronic mode of application/form of returns/books of accounts/form of appeals etc. if any under these Rules.- The state Government may adopt Electronic mode of application/form of returns/books of accounts/form of appeals etc. if any, under these Rules from such date as may be notified it.

17. Repeal and savings.- (1) The Karnataka Electricity (Taxation on Consumption) Rules, 1959 are hereby repealed.

Provided that such repeal shall not affect the previous operation of the said rules or anything done or any action taken thereon and the proceedings under said rules pending on the commencement of these rules shall be continued and disposed off, in accordance with the provisions of these rules.

Provided further that subject to the preceding provision anything done or any action taken under said rules shall be deemed to have been done or taken under the corresponding provisions of these rules and shall continue to be in force accordingly unless and until superseded by anything done or any action taken under the Act or these rules as the case may be.

FORM - A

(see sub-rule (1) of rule 4) Purpose for which electricity is consumed:

Name of Consumer to whom electricity supplied:

Address:…….

……

RR Number:

Energy Meter: Make, capacity, Class, Sl No:

CT: Make, capacity, Class, Sl No:

PT: Make, capacity, Class, Sl No:

Rate of tax per unit:

Sl. No	Month and Year	Energy Meter Reading	Consumption	Opening Balance		Demand		Total		Collections		Closing Balance		Remarks with date of disconnected for non-payment
				Electricity Charges	Tax	Electricity Charges	Tax	Electricity Charges	Tax	Electricity Charges	Tax	Electricity Charges	Tax	
1	April													
2	May													
3	June													
4	July													
5	August													
6	September													
7	October													
8	November													
9	December													
10	January													
11	February													
12	March													

*Note: The difference between the reading of last month and current month will be the consumption of that month.

FORM – B

(see sub-rule (1) (i) of rule 5)

Returns showing the units of Electricity Supplied, Electricity Tax recovered thereon and paid to Government

Tariff / Category	No. of consumers in thecategory	Gross Consumption	Total units exempted from tax	Net Chargeable units (4-5)	demand on units consumedas	Revenue demand on net taxable units	Cl5 i Revenue	Rate of Tax Per unit	Amount of tax demanded 9X	Adjustments and refunds	d ll Transfers to disconnected	Recoveries from disconnected	consumers Net Tax (11 +/-	Details of amount of Tax paid to
2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

during the month

Signatory of Licensee

FORM-C

(see sub-rule (1) (ii) of rule 5)

Monthly return showing particulars of Consumers of electricity who have defaulted in payment of electricity tax

During the month of:

Name and address of the consumer	Number of units supplied/consumed for number of items Nos. as given on the back of Form-"B" tricit /-9)									become Irrecoverable under the sub-section 1 of section 4 electricity tax is payable		Reference to Ledger Account No.	Remarks (Action taken, if any, by the
	Sl.No (Item No1)	Tariff / Category (Item No.2)	Gross Consumption (Item No.4)	Total units exempted from tax(Item No.5)	Net Chargeable units (Item	No6) Rate of Tax Per unit (Item	Amount of tax demanded (ItemNo.11)	allowed (Item 12) N Amount	Amount that				
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Authorized Signatory of Licensee

FORM – D

(see sub-rule (1) (iii) of rule 5) Returns showing the particulars of person to whom electricity supplied by licensee belonging to non-licensee and the amount of electricity tax recovered and remitted payment details for the month of:……..

Nmae and address of the person to whom electricity ia supplied	Month for which electricity tax is payable	Number of units od electricity supplied	Rate of electricity charges per unit		Total Electricity charges	Amount of electricity payable at the rate of 6% on electricitycharges	Tax paid details			Remarks
			Levied by licensee	Levied by non-licensee			Amount	Receipt/Challan No	Date	

Note: Tax shall be calculated based on the electricity charges levied by the licensee/non-licensee whichever is higher.

Authorized Signatory of Licensee

FORM - "E"

(see sub-rule (1) (iv) of rule 5)

STATEMENT SHOWING TAX DEMAND, COLLECTION AND BALANCE OF……. MONTH….

TARIFF	OPENING BALNCE	DEMAND	TOTAL	COLLECTION	CLOSING BALANCE	REMARKS
1	2	3	4	5	6	7
L.T						
H.T						
TOTAL						

Certified that the amount shown column 5 (Collection) above agrees with collection accounted in DCB statement and has been credited to account code

Authorized Signatory of Licensee

FORM - "E1"

(See sub-rule (1) (v) of rule 5)

STATEMENT SHOWING WITHDRAWAL/ADJUSTMENT OF EXCESS TAX REMITTED

FOR THE MONTH OF ……. DIVISION:……..

TARIFF	HEAD OF ACCOUNT	OPENING BALNCE	WITHDRAWAL DURING THE MONTH	CREDITS DURING THE MONTH	CLOSING BALANCE	REMARKS
L.T						
H.T						
TOTAL						

Note: List of installations with R.R.Nos. For which withdrawal is affected shall be enclosed.

Authorized

Signatory of Licensee

FORM-F

(see sub-rule (2) of rule 4)

Place of Generation:

Name plate details of generator /s installed:

Energy Meter: Make, capacity, Class, Sl No

CT : Make, capacity, Class, Sl No

PT: Make, capacity, Class, Sl No

(*) NOTE:

If place of generation and consumption is different and if electricity is supplied through licensees transmission and

distribution system copy of the OM No. of the licensee shall be enclosed..

(1) GENERATION:-

Sl.No	Month	Generator 1		Generator 2		Generator 3		Total Units Genera (4+6+8
		Energy Meter Reading	Units Generated	Energy Meter Reading	Units Generated	Energy Meter Reading	Units Generated	
1	2	3	4	5	6	7	8	9
1								
2								

Note: Difference between the reading of the last month and current month will be the total generation of that month.

(2) Auxiliary consumption:

Energy Meter: Make,
capacity, Class, Sl No
CT : Make, capacity, Class,
Sl No
PT: Make, capacity, Class,
Sl No

o	Month	Generator 1		Generator 2		Generator 3		Total Units Generated (4+6+8+..)	F c t p u
		Energy Meter Reading	Units Consumed	Energy Meter Reading	Units Consumed	Energy Meter Reading	Units Consumed		
	2	3	4	5	6	7	8	9	

Note: Difference between the reading of the last month and current month will be the total Auxiliary consumption of that month

3) Captive consumption: (to be maintained separately for each consumer) a) Name and address of the captive consumer / consumption point Energy Meter: Make, capacity, Class, Sl No

CT : Make, capacity, Class, Sl No

PT: Make, capacity, Class, Sl No

Sl.No	Month	Energy Meter Reading	Units Consumed	Rate of tax per unit	Tax Payable	Tax paid	Payment details
1	2	3	4	5	6	7	8
1							
2							

Note: Difference between the reading of the last month and current month will be the total captive consumption of that month.

Details of persons to whom electricity is supplied (to be maintained separately for each consumer)

Name and address of the person to whom electricity is supplied / consumed

Energy Meter: Make, capacity, Class, Sl No

CT : Make, capacity, Class, Sl No

PT: Make, capacity, Class, Sl No

Sl.No	Month	Energy Meter Reading	Units Consumed	Rate per unit of electricity		Total Energy Charges (whichever is higher)	Tax per unit	Tax Payable	T
				Escom	Agreed Rate				Challan No
1	2	3	4	5	6	7	8	9	10
1									
2									

Note: (a). Difference between the reading of the last month and current month will be the total electricity supplied of that month.

(b). Highest rate per unit of electricity shall be taken for calculation (among 5 & 6).

ABSTRACT

Sl.No	Month	Generation (Total Units Generated)	Auxiliary Consumption (Total Units consumed for Auxilaries)	Tax on Auxiliary Consumption	Captive Consumption (*)(Total Units consumed for Captive Users)	Tax on Captive Consumption	Total units supplied to others(*) through		Tax on units supplied through		Amount of Tax Payable (5+7+10+11)	Details of Payment	Remarks
							Grid	Dedicated lines	Grid	Dedicated lines			
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1													
2													

FORM-G

(see sub-rule (2) of rule 5)

Returns showing the particulars of Electricity Generation, Auxiliary Consumption, Captive Consumption, 3rd party sale through Licensee or dedicated transmission line by a non Licence and the details of Electricity Tax Paid for the month of……...

Generator Details

Sl.No	RR No	Capacity	Make	Sl.N

SL.no	Energy Meter Reading			Units Generated	Consumption (units)		Sale of Electricity Units		Tax paid Detai		
	Opening reading	Closing Reading	Energy meter constent		Auxiliary Consumption	Captive Consumption	Through Grid	Through dedicated Transmission Line Auxiliary		Captive	Through Grid Through
1											
2											
3											
4											

NOTE 1: In case of third Party sale the details of sale shall be furnished along with PPA agreement and OM copy from the concerned ESCOM. NOTE 2: Supply and consumption as provisionally determined by the Inspecting officer.

Authorized Signatory of Non-licensee

FORM H (see sub-rule (5) of rule 5)

To:

…….

Sir,

Subject: Verification of the returns filed for the month / year ……

Reference:- (1)

(2)

(3)

The returns filed by you under Rule 5 of the Karnataka Electricity (Taxation on Consumption) Rules 2014 has been verified by the undersigned as per the powers vested in me under section 6 of the Karnataka Electricity (Taxation on consumption) Rules 1959 an amount of Rs…….. is yet to be remitted by you as per the assessment made.

Please take notice, that the said amount along with interest of Rs…… totaling to Rs…….. shall be remitted forthwith, but not later than dated: ……..to avoid additional Interest on the said amount. Failing which you will be liable for action contemplated under section 7 of the Karnataka Electricity (Taxation on Consumption or sale) Act 1959 without any further correspondance in this regard.

Yours faithfully,

Place : Date :

INSPECTING OFFICER

(Name and Désignation)

Encl : Copy of the assessment by this office.

FORM-I (see sub-rule (6) of rule 5) To:

……

Sir,

Subject:- Failure to file the returns for assessment

Reference:- (1)

(2)

(3)

Where as you are required to pay electricity tax under Sec 3{(1)/(2)} and file your returns under rule 5 of the Karnataka Electricity (Taxation on Consumption or sale) Rules 2014 every month. You have failed to pay the same and to file the returns within the prescribed period.

You are hereby called upon to pay the tax due with applicable interest along with returns with all the details stipulated under rule 5 of the Karnataka Electricity (Taxation on Consumption or sale) Rules 2014, so as to reach this office latest by dated : ……., failing which you are liable for penal action as per section 9 of the Act.

Yours faithfully,

INSPECTING OFFICER

(Name and Désignation)

Place :

Date :

Encl : Copy of the assessment

FORM -J

(see sub-rule (2) of rule 9)

Adjustment / Refund Order of the excess tax claimed under Section 3 of the Act.

TO

……

……..

Sir,

Subject:- Adjustment / Refund of tax.

Whereas an amount of Rs…… remitted by you has been verified by the undersigned, it is found that an amount of Rs…….. has been claimed as excess amount, as per the assessment order enclosed.

a. You are hereby informed that the said amount will be adjusted towards the tax to be remitted by you in the future months. You may deduct the said amount while filing your returns for the future month/s duly enclosing the copy of this order.

OR

b. The said amount of Rs. …… is being refunded to you vide this office letter No…..Dated……. duly enclosing the Cheque No…… dated …….. as the final settlement of the Tax from your installation detailed above.

Place:

Date

Inspecting Officer Nar

Encl: Copy of the assessment order.

FORM-K

{see sub-rule (2) of rule 11}

FORM OF APPEAL UNDER SECTION 9(A) OF THE KARNATAKA ELECTRICITY (TAXATION ON CONSUMPTION OR SALE) ACT

1959

FILE NO. ……. OF 20 ..

1)

-

….APPELLANT

V/S

2) - …..

RESPONDENT

TO:

The Chief Electrical Inspector to Government/The Principal Secretary to Government, Government of Karnataka, Department of Energy, Bangalore Vikasa Soudha, Banglaore.

The Petition of the Petitioner most respectfully showeth :-

(1)The Petition of the petitioner / petitioners above named respectfully submits this petition seeking appeal against the order of the

……..

(2) The petitioners states that no other petitions has been filed by him against the order of the … …….

	Name and address of the installation	
	Details of rating of the generator in the installation	
	The Office in which the assessment was made	
	Section under which appeal is filed	
	Assessment year in connection with which the appeal preferred	
	Total tax declared by the appellant for the assessment year as in Co	
	3	
	Total tax as computed by Inspecting Officer for the year referred column 3	
	Difference of amount under appeal	
	Order of the Inspecting Officer/ Chief Electrical Inspector to Govt	
0	Brief facts of the dispute	
1	Grounds for the appeal	
2	Receipt / Challan for having paid the charges required under section (2)	n
3	Receipt / Challan for having remitted not less than 25% of the amou assessment.	

Signed

(Appellant) VERIFICATION

I, …… the appellant, do hereby declare that what is stated above is true to the best of my information and belief.

Verified today the …….. day of ……

…….

Signed

(Appellant)

Notes: The memorandum of appeal must be in triplicate of which one set shall have the original order on which the appeal is preferred along with related original documents.

BY ORDER AND IN THE NAME OF THE GOVERNOR OF KARNATAKA

SAMEER MADIMAN

PR. 604 Desk Officer, SC. 500 Energy Department.