

Ref No. 2b/ 7771

28 May 2009

Shri Desh Deepak, I.A.S
Principal Secretary
Commercial Tax
Govt. of U.P. Secretariat Annexe, Lucknow

To,
The Executive Director,
Udyog Bandhu,
12-C, Mall Avenue, Lucknow

To,
The Industrial Development Commissioner
Govt. of U.P.
Secretariat Annexe, Lucknow

To,
The Principal Secretary
Finance
Govt of U.P, Lucknow

Subject: - Entry Tax Sec. 14 for utilization of proceeds of levy to be made Transparent.

Dear Sir,

IIA is well aware and has the clinching feed back & details of existing infrastructure facilities in the State. Despite the fact that the State does feel that the facilities deserve to be substantially upgraded to procure overall development of the State no notable break through has so far been achieved.

The State Govt with a will to accelerate the infra-structure facility has levied Entry Tax. The aims & objective of the Act & Sec-14, specifically illustrate the thinking. As per Section-14 the Entry Tax Collected by the Govt is to be utilized for the following purposes:-

- (a) Construction, development and maintenance of roads and bridges for linking the market and industrial areas.
- (b) Providing finance, aids, grants and subsidies to financial industrial and commercial units:
- (c) Creating infrastructure for supply of electricity and water to industries, marketing and other commercial complexes;
- (d) Creation, development and maintenance of other infrastructure for the furtherance of trade, commerce and industry in general;
- (e) Providing finance, aids, grants and subsidies for creating, developing and maintenance pollution free environment in the concerned areas;
- (f) Any other purpose connected with the development of trade, commerce and industry or for facilities relating thereto which the State Government may specify by notification;
- (g) Providing finance, aids, grants and subsidies to local bodies and Government agencies for the purposes specified in clauses (a),(c),(d), (e) and (f).

IIA having the experience back ground and proper feed back on the subject can assist the State in so many ways e.g. identification of the areas, listing the priorities, Cooperating, monitoring and of course watching the proper channelisation of funds.

Therefore it is requested that a State level Committee may kindly be formed with ample involvement of Senior Deptt Officers of Industrial Development Deptt, Finance, Deptt, Udyog Bandhu, Commercial Tax Deptt and Industry Association to oversee the implementation of Sec-14 of the Entry Tax Act.

Thanking you,

Yours faithfully

D.S. Verma
Executive Director