The raison d'etre of Sales Tax is no more a matter of controversy. Sales Tax which belongs to a family of State Taxes has not only come to stay but is going to play a greater and greater role in successive years in the finances of the States. It is one of the important sources within the ambit of the States which is both elastic and productive. Sales Tax has turned out to be a veritable 'Kamadhenu' (Divine Cow) for the States. It is the biggest single source of income for our State Government, accounting for over one-fifth of their aggregate revenues. Almost Rs. 560 crores are expected to accrue to the States from Sales Tax in the current year 1968-69. In the total tax revenue, sales tax today amounts to more than 55 per cent as against just 21 per cent in 1951-52. Very few commodities escape the payment under the sales tax.

At the outset, it would be necessary to make a few points clear in connection with the work undertaken while writing this Thesis.

1. The Thesis is, by and large, a historical and analytical study of the operation of Sales Tax in Maharashtra State. It has inevitably, therefore, become descriptive at some of the places.

2. The Thesis makes an attempt to explain, elaborate, and interpret, wherever necessary, the provisions of the Sales Tax Act in Maharashtra and the procedural
rules connected with it.

(3) In view of the above, it may give the impression that it provides interpretation of the provisions of the Act from the legal point of view. It will have to be noted that it does not discuss the legal complexities or the judicial pronouncements and their validity.

(4) The Thesis does not attempt to examine the economic or fiscal aspects of sales tax.

(5) While it examines the administrative working of the Sales Tax Act, it does not discuss the internal management of the Sales Tax administration from the point of view of technique of business administration and management.

(6) The main object of the present work is to discover the salient features of the operation of the sales tax in the context of the provisions of the Act and to bring out the difficulties experienced by the dealers and the limitations and short-comings noticed by the authorities in the Sales Tax Administration. It makes an effort to suggest measures for simplification and rationalization in the working of the administration and operation of the Sales Tax.

(7) In view of the many and frequent changes that have taken place in the provisions of the Sales Tax Act, the Thesis has become rather bulky. In the concluding chapter on findings and observations, the attempt is made to be very precise.

(8) The first draft of the Thesis was ready some
time in 1967. However, it was thought desirable to read the report of the Gujarat Sales Tax Inquiry Committee before writing the concluding observations. The submission of the Thesis has, therefore, been slightly delayed.

In the course of this study, I have drawn freely from available literature having bearing, directly or indirectly, on the various aspects of the subject and have thus tried to be eclectic in my approach to the study of many theoretical, conceptual and general problems and issues. These remarks are particularly relevant for chapters (II, III, IV, V). The rest of the chapters have been compiled on the basis of official and non-official documents and on my original work and computation.

Although the work is largely based on the secondary source of data, I have made the best possible efforts to discuss the various aspects of my study with the officials of the Sales Tax Department, the office-bearers of the Chambers of Commerce, and Trade Associations, Dealers and Industrialists, the academicians interested in the subject and Sales-Tax-Consultants. I hope the limitations on the part of individual research worker, particularly the one who is working as a college teacher in a mofussil area, will be realised and the difficulties appreciated.

I am thankful to the officials of the Sales Tax Department for giving me the necessary information and cooperation.
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