

U.P. Motor Vehicles Taxation Act, 1997 – S. 12 – Tax – Hire Purchase – Loan – Repossession – Whether, a financier of a motor vehicle/transport vehicle in respect of which a hire-purchase, lease or hypothecation agreement has been entered, is liable to tax from the date of taking possession of the said vehicle under the said agreements ? – A financier of a motor vehicle/transport vehicle in respect of which a hire-purchase or lease or hypothecation agreement has been entered, is liable to tax from the date of taking possession of the said vehicle under the said agreement – If, after the payment of tax, the vehicle is not used for a month or more, then such an owner may apply for refund under Section 12 of the Act, 1997 and has to comply with all the requirements for seeking the refund as mentioned in Section 12, and on fulfilling and/or complying with all the conditions mentioned in Section 12(1), he may get the refund to the extent provided in sub-section (1) of Section 12, as even under Section 12(1), the owner / operator shall not be entitled to the full refund but shall be entitled to the refund of an amount equal to one-third of the rate of quarterly tax or one twelfth of the yearly tax, as the case may be, payable in respect of such vehicle for each thirty days of such period for which such tax has been paid – However, only in a case, which falls under sub-section (2) of Section 12 and subject to surrender of the necessary documents as mentioned in sub-section (2) of Section 12, the liability to pay the tax shall not arise, otherwise the liability to pay the tax by such owner/operator shall continue.

[2022 Scej 0250](#)

[.Mahindra and Mahindra Financial Services Ltd. v. State of U.P., 2022 Scej 0250](#)