The Tamil Nadu Value Added Tax Act, 2006

32 of 2006

Keyword(s):
Branded, Business, Capital Goods, Casual Trader, Dealer, Declared Goods, Exempted Goods, Input, Input Tax, Manufacture, Output Tax, Place of Business, Registered Dealer, Reversal of Tax Credit, Sale, Tax Invoice, Taxable Goods, Taxable Turnover, Total Turnover

Amendments appended: 21 of 2007, 42 of 2007, 32 of 2008, 49 of 2008, 50 of2008, 26 of 2014, 5 of 2015, 39 of 2020, 31 of 2022

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 14th December 2006 and is hereby published for general information:—

ACT No. 32 OF 2006

An Act to consolidate and amend the law relating to the levy of tax on the sale or purchase of goods in the State of Tamil Nadu.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-seventh Year of the Republic of India as follows:—

Short title and Commencement.

1. (1) This Act may be called the Tamil Nadu Value Added Tax Act, 2006.

(2) It extends to the whole of the State of Tamil Nadu.

(3) It shall come into force on such date as the Government may, by notification, appoint.

Definitions.

2. In this Act, unless the context otherwise requires,—

(1) "Administrative Assistant Commissioner" means any person appointed to be an Administrative Assistant Commissioner of Commercial Taxes under section 48;

(2) "Appellate Assistant Commissioner" means any person appointed to be an Appellate Assistant Commissioner of Commercial Taxes under section 48;

(3) "Appellate Deputy Commissioner" means any person appointed to be an Appellate Deputy Commissioner of Commercial Taxes under section 48;

(4) "Appellate Tribunal" means the Tribunal constituted under section 50;

(5) "Assessing authority" means any person authorised by the Government or by the Commissioner to make any assessment under this Act;

(6) "Assistant Commercial Tax Officer" means any person appointed by the Commissioner by name or by virtue of his office, to exercise the powers of an Assistant Commercial Tax Officer;

(7) "Assistant Commissioner (Assessment)" means any person appointed to be an Assistant Commissioner of Commercial Taxes (Assessment) under section 48;

(8) "Assistant Commissioner (Enforcement)" means any person appointed to be an Assistant Commissioner of Commercial Taxes (Enforcement) under section 48;

(9) "branded" means any goods sold under a name or a trade mark registered or pending registration or pending registration of transfer under the Trade and Merchandise Marks Act, 1958 (Central Act 43 of 1958) or the Trade Marks Act, 1999 (Central Act 47 of 1999);

(10) "business" includes—

(i) any trade or commerce or manufacture or any adventure or concern in the nature of trade, commerce or manufacture, whether or not such trade, commerce, manufacture, adventure or concern is carried on with a motive to make gain or profit and whether or not any profit accrues from such trade, commerce, manufacture, adventure or concern; and

(ii) any transaction in connection with, or incidental or ancillary to, such trade, commerce, manufacture, adventure or concern;

(11) "capital goods" means,—

(*a*) plant, machinery, equipment, apparatus, tools, appliances or electrical installation for producing, making, extracting or processing of any goods or for extracting or for bringing about any change in any substance for the manufacture of final products;

(*b*) pollution control, quality control, laboratory and cold storage equipments;

(*c*) components, spare parts and accessories of the goods specified in (*a*) and (*b*) above;

(*d*) moulds, dies, jigs and fixtures;

(*e*) refractors and refractory materials;

(*f*) storage tanks; and

(*g*) tubes, pipes and fittings thereof

used in the State for the purpose of manufacture, processing, packing or storing of goods in the course of business excluding civil structures and such goods as may be notified by the Government;

(12) "casual trader" means a person who has, whether as principal, agent or in any other capacity, occasional transactions of a business nature involving the buying, selling, supply or distribution of goods in the State, whether for cash, or for deferred payment, or for commission, remuneration, or other valuable consideration, and who does not reside or has no fixed place of business within the State;

(13) "Commercial Tax Officer" means any person appointed to be a Commercial Tax Officer under section 48;

(14) "Commissioner" means any person appointed to be a Commissioner of Commercial Taxes under section 48;

(15) "dealer" means any person who carries on the business of buying, selling, supplying or distributing goods, directly or otherwise, whether for cash, or for deferred payment, or for commission, remuneration or other valuable consideration, and includes—

(*i*) a local authority, company, Hindu undivided family, firm or other association of persons which carries on such business;

(*ii*) a casual trader;

(*iii*) a factor, a broker, a commission agent or arhati, a *del credere* agent or an auctioneer, or any other mercantile agent by whatever name called, and whether of the same description as hereinbefore or not, who carries on the business of buying, selling, supplying or distributing goods on behalf of any principal, or through whom the goods are bought, sold, supplied or distributed;

(*iv*) every local branch of a firm or company situated outside the State;

(*v*) a person engaged in the business of transfer otherwise than in pursuance of a contract of property in any goods for cash, deferred payment or other valuable consideration;

(*vi*) a person engaged in the business of transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;

(*vii*) a person engaged in the business of delivery of goods on hire purchase or any system of payment by instalments;

(*viii*) a person engaged in the business of transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;

(*ix*) a person engaged in the business of supplying by way of, or as part of, any service or in any other manner whatsoever of goods, being food or any other article for human consumption or any drink (whether or not intoxicating), where such supply or service is for cash, deferred payment or other valuable consideration;

Explanation I.— A society including a co-operative society, club or firm or an association which, whether or not in the course of business, buys, sells, supplies or distributes goods from or to its members for cash, or for deferred payment or for commission, remuneration or other valuable consideration, shall be deemed to be a dealer for the purposes of this Act;

Explanation II.— The Central Government or any State Government which, whether or not in the course of business, buy, sell, supply or distribute goods, directly or otherwise, for cash, or for deferred payment, or for commission, remuneration or other valuable consideration, shall be deemed to be a dealer for the purposes of this Act;

Explanation III.— Each of the following persons or bodies who dispose of any goods including unclaimed or confiscated or unserviceable or scrap surplus, old or obsolete goods or discarded material or waste products whether by auction or otherwise directly or through an agent for cash or for deferred payment or for any other valuable consideration, notwithstanding anything contained in this Act, shall be deemed to be a dealer for the purposes of this Act to the extent of such disposals, namely:—

(*i*) Port Trust;

(*ii*) Municipal Corporations, Municipal Councils and other local authorities constituted under any law for the time being in force;

Central Act 24 of 1989.

(*iii*) Railways administration as defined under the Railways Act, 1989;

(*iv*) Shipping, transport and construction companies;

(*v*) Air Transport Companies and Airlines;

Central Act 59 of 1988.

(*vi*) Any person holding permit for the transport vehicles granted under the Motor Vehicles Act, 1988 which are used or adopted to be used for hire;

(*vii*) The Tamil Nadu State Road Transport Corporations;

Central Act 52 of 1962.

(*viii*) Customs Department of the Government of India administering the Customs Act, 1962;

Central Act II of 1934.

(*ix*) Insurance and Financial Corporations or Companies and Banks included in the Second Schedule to the Reserve Bank of India Act, 1934;

(*x*) Advertising agencies; and

(xi) Any other corporation, company, body or authority owned or set up by, or subject to administrative control of the Central Government or any State Government.

Central Act 74 of 1956.

(16) "declared goods" means goods declared by section 14 of the Central Sales Tax Act, 1956, to be of special importance in inter-State trade or commerce;

(17) "Deputy Commercial Tax Officer" means any person appointed by the Commissioner by name or by virtue of his office, to exercise the powers of a Deputy Commercial Tax Officer;

(18) "Deputy Commissioner" means any person appointed to be a Deputy Commissioner of Commercial Taxes under section 48;

(19) "Deputy Commissioner (Enforcement)" means any person appointed to be a Deputy Commissioner of Commercial Taxes (Enforcement) under section 48;

(20) "exempted goods" means the goods falling under the Fourth Schedule and goods exempted by the Government, by notification, from time to time;

(21) "goods" means all kinds of movable property (other than newspapers, actionable claims, stocks and shares and securities) and includes all materials, commodities and articles including the goods (as goods or in some other form) involved in the execution of works contract or those goods to be used in the fitting out, improvement or repair of movable property; and all growing crops, grass or things attached to, or forming part of the land which are agreed to be severed before sale or under the contract of sale;

(22) "Government" means the State Government;

(23) "input" means any goods including capital goods purchased by a dealer in the course of his business;

(24) "input tax" means the tax paid or payable under this Act by a registered dealer to another registered dealer on the purchase of goods including capital goods in the course of his business;

(25) "Joint Commissioner" means any person appointed to be a Joint Commissioner of Commercial Taxes under section 48;

Central Act V of 1908

(26) "legal representative" shall have the same meaning as assigned to it in clause (11) of section 2 of Code of Civil Procedure, 1908.

(27) "manufacture" with its grammatical variations and cognate expressions means producing, making, extracting, altering, ornamenting, finishing, assembling or otherwise processing, treating or adapting any goods and includes any process of goods which brings into existence a commercially different and distinct commodity but does not include any activity as may be notified by the Government;

(28) "output tax" means tax paid or payable under this Act by any registered dealer in respect of sale of any goods;

(29) "place of business" means any place in the State where a dealer purchases or sells goods and includes,—

(*i*) a warehouse, godown or other place where a dealer stores his goods;

(*ii*) a place where the dealer processes, produces or manufactures goods; and

(*iii*) a place where the dealer keeps his accounts, registers and documents.

(30) "registered dealer" means a dealer registered under this Act;

(31) "registering authority" with reference to a dealer means the head of the assessment circle, in whose area of jurisdiction the principal place of business of the dealer is situated in the State or such other authority authorised by the Commissioner;

(32) "reversal of tax credit" means reversal of input tax credit already claimed and availed under this Act;

(33) "sale" with all its grammatical variations and cognate expressions means every transfer of the property in goods (other than by way of a mortgage, hypothecation, charge or pledge) by one person to another in the course of business for cash, deferred payment or other valuable consideration and includes,—

(*i*) a transfer, otherwise than in pursuance of a contract of property in any goods for cash, deferred payment or other valuable consideration;

(*ii*) a transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;

(*iii*) a delivery of goods on hire-purchase or any system of payment by instalments;

(*iv*) a transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;

(*v*) a supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration;

(*vi*) a supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating) where such supply or service is for cash, deferred payment or other valuable consideration, and such transfer, delivery or supply of any goods shall be deemed to be a sale of those goods by the person making the transfer, delivery or supply and a purchase of those goods by the person to whom such transfer, delivery or supply is made;

Explanation I.—The transfer of property involved in the supply or distribution of goods by a society (including a co-operative society), club, firm or any association to its members, for cash, or for deferred payment or other valuable consideration, whether or not in the course of business, shall be deemed to be a sale for the purposes of this Act.

Explanation II.—Every transfer of property in goods by the Central Government or any State Government for cash or for deferred payment or other valuable consideration, whether or not in the course of business, shall be deemed to be a sale for the purposes of this Act.

Explanation III.—Every transfer of property in goods including goods as unclaimed or confiscated or unserviceable or scrap surplus, old, obsolete or discarded materials or waste products, by the persons or bodies referred to in Explanation III in clause (15) of Section 2 for cash or for deferred payment or for any other valuable consideration whether or not in the course of business, shall be deemed to be a sale for the purposes of this Act.

Explanation IV.—The transfer of property involved in the purchase, sale, supply or distribution of goods through a factor, broker, commission agent or arhati, *del credere* agent or an auctioneer or any other mercantile agent, by whatever name called, whether for cash or for deferred payment or other valuable consideration, shall be deemed to be a purchase or sale, as the case may be, by such factor, broker, commission agent, arhati, *del credere* agent, auctioneer or any other mercantile agent, by whatever name called, for the purposes of this Act.

Explanation V.—(*a*) The sale or purchase of goods shall be deemed for the purposes of this Act, to have taken place in the State, wherever the contract of sale or purchase might have been made, if the goods are within the State,—

(*i*) in the case of specific or ascertained goods, at the time the contract of sale or purchase is made; and

(*ii*) in the case of unascertained or future goods, at the time of their appropriation to the contract of sale or purchase by the seller or by the purchaser, whether the assent of the other party is prior or subsequent to such appropriation.

(*b*) Where there is a single contract of sale or purchase of goods, situated at more places than one, the provisions of clause (a) shall apply as if there were separate contracts in respect of the goods at each of such places.

Explanation VI.—Notwithstanding anything to the contrary contained in this Act, two independent sales or purchases shall, for the purposes of this Act, be deemed to have taken place —

(*a*) when the goods are transferred from a principal to his selling agent and from the selling agent to the purchaser; or

(*b*) when the goods are transferred from the seller to a buying agent and from the buying agent to his principal, if the agent is found in either of the cases aforesaid—

(*i*) to have sold the goods at one rate and to have passed on the sale proceeds to his principal at another rate; or

(*ii*) to have purchased the goods at one rate and to have passed them on to his principal at another rate; or

(*iii*) not to have accounted to his principal for the entire collections or deductions made by him in the sales or purchases effected by him on behalf of his principal;

(34) "Schedule" means the Schedule appended to this Act.

(35) "State" means the State of Tamil Nadu;

(36) "tax invoice" means an invoice issued by a registered dealer who sells taxable goods to another registered dealer in the State showing the tax charged separately and containing such details as may be prescribed;

(37) "taxable goods" means goods other than exempted goods specified in the Fourth Schedule to this Act or goods exempted by notification by the Government;

(38) "taxable turnover" means the turnover on which a dealer shall be liable to pay tax as determined after making such deductions from his total turnover and in such manner as may be prescribed;

(39) "Territorial Assistant Commissioner" means any person appointed to be a Territorial Assistant Commissioner of Commercial Taxes under Section 48;

(40) "total turnover" means the aggregate turnover in all goods of a dealer at all places of business in the State, whether or not, the whole or any portion of such turnover is liable to tax;

(41) "turnover" means the aggregate amount for which goods are bought or sold, or delivered or supplied or otherwise disposed of in any of the ways referred to in clause (33), by a dealer either directly or through another, on his own account or on account of others whether for cash or for deferred payment or other valuable consideration, provided that the proceeds of the sale by a person of agricultural or horticultural produce,

other than tea and rubber (natural rubber latex and all varieties and grades of raw rubber) grown within the State by himself or on any land in which he has an interest whether as owner, usufructuary mortgagee, tenant or otherwise, shall be excluded from his turnover.

Explanation I.—"Agricultural or horticultural produce" shall not include such produce as has been subjected to any physical, chemical or other process for being made fit for consumption, save mere cleaning, grading, sorting or dying;

Explanation II.—Subject to such conditions and restrictions, if any, as may be prescribed in this behalf,—

(*i*) the amount for which goods are sold shall include any sums charged for anything done by the dealer in respect of the goods sold at the time of, or before the delivery thereof;

(*ii*) any cash or other discount on the price allowed in respect of any sale and any amount refunded in respect of articles returned by customers shall not be included in the turnover;

Explanation III.—Any amount realised by a dealer by way of sale of his business as a whole shall not be included in the turnover;

Explanation IV.—Any amount, charged by a dealer by way of tax separately without including the same in the price of the goods sold, shall not be included in the turnover;

(42) "year" means the financial year;

(43) "works contract" includes any agreement for carrying out for cash, deferred payment or other valuable consideration, building construction, manufacture, processing, fabrication, erection, installation, fitting out, improvement, modification, repair or commissioning, of any movable or immovable property;

(44) "zero rate sale" means a sale of any goods on which no tax is payable but credit for the input tax related to that sale is admissible.

Levy of taxes on sales of goods.

3. (1) (*a*) Every dealer, other than a casual trader or agent of a non-resident dealer, whose total turnover for a year is not less than rupees five lakhs and every casual trader or agent of a non-resident dealer, whatever be his total turnover, for a year, shall pay tax under this Act.

(*b*) Notwithstanding anything contained in clause (a), every dealer, other than a casual trader or agent of a non-resident dealer, whose total turnover in respect of purchase and sale within the State, for a year, is not less than rupees ten lakhs, shall pay tax under this Act.

(2) Subject to the provisions of sub-section (1), in the case of goods specified in Part-B or Part-C of the First Schedule, the tax under this Act shall be payable by a dealer on every sale made by him within the State at the rate specified therein.

(3) The tax payable under sub-section (2) by a registered dealer shall be reduced, in the manner prescribed, to the extent of tax paid on his purchase of goods specified in Part-B or Part-C of the First Schedule, inside the State, to the registered dealer, who sold the goods to him.

(4) Notwithstanding anything contained in sub-section (2), but subject to the provisions of sub-section (1), every dealer, who effects second and subsequent sales of goods purchased within the State, whose total turnover, for a year, is less than rupees fifty lakhs, may, at his option, instead of paying tax under sub-section (2), pay a tax, for each year, on his total turnover at such rate not exceeding one per cent, as may be notified by the Government. Such option shall be exercised by the dealer within 30 days from the date of commencement of this Act:

Provided that such dealer shall not collect tax exceeding the rate notified by the Government under this sub-section:

Provided further that such dealer shall not be entitled to input tax credit on goods purchased by him:

Provided also that the dealer who purchased goods from such dealer shall not be entitled to input tax credit on the goods purchased by him.

(5) Subject to the provisions of sub-section (1), every dealer, who deals in the goods specified in the Second Schedule, shall pay a tax, for each year, on the sale or purchase of such goods, at the point and at the rate specified therein:

Provided that the dealer, who pays tax under this sub-section, shall not be entitled to input tax credit on goods purchased by him.

(6) When goods are sold together with containers or packing materials, the rate of tax applicable to such containers or packing materials, as the case may be, shall, whether the price of the containers or packing materials is charged separately or not, be the same as those applicable to the goods contained or packed and the turnover in respect of containers and packing materials shall be included in the turnover of such goods.

(7) Where the sale of goods, packed in any container or packed in any packing material, in which such goods are packed, is exempt from tax, then the sale of such containers or packing materials shall also be exempt from tax.

Explanation.—For the purposes of sub-sections (6) and (7), "containers" include gunny bags, tins, bottles and any other containers.

Levy of tax on right to use any goods.

4. (1) Notwithstanding anything contained in this Act, but subject to the provisions of this Act, every dealer, shall pay, for each year, a tax on his taxable turnover, relating to the business of right to use any goods, for any purpose, which shall be arrived at after deducting the amounts involved in the business of transfer of the right to use any goods for any purpose, in the course of export of the goods out of the territory of India or in the course of import of the goods into the territory of India, at such rates as specified in the First Schedule.

(2) The dealer, who pays tax under this section, shall be entitled to input tax credit on the goods specified in the First Schedule, purchased by him in this State to the extent of the output tax paid or payable, as may be prescribed.

Levy of tax on transfer of goods involved in works contract.

5. (1) Notwithstanding anything contained in this Act, but subject to the provisions of this Act, every dealer, shall pay, for each year, a tax on his taxable turnover, relating to his business of transfer of property in goods involved in the execution of works contract, either in the same form or some other form, which may be arrived at in such manner as may be prescribed, at such rates as specified in the First Schedule.

Explanation.—Where any works contract involves more than one item of work, the rate of tax shall be determined separately for each such item of work.

(2) The dealer, who pays tax under this section, shall be entitled to input tax credit on goods specified in the First Schedule purchased by him in this State.

Payment of tax at compounded rates by works contractor.

6. (1) Notwithstanding anything contained in this Act, every dealer, may, at his option, instead of paying tax in accordance with section 5, pay, on the total value of the works contract executed by him in a year, tax calculated at the following rate, namely:—

(i)	Civil works contract.	two per cent of the total contract value of the civil works executed.
(ii)	Civil maintenance works contract.	two per cent of the total contract value of the maintenance works executed.
(iii)	All other works contracts.	four per cent of the total contract value of the works executed.

(2) Any dealer, who executes works contract, may apply to the assessing authority along with the first monthly return for the financial year or in the first monthly return after the commencement of the works contract, his option to pay the tax under sub-section (1) and shall pay the tax during the year in the monthly instalments and for this purpose, he shall furnish such return within such period and in such manner as may be prescribed.

(3) The option exercised under sub-section (1) shall be final for that financial year.

(4) A dealer, exercising option under sub-section (1) shall, so long as the option remains in force, not be required to maintain accounts of his business under this Act or the Rules made thereunder except the records in original of the works contract, extent of their execution and payments received or receivable in relation to such works contract, executed or under execution.

(5) The dealer, who pays tax under this section, shall not be entitled to input tax credit on the goods purchased by him.

Explanation.—For the purpose of this section "civil works contract" includes civil works of construction of new building, bridge, road, runway, dam or canal including any lining, tiling, painting or decorating which is an inherent part of the new construction and any repair, maintenance, improvement or upgradation of such civil works by means of fixing and laying of all kinds of floor tiles, mosaic tiles, slabs, stones, marbles, glazed tiles, painting, polishing, partition, wall panelling, interior decoration, false ceiling, carpeting and extra fittings or any manner of improvement on an existing structure.

Levy of taxes on food and drinks

7. (1) Notwithstanding anything contained in this Act, but subject to the provisions of this Act,—

(*a*) every dealer shall pay tax on the sale of ready to eat unbranded foods including sweets, savouries, unbranded non-alcoholic drinks and beverages served in or catered indoors or outdoors by star hotels recognized as such by Tourism Department of the State Government or Government of India and restaurants attached to such hotels at the rate of twelve and half per cent of the taxable turnover; and

(*b*) every dealer other than those mentioned in clause (a), shall pay tax on the sale of ready to eat unbranded foods including sweets, savouries, unbranded non-alcoholic drinks and beverages served in or catered indoors or outdoors by hotels, restaurants, sweet-stalls, clubs, caterers and any other eating houses, at the rate of four per cent of the taxable turnover.

Explanation I.—For the purpose of computing the total turnover under this sub-section, the purchase turnover liable to tax under section 12 of this Act, shall be added to the sales turnover.

Explanation II.—For the purpose of computing the total turnover under this sub-section, the sales turnover of all business units in a common premises sharing the common kitchen or common employees shall be added to the sales turnover of the business unit having higher turnover.

(2) The dealer, who pays tax under clause (a) of sub-section (1) shall be entitled to input tax credit on the goods specified in the First Schedule purchased by him in the State.

Payment of tax at compounded rate by hotels, restaurants and sweet-stalls.

8. (1) Notwithstanding anything contained in sub-section (1) of section 7, every dealer whose total turnover is not less than rupees ten lakhs but not more than rupees fifty lakhs for the year on the sale of ready to eat unbranded foods including sweets, savouries, unbranded non-alcoholic drinks and beverages served in or catered indoors or outdoors by hotels, restaurants, sweet-stalls, clubs, caterers and any other eating houses, may, at his option, instead of paying tax in accordance with the provisions of clause (b) of sub-section (1) of section 7, pay tax at the rate specified in the Third Schedule.

Explanation.—For the purpose of computing the total turnover under this sub-section, the purchase turnover liable to tax under section 12 shall be added to the sales turnover.

(2) Every dealer, who opts for payment of tax under sub-section (1), shall apply to the assessing authority on or before the 30th day of April of the year or within thirty days of commencement of business, as the case may be, and shall pay tax in advance during the year in monthly instalments and for this purpose, he shall furnish such returns, within such period and in such manner, as may be prescribed.

(3) The option so exercised under sub-section (2) shall be final for that year and shall continue for subsequent years until the dealer becomes ineligible or withdraws his option in writing.

(4) A dealer liable to pay tax under sub-section (1) shall not collect any amount by way of tax or purporting to be by way of tax on the sale of food and drinks.

(5) The dealer, who pays tax under this section, shall not be entitled to input tax credit on goods purchased by him.

Levy of tax on bullion and jewellery.

9. (1) Notwithstanding anything contained in this Act, every dealer in bullion, precious stones, gold, platinum and silver jewellery including articles thereof, whatever be his turnover for the year, shall pay tax on every sale made by him within the State, at the rate specified in Part-A of the First Schedule.

(2) The dealer, who pays tax under this section, shall be entitled to input tax credit on goods specified in the First Schedule purchased by him in the State.

Tax on goods purchased by dealers registered under Central Act 74 of 1956.

Central Act 74 of 1956.

10. Notwithstanding anything contained in this Act, every dealer registered under sub-section (3) of section 7 of the Central Sales Tax Act, 1956 shall, whatever be the quantum of his turnover, pay tax, for each year, in respect of the sale of goods with reference to the purchase of which he has furnished a declaration under sub-section (4) of section 8 of the said Central Act, in accordance with the provisions of this Act.

Levy of tax on sugarcane.

11. (1) Notwithstanding anything contained in this Act, every dealer shall pay a tax on the last purchase of sugarcane, excluding sugarcane setts, in the State, at the rate specified in the Second Schedule.

(2) The manufacturer of sugar shall not be entitled to input tax credit on the last purchase of sugarcane.

Levy of purchase tax.

12. (1) Subject to the provisions of sub-section (1) of section 3, every dealer, who in the course of his business purchases from a registered dealer or from any other person, any goods (the sale or purchase of which is liable to tax under this Act), in circumstances in which no tax is payable by that registered dealer on the sale price of such goods under this Act, and either—

(a) consumes or uses such goods in or for the manufacture of other goods for sale or otherwise; or

(b) disposes of such goods in any manner other than by way of sale in the State; or

(c) despatches or carries them to a place outside the State except as a direct result of sale or purchase in the course of inter-State trade or commerce or in the course of export out of the territory of India; or

(d) installs and uses such goods in the factory for the manufacture of any goods, shall pay tax on the turnover relating to the purchase aforesaid at the rate specified in the Schedules to this Act.

(2) Notwithstanding anything contained in Clause (24) of section 2, the dealer who pays tax under sub-section (1) shall be entitled to input tax credit on the goods specified in the First Schedule.

Deduction of tax at source in works contract.

13. (1) Notwithstanding anything contained in this Act every person responsible for paying any sum to any dealer for execution of works contract shall, at the time of payment of such sum, deduct an amount calculated, at the following rate, namely:—

(i)	Civil works contract.	.. two per cent of the total amount payable to such dealer;
(ii)	Civil maintenance works contract.	.. two per cent of the total amount payable to such dealer;
(iii)	All other works contracts.	.. four per cent of the total amount payable to such dealers:

Provided that no deduction under sub-section (1) shall be made where—

(a) no transfer of property in goods (whether as goods or in some other form) is involved in the execution of works contract; or

(b) transfer of property in goods (whether as goods or in some other form) is involved in the execution of works contract in the course of inter-State trade or commerce or in the course of import; or

(c) the dealer produces a certificate in such Form as may be prescribed from the assessing authority concerned that he has no liability to pay or has paid the tax under section 5:

Provided further that no such deduction shall be made under this section, where the amount or the aggregate of the amount paid or credited or likely to be paid or credited, during the year, by such person to the dealer for execution of the works contract including civil works contract does not or is not likely to, exceed rupees one lakh.

Explanation.— For the purpose of this section,—

(*a*) the term 'person' shall include—

(*i*) the Central or a State Government;

(*ii*) a local authority;

(*iii*) a corporation or body established by or under a Central or State Act;

(*iv*) a company incorporated under the Companies Act, 1956 including a Central or State Government undertaking; Central 1 of 19

(*v*) a society including a co-operative society;

(*vi*) an educational institution; or

(*vii*) a trust;

(*b*) the term "civil works contract" shall have the same meaning as in the *Explanation* to section 6.

(2) Any person making such deduction shall deposit the sum so deducted to such authority, in such manner and within such time, as may be prescribed.

(3) Any person who makes the deduction and deposit, shall within fifteen days of such deposit, issue to the said dealer a certificate in the prescribed Form for each deduction separately, and send a copy of the certificate of deduction to the assessing authority, having jurisdiction over the said dealer together with such documents, as may be prescribed.

(4) On furnishing a certificate of deduction referred to in sub-section (3), the amount deposited under sub-section (2), shall be adjusted by the assessing authority towards tax liability of the dealer under section 5 or section 6, as the case may be, and shall constitute a good and sufficient discharge of the liability of the person making deduction to the extent of the amount deposited:

Provided that the burden of proving that the tax on such works contract has already been deposited and of establishing the exact quantum of tax so deposited shall be on the dealer claiming the deduction.

(5) Any person who contravenes the provisions of sub-section (1) or sub-section (2), shall pay, in addition to the amount required to be deducted and deposited, interest at one and a quarter per cent per month of such amount for the entire period of default.

(6) Where the dealer proves to the satisfaction of the assessing authority that he is not liable to pay tax under section 5, the assessing authority shall refund the amount deposited under sub-section (2), after adjusting the arrears of tax, if any, due from the dealer, in such manner as may be prescribed.

(7) The tax or interest under this section shall become due without any notice of demand on the date of accrual for the payment by the person as provided under sub-sections (1) and (2).

(8) If any person contravenes the provisions of sub-section (1) or sub-section (2), the whole amount of tax payable shall be recovered from such person and all provisions of this Act for the recovery of tax including those relating to levy of penalty and interest shall apply, as if the person is an assessee for the purpose of this Act.

Reversal of tax credit.

14. (1) Where a purchasing dealer has returned the goods to the seller for any reason, the input tax credit claimed already on the purchase by the dealer shall be liable to reversal of tax credit on such goods returned, in the manner as may be prescribed.

(2) Where a selling dealer has received back the goods as a result of sales return or unfructified sale, the output tax paid or payable thereon will be reduced, adjusted or refunded in the manner as may be prescribed.

Exempted sale.

15. Sale of goods specified in the Fourth Schedule and the goods exempted by notification by the Government by any dealer shall be exempted from tax.

Stage of levy of taxes in respect of imported and exported goods.

16. (1) In the case of goods imported into the State either from outside the territory of India or from any other State, the stage of levy of tax shall be deemed to commence at the stage of the sale or purchase effected immediatety after the import of such goods;

(2) In the case of goods exported out of the State to any place outside the territory of India or to any other State, the stage of levy of tax shall be deemed to conclude at the stage of sale or purchase effected immediately before the export of such goods:

Provided that in the case of goods exported out of the State to any place outside the territory of India, where the sale or purchase effected immediately before the export of such goods is under sub-section (3) of section 5 of the Central Sales Tax Act, 1956, a sale or purchase in the course of export, the series of sales or purchases of such goods shall be deemed to conclude at the stage of the sale or purchase immediately preceding such sale or purchase in the course of export.

Central Act 74 of 1956.

Burden of proof.

17. (1) For the purpose of assessment of tax under this Act, the burden of proving that any transaction or any turnover of a dealer is not liable to tax, shall lie on such dealer.

(2) For the purpose of claim of input tax credit, the burden of proving such claim shall lie on such dealer.

(3) Notwithstanding anything contained in this Act or in any other law for the time being in force, a dealer in any of the goods specified in the Second Schedule liable to pay tax in respect of the first sale in the State shall be the first seller of such goods and shall be liable to pay tax at the rate specified in the Second Schedule on his turnover of sale relating to such goods, unless he proves that the sale or purchase, as the case may be, of such goods had already been subjected to tax under this Act.

Zero-rating

18. (1) The following shall be zero-rate sale for the purpose of this Act, and shall be eligible for input tax credit or refund of the amount of the tax paid on the purchase of goods specified in the First Schedule including capital goods, by a registered dealer in the State, subject to such restrictions and conditions as may be prescribed:—

(*i*) A sale as specified under sub-section (1) or (3) of section 5 of the Central Sales Tax Act, 1956;

Central Act 74 of 1956.

(*ii*) Sale of goods to any registered dealer located in Special Economic Zone in the State, if such registered dealer has been authorised to establish such units by the authority specified by the Central Government in this behalf; and

(*iii*) Sale of goods to International Organisations listed out in the Fifth Schedule.

(2) The dealer, who makes zero-rate sale, shall be entitled to refund of input tax paid or payable by him on purchase of those goods, which are exported as such or consumed or used in the manufacture of other goods that are exported as specified in sub-section (1), subject to such restrictions and conditions as may be prescribed.

(3) Where the dealer has not adjusted the input tax credit or has not made a claim for refund within a period of one hundred and eighty days from the date of accrual of such input tax credit, such credit shall lapse to Government.

Input tax credit.

19. (1) There shall be input tax credit of the amount of tax paid or payable under this Act, by the registered dealer to the seller on his purchases of taxable goods specified in the First Schedule:

Provided that the registered dealer, who claims input tax credit, shall establish that the tax due on such purchases has been paid by him in the manner prescribed.

(2) Input tax credit shall be allowed for the purchase of goods made within the State from a registered dealer and which are for the purpose of—

(*i*) re-sale by him within the State; or

(*ii*) use as input in manufacturing or processing of goods in the State; or

(*iii*) use as containers, labels and other materials for packing of goods in the State; or

(*iv*) use as capital goods in the manufacture of taxable goods.

(*v*) sale in the course of Inter-State trade or commerce falling under sub-section (1) of section 8 of the Central Sales Tax Act, 1956. Central A of 195

(*vi*) Agency transactions by the principal within the State in the manner as may be prescribed.

(3) (*a*) Every registered dealer, in respect of purchases of capital goods wholly for use in the course of business of taxable goods, shall be allowed input tax credit in the manner prescribed.

(*b*) Deduction of such input tax credit shall be allowed only after the commencement of commercial production and over a period of three years in the manner as may be prescribed. After the expiry of three years, the unavailed input tax credit shall lapse to Government.

(*c*) Input tax credit shall be allowed for the tax paid under section 12 of the Act, subject to clauses (a) and (b) of this sub-section.

(4) Input tax credit shall be allowed on tax paid or payable in the State on the purchase of goods, in excess of four per cent of tax relating to such purchases subject to such conditions as may be prescribed,—

(*i*) for transfer to a place outside the State otherwise than by way of sale; or

(*ii*) for use in manufacture of other goods and transfer to a place outside the State, otherwise than by way of sale:

Provided that if a dealer has already availed input tax credit there shall be reversal of credit against such transfer.

(5) (*a*) No input tax credit shall be allowed in respect of sale of goods exempted under section 15.

(*b*) No input tax credit shall be allowed on tax paid or payable in other States or Union Territories on goods brought into this State from outside the State.

(*c*) No input tax credit shall be allowed on the purchase of goods sold as such or used in the manufacture of other goods and sold in the course of Inter-State trade or commerce falling under sub-section (2) of section 8 of the Central Sales Tax Act, 1956. Central A of 195

(6) No input tax credit shall be allowed on purchase of capital goods, which are used exclusively in the manufacture of goods exempted under section 15.

(7) No registered dealer shall be entitled to input tax credit in respect of—

(*a*) goods purchased and accounted for in business but utilised for the purpose of providing facility to the proprietor or partner or director including employees and in any residential accommodation; or

(*b*) purchase of all automobiles including commercial vehicles, two wheelers and three wheelers and spare parts for repair and maintenance thereof, unless the registered dealer is in the business of dealing in such automobiles or spare parts; or

(*c*) purchase of air-conditioning units unless the registered dealer is in the business of dealing in such units.

(8) No input tax credit shall be allowed to any registered dealer in respect of any goods purchased by him for sale but given away by him by way of free sample or gift or goods consumed for personal use.

(9) No input tax credit shall be available to a registered dealer for tax paid or payable at the time of purchase of goods, if such—

(*i*) goods are not sold because of any theft, loss or destruction, for any reason, including natural calamity. If a dealer has already availed input tax credit against purchase of such goods, there shall be reversal of tax credit; or

(*ii*) inputs destroyed in fire accident or lost while in storage even before use in the manufacture of final products; or

(*iii*) inputs damaged in transit or destroyed at some intermediary stage of manufacture.

(10) (*a*) The registered dealer shall not claim input tax credit until the dealer receives an original tax invoice duly filled, signed and issued by a registered dealer from whom the goods are purchased, containing such particulars, as may be prescribed, of the sale evidencing the amount of input tax.

(*b*) If the original tax invoice is lost, input tax credit shall be allowed only on the basis of duplicate or carbon copy of such tax invoice obtained from the selling dealer subject to such conditions as may be prescribed.

(11) In case any registered dealer fails to claim input tax credit in respect of any transaction of taxable purchase in any month, he shall make the claim before the end of the financial year or before ninety days from the date of purchase, whichever is later.

(12) Where a dealer has availed credit on inputs and when the finished goods become exempt, credit availed on inputs used therein, shall be reversed.

(13) Where a registered dealer without entering into a transaction of sale, issues an invoice, bill or cash memorandum to another registered dealer, with the intention to defraud the Government revenue, the assessing authority shall, after making such enquiry as it thinks fit and giving a reasonable opportunity of being heard, deny the benefit of input tax credit to such registered dealer who has claimed input tax credit based on such invoice, bill or cash memorandum from such date.

(14) Where the business of a registered dealer is transferred on account of change in ownership or on account of sale, merger, amalgamation, lease or transfer of the business to a joint venture with the specific provision for transfer of liabilities of such business, then, the registered dealer shall be entitled to transfer the input tax credit lying unutilized in his accounts to such sold, merged, amalgamated, leased or transferred concern. The transfer of input tax credit shall be allowed only if the stock of inputs, as such, or in process, or the capital goods is also transferred to the new ownership on which credit has been availed of are duly accounted for, subject to the satisfaction of the assessing authority.

(15) Where a registered dealer has purchased any taxable goods from another dealer and has availed input tax credit in respect of the said goods and if the registration certificate of the selling dealer is cancelled by the appropriate registering authority, such registered dealer, who has availed by way of input tax credit, shall pay the amount availed on the date from which the order of cancellation of the registration certificate takes effect. Such dealer shall be liable to pay, in addition to the amount due, interest at the rate of one and a quarter per cent, per month, on the amount of tax so payable, for the period commencing from the date of claim of input tax credit by the dealer to the date of its payment.

(16) The input tax credit availed by any registered dealer shall be only provisional and the assessing authority is empowered to revoke the same if it appears to the assessing authority to be incorrect, incomplete or otherwise not in order.

(17) If the input tax credit determined by the assessing authority for a year exceeds tax liability for that year, the excess may be adjusted against any outstanding tax due from the dealer.

(18) The excess input tax credit, if any, after adjustment under sub-section (17), shall be carried forward to the next year or refunded, in the manner, as may be prescribed.

(19) Where any registered dealer has availed input tax credit and has goods remaining unsold at the time of stoppage or closure of business, the amount of tax availed shall be reversed on the date of stoppage or closure of such business and recovered.

Assessment of tax.

20. The tax under this Act shall be assessed, levied and collected in such manner as may be prescribed.

Filing of returns.

21. Every dealer, liable to pay tax under this Act, shall file return, in the prescribed form showing the total and taxable turnover within the prescribed period in the prescribed manner, along with proof of payment of tax. The tax under this section shall become due without any notice of demand to the dealer on the date of receipt of the return or on the last date of the period for filing return as prescribed, whichever is later.

Procedure to be followed by assessing authority.

22. (1) The assessment in respect of the dealer shall be on the basis of return relating to his turnover submitted in the prescribed manner within the prescribed period.

(2) The assessing authority shall accept the returns submitted for the year, by the dealer, if the returns are accompanied by the proof of payment of tax and the documents prescribed, and on such acceptance, the assessing authority shall pass an assessment order.

(3) Notwithstanding anything contained in sub-section (2), not exceeding twenty per cent of the total number of such Assessments shall be selected by the Commissioner in such manner as may be prescribed for the purpose of detailed scrutiny regarding the correctness of the returns submitted by the dealer and in such cases, revision of assessment shall be made, wherever necessary.

(4) If no return is submitted by the dealer for that year, the assessing authority shall, after making such enquiry as it may consider necessary, assess the dealer to the best of its judgment, subject to such conditions as may be prescribed:

Provided that before taking action under this sub-section, the dealer shall be given a reasonable opportunity of being heard.

(5) In addition to the tax assessed under sub-section (4), the assessing authority shall, in the same order of assessment passed under sub-section (4) or by a separate order, direct the dealer to pay by way of penalty, a sum which shall be, in the case of failure to submit return, one hundred and fifty per cent of the tax assessed:

Provided that no penalty under this sub-section shall be imposed after the period of five years from the date of assessment order under this Section unless the dealer affected has had a reasonable opportunity of showing cause against such imposition.

(6) (*a*) Any dealer assessed under sub-section (4) may, within a period of thirty days from the date of service of the assessment order, apply to the assessing authority for re-assessment, along with the correct and complete return as prescribed. On such application, the assessing authority shall, if it is satisfied that the failure to submit the return in time was due to reasons beyond the control of the applicant, cancel the assessment made and make a fresh assessment on the basis of the return submitted:

Provided that no application shall be entertained under this sub-section unless it is accompanied by satisfactory proof of the payment of tax admitted by the applicant to be due or any such instalment thereof as might have become payable, as the case may be.

(*b*) If the amount of tax on the basis of the cancelled assessment has already been collected and if the amount of tax arrived at as a result of the fresh assessment is different from it, any amount over paid by the dealer shall be refunded to him without interest, or the further amount of tax, if any, due from him shall be collected in accordance with the provisions of this Act, as the case may be.

(*c*) Penalty, if any, imposed and collected under sub-section (5), shall be refunded to the dealer without interest on cancellation of the order of original assessment.

Procedure when ase

23. (1) Notwithstanding anything contained in this Act, where an assessee claims ıy question of law arising in his case for an assessment year, which is pending he assessing authority (such case being hereafter in this section referred to as the ase) is identical with a question of law arising in his case for another assessment ı is pending before the High Court or Supreme Court (such case being this Section referred to as the other case), he may furnish to the assessing claration in the prescribed form for verification in the prescribed manner and ı authority agrees to apply in the relevant case the final decision on the ı the other case, he shall not raise such question of law in the relevant

ssessing authority may, by order, in writing,—

ıit the claim of the assessee if it is satisfied that the question of vant case is identical with the question of law in the other

use in the

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(*ii*) reject the claim if it is not satisfied.

(3) Where a claim is admitted under sub-section (2), the assessing authority may pass an order disposing of the relevant case without awaiting the final decision on the question of law in the other case.

(4) When the decision on the question of law in the other case becomes final, it shall be applied to the relevant case and the assessing authority shall, if necessary, amend the order referred to in sub-section (3) in conformity with such decision.

(5) An order under sub-section (2) shall be final and shall not be called in question in any proceeding by way of appeal, reference or revision under this Act.

Explanation.—'Case' in relation to an assessee means any proceeding under this Act for the assessment of the turnover of the assessee or for the imposition of any penalty on him.

Assessment of sales shown in accounts at low prices.

24. (1) If the assessing authority is satisfied that a dealer has, with a view to evade the payment of tax, shown in his accounts, sales or purchases of any goods, at prices which are abnormally low compared to the prevailing market price of such goods, it may, at any time within a period of five years from the expiry of the year to which the tax relates, assess or re-assess the dealer to the best of its judgement on the turnover of such sales or purchases after making such enquiry as it may consider necessary and after giving the dealer a reasonable opportunity to show cause against such assessment.

(2) The provisions of sub-sections (3) to (8) of section 27, shall, as far as may be, apply to assessment or re-assessment under sub-section (1) as they apply to the re-assessment of escaped turnover under sub-section (1) of section 27.

Procedure to be followed in assessment of certain cases.

25. (1) If no return is submitted by the dealer under section 21 within the prescribed period, or if the return submitted by him appears to the assessing authority to be incomplete or incorrect, the assessing authority may, after making such enquiry as it considers necessary, determine the tax payable by the dealer to the best of its judgement:

Provided that, before taking action under this sub-section on the ground that the return submitted by the dealer is incomplete or incorrect, the dealer shall be given a reasonable opportunity of proving the correctness or completeness of the return submitted by him.

(2) If the assessing authority has reason to believe that the tax determined by it for any period was based on too low a turnover or was made at too low a rate or was based on too high a turnover or was made at too high a rate it may enhance or reduce, as the case may be, such determination of tax:

Provided that before making an enhancement of the tax payable as aforesaid, the assessing authority shall, give a reasonable opportunity to the dealer to show cause against such enhancement and make such enquiry as it may consider necessary.

(3) The determination and collection of tax under this section shall be subject to such adjustment as may be prescribed on the completion of assessment in the manner prescribed.

Assessment of legal representatives.

26. Where a dealer dies, his executor, administrator or other legal representative shall be deemed to be the dealer for the purposes of this Act and the provisions of this Act shall apply to him in respect of the business of the said deceased dealer, provided that, in respect of any tax or fee assessed as payable by any such dealer or any tax or fee which would have been payable by him under this Act as if he had not died, the executor, administrator or other legal representative shall be liable only to the extent of the assets of the deceased in his hands.

Assessment of escaped turnover and wrong availment of input tax credit.

27. (1) (*a*) Where, for any reason, the whole or any part of the turnover of business of a dealer has escaped assessment to tax, the assessing authority may, subject to the provisions of sub-section (3), at any time within a period of five years from the date of assessment order by the assessing authority, determine to the best of its judgment the turnover which has escaped assessment and assess the tax payable on such turnover after making such enquiry as it may consider necessary.

(*b*) Where, for any reason, the whole or any part of the turnover of business of a dealer has been assessed at a rate lower than the rate at which it is assessable, the assessing authority may, at any time within a period of five years from the date of order of assessment by the assessing authority, re-assess the tax due after making such enquiry as it may consider necessary

(2) Where, for any reason, the input tax credit has been availed wrongly or where any dealer produces false bills, vouchers, declaration certificate or any other documents with a view to support his claim of input tax credit or refund, the assessing authority shall, at any time, within a period of five years from the date of order of assessment, reverse input tax credit availed and determine the tax due after making such a enquiry, as it may consider necessary:

Provided that no order shall be passed under sub-sections (1) and (2) without giving the dealer a reasonable opportunity to show cause against such order.

(3) In making an assessment under clause (a) of sub-section (1), the assessing authority may, if it is satisfied that the escape from the assessment is due to wilful non-disclosure of assessable turnover by the dealer, direct the dealer, to pay, in addition to the tax assessed under clause (a) of sub-section (1), by way of penalty a sum which shall be—

(*a*) fifty per cent of the tax due on the turnover that was wilfully not disclosed if the tax due on such turnover is not more than ten per cent of the tax paid as per the return;

(*b*) one hundred per cent of the tax due on the turnover that was wilfully not disclosed if the tax due on such turnover is more than ten per cent but not more than fifty per cent of the tax paid as per the return;

(*c*) one hundred and fifty per cent of the tax due on the assessable turnover that was wilfully not disclosed, if the tax due on such turnover is more than fifty per cent of the tax paid as per the return;

(4) in addition to the tax determined under sub-section (2), the assessing authority shall direct the dealer to pay as penalty a sum—

(*i*) which shall be in the case of first such detection, fifty per cent of the tax due in respect of such claim; and

(*ii*) which shall be in the case of second or subsequent detections, one hundred per cent of the tax due in respect of such claim:

Provided that no penalty shall be levied without giving the dealer a reasonable opportunity of showing cause against such imposition.

(5) The powers under sub-sections (1) and (2) may be exercised by the assessing authorities eventhough the original order of assessment, if any, passed in the matter has been the ct matter of an appeal or revision.

computing the period of limitation for assessment or re-assessment under time during which the proceedings for assessment or re-assessment nder the orders of a Civil Court or other Competent Authority shall be

nputing the period of limitation for assessment or re-assessment e time during which any appeal or other proceeding in respect of or re-assessment is pending before the High Court or the Supreme stion of law having a direct bearing on the assessment or n, shall be excluded.

the period of limitation for assessment or re-assessment under which any appeal or proceeding in respect of any assessment me or part of the turnover made under any other enactment ppellate or revisional authority or the High Court or the uded

Assessment of turnover not disclosed under compounding provisions.

28. (1) Where for any reason, any part of the turnover of business of a dealer who has opted to pay tax under sub-section (4) of section 3 or section 6 or section 8 has escaped assessment from the tax, the assessing authority may, at any time within a period of five years from the date of order of the assessment by the assessing authority, determine to the best of its judgment the turnover which has escaped assessment and re-assess the tax payable on the total turnover including the turnover already assessed under the said section.

(2) Before making the re-assessment under sub-section (1), the assessing authority may make such enquiry as it may consider necessary and give the dealer concerned a reasonable opportunity to show cause against such re-assessment.

(3) The amount of tax already paid by the dealer concerned in pursuance of the option to compound under sub-section (4) of section 3 or section 6 or section 8 shall be adjusted towards the amount of tax due as the result of re-assessment under sub-section (1).

(4) The provisions of sub-sections (3) to (8) of section 27 shall, as far as may be, apply to re-assessment under sub-section (1) as they apply to the re-assessment of escaped turnover under sub-section (1) of section 27.

Assessment in cases of price variation.

29. Notwithstanding anything contained in sections 27 and 28,—

(*a*) if a dealer receives in any year any amount due to price variations, which would have been included in his turnover for any previous year if it had been received by him in that year, he shall, within thirty days from the end of the year in which such amount is received, submit a return in the prescribed form to the assessing authority and thereupon the assessing authority shall proceed to assess the tax payable on such amount;

(*b*) if a dealer returns in any year any amount due to price variations, which would have been excluded in his turnover for any previous year if it had been returned by him in that year, he shall, within thirty days from the end of the year in which such amount is returned, submit a return in the prescribed form to the assessing authority and thereupon the assessing authority shall proceed to arrive at the quantum of the tax refundable on the amount returned by the dealer;

(*c*) if the assessing authority is satisfied that any return submitted under clause (a) or clause (b) is correct and complete, it shall assess or re-assess, as the case may be, the dealer on the basis thereof;

(*d*) if the return submitted by a dealer under clause (*a*) appears to the assessing authority to be incorrect or incomplete, the assessing authority shall, after making such enquiry, as it may consider necessary and after taking into account all relevant materials gathered by it, assess the dealer to the best of its judgment:

Provided that before taking action under this clause, the dealer shall be given a reasonable opportunity to prove the correctness and completeness of the return;

(*e*) if no return is submitted by the dealer under clause (*a*), the assessing authority may, within five years within which such returns must have been submitted, proceed to assess the tax payable on the amount referred to in the said clause:

Provided that before making any assessment under this clause, the assessing authority shall give the dealer an opportunity of being heard and make such other enquiry as it may consider necessary;

(*f*) in addition to the tax assessed under clause (*e*), the dealer is liable to pay a penalty, at the rate specified in sub-section (5) of section 22 and the assessing authority shall in the same order of assessment or by a separate order direct the dealer to pay such penalty;

(*g*) in making the assessment under clause (d), in addition to the tax assessed, the dealer is liable to pay a penalty at the rate specified in sub-section (3) of section 27, if there is wilful non-disclosure of assessable turnover by the dealer.

Power of Government to notify exemption or reduction of tax.

30. (1) The Government may, by notification, whether prospectively or retrospectively make an exemption, or reduction in rate, in respect of any tax payable under this Act—

(*a*) on the sale or purchase of any specified goods or class of goods, at all points or at a specified point or points in the series of sales by successive dealers; or

(*b*) by any specified class of persons, in regard to the whole or any part of their turnover; or

(*c*) on the sale or purchase of any specified classes of goods by specified classes of dealers in regard to the whole or part of their turnover.

(2) Any exemption from tax, or reduction in the rate of tax, notified under sub-section (1)—

(*a*) may extend to the whole State or to any specified area or areas therein; or

(*b*) may be subject to such restrictions and conditions as may be specified in the notification.

(3) The Government may, by notification, cancel or vary any notification issued under sub-section (1).

Power of Government to notify remission.

31. The Government may, in such circumstances and subject to such conditions as may be prescribed by notification, remit the whole or any part of the tax or penalty or interest or fee payable in respect of any period by any dealer under this Act.

Power of Government to notify deferred payment of tax.

32. (1) The Government may, in such circumstances and subject to such conditions as may be prescribed, by notification whether prospectively or retrospectively, defer the payment, by any industrial unit in the pipeline, of the whole or any part of the tax payable in respect of any period.

Explanation.—For the purpose of this sub-section, the term 'industrial unit in the pipeline' means an industry which, is registered as an industrial unit with an industrial agency of the State or Central Government or has obtained allotment of land or purchased land for the factory or has applied for finance from a financial institution for its activities, as on the date to be specified by the Government in this behalf.

(2) The Government may, by general or special order, authorise the Territorial Assistant Commissioner to exercise such of their powers specified in sub-section (1).

(3) Notwithstanding anything contained in this Act, the deferred payment of tax under sub-section (1), shall not attract interest under sub-section (3) of section 42, provided the conditions laid down for payment of the tax deferred are satisfied.

Remission of tax deemed to be deferred payment of tax.

33. (1) Notwithstanding anything contained in this Act, all remission of tax made for a specified period or for any specified amount of tax under sub-section (4) of section 17 of the Tamil Nadu General Sales Tax Act, 1959 in so far as the unexpired period of such remission or balance amount of tax remitted, as the case may be, shall be deemed to be deferred payment of tax under section 32. The tax payable in respect of the unexpired period of such remission or balance amount of tax remitted shall be paid in such manner as may be prescribed: Tamil Nadu Act 1 of 1959

Provided that the Government may, if it considers necessary, on application from any industrial unit availing such remission, allow such unit to continue such remission for the unexpired period or till the balance of amount of tax remitted, whichever is earlier.

(2) Notwithstanding anything contained in this Act, the deferred payment of tax under sub-section (1) shall not attract interest under sub-section (3) of section 42, provided the conditions laid down for payment of the tax deferred are satisfied.

(3) Notwithstanding anything contained in this Act, the Government may, in such circumstances and subject to such conditions as may be prescribed, by notification, exempt the whole or any part of the tax payable for any period and sale of goods made to or purchase of goods made by a new industrial unit, in respect of which the Government

Tamil Nadu Act 1 of 1959.

have already notified exemption of tax under the Tamil Nadu General Sales Tax Act, 1959 and such exemption on purchases or sales shall be by way of refund of tax paid on purchases made by or sales made to such industrial unit in the manner prescribed.

Liability of tax of persons not observing restrictions and conditions notified under Section 30 or 31.

34. If any restriction or condition notified under section 30 or 31 is contravened or is not observed by a dealer, the sales or purchases of such dealer may, with effect from the commencement of the year in which such contravention or non-observance took place, be assessed to tax or taxes under the appropriate provisions of this Act as if the provisions of the notifications under section 30 or 31 did not apply to such sales or purchases.

Liability of firms.

35. (1) Where any firm is liable to pay any tax or other amount under this Act, the firm and each of the partners of the firm shall be jointly and severally liable for such payment.

(2) Where a partner of a firm liable to pay any tax or any amount under this Act retires, he shall, notwithstanding any contract to the contrary, be liable to pay the tax or other amount remaining unpaid at the time of his retirement and any tax or other amount due up to the date of retirement, though unassessed.

Liability to tax of partitioned Hindu family, dissolved firm, etc.

36. Where a dealer is a Hindu undivided family, firm, or other association of persons and such family, firm or association is partitioned, or dissolved, as the case may be,—

(*a*) the tax payable under this Act by such family, firm, or association of persons for the period up to the date of such partition or dissolution shall be assessed as if no such partition or dissolution had taken place and all the provisions of this Act shall apply accordingly; and

(*b*) every person who was at the time of such partition, or dissolution a member or partner of the Hindu undivided family, firm, or association of persons and the legal representative of any such person who is deceased shall, notwithstanding such partition or dissolution, be jointly and severally liable for the payment of the tax, penalty or other amount payable under this Act by such family, firm or association of persons, whether assessment is made prior to or after such partition, or dissolution.

Liability to tax private company on winding up.

37. Where a dealer is a private company and such company is wound up, every person who was a director of such company at the time of such winding up shall, notwithstanding such winding up, be jointly and severally liable for the payment of tax, penalty or other amount payable under this Act by such company whether assessment is made prior to or after such winding up unless he proves that the non-payment of tax cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company.

Registration of dealers.

38. (1) (*a*) Every dealer, whose total turnover in respect of purchase and sale within the State in any year is not less than ten lakhs of rupees and every other dealer whose total turnover in a year is not less than five lakhs of rupees shall, and

(*b*) any other dealer or person intending to commence business may, get himself registered under this Act.

(2) Where a person intending to commence business is a minor or where a minor inherits an existing business or succeeds a dealer, the certificate of registration shall be issued in the name of any guardian, trustee or agent of the minor carrying on business on behalf of and for the benefit of such minor.

(3) Notwithstanding anything contained in sub-section (1),—

(*a*) every casual trader;

(*b*) every dealer in bullion, gold, silver and platinum jewellery including articles thereof and worn-out or beaten jewellery and precious stones;

(*c*) every dealer registered under sub-section (3) of section 7 of the Central Sales Tax Act, 1956;

Central Act 74 of 1956.

(*d*) every dealer residing outside the State, but carrying on business in the State;

(*e*) every agent of a non-resident dealer;

(*f*) every factor, broker, commission agent or arhati, *del credere* agent or auctioneer or any other mercantile agent, by whatever name called, and whether of the same description as hereinbefore or not, who carries on the business of buying, selling, supplying or distributing goods on behalf of any principal, or through whom the goods are bought, sold, supplied or distributed; and

(*g*) every dealer who in the course of his business obtains or brings goods from outside the State or effects export of goods out of the territory of India shall get himself registered under this Act, irrespective of the quantum of his turnover in such goods.

(4) Where a registered dealer—

(*a*) dies, or

(*b*) transfers or otherwise disposes of his business, in whole or in part, or

(*c*) effects any change in the ownership of his business, in consequence of which he is succeeded in the business, or part thereof, by any other person, such successor in business shall, unless he already holds a certificate of registration get himself registered under this Act.

(5) The Government may, from time to time, by notification—

(*a*) exempt from the operation of sub-section (1), or sub-section (3), or sub-section (4) any specified class of dealers or dealers in any specified goods or class of goods;

(*b*) enhance the total turnover limit specified in sub-section (1) for the registration of any specified class of dealers or dealers in any specified goods or class of goods

(6) Any exemption under clause (a) and any enhancement of the total turnover limit under clause (b) of sub-section (5),—

(*a*) may extend to the whole State or to any specified area or areas therein;

(*b*) may be subject to such restrictions and conditions as may be specified in the notification.

(7) The Government may, by notification, cancel or vary any notification issued under sub-section (5).

(8) Nothing contained in this section shall apply to any State Government or Central Government.

Procedure for registration.

39. (1) An application for registration shall be made to such authority, in such manner and within such period as may be prescribed and shall be accompanied by a fee of five hundred rupees for the principal place of business and in addition, a further fee of fifty rupees in respect of each of the places of business other than the principal place of business.

(2) If the authority granting certificate of registration is satisfied that the application is in order, it shall register the applicant and grant to him a certificate of registration in the prescribed form specifying all his places of business with copies for each of his place of business other than the principal place of business.

(3) A certificate issued under sub-section (2) shall take effect from such date as may be specified.

(4) Where it appears necessary to the authority granting a certificate of registration under this section so to do for the proper realisation of the tax payable under this Act it may, at any time, while such certificate is in force, by an order in writing and for reasons to be recorded therein, require the dealer to whom the certificate has been granted, to furnish within such time as may be specified in the order and in the prescribed manner such security or, if the dealer has already furnished any security in pursuance of an order under this sub-section such additional security, as may be specified in the order for the aforesaid purpose.

(5) No dealer shall be required to furnish any security or additional security under sub-section (4) by the authority referred to therein, unless he has been given an opportunity of being heard. The amount of security which a dealer may be required to furnish under sub-section (4) or the aggregate of the amount of such security and the amount of additional security which he may be required to furnish under sub-section (4) by the authority referred to therein, shall not exceed one half of the tax payable, in accordance with the estimate of such authority, on the turnover of such dealer for the year in which such security or, as the case may be, additional security is required to be furnished.

(6) Where the security furnished by a dealer under sub-section (5) is in the form of a surety bond and the surety becomes insolvent or dies, the dealer shall, within thirty days of the occurrence of any of the aforesaid events, inform the authority granting the certificate of registration and shall within ninety days of such occurrence furnish a fresh surety bond or furnish in the prescribed manner other security for the amount of the bond.

(7) The authority granting the certificate of registration may by order and for good and sufficient cause forfeit the whole or any part of the security furnished by the dealer for realizing any amount of tax or penalty or interest payable by the dealer:

Provided that no order shall be passed under this sub-section without giving the dealer an opportunity of being heard.

(8) Where by reason of an order under sub-section (7), the security furnished by any dealer is rendered insufficient, he shall make up the deficiency in such manner and within such time as may be prescribed.

(9) The authority granting the certificate of registration may, on application by the dealer to whom it has been granted, order the refund of any amount or part thereof deposited by the dealer by way of security under this section or, where the security is furnished by the dealer in the form of a pledge, release the pledge, if it is not required for the purpose of this Act, or if in the course of three years the dealer proves himself to be prompt in payment of tax and above reproach in the conduct of his business.

(10) The certificate issued under sub-section (3) shall be valid till it is cancelled by the competent authority or on the closure of business.

(11) If the authority granting the certificate of registration is satisfied that a registration certificate or a copy thereof is lost or accidentally destroyed, it shall, on an application by the registered dealer accompanied by a fee of one hundred rupees, issue to him a duplicate of the registration certificate.

(12) A registered dealer shall exhibit at each place of his business the registration certificate, or a duplicate, or a copy thereof.

(13) A registered dealer shall be entitled to have his registration cancelled, if he is able to prove to the satisfaction of the prescribed authority that his turnover in each of the two consecutive years immediately preceding the application was less than the limit specified in section 3.

(14) The authority granting the certificate of registration may, by order, for good and sufficient reasons to cancel, modify or amend any certificate of registration granted by it.

(15) No application for registration or for a copy or duplicate of the certificate under this section shall be refused and no order under sub-section (14) shall be made, unless the dealer concerned has been given an opportunity of being heard

Collection of tax.

40. (1) No person, who is not a registered dealer, shall collect any amount by way of tax or purporting to be by way of tax under this Act; and no registered dealer shall make any such collection except in accordance with the provisions of this Act and the rules made thereunder:

Explanation.—For the purposes of sub-section (1), any State Government or the Central Government, or any dealer shall be deemed to be a registered dealer.

(2) If any person or registered dealer collects any amount by way of tax or purporting to be by way of tax, in contravention of the provisions of sub-section (1), whether or not any tax is due from such person or dealer under this Act in respect of the transaction in which he collects such amount, the assessing authority may, after giving such person or dealer a reasonable opportunity of being heard, by order, in writing, impose upon him by way of penalty a sum, which shall be,—

(i) where the excess amount has been collected in the *bona fide* belief that it had to be collected, one hundred per cent of the amount collected;

(ii) where the excess amount has been collected wilfully and knowing that it was not due to be collected, one hundred and fifty per cent of the amount collected:

Provided that no proceedings under this sub-section shall be commenced after a period of five years from the date of order of the assessment:

Provided further that no prosecution for an offence under sub-section (2) of section 71 shall be instituted in respect of the same facts on which a penalty has been imposed under this sub-section.

Forfeiture of tax collected.

41. If any person collects any amount by way of tax and his turnover for the year falls short of the taxable limit specified, the sum so collected shall be remitted to the Government and forfeited wholly.

Payment and recovery of tax, penalty, etc.

42. (1) Save as otherwise provided for in section 21, the tax assessed or has become payable under this Act from a dealer or person and any other amount due from him under this Act shall be paid in such manner and in such instalments, if any, and within such time as may be specified in the notice of assessment, not being less than thirty days from the date of service of the notice. The tax under section 21 shall be paid without any notice of demand. In default of such payment, the whole of the amount outstanding on the date of the default shall become immediately due and shall be a charge on the properties of the person or persons liable to pay the tax or penalty or interest under this Act.

(2) Any tax assessed on or has become payable by, or any other amount due under this Act from a dealer or person and any fee due from him under this Act, shall, subject to the claim of the Government in respect of land revenue and the claim of the Agriculture and Rural Development Bank in regard to the property mortgaged to it under sub-section (2) of section 28 of the Tamil Nadu Co-operative Societies Act, 1983, have priority over all other claims against the property of the said dealer or person and the same may without prejudice to any other mode of collection be recovered,— Tam Act 1983

(*a*) as land revenue, or

(*b*) on application to any Magistrate, by such Magistrate as if it were a fine imposed by him:

Provided that no proceedings for such recovery shall be taken or continued as long as he has, in regard to the payment of such tax, other amount or fee, as the case may be, complied with an order by any of the authorities to whom the dealer or person has appealed or applied for revision, under sections 51, 52, 54, 57, 58, 59 or 60.

(3) On any amount remaining unpaid after the date specified for its payment as referred to in sub-section (1) or in the order permitting payment in instalments, the dealer or person shall pay, in addition to the amount due, interest at one and a quarter per cent per month of such amount for the entire period of default:

Provided that if the amount remaining unpaid is less than one hundred rupees and the period of default is not more than a month, no interest shall be paid:

Provided further that where a dealer or person has preferred an appeal or revision against any order of assessment or revision of assessment under this Act, the interest payable under this sub-section, in respect of the amount in dispute in the appeal or revision, shall be postponed till the disposal of the appeal or revision, as the case may be, and shall be calculated on the amount that becomes due in accordance with the final order passed on the appeal or revision as if such amount had been specified in the order of assessment or revision of assessment as the case may be.

(4) Where a dealer submits the prescribed return after the expiry of the prescribed period, he shall pay, in addition to the amount of tax due as per his return, interest at one and a quarter per cent of the tax payable for every month or part thereof.

(5) Where the tax paid under this Act is found to be in excess on assessment or revision of assessment, or as a result of an order passed in appeal, revision or review, the excess amount shall be refunded to the dealer after adjustment of arrears of tax, if any, due from him. Where the excess amount is not refunded to the dealer within a period of ninety days from the date of the order of assessment or revision of assessment and in the case of order passed in appeal, revision or review within a period of ninety days from the date of order giving effect to such order passed in appeal, revision or review, the Government shall pay by way of interest, where the amount refundable is not less than one hundred rupees, a sum equal to a sum calculated at the rate of half per cent or part thereof of such amount for each month or part thereof after the expiry of the said period of ninety days.

Explanation.—For the purpose of this section, the expression "order passed in appeal, revision or review" shall not include order passed in such appeal, revision or review with direction to make fresh assessment order.

Transfers to defraud revenue void.

43. Where, during the pendency of any proceedings under this Act or after the completion thereof, any dealer creates, a charge on, or parts with the possession by way of sale, mortgage, gift, exchange or any other mode of transfer whatsoever of any of his assets in favour of any other person, with the intention to defraud the revenue, such charge or transfer shall be void as against any claim in respect of any tax, or any other sum payable by the dealer as a result of the completion of the said proceeding or otherwise:

Provided that, such charge or transfer shall not be void if it is made—

(*a*) for adequate consideration and without notice of the pendency of such proceeding under this Act or, as the case may be, without notice of such tax or other sum payable by the dealer; or

(*b*) with the previous permission of the assessing authority.

Recovery of penalty or interest.

44. Any penalty or interest payable under this Act, shall be deemed to be tax under this Act, for the purposes of collection and recovery and shall be without prejudice to the institution of any proceeding for an offence under this Act, or for the recovery of the entire amount remaining unpaid under this Act.

Further mode of recovery.

45. (1) The assessing authority may, at any time or from time to time, by notice in writing a copy of which shall be forwarded to the dealer at his last address known to the assessing authority require—

(*a*) any person from whom money is due or may become due to the dealer, or to any person who has become liable to pay any amount due under this Act; or

(*b*) any person who holds or may subsequently hold money for, or on account of the dealer or other person who has become liable to pay any amount due under this Act,

to pay to the assessing authority either forthwith upon the money becoming due or being held at or within the time specified in the notice, (not being before the money becomes due or is held) so much of the money as is sufficient to pay the amount due by the dealer or other person in respect of the arrears that have become payable under this Act, or the whole of the money when it is equal to or is less than the arrears aforesaid.

(2) The assessing authority may, at any time, or from time to time, amend or revoke any such notice or extend the time for making any payment in pursuance of the notice.

(3) Any person making any payment in compliance with a notice under this section shall be deemed to have made the payment under the authority of the dealer and the receipt of the assessing authority shall constitute a good and sufficient discharge of the liability of such person to the extent of the amount referred to in the receipt.

(4) Any person making any payment to the dealer after receipt of the notice referred to in this section, shall be personally liable to the assessing authority to the extent of the payment made or to the extent of the liability of the dealer for the amount due under this Act, whichever is less.

(5) Where any person to whom a notice under this section is served, objects to it by a statement in the prescribed form that the sum demanded or any part thereof is not due by him to the dealer or that he does not hold any money for or on account of the dealer, then, nothing contained in this section shall be deemed to require such person to pay the sum demanded or part thereof, as the case may be, to the assessing authority, but if it is discovered that such statement was false in any material particular, such person shall be personally liable to the assessing authority to the extent of his own liability to the dealer on the date of the notice or to the extent of the liability of the dealer for the amount due under this Act, whichever is less.

(6) Any amount which a person required to pay to the assessing authority or for which he is personally liable to the assessing authority under this section shall, if it remains unpaid, be a charge on the properties of the said person and may be recovered as if it were an arrear of land revenue.

Explanation.— For the purposes of this section, the amount due to a dealer or money held for or on account of a dealer by any person shall be computed after taking into account such claims, if any, as may have fallen due for payment by such dealer to such person and as may be lawfully subsisting.

Recovery of tax where business of dealer is transferred.

46. Where the ownership, of the business of a dealer liable to pay tax or other amount, is transferred, any tax or other amount payable under this Act in respect of such business and remaining unpaid at the time of the transfer and any tax or other amount due up to the date of transfer, though un-assessed, may, without prejudice to any action that may be taken for its recovery from the transferor, be recovered from the transferee as if he were the dealer liable to pay such tax or other amount:

Provided that the recovery from the transferee of the arrears of taxes due for the period prior to the date of the transfer shall be limited to the value of the assets he obtained by transfer.

Rounding off of turnover, tax, etc

47. The amount of turnover, tax, fee, penalty, fine or any other sum payable, and the amount of refund due, under this Act shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise, then, if such part is fifty paise or more, it shall be increased to one rupee and if such part is less than fifty paise, it shall be ignored.

Explanation.—If the total turnover of a dealer consists of several items of turnover liable to tax at different rates each such item of turnover shall be rounded off as provided in this section.

Appointment of Commissioner of Commercial Taxes, Joint Commissioners of Commercial Taxes, Appellate Deputy Commissioners of Commercial Taxes, Deputy Commissioners of Commercial Taxes, Assistant Commissioners of Commercial Taxes and Commercial Tax Officers.

48. The Government may appoint a Commissioner of Commercial Taxes and as many Joint Commissioners of Commercial Taxes, Appellate Deputy Commissioners of Commercial Taxes, Deputy Commissioners of Commercial Taxes, Deputy Commissioners of Commercial Taxes (Enforcement), Appellate Assistant Commissioners of Commercial Taxes, Territorial Assistant Commissioners of Commercial Taxes, Administrative Assistant Commissioners of Commercial Taxes, Assistant Commissioners of Commercial Taxes (Assessment), Assistant Commissioner of Commercial Taxes (Enforcement) and Commercial Tax Officers, as they think fit, for the purpose of performing the functions respectively conferred on them by or under this Act. The Commissioner of Commercial Taxes shall perform the functions conferred on him throughout the State, and the other officers shall perform their functions within such local limits as the Government or any authority or officer empowered in this behalf, may assign to them.

Special Powers of Assistant Commissioner under Revenue Recovery Act.

49. (1) A Territorial Assistant Commissioner or an Assistant Commissioner (Assessment) shall have the powers of a Collector under the Tamil Nadu Revenue Recovery Act, 1864 for the purposes of recovery of any amount due under this Act.

Tamil Nadu Act II of 1864.

(2) Subject to the provisions of sub-section (3), the Territorial Assistant Commissioner and the Assistant Commissioner (Assessment) shall, for the purposes of recovery of any amount due under this Act, have the powers of the Commissioner under the Tamil Nadu Rent and Revenue Sales Act, 1839, for the sale of property distrained for any amount due under this Act.

Central Act VII of 1839.

(3) Notwithstanding anything contained in the Tamil Nadu Rent and Revenue Sales Act, 1839, the Territorial Assistant Commissioner and the Assistant Commissioner (Assessment), in the exercise of the powers conferred by sub-section (2), shall be subject to the control and superintendence of the Deputy Commissioner having jurisdiction and the Commissioner.

Central Act VII of 1839.

(4) The Territorial Assistant Commissioner and the Assistant Commissioner (Assessment), may subject to the control and Superintendence of the Deputy Commissioner and the Commissioner, delegate the powers vested in them under sub-sections (1) and (2), to any officer not below the rank of an Assistant Commercial Tax Officer placed under their authority and the provisions of sub-section (1) and sub-section (2) shall apply to such officer as they apply to the Territorial Assistant Commissioner and the Assistant Commissioner (Assessment).

Constitution of Appellate Tribunal.

50. (1) The Government shall constitute an Appellate Tribunal consisting of, subject to the provisions of sub-section (2), a Chairman and two other members to exercise the functions conferred on the Appellate Tribunal by or under this Act. The Chairman shall be a Judicial Officer not below the rank of a District Judge and the other two members shall possess such qualifications as may be prescribed.

(2) Notwithstanding anything contained in sub-section (1), the Government may, from time to time, appoint such number of persons to be additional members of the Appellate Tribunal as the Government may deem necessary and for such period as may be specified in this behalf:

Provided that as nearly as may be one half of such additional members shall be Judicial Officers not below the rank of a Subordinate Judge and the remaining additional members shall possess such qualifications as may be prescribed.

(3) Any vacancy in the membership of the Appellate Tribunal shall be filled by the Government.

(4) (*a*) The functions of the Appellate Tribunal may be exercised,—

(*i*) by a Bench consisting of three members constituted by the Chairman; or

(*ii*) by a Bench consisting of two members constituted by the Chairman; or

(*iii*) by a single member of the Appellate Tribunal nominated in this behalf by the Chairman, in cases where the disputed turnover as determined by the assessing authority does not exceed one lakh of rupees.

Explanation.—The single member referred to in sub-clause (iii) may be either the Chairman or any other member:

Provided that, if any case which comes up before a single member (who is not the Chairman) or a Bench (of which the Chairman is not a member) involves a question of law, such single member or Bench may, in his or its discretion, reserve such case for decision by a Bench of which the Chairman shall be a member.

(*b*) Where an appeal or application is heard by a Bench consisting of three members and the members differ in opinion on any point, the point shall be decided in accordance with the opinion of the majority.

(*c*) Where an appeal or application is heard by a Bench consisting of two members, and the members are divided in their opinion on any point, the point shall be referred for decision to a Bench consisting of three members, of whom one shall be the Chairman.

(5) The Appellate Tribunal shall, with the previous sanction of the Government, make by notification, regulations consistent with the provisions of this Act and the rules made thereunder for regulating the constitution and the procedure and the disposal of its business.

Appeal to Appellate Assistant Commissioner.

51. (1) Any person objecting to an order passed by the appropriate authority under sections 22, section 24, section 26, sub-sections (1), (2), (3) and (4) of section 27, section 28, section 29, section 34 or sub-section (2) of section 40 other than an order passed by an Assistant Commissioner (Assessment) may, within a period of thirty days from the date on which the order was served on him, in the manner prescribed, appeal to the Appellate Assistant Commissioner having jurisdiction:

Provided that the Appellate Assistant Commissioner may, within a further period of thirty days admit an appeal presented after the expiration of the first mentioned period of thirty days if he is satisfied that the appellant had sufficient cause for not presenting the appeal within the first mentioned period:

Provided further that in the case of an order under section 22, section 24, section 26, sub-sections (1), (2), (3) and (4) of section 27, section 28 or section 29, no appeal shall be entertained under this sub-section unless it is accompanied by satisfactory proof of the payment of the tax admitted by the appellant to be due or of such instalments thereof as might have become payable, as the case may be, and twenty-five per cent of the difference of the tax assessed by the assessing authority and the tax admitted by the appellant.

(2) The appeal shall be in the prescribed form and shall be verified in the prescribed manner and shall be accompanied by such fee not exceeding one hundred rupees as may be prescribed.

(3) In disposing of an appeal, the Appellate Assistant Commissioner may, after giving the appellant a reasonable opportunity of being heard, and for the sufficient reasons to be recorded in writing—

(*a*) in the case of an order of assessment—

(*i*) confirm, reduce, enhance or annul the assessment or the penalty or both;

(*ii*) set aside the assessment and direct the assessing authority to make a fresh assessment after such further inquiry as may be directed; or

(*iii*) pass such other orders as he may think fit; or

(*b*) in the case of any other order, confirm, cancel or vary such order:

Provided that at the hearing of any appeal, the appropriate authority shall have the right to be heard either in person or by a representative.

(4) Notwithstanding that an appeal has been preferred under sub-section (1), the tax shall be paid in accordance with the order of assessment against which the appeal has been preferred:

Provided that the Appeallate Assistant Commissioner may, in his discretion, give such directions as he thinks fit in regard to the payment of the tax before the disposal of the appeal, if the appellant furnishes sufficient security to his satisfaction, in such form and in such manner as may be prescribed:

Provided further that the directions given under the first proviso shall stand vacated, if no order is passed under sub-section (3) within a period of one hundred and eighty days of the issue of order under the said proviso.

Appeal to Appellate Deputy Commissioner.

52. (1) Any person objecting to an order passed by the Assistant Commissioner (Assessment) under section 22, section 24, section 26, sub-sections (1), (2), (3) and (4) of section 27, section 28, section 29, section 34 or sub-section (2) of section 40 may, within a period of thirty days from the date on which the order was served on him in the manner prescribed, appeal to the Appellate Deputy Commissioner having jurisdiction:

Provided that the Appellate Deputy Commissioner may within a further period of thirty days admit an appeal presented after the expiration of the first mentioned period of thirty days if he is satisfied that the appellant had sufficient cause for not presenting the appeal within the first mentioned period:

Provided further that in the case of an order under section 22, section 24, section 26 or sub-sections (1), (2), (3) and (4) of section 27, section 28 or section 29, no appeal shall be entertained under this sub-section unless it is accompanied by satisfactory proof of the payment of the tax admitted by the appellant to be due or of such instalments thereof as might have become payable, as the case may be, and twenty-five per cent of the difference of the tax assessed by the assessing authority and the tax admitted by the appellant.

(2) The appeal shall be in the prescribed form and shall be verified in the prescribed manner and shall be accompanied by such fee not exceeding one hundred rupees, as may be prescribed.

(3) In disposing of an appeal, the Appellate Deputy Commissioner may, after giving the appellant a reasonable opportunity of being heard, and for the sufficient reasons to be recorded in writing—

(*a*) in the case of an order of assessment—

(*i*) confirm, reduce, enhance or annual the assessment or the penalty or both;

(*ii*) Set aside the assessment and direct the Assistant Commissioner (Assessment) to make a fresh assessment after such further inquiry as may be directed; or

(*iii*) pass such other orders as he may think fit; or

(*b*) in the case of any other order, confirm, cancel or vary such order:

Provided that at the hearing of any appeal, the Assistant Commissioner (Assessment) shall have the right to be heard either in person or by a representative.

(4) Notwithstanding that an appeal has been preferred under sub-section (1), the tax shall be paid in accordance with the order of assessment against which the appeal has been preferred:

Provided that the Appellate Deputy Commissioner may, in his discretion, give such directions as he thinks fit, in regard to the payment of the tax before the disposal of the appeal, if the appellant furnishes sufficient security to his satisfaction, in such manner, as may be prescribed:

Provided further that the directions given under the first proviso shall stand vacted, if no order is passed under sub-section (3) within a period of one hundred and eighty days of the issue of order under the said proviso.

Special powers of Deputy Commissioner.

53. (1) The Deputy Commissioner may, of his own motion, call for and examine an order passed or proceeding recorded by the appropriate authority under section 22, section 24, section 26, sub-sections (1), (2), (3) and (4) of section 27, section 28 or section 29 and if such order or proceeding recorded is prejudicial to the interests of revenue, may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, may initiate proceedings to revise, modify or set aside such order or proceeding and may pass such order thereon as he thinks fit.

(2) The Deputy Commissioner shall not initiate proceedings against any such order or proceeding referred to in sub-section (1), if—

(*a*) the time for appeal against the order has not expired;

(*b*) the order has been made the subject of an appeal to the Appellate Assistant Commissioner or the Appellate Deputy Commissioner or the Appellate Tribunal, or of a revision in the High Court; or

(*c*) more than five years have expired after the passing of the order:

Provided that if the order passed or proceeding recorded by the appropriate authority referred to in sub-section (1) involves an issue on which the High Court has given its decision adverse to the revenue in any other proceedings and an appeal to the Supreme Court against the order of the High Court is pending, the period of time between the date of the above said order of the High Court and the date of the order of the Supreme Court shall be excluded in computing the period referred to in clause (*c*).

(3) No order under this section adversely affecting a person shall be passed unless that person has had a reasonable opportunity of being heard.

(4) In computing the period referred to in clause (*c*) of sub-section (2), the time during which the proceedings before the Deputy Commissioner remained stayed under the orders of a Civil Court or other competent authority shall be excluded.

Powers of revision of Deputy Commissioner.

54. (1) Any person objecting to an order passed or proceeding recorded under this Act for which an appeal has not been provided for in section 51 or section 52 may within a period of thirty days from the date on which a copy of the order or proceeding was served on him, in the manner prescribed file an application for revision of such order or proceeding to the Deputy Commissioner:

Provided that the Deputy Commissioner may, within a further period of thirty days admit an application for revision presented after the expiration of the first mentioned period of thirty days, if he is satisfied that the applicant had sufficient cause for not presenting the application within the first mentioned period.

(2) An application for revision shall be in the prescribed form and shall be verified in the prescribed manner.

(3) On admitting an application for revision, the Deputy Commissioner may call for and examine the record of the order or proceeding against which the application has been preferred and may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, pass such order thereon as he thinks fit.

(4) Notwithstanding that an application has been preferred under sub-section (1), the tax, fee or other amount shall be paid in accordance with the order or proceeding against which the application has been preferred:

Provided that the Deputy Commissioner may in his discretion give such directions as he thinks fit, in regard to the payment of such tax, fee or other amount before the disposal of revision, if the applicant furnishes sufficient security to his satisfaction in such form and in such manner as may be prescribed.

(5) No order under this section adversely affecting a person shall be passed unless that person has had a reasonable opportunity of being heard.

Special powers of joint Commissioner.

55. (1) The Joint Commissioner may, of his own motion, call for and examine an order passed or proceeding recorded by the appropriate authority under section 22, section 24, section 26, sub-sections (1), (2), (3) and (4) of section 27, section 28 or section 29 or an order passed by the Deputy Commissioner under section 53 or sub-section (3) of section 54 and if such order or proceeding recorded is prejudicial to the interests of revenue, may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, may initiate proceedings to revise, modify or set aside such order or proceeding and may pass such order thereon as he thinks fit.

(2) The Joint Commissioner shall not initiate proceedings against any such order or proceeding referred to in sub-section (1), if—

(*a*) the time for appeal against the order has not expired; or

(*b*) the order has been made the subject of an appeal to the Appellate Tribunal, or of a revision in the High Court; or

(*c*) more than five years have expried after the passing of the order:

Provided that if the order passed or proceeding recorded by the appropriate authority or Deputy Commissioner referred to in sub-section (1) involves an issue on which the High Court has given its decision adverse to the revenue in any other proceedings, and an appeal to the Supreme Court against the order of the High Court is pending, the period of time between the date of the above said order of the High Court and the date of the order of the Supreme Court, shall be excluded in computing the period referred to in clause (c).

(3) No order under this section adversely affecting a person shall be passed unless that person has had a reasonable opportunity of being heard.

(4) In computing the period referred to in clause (c) of sub-section (2), the time during which the proceedings before the Joint Commissioner remained stayed under the orders of a Civil Court or other competent authority shall be excluded.

Power to transfer appeals.

56. (1) The Chairman of the Appellate Tribunal may, either *suo motu* or on application, for reasons to be recorded in writing, transfer an appeal pending before an Appellate Deputy Commissioner to another Appellate Deputy Commissioner or an appeal pending before an Appellate Assistant Commissioner to another Appellate Assistant Commissioner.

(2) The Chairman of the Appellate Tribunal, may, when exercising the powers under sub-section (1) direct the stay of further proceedings before an Appellate Deputy Commissioner or an Appellate Assistant Commissioner, as the case may be.

(3) No order under this section adversely affecting a person shall be passed unless that person has had an opportunity of being heard.

Powers of revision by Joint Commissioner.

57. (1) Any person objecting to an order passed by the Deputy Commissioner under sub-section (1) of section 54 may, within a period of thirty days from the date on which the order was served on him, file an application for revision of such order to the Joint Commissioner:

Provided that the Joint Commissioner may within a further period of thirty days admit an application presented after the expiration of the first mentioned period of thirty days, if he is satisfied that the applicant had sufficient cause for not presenting the application within the first mentioned period.

(2) Such application for revision shall be in the prescribed form and shall be verified in the prescribed manner.

(3) On admitting an application for revision, the Joint Commissioner may call for and examine the record of the order against which the application has been preferred and may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, pass such order thereon, as he thinks fit. Such an order shall be final and shall not be liable to be questioned in any Court of law.

(4) Notwithstanding that an application has been preferred under sub-section (1), the tax, fee, or other amount shall be paid in accordance with the order against which the application has been preferred.

(5) No order under this section adversely affecting a person shall be passed unless that person has had reasonable opportunity of being heard.

Appeal to Appellate Tribunal.

58. (1) Any officer prescribed by the Government or any person objecting to an order passed by the Appellate Assistant Commissioner under sub-section (3) of section 51, or by the Appellate Deputy Commissioner under sub-section (3) of section 52, or by the Deputy Commissioner under sub-section (1) of section 53, may,—

(*a*) within a period of one hundred and twenty days, in the case of an officer so prescribed by Government.

(*b*) within a period of sixty days, in the case of any other person, from the date on which the order was served, appeal against such order to the Appellate Tribunal:

Provided that the Appellate Tribunal may, within a further period of one hundred and twenty days in the case of an officer prescribed by Government and sixty days in the case of any other person, admit an appeal presented after the expiration of the first mentioned period of one hundred and twenty days or sixty days, as the case may be, if it is satisfied that the appellant had sufficient cause for not presenting the appeal within the first mentioned period:

Provided further that no appeal filed by any person objecting to an order passed,—

(*a*) under sub-section (3) of section 51 or under sub-section (3) of section 52 shall be entertained unless it is accompanied by satisfactory proof of the payment of the tax as ordered by the Appellate Assistant Commissioner or by the Appellate Deputy Commissioner, as the case may be;

(*b*) under sub-section (1) of section 53, unless it is accompanied by satisfactory proof of the payment of the tax admitted by the appellant to be due or of such instalments there of as might have become payable, as the case may be, and twenty-five per cent of the difference of the tax ordered by the Deputy Commissioner under section 53 and the tax admitted by the appellant:

Provided also that no appeal shall be admitted against an order, passed by the Appellate Assistant Commissioner under section 51 or by the Appellate Deputy Commissioner under section 52, as the case may be, setting aside the assessment and directing the assessing authority to make a fresh assessment.

(2) The officer empowered under sub-section (1) or the person against whom an appeal has been preferred, as the case may be, on receipt of notice that an appeal has been preferred under sub-section (1) by the other party, may file within sixty days of the receipt of the notice, a memorandum of cross objections and such memorandum shall be disposed of by the Appellate Tribunal, as if it were an appeal presented within the time specified in sub-section (1):

Provided that the Appellate Tribunal may, within a further period of thirty days, admit a memorandum of cross-objections filed after the expiration of the first mentioned period of sixty days, if it is satisfied that the officer empowered under sub-section (1) or the person against whom an appeal has been preferred, as the case may be, had sufficient cause for not filing the memorandum within the first mentioned period.

(3) The appeal and the memorandum of cross-objections shall be in the prescribed form and shall be verified in the prescribed manner and the appeal shall be accompanied by such fee as may be prescribed:

Provided that no fee shall be payable by the officer empowered under sub-section (1).

(4) In disposing of an appeal, the Appellate Tribunal may, after giving the appellant a reasonable opportunity of being heard, and for sufficient reasons to be recorded in writing,—

(*a*) in the case of an order of assessment—

(*i*) confirm, reduce, enhance, restore fully or partially, as the case may be, or annul the assessment or the penalty or both; or

(*ii*) set aside the assessment and direct the assessing authority to make a fresh assessment after such further inquiry as may be directed; or

(*iii*) pass such other orders as it may think fit; or

(*b*) in the case of any other order, confirm, cancel or vary such order:

Provided that at the hearing of any appeal against an order of the Appellate Assistant Commissioner or the Appellate Deputy Commissioner or the Deputy Commissioner, the Government shall have the right to be heard by a representative:

Provided further that if the appeal involves a question of law on which the Appellate Tribunal has previously given its decision in another appeal and either a revision petition in the High Court against such decision or an appeal to the Supreme Court against the order of the High Court is pending, the Appellate Tribunal may defer the hearing of the appeal before it, till such revision petition in the High court or the appeal in the Supreme Court is disposed of.

(5) Within a period of sixty days from the date of receipt of notice that an appeal against the order passed by the Appellate Assistant Commissioner under sub-section (3) of section 51 or an order passed by the Appellate Deputy Commissioner under sub-section (3) of section 52 or by the Deputy Commissioner under sub-section (1) of section 53 has been filed, any assessing authority or his representative appearing before the Appellate Tribunal may file an enhancement petition or a petition for restoration of the assessment or penalty or both, fully or partially, as the case may be, in the prescribed form and in the prescribed manner against the order of the Appellate Assistant Commissioner or the Appellate Deputy Commissioner or the Deputy Commissioner, as the case may be. The Appellate Tribunal may, after giving a reasonable opportunity to the appellant and assessing authority or the representative of the assessing authority of being heard, pass such orders on the petition, as it thinks fit:

Provided that the Appellate Tribunal may admit an enhancement petition or a petition for restoration of the assessment or penalty or both, fully or partially, as the case may be, presented after the expiration of the said period, if it is satisfied that the assessing authority or his representative had sufficient cause for not filling such petition within such period.

(6) Notwithstanding that an appeal has been preferred under sub-section (1), the tax shall be paid in accordance with the order of assessment against which the appeal has been preferred:

Provided that, in the case of an appeal against an order passed by the Deputy Commissioner under sub-section (1) of section 53, the Appellate Tribunal may, in its discretion, give such direction as it thinks fit, in regard to the payment of the tax before the disposal of the appeal, if the appellant furnishes sufficient security to its satisfaction, in such form and in such manner as may be prescribed.

(7) (*a*) The appellant or the respondent may apply for review of any order passed by the Appellate Tribunal under sub-section (4) on the basis of the discovery of new and important facts which after the exercise of due diligence were not within his knowledge or could not be produced by him when the order was made:

Provided that no such application shall be preferred more than once in respect of the same order.

(*b*) The application for review shall be preferred in the prescribed manner and within one year from the date of which a copy of the order to which the application relates was served on the applicant in the manner prescribed and where the application is preferred by any party other than a departmental authority, it shall be accompanied by such fee as may be prescribed.

(8) Except as provided in the rules made under this Act, the Appellate Tribunal shall not have power to award costs to either of the parties to the appeal or review.

(9) Every order passed by the Appellate Tribunal under sub-section (4) or (7) shall be communicated in the manner prescribed to the appellant, the respondent, the authority from whose order the appeal was preferred, the Deputy Commissioner if he is not such authority, and the Commissioner.

(10) Every order passed by the Appellate Tribunal under sub-section (4) shall, subject to the provisions of sub-section (7) and section 60, be final.

Appeal to High Court.

59. (1) Any person objecting to an order passed by the Joint Commissioner under section 55 may, within a period of ninety days from the date on which the order was served on him, appeal against such order to the High Court.

(2) The appeal shall be in the prescribed form and shall be verified in the

(*a*) in the case of an order of assessment,—

(*i*) confirm, reduce, enhance or annul the assessment or penalty or both; or

(*ii*) set aside the assessment and direct the assessing authority to make a fresh assessment after such further inquiry as may be directed; or

(*iii*) pass such order as it may think fit; or

(*b*) in the case of any other order, confirm, cancel or vary such order:

Provided that at the hearing of any appeal, the assessing authority shall have the right to be heard either in person or by a representative.

(4) Every order passed in appeal under this section shall be final.

(5) Notwithstanding that an appeal has been prefered under sub-section (1), the tax shall be paid in accordance with the order of assessment against which the appeal has been preferred:

Provided that the High Court may, in its discretion, give such directions as it thinks fit, in regard to the payment of the tax before the disposal of the appeal, if the appellant furnishes sufficient security to its satisfaction, in such form and in such manner as may be prescribed.

(6) (*a*) The appellant or respondent may apply for review of any order passed by the High Court under sub-section (3) on the basis of the discovery of new and important facts which after the exercise of due diligence were not within his knowledge or could not be produced by him when the order was made.

(*b*) The application for review shall be preferred within such time, and in such manner as may be prescribed, and shall, where it is preferred by the assessee, be accompanied by such fee as may be prescribed.

Revision by High Court.

60. (1) Within ninety days from the date on which the order under sub-section (4), (5) or (7) of section 58 is served, any person who objects to such order or the Deputy Commissioner may prefer a petition to the High Court on the ground that the Appellate Tribunal has either decided erroneously or failed to decide any question of law:

Provided that the High Court may, within a further period of ninety days, admit a petition preferred after the expiration of the first mentioned period of ninety days aforesaid if it is satisfied, that the petitioner had sufficient cause for not preferring the petition within the first mentioned period.

(2) The petition shall be in the prescribed form, shall be verified in the prescribed manner, and shall, where it is preferred by any party other than the Deputy Commissioner, be accompanied by such fee as may be prescribed.

(3) If the High Court, on perusing the petition, considers that there is no sufficient ground for interfering, it may dismiss the petition summarily:

Provided that no petition shall be dismissed unless the petitioner has had a reasonable opportunity of being heard.

(4) (*a*) If the High Court does not dismiss the petition summarily, it shall, after giving both the parties to the petition a reasonable opportunity of being heard, determine the question of law raised and either reverse, affirm or amend the order against which the petition was preferred or remit the matter to the Appellate Tribunal, with the opinion of the High Court on the question of law raised or pass such order in relation to the matter as the High Court thinks fit.

(*b*) Where the High Court remits the matter under clause (a) with its opinion on the question of law raised, the Appellate Tribunal shall amend the order passed by it in conformity with such opinion.

(5) Before passing an order under sub-section (4), the High Court may, if it considers it necessary so to do, remit the petition to the Appellate Tribunal, and direct it to return the petition with its finding on any specific question or issue.

(6) Notwithstanding that a petition has been preferred under sub-section (1), the tax shall be paid in accordance with the order against which the revision has been preferred.

(7). (*a*) The petitioner or the respondent may apply for review of any order passed by the High Court under clause (*a*) of sub-section (4) on the basis of the discovery of new and important facts which after the exercise of due diligence were not within his knowledge or could not be produced by him when the order was made.

(b) The application for review shall be preferred within such time, and in such manner as may be prescribed, and shall, where it is preferred by any party other than the Deputy Commissioner, be accompanied by such fee as may be prescribed.

(8) In respect of every petition or application preferred under sub-section (1), or clause (a) of sub-section (7), respectively, the costs shall be in the discretion of the High Court.

Petitions and appeals to High Court to be heard by a Bench of not less than two Judges.

61. Every appeal preferred to the High Court under section 59 and every petition under section 60 shall be heard by a Bench of not less than two Judges, and in respect of such appeal or petition the provisions of section 98 of the Code of Civil Procedure, 1908 shall, so far as may be, apply.

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62. (1) Where, as a result of any order passed in appeal, revision or review under

(3) Pending the exercise of the powers of review, the reviewing authority may, on application made by the assessee, stay the collection of further amount of tax due from the assessee, in pursuance of the order which is the subject matter of review before the disposal of the review application, if the assessee furnishes sufficient security to its satisfaction, in such form and in such manner as may be prescribed.

Production of accounts.

63. (1) Every dealer, liable to pay tax under this Act, shall make available to the assessing authority any account, register, record or other document relating to the day-to-day transaction of his business.

(2) The Appellate Assistant Commissioner or the Appellate Deputy Commissioner shall not, for the first time, receive in evidence on behalf of any dealer in any appeal, such account, register, record or document as is mentioned in sub-section (1), unless for reasons to be recorded in writing, he considers that such account, register, record or document is genuine and that the failure to produce the same before the assessing authority was for reasons beyond the control of the dealer.

(3) Except as provided in sub-section (2), no appellate authority, or revising or reviewing authority shall, for the first time, receive in evidence on behalf of the dealer any such account, register, record or document as is mentioned in sub-section (1).

Explanation.—Nothing in this section shall apply to accounts which are built up from the initial accounts.

Maintenance of up-to-date, true and correct accounts and records by dealers.

64. (1) Every person registered under this Act, every dealer liable to get himself registered under this Act, and every other dealer who is required so to do by the prescribed authority by notice served in the prescribed manner, shall keep and maintain an up-to-date, true and correct account showing full and complete particulars of his business and such other records as may be prescribed in any of the languages specified in the Eighth Schedule to the Constitution or in English, showing such particulars as may be prescribed and different particulars as may be prescribed for different classes of dealers.

(2) (*a*) Every registered dealer shall keep at the place of business specified in the certificate of registration, books of account for the current year. If more than one place of business in the State is specified in the certificate of registration, the books of account relating to each place of business for the current year shall be kept in the place of business concerned.

(*b*) Every registered dealer shall also ordinarily keep the books of account for the previous five years at such place or places as he may notify to the registering authority. If the registered dealer decides to change the place or places so notified, he shall, before effecting such change, notify the same to the registering authority.

(3) Every registered dealer or person who moves goods in pursuance of a sale or purchase or otherwise from one place to another shall send along with the goods moved a bill of sale or delivery note or such other documents as may be prescribed.

(4) The Commissioner may order for audit of the business of any registered dealer by an officer not below the rank of Assistant Commercial Tax Officer. For the purpose of this section, the selection of dealers for audit shall be made from amongst the dealers,—

(*a*) who have not filed returns within the prescribed period; or

(*b*) who have claimed exorbitant amount of refund of tax; or

(*c*) who have filed returns, but in the opinion of the Commissioner he is not satisfied with the correctness of any return filed, any claim made, deduction claimed or turnover disclosed in any such return; or

(*d*) on the basis of any other criteria or on a random selection basis by the Commissioner; or

(*e*) where detailed scrutiny of the case is necessary in the opinion of the Commissioner.

(5) (*a*) During the course of the audit, the officer may require the dealer,—

(*i*) to afford him the necessary facility to inspect such books of accounts or other documents as he may require and which may be available at such place;

(*ii*) to afford him the necessary facility to check or verify the stock which may be found therein; and

(*iii*) to furnish such information as he may require as to any matter which may be useful for or relevant to any proceedings under this Act.

(*b*) The officer conducting the audit shall on no account remove or cause to be removed any books of accounts, other documents or stock.

Powers to order production of accounts and powers of entry, inspection, etc.

65. (1) Any officer prescribed by the Government in this behalf may, for the purposes of this Act, require any dealer to produce before him the accounts, registers, records and other documents, and to furnish any other information relating to his business.

(2) All accounts, registers, records and other documents maintained by a dealer in the course of his business, the goods in his possession, and his offices, shops, godowns, vessels or vehicles shall be open to inspection, at all reasonable times, by such officer:

Provided that no residential accommodation not being a place of business-*cum*-residence shall be entered into and searched by such officer except on the authority of a search warrant issued by a Magistrate having jurisdiction over the area, and all searches under this sub-section shall, so far as may be, be made in accordance with the provisions of the Code of Criminal Procedure, 1973.

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(3) If any such officer has reason to suspect that any dealer is attempting to evade the payment of any tax, fee or other amount due from him under this Act, he may, for reasons to be recorded in writing, seize such accounts, registers, records or other documents of the dealer as he may consider necessary, and shall give the dealer a receipt for the same. The accounts, registers, records and documents so seized shall be retained by such officer only for so long as may be necessary for their examination and for any inquiry or proceeding under this Act.

(4) Any such officer shall, for the purposes of sub-section (2) or sub-section (3), also have power to enter and search any office, shop, godown, vessel, vehicle, building or place belonging to any other dealer or any other person, if such officer has reason to believe that a dealer keeps, or is keeping any of his goods, accounts, registers, records or other documents in such office, shop, godown, vessel, vehicle, building or place.

Explanation.—It shall be open to the Government to prescribe different classes of officers for the purpose of taking action under sub-sections (1), (2) and (3).

Powers to inspect goods delivered to a carrier or a bailee.

66. Where the goods are delivered to a carrier or a bailee for transmission, the movement of the goods shall be deemed to commence at the time of such delivery and terminate at the time when delivery is taken from such carrier or bailee. Where before delivery is taken from him, a carrier or bailee to whom goods are delivered for transmission, keeps the said goods in any office, shop, godown, vessel, receptacle, vehicle or any other place of business or any building or place, any officer empowered by the Government in this behalf, shall have power to enter into and search such office, shop, godown, vessel, receptacle, vehicle or other place of business or building or place, and to examine the goods and inspect all records relating to such goods, the carrier or bailee or the person in-charge of the goods and records shall give all facilities for such examination or inspection and shall, if so required, produce the bill of sale or delivery note or such other documents as may be prescribed and give a declaration containing such particulars as may be prescribed regarding the goods and give his name and address and the name and address of the carrier or the bailee and the consignee

Establishment of check-post or barrier and inspection of goods while in transit.

67. (1) If the Government consider that with a view to prevent or check evasion of tax under this Act in any place or places in the State, it is necessary so to do, they may, by notification, direct the setting up of a check-post or the erection of a barrier or both, at such place or places as may be notified.

(2) At every check-post or barrier mentioned in sub-section (1), or at any other place when so required by any officer prescribed by the Government in this behalf, the driver or any other person in-charge of any goods vehicle or boat shall stop the goods vehicle or boat, as the case may be, and keep it stationary as long as may reasonably be necessary, and allow the officer in-charge of the check-post or barrier or the officer prescribed as aforesaid, to examine the contents in the goods vehicle or boat and inspect all documents relating to the goods carried which are in the possession of such driver or other person in-charge, for the purpose of ascertaining whether there has been any sale or purchase of the goods carried, and in case there was sale or purchase of the goods carried whether such sale or purchase is liable to tax under this Act, and if so—

(*a*) whether such tax has been paid, or

(*b*) whether the sale or purchase of the goods carried has, for the purpose of the payment of tax under this Act, been properly accounted for in the documents referred to in sub-section (5).

(3) If, on such examination and inspection it appears—

(*a*) (*i*) that the tax, if any payable under this Act in respect of the sale or purchase of the goods carried, has been paid, or

(*ii*) that the sale or purchase of the goods carried has, for the purpose of payment of tax under this Act, been properly accounted for in the documents referred to in sub-section (5),

the said officer shall release the goods vehicle or boat with the goods carried; or

(*b*) (*i*) that the tax, if any, payable under this Act, in respect of the sale or puchase of the goods carried, has not been paid; or

(*ii*) that the sale or purchase of the goods carried has, for the purpose of payment of tax under this Act, not been properly accounted for in the documents referred to in sub-section (5),

and if the said officer is satisfied, after making such enquiry as he deems fit, that with a view to prevent the evasion of tax payable in respect of the sale or purchase of the goods carried, it is necessary to detain the goods, he shall detain the goods and direct the driver or any other person in-charge of the goods vehicle or boat, or the consignor or the consignee,—

(*i*) to pay such tax; or

(*ii*) to furnish adequate security in such form and in such manner and to such authority as may be prescribed, on behalf of the person liable to pay such tax.

(4) If the tax is paid or the security is furnished, then the goods so detained shall be released forthwith.

(5) The documents referred to in sub-sections (2) and (3) are bills of sale, or delivery notes, or such other documents, as may be prescribed.

(6) The driver or any other person in charge of the goods vehicle or boat shall, if so required, give his name and address and the name and address of the owner of the goods vehicle or boat as well as those of the consignor and the consignee of the goods.

(7) The driver of the goods vehicle or boat shall, on demand by the said officer, produce for inspection his driver's licence.

(8) (*a*) If the tax directed to be paid or the security directed to be furnished under sub-section (3) is not paid or furnished; or

(*b*) If it appears to the said officer that the driver or the person in-charge of the goods vehicle or boat is not giving the correct name and address of the owner of the goods vehicle or of the boat, or of the consignor or of the consignee of the goods,

and if the said officer is satisfied after making such enquiry as he deems fit, that with a view to prevent the evasion of tax payable in respect of the sale or purchase of the goods carried, it is necessary to detain the goods, he shall detain the goods either in the check-post or elsewhere as long as may reasonably be necessary and shall ascertain the correct name and address of the owner of the goods vehicle or boat or of the consignor or of the consignee of the goods:

Provided that no such goods shall be detained by the said officer for more than twenty four hours except with the permission of the next higher authority.

(9) The said officer may, in his discretion, permit the driver or other person in-charge of the goods vehicle or boat to take the goods detained under sub-section (8) subject to an undertaking given by the driver or other person,—

(*i*) that the goods shall be kept in the office, godown or other place within the State, belonging to the owner of the goods vehicle or boat and in the custody of such owner; and

(*ii*) that the goods shall not be delivered to the consignor, consignee or any other person without the orders of the said officer, and for this purpose the driver or any other person in-charge of the goods vehicle or boat, shall furnish an authorisation from the owner of the goods vehicle or boat authorising him to give such undertaking on his behalf.

(10) In case the goods are subject to speedy and natural decay, and in the case of other goods, where no claim is made within the prescribed period, the said officer shall, subject to such conditions as may be prescribed, sell such goods in open auction and remit the sale proceeds thereof in a Government Treasury:

Provided that if the said officer is an officer below the rank of a Deputy Commercial Tax Officer, the sale under this sub-section shall be effected by the Deputy Commercial Tax Officer having jurisdiction.

(11) Any person entitled to such sale proceeds shall, on application to the prescribed authority and upon sufficient proof, be paid the sale proceeds mentioned in sub-section (10) after deducting the expenses of the sale and other incidental charges and the amount of tax due under this Act in respect of the sale or purchase of the goods in question.

Explanation I.—For the purpose of this section, the expression 'said officer' shall mean the officer-in-charge of the check-post or barrier or the officer prescribed under sub-section (2).

Explanation II.—For the purposes of this section and sections 69 and 70, 'goods vehicle' includes a motor vehicle, vessel, animal and any other form of conveyance.

Possession and submission of certain records by owners, etc. of boats.

68. The owner or other person in-charge of a boat shall carry with him—

(*a*) Bill of sale or delivery note or such other documents as may be prescribed, and

(*b*) Log book;

relating to the goods under transport and containing such particulars as may be prescribed and shall submit to such officer as may be prescribed the documents aforesaid or copies thereof within such time as may be prescribed.

Possession and submission of certain records by owners, etc. of goods vehicle.

69. The owner or other person in charge of a goods vehicle shall carry with him—

(*a*) Bill of sale or delivery note or such other documents as may be prescribed, and

(*b*) Goods vehicle record or trip sheet,

relating to the goods under transport and containing such particulars as may be prescribed and shall submit to such officer as may be prescribed, the documents aforesaid or copies thereof, within such time as may be prescribed.

Issue of transit pass.

70. (1) (*a*) When a goods vehicle carrying any goods mentioned in the Sixth Schedule coming from any place outside the State and bound for any other place outside the State, passes through the State, the owner or other person in-charge of such goods vehicle shall obtain a transit pass in the prescribed form and in the prescribed manner from the officer in-charge of the first check-post or barrier, after its entry into the State.

(*b*) The owner or other person in-charge of the goods vehicle shall deliver within the prescribed period, the transit pass to the officer in-charge of the last check-post or barrier, before the exit of the goods vehicle from the State.

(*c*) If the owner or other person in-charge of the goods vehicle fails to comply with clause (b), it shall be deemed that the goods carried thereby have been sold within the State by the owner or person in-charge of the goods vehicle, and such owner or person in-charge of the goods vehicle shall, notwithstanding anything contained in section 3, be jointly and severally liable to pay tax in accordance with the provisions of this Act, irrespective of the quantum of turnover and also penalty which shall be one hundred and fifty per cent of such tax:

Provided that where the goods carried by such goods vehicle are, after their entry into the State, transported outside the State by any other vehicle or conveyance, the onus of proving that the goods have actually moved out of the State, shall be on the owner or person in-charge of the goods vehicle who originally brought the goods into the State.

Explanation.—In a case where a goods vehicle owned by a person is hired for transportation of goods by some other person, the hirer of the vehicle shall, for the purposes of this sub-section, be deemed to be the owner of the goods vehicle.

(2) (*a*) When any goods specified in the Sixth Schedule, are consigned or transferred by any goods vehicle to another State from any place within the State, the consignor or transferor of the goods shall obtain a transit pass in the prescribed form and in the prescribed manner, from the assessing authority having jurisdiction over the place from where the goods are consigned or transferred to other State.

(*b*) The consignor or transferor of the goods shall deliver or cause to be delivered, within the prescribed period, the transit pass to the officer in-charge of the last check-post or barrier, before the exit of the goods vehicle from the State.

(*c*) If the consignor or transferor of the goods fails to comply with clause (b), it shall be deemed that the goods carried thereby have been sold within the State by the consignor or transferor and such consignor or transferor shall, notwithstanding anything contained in section 3, be liable to pay tax in accordance with the provisions of this Act, irrespective of the quantum of turnover and also penalty which shall be one hundred and fifty per cent of such tax.

(3) Save as otherwise provided in sub-sections (1) and (2), the provisions of this Act shall apply in relation to the tax payable under sub-sections (1) and (2) as they apply in relation to the tax payable under this Act.

Offences and penalties.

71. (1) Any person who—

(*a*) being an assessee under this Act, fails to submit a return as required by the provisions of this Act, or Rules made thereunder, or

(*b*) being a person obliged to register himself as a dealer under this Act, does not get himself registered,

shall on conviction by a Magistrate be liable to fine which may extend to five hundred rupees.

(2) Any person who collects any amount by way of tax or purporting to be by way of tax under this Act in contravention of the provisions of sub-section (1) of section 40 shall, on conviction by a Magistrate be liable to fine which may extend to one thousand rupees.

(3) Any person who—

(*a*) wilfully submits an untrue return, or not being already an assessee under this Act, fails to submit a return as required by the provisions of this Act or the rules made thereunder, or

(*b*) fraudulently evades the payment of any tax assessed on him or any fee or other amount due from him under this Act, or

(*c*) dishonestly objects to a notice issued to him under sub-section (1) of section 27, or

(*d*) being a person obliged to keep and maintain true and correct account and record under sub-section (1) of section 64 fails to keep and maintain such account or record, or keeps any books of account at any place in contravention of sub-section (2) of section 64, or; moves the goods from one place to another in pursuance of a sale or purchase or otherwise in contravention of the provisions of sub-section (3) of section 64 without a bill of sale or delivery note or such other documents as may be prescribed, or;

(*e*) willfully acts in contravention of any of the provisions of this Act; or

(*f*) after purchasing any goods in respect of which he has made a declaration fails without reasonable excuse to make use of the goods for the declared purpose; or

(*g*) makes any statement or declaration in the application for registration, submitted to the registering authority, which he knows or has reason to believe to be false; or

(*h*) willfully acts in contravention of the undertaking given under sub-section (9) of section 67 shall on conviction by a Magistrate, be liable to a fine which may extend to two thousand rupees and in the event of a second or subsequent conviction, to simple imprisonment which may extend to six months or a fine which may extend to two thousand rupees or both.

(4) Any person who prevents or obstructs an officer from exercising his powers or discharging his duties under section 65 or section 66 shall, on conviction, be liable to simple imprisonment which may extend to six months, or a fine which may extend to two thousand rupees or both.

(5) (*a*) Any owner or other person in-charge of a boat or a goods vehicle who fails to carry with him any of the records or documents specified in section 68 or section 69, as the case may be, shall, on conviction, be liable to simple imprisonment which may extend to six months or fine which may extend to two thousand rupees or both.

(*b*) The owner of the boat or the goods vehicle, if he was not in-charge of the boat or the goods vehicle, at the time of the commission of an offence under clause (a) shall also be liable to be punished with the punishment provided for the offence under clause (*a*) unless he proves that the offence was committed without his knowledge or that he exercises all due diligence to prevent the commission of such offence.

(6) If the driver or any other person in-charge of any goods vehicle or boat, refuses on demand by the officer in-charge of the check-post or barrier or the officer empowered under sub-section (2) of section 67 to give his name and address or the name and address of the owner of the vehicle or boat or of the consignor and consignee of the goods or gives any name and address which he knows or has reason to believe to be false, or if the driver refuses on demand by such officer, to produce for inspection his driver's licence, he shall, on conviction, be liable to simple imprisonment, which may extend to six months or a fine which may extend to two thousand rupees or both.

(7) Any person who makes any statement or declaration in any of the records or documents specified in section 68 or section 69 as the case may be, which statement or declaration he knows or has reason to believe to be false, shall, on conviction, be liable to simple imprisonment which may extend to six months, or a fine which may extend to two thousand rupees or both.

(8) Any person who is in any way knowingly concerned in any fraudulent evasion or attempt at evasion or abetment of evasion of any tax, payable in respect of the sale or purchase of any goods under this Act, shall, on conviction, be liable to simple imprisonment which may extend to six months or a fine which may extend to two thousand rupees or both.

(9) Any person who knowingly issues a false bill, voucher, declaration, certificate or other document with a view to support any dealer to claim exemption or reduction in rate of tax on the sale or purchase of any goods under this Act, shall, on conviction, be liable to simple imprisonment which may extend to three months and in the event of a second or subsequent conviction to rigorous imprisonment for six months.

Composition of offences.

72. (1) The prescribed authority may, whether on application made to it in this behalf or otherwise, give any person, who has committed or is reasonably suspected of having committed an offence under this Act, option to pay within a specified period, by way of composition of such offence—

(*a*) where the offence consists of failure to pay, or attempt to evade or evasion of, any tax payable under this Act, in addition to the tax so payable, a sum of money not exceeding rupees two thousand or double the amount of the tax payable, whichever is greater, and

(*b*) in other cases, a sum of money not exceeding rupees two thousand.

(2) On payment of such sum of money and the tax, if any, payable under this Act, no prosecution for an offence under this Act shall be instituted in respect of the same facts on which a composition has been allowed under this section.

(3) Where the prescribed authority, on application made under sub-section (1), passes an order refusing to allow composition under this section, it shall record in writing the reasons therefor and furnish to the applicant on request a brief statement of the same unless in any case the prescribed authority is of the opinion that it will not be in the public interest to furnish such statement.

Congnizance of offences.

73. No prosecution for any offence under sub-section (4) of section 71 shall be instituted except with the written consent of the Deputy Commissioner.

Assessment, etc., not to be questioned in prosecution.

74. (1) The order of assessment made under this Act shall be conclusive evidence in any prosecution or other proceedings.

(2) The validity of the assessment of any tax, or of the levy of any fee or other amount, made under this Act, or the liability of any person to pay any tax, fee or other amount so assessed or levied shall not be questioned in any criminal court in any prosecution or other proceeding, whether under this Act or otherwise.

Bar of certain proceedings.

75. (1) No suit, prosecution or other proceedings shall lie against any officer or servant of the Government for any act done or purporting to be done under this Act, without the previous sanction of the Government.

(2) No officer or servant of the Government shall be liable in respect of any such act in any civil or criminal proceeding if the act was done in good faith in the course of the execution of duties or the discharge of functions imposed by or under this Act.

Limitation for certain suits and prosecutions.

76. No suit shall be instituted against the Government and no suit, prosecution or other proceeding shall be instituted against any officer or servant of the Government for any Act done or purporting to be done under this Act, unless the suit, prosecution or other proceeding is instituted within six months from the date of the Act complained of.

Bar of suits and proceedings to set aside or modify assessments except as provided in this Act.

77. (1) No suit or other proceedings shall, except as expressly provided under this Act, be instituted in any court to set aside or modify any assessment made under this Act.

(2) No injunction shall be granted by any court in respect of any assessment made, or to be made, or in respect of any action taken, or to be taken, in pursuance of any of the provisions of this Act.

Appearance before any authority in proceedings

78. Any person who is entitled to appear before any authority other than the High Court in connection with any proceedings under this Act may, subject to such conditions as may be prescribed, be represented before such authority—

(*a*) by his relative or a person employed full time by him, if such relative or person is duly authorised by him in writing in this behalf; or

(*b*) by a legal practitioner; or

(*c*) by an Accountant or Value Added Tax Practitioner possessing the prescribed qualifications and duly authorised by him in writing in this behalf.

Publication of information in respect of the assessees.

79. (1) If the Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessees and any other particulars relating to any proceedings under this Act in respect of such assessees, they may, subject to such conditions as may be prescribed, cause to be published, such names and particulars in such manner as they think fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings under this Act, until the time for presenting an appeal or a revision, as the case may be, has expired without an appeal or revision having been presented or the appeal or revision, if presented, has been disposed of.

Explanation.—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Government, the circumstances of the case justify it.

Power to make rules.

80. (1) The Government may make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

(*a*) all matters expressly required or allowed by this Act to be prescribed;

(*b*) determining the total turnover or turnover of a dealer for the purposes of this Act;

(*c*) the manner of determination of the amount payable to the dealer for the transfer of property in goods as goods or in some other form involved in the execution of a works contract;

(*d*) the assessment to tax under this Act of business which is discontinued or the ownership of which has changed;

(*e*) the assessment to tax under this Act of any Hindu undivided family, firm or other association of persons, where such family, firm or association is partitioned or dissolved;

(*f*) the assessment to tax under this Act of business owned by minors and other incapacitated persons or by persons residing outside the State;

(*g*) the assessment of a business owned by any person whose estate or any portion of whose estate is under the control of the Court of Wards, the Administrator General, the Official Trustee, or any receiver or manager appointed by or under any order of a court;

(*h*) the adminstration of the check-posts set up and barriers erected under this Act and the regulation of the work therein;

(*i*) compelling the submission of returns;

(*j*) the form in which and the particulars to be contained in any declaration to be given under this Act, the authority from whom, the conditions subject to which and the fees subject to payment of which any form of declaration prescribed under the Act may be obtained, the manner in which any such form may be used and any such declaration may be furnished;

(*k*) the duties and powers of the officers appointed for the purpose of enforcing the provisions of this Act;

(*l*) the term of office, and the conditions of service, of the members of the Appellate Tribunal;

(*m*) the circumstances in which and the extent to which fees paid in pursuance of section 58 may be refunded;

(*n*) the issue of bills or cash memoranda, the class or classes of dealers who should maintain counterfoils for the same and the particulars to be shown in and the manner of maintenance of such counterfoils and the time for which they should be preserved;

(*o*) the maintenance of purchase bills or accounts of purchases and sales by dealers and the time for which they should be preserved;

(*p*) the issue of delivery notes in respect of goods delivered or transferred to retail dealers in pursuance of sales effected to them, the form and manner of their issue and the time for which they should be preserved;

(*q*) generally regulating the procedure to be followed and the forms to be adopted in proceedings under this Act.

(3) (*a*) In making a rule under sub-section (1) or sub-section (2), the Government may provide that a person guilty of a breach thereof shall be punishable with fine which may extend to rupees one thousand and, where the breach is a continuing one, with further fine which may extend to rupees fifty for every day after the first during which the breach continues.

(*b*) No court inferior to that of a judicial Magistrate shall inquire into or try any offence consisting of a breach of a rule.

(4) (*a*) All rules made under this Act shall be published in the *Tamil Nadu Government Gazette* and, unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(*b*) All notifications issued under this Act, shall, unless they are expressed to come into force on a particular day, come into force on the day on which they are so published.

(5) Every rule made or notification issued under this Act, shall, as soon as possible, after it is made or issued, be placed on the table of the Legislative Assembly and if, before the expiry of the session in which it is so placed or the next session, the Legislative Assembly agrees in making any modification in any such rule or notification, or Legislative Assembly agrees that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

Power to summon witnesses and production of documents.

81. (1) An assessing authority or an appellate or revising authority including the Appellate Tribunal or any officer of the Commercial Taxes Department, not below the rank of an Assistant Commercial Tax Officer shall, for the purposes of this Act, have all the powers conferred on a court by the Code of Civil Procedure, 1908, for the purpose of— Central Act V of 1908

(*a*) summoning and enforcing the attendance of any person and examining him on oath or affirmation; and

(*b*) compelling the production of any document.

(2) Without prejudice to the provisions of any other law for the time being in force, where a person to whom a summon is issued either to attend to give evidence, or produce accounts, registers, records or other documents at a certain place and time intentionally omits or fails to attend or produce accounts, registers, records or other documents at such place or time, the authority or officer mentioned in sub-section (1) may, after giving the person concerned a reasonable opportunity of being heard, impose upon him by way of penalty a sum not exceeding rupees five hundred.

(3) Any officer of the Commercial Taxes Department, not below the rank of an Assistant Commercial Tax Officer shall have powers to call for such information, particulars or records as he may require from any person for the purpose of assessment, levy and collection of tax under this Act.

Power to get information.

82. (1) An assessing authority, or appellate or revising authority under this Act or any officer of the Commercial Taxes Department not below the rank of an Assistant Commercial Tax Officer may by writing, require any person or authority to furnish such information, particulars or records available with that person or authority as will be usefull or relevant to any proceeding under this Act.

(2) The person or authority from whom such information, particulars or records is or are required under sub-section (1) shall furnish, within a reasonable time, the information, particulars or records if available.

Power to remove difficulties.

83. If any difficulty arises in giving effect to the provisions of this Act, the Government may, by notification in the *Tamil Nadu Government Gazette*, make such provisions not inconsistent with the provisions of this Act as appear to them to be necessary or expedient for removing the difficulty:

Provided that no such notification shall be made after the expiry of a period of two years from the date of commencement of this Act.

Power to rectify any error apparent on the face of the record.

84. (1) An assessing authority or an appellate or revising authority (including the Appellate Tribunal) may, at any time within five years from the date of any order passed by it, rectify any error apparent on the face of the record:

Provided that no such rectification which has the effect of enhancing an assessment or any penalty shall be made unless such authority has given notice to the dealer and has allowed him reasonable opportunity of being heard.

(2) Where such rectification has the effect of reducing an assessment or penalty, the assessing authority shall make any refund, which may be due to the dealer.

(3) Where any such rectification has the effect of enhancing an assessment or penalty, the assessing authority shall give the dealer a revised notice of assessment or penalty and thereupon the provisions of this Act and the rules made thereunder shall apply as if such notice had been given in the first instance.

(4) The powers under sub-section (1) may be exercised by the assessing authorities even though the original order of assessment, if any, passed in the matter has been the subject matter of an appeal or revision.

(5) The provisions of this Act relating to appeal and revision shall apply to an order or rectification made under this Section as they apply to the order in respect of which such order of rectification has been made.

Prohibition of disclosure of particulars produced before tax authorities.

85. (1) All particulars contained in any statement made, return furnished or accounts, registers, records or documents produced under the provisions of this Act or in any evidence given or affidavit or deposition made, in the course of any proceeding under this Act or in any record of any proceeding relating to the recovery of a demand, prepared for the purposes of this Act shall be treated as confidential and shall not be disclosed.

(2) Nothing contained in sub-section (1) shall apply to the disclosure of any such particulars—

Central Act XLV of 1860.

(*a*) for the purpose of Investigation of, or prosecution for, an offence under this Act, or under the Indian Penal Code, 1860 or under any other law for the time being in force; or

(*b*) to any person enforcing the provisions of this Act where it is necessary to disclose the same to him for the purposes of this Act; or

(*c*) occasioned by the lawful employment under this Act of any process for the recovery of any demand; or

(*d*) to a civil court in any suit to which the Government are party and which relates to any matter arising out of any proceeding under this Act; or

Central Act II of 1899.

(*e*) occasioned by the lawful exercise by a public servant of his powers under the Indian Stamp Act, 1899, to impound an insufficiently stamped document; or

(*f*) to an officer of—

(*i*) the Government of India; or

(*ii*) the Government of any State or Union Territory in India with which an arrangement for disclosure on a reciprocal basis has been entered into by the Government; or

(*g*) to an officer of any department other than the Commercial Taxes Department of the Government after obtaining—

(*i*) the permission of the Assistant Commissioner of the district where such particulars are to be furnished by an officer subordinate to the Assistant Commissioner; and

(*ii*) the permission of the Commissioner of Commercial Taxes where such particulars are to be furnished by an Assistant Commissioner or an Appellate Assistant Commissioner or an Appellate Deputy Commissioner or a Deputy Commissioner or a Joint Commissioner:

Provided that such particulars shall be furnished under this clause only in exceptional cases and that any officer obtaining such particulars shall keep them as confidential and use them as confidential and use them only in the lawful exercise of the powers conferred by or under any enactment;

(3) Nothing herein contained shall prevent the publication of the final assessment of any party in the prescribed manner.

Power to amend Schedules.

86. (1) The Government may, by notification, alter, add to or cancel any of the Schedules.

(2) Where a notification has been issued under sub-section (1) there shall, unless the notification is in the meantime rescinded, be introduced in the Legislative Assembly, as soon as may be, but in any case during the next session of the

Legislative Assembly following the date of the issue of the notification, a Bill on behalf of the Government, to give effect to the alteration, addition or cancellation, as the case may be, of the Schedules specified in the notification, and the notification shall cease to have effect when such Bill becomes law whether with or without modifications, but without prejudice to the validity of anything previously done thereunder:

Provided that if the notification under sub-section (1) is issued when the Legislative Assembly is in session, such a Bill shall be introduced in the Legislative Assembly during that session:

Provided further that where for any reason a Bill as aforesaid does not become law within six months from the date of its introduction in the Legislative Assembly, the notification shall cease to have effect on the expiration of the said period of six months.

(3) All references made in this Act to any of the Schedules shall be considered as relating to the Schedules as for the time being amended in exercise of the powers conferred by this section.

Construction of reference to Tamil Nadu General Sales Tax Act or Tamil Nadu Additional Sales Tax Act.

87. Reference to "Tamil Nadu General Sales Tax Act" or "Tamil Nadu Additional Sales Tax Act" in any Act, or in any rule, notification, proceeding, order, or other instrument made or issued under that Act, shall be construed as reference to "Tamil Nadu Value Added Tax Act".

Repeal and savings.

88. (1) The Tamil Nadu General Sales Tax Act, 1959 and the Tamil Nadu Additional Sales Tax Act, 1970 (hereafter in this section referred to as "the said Act or 1970 Act") are hereby repealed:

Tamil Nadu Act 1 of 1959.

Provided that such repeal shall not affect the previous operation of the said Act or 1970 Act, as the case may be, or any right, privilege, obligation or liability already acquired, accrued or incurred thereunder and subject thereto, anything done or any action taken including any appointment made, any notification, notice or order issued, any rule or regulation framed or forms prescribed and any certificate, licence or permit granted in exercise of any power conferred by or under the said Act or 1970 Act, as the case may be, shall be valid and always as deemed to have been valid, during the period the said Act or 1970 Act, as the case may be was in force notwithstanding the repeal of the said Act or 1970 Act as the case may be.

Tamil Nadu Act 14 of 1970.

(2) A registered dealer, who would have continued to be so under the said Act or 1970 Act, as the case may be, had this Act not come into force, shall be a registered dealer till a fresh certificate of registration is granted to him under this Act.

(3) Notwithstanding the repeal of the said Act or 1970 Act, as the case may be,—

(*a*) any action or proceedings already initiated under the said Act or 1970 Act, as the case may be shall validly be continued under the provisions of the said Act or 1970 Act, as the case may be which relates to the period prior to the coming into force of this Act;

(*b*) any person liable to pay any tax, fee, penalty, interest or other amount under the said Act or 1970 Act, as the case may be for any period before coming into force of this Act, shall be levied, assessed and collected under the provisions of this Act, as if this Act were in force during the said period;

(*c*) any fee paid for registration or renewal of such registration under the said Act, shall be deemed to have been paid for the registration under this Act;

(*d*) any person appointed by the Government as the Commissioner, Joint Commissioner, Deputy Commissioner, Assistant Commissioner and Commercial Tax Officer under section 28 of the said Act and continuing in office as such immediately before the commencement of this Act, shall, on and from the date of commencement of this Act, be deemed to have been appointed under this Act and shall continue in office as such till such person ceases to be the Commissioner, Joint Commissioner, Deputy Commissioner, Assistant Commissioner and Commercial Tax Officer;

(*e*) the Chairman or any members of the Appellate Tribunal appointed under section 30 of the said Act and continuing in office as such immediately before the commencement of this Act, shall, on and from the date of commencement of this Act, be deemed to have been appointed as the Chairman and members of the Appellate Tribunal under this Act and shall continue in office as such till he ceases to be such Chairman or member;

(*f*) the officers of the enforcement wing who had jurisdiction and powers under the said Act or 1970 Act, as the case may be, immediately before the commencement of this Act, shall on and from the commencement of this Act, be deemed to have been continued, and shall have jurisdiction and powers, under this Act;

(*g*) any accounts, registers or documents of any dealer retained before the commencement of this Act under any of the provisions of the said Act or 1970 Act, as the case may be, shall on the day immediately before the commencement of this Act, continued to be retained in accordance with provisions of this Act;

(*h*) any goods including goods detained before the commencement of this Act under any of the provisions of the said Act or 1970 Act, as the case may be, and not released before the commencement of this Act, shall continue to remain detained until such goods are released in accordance with the provisions of this Act;

(*i*) all rules, regulations, notifications, clarifications or orders made or issued under any of the provisions of the said Act or 1970 Act, as the case may be, and continuing in force on the date immediately before the commencement of this Act, shall continue in force on or after such date in so far as they are not inconsistent with the provisions of this Act or the rules made thereunder until they are repealed or amended.

(4) All arrears of tax, interest, penalty, fee or other amount due under the said Act or 1970 Act, as the case may be, on the date of commencement of this Act, whether assessed or levied before such commencement, or assessed or levied after such commencement, may be recovered as if such tax, penalty, interest, fee or other amount is assessed or levied under the provisions of this Act and all methods of recovery including levy of penalty, interest or prosecution provided under this Act, shall apply to such arrears, as if such amounts are assessed, levied and demanded under this Act.

(5) Notwithstanding anything contained in sub-section (1), any application, appeal, revision or other proceeding made or preferred to any authority under the said Act or 1970 Act, as the case may be, and pending at the commencement of this Act, shall, after such commencement, be transferred to and disposed of by the officer or authority who would have had jurisdiction to entertain such application, appeal, revision or other proceedings under this Act, as if it had been in force on the date on which such application, appeal, revision or other proceeding was made or preferred.

(6) (*a*) Every registered dealer shall be entitled to claim input tax credit for the sales tax paid under the said Act on the goods held in stock excluding capital goods, on the date of commencement of this Act, subject to the conditions and in the manner as may be prescribed:

Provided that such goods should have been purchased not more than one year prior to the date of commencement of this Act and are eligible for input tax credit.

(*b*) The registered dealer, who claims input tax credit on stock, shall furnish to the assessing authority, stock inventory with the details of purchases within thirty days from the date of commencement of this Act.

THE FIRST SCHEDULE

PART-A

[*See* sub-section (1) of section 9]

Goods which are taxable at the rate of 1 per cent.

Sl. No.	*Description of the goods.*
(1)	Bullion, that is to say, gold, silver and platinum in mass and uncoined, pure or alloy, and specie including palamarel silver and kora gold.
(2)	Gold, silver, pearls, noble metals (platinum, iridium, osmium, palladium, rhodium and ruthenium) and jewellery made of it, semi precious stones and articles made of gold and silver.
(3)	Precious stones namely, diamonds, emeralds, rubies, pearls, natural or cultured, cats eye, sapphires, carbuncle or garnets, coral, sardonyx, topaz, other semi precious stones and synthetic gems whether they are sold loose or as forming part of any article or jewellery in which they are set.
(4)	Worn-out or beaten jewellery.

PART-B

[*See* sub-section (2) of section 3]

Goods which are taxable at the rate of 4 per cent.

Sl.No.	*Description of the goods.*
(1)	Acids and chemicals of all kinds other than those specified elsewhere in the Schedule.
(2)	Agricultural implements not operated manually or not driven by animal, sprayers, sprinklers and drip irrigation equipments including their parts and accessories.
(3)	(*a*) All types of yarn (other than those specified in the Fourth Schedule), (*b*) Sewing threads of all kinds whether natural or artificial but excluding surgical sewing thread. (*c*) Waste of all types of yarn and sewing thread,
(4)	All utensils other than those specified in the Fourth Schedule, including pressure cookers/pans except utensils made of precious metals.
(5)	Aluminium conductor steel reinforced (ACSR).
(6)	Arecanut, betel nut, scented nut, seeval whether roasted or scented and arecanut powder.
(7)	(*a*) Articles and jewellery made of rolled gold and imitation gold, (*b*) Imitation jewellery.
(8)	Bakery products including bun, rusks, biscuits and cakes sold with or without a brand name.
(9)	Bamboo.
(10)	Bark of plants, dry plant and dry flower.

(11) Basic chromium sulphate, Sodium bi-chromate and Bleach liquid

(12) Bearings

(13) Beds, pillows and quilts made of cotton or silk cotton

(14) Bed sheet, other than those specified in Fourth Schedule, pillow cover and other textile made-ups

(15) Beedi leaves

(16) Beltings

(17) Biomass briquettes

(18) Bitumen

(19) Blue metal

(20) Bolts, nuts, screws and fasteners

(21) Bone meal

(22) (*a*) Bricks of all kinds including fly ash bricks, refractory bricks asphaltic roofing, earthern tiles and refractroy monolithic

(*b*) Brick-bats, brick ballast, hollow block bricks, cement hollow blocks,

(*c*) Country bricks and country tiles made of baked clay and other machine made or hand made (other than those specified in the Fourth Schedule) and stone-ware

(*d*) Crog of (*a*) to (*c*)

(23) Buckets and Kudams made of iron and steel, plastic or other materials (except precious materials)

(24) Camphor

(25) Capital goods as described in section 2 (11) of the Act.

(26) (*a*) Centrifugal and monoblock, submersible pump sets for water handling and parts thereof

(*b*) Pump sets of 3 h.p. and 5 h.p.

(27) (*i*) Chemical fertilizers,

(*ii*) Insecticides, pesticides, rodenticides, germicides, Weedicides, fungicides, herbicides and combinations thereof, anti-sprouting products, plant-growth promoters, plant nutrients, micro nutrients, bio fertilizers, disinfectants and gypsum of all forms and descriptions

(*iii*) Insect repellent coils, mats, liquids and creams and

(*iv*) Mosquito destroyers, insect killer devices including heating devices used with insect repellant mats and mosquito nets of all kinds.

(28) Clay including fire clay, fine china clay and ball clay

(29) Coal tar

(30) Coffee beans and seeds, cocoa pod and beans and chicory

(31) Coir products excluding mattresses

(32) Colour boxes, crayons, painting boxes, painting water colours, oil colours in cakes or in liquid forms, drawing boards, brushes used therein

(33) Combs

(34) Communication equipments such as Private Branch Exchange (PBX) and Electronic Private Automatic Branch Exchange (EPABX)

(35) Computer stationery

(36) Cottage cheese

(37) Cotton waste

(38) Crucibles

(39) Cups, tumblers and plates of paper and plastic

(40) Cycles, bi-cycles, tri-cycles including delivery tri-cycles, children tri-cycles and carriages, tandem cycles, cycle combinations, parts and accessories including tyres, tubes and flaps used therewith, cycle seat covers, cycle locks, cycle dynamo lights and cycle pumps.

(41) Declared goods as specified in section 14 of the Central Sales Tax Act, 1956, other than those specified elsewhere in any of the Schedules.

(42) Door mats, handicrafts, table mats, wall hangings made of jute

(43) Dhoop and Agarbatti

(44) Drugs and medicines including vaccines, syringes and dressings, medicated ointments produced under drugs licence, light liquid paraffin of IP grade

(45) Dyes, that is to say,—

(i) Acid dyes, (ii) Alizarine dyes, (iii) Bases, (iv) Basic dyes, (v) Direct dyes, (vi) Napthols, (vii) Nylon dyes, (viii) Optical whitening agents; (ix) Plastic dyes, (x) Reactive dyes, (xi) Sulphur dyes, (xii) Vat dyes, (xiii) All other dyes.

(46) Electrodes and soldering wires

(47) Exercise book, graph book and laboratory note book, other than those specified in Fourth Schedule

(48) Feeding bottles and Nipples

(49) Fibres of all types and their waste other than those specified in the Fourth Schedule

(50) Fly ash (other than those specified in Fourth Schedule), Coal ash of all kinds and clinker.

(51) Foods and food preparations and mixes including instant foods, coconut milk powder, pickles, sweets, cheese, confectionery, chocolates, toffees and savouries like chips and popcorn sold without a brand name other than those specified in the Fourth Schedule.

(52) Fried and roasted grams, peas and peas dhall, chillies, corriander, turmeric, shikakai, shikakai powder, jaggery gur, including jaggery powder and Nattu chakkarai other than those specified in the Fourth Schedule

(53) Fried groundnet kernel

(54) Glass Beads and Glass marbles (Goligundu)

(55) Glass bottles whether old or used

(56) Glucose

(57) (*i*) Handmade embroidery products,

(*ii*) Handmade paper including handmade paper board, and

(*iii*) Handmade ultramarine blue, handmade washing blue, handmade robin blue, handmade laundry brightners of all its forms.

(58) (*i*) Hair and body cleaning powders containing shikakai, boonthikkottai, illuppai oil cake, poolankzhangu, usilai leaves, kasthuri manjal and any such ingredients or two or more of such ingredients

(*ii*) Scouring or cleaning powder other than branded and hand made soaps and hand made shampoos.

(59) Helmets

(60) (*i*) Honey, (*ii*) Bees wax

(61) (*i*) Hosiery goods, (*ii*) Junnadi goods

(62) (i) Human hair, (*ii*) Wigs

(63) Husk and bran of all cereals, pulses and grams (other than those specified in the Fourth Schedule).

(64) Ice

(65) Ice creams sold without brand name

(66) Industrial cables (High voltage cables, XLPE Cables, jelly filled cables, optical fibres).

(67) Industrial inputs for use in or in connection with the manufacture of goods in the State, packing materials and lables, as notified by the Government.

(68) Information Technology products as notified by the Government

(69) Insulators

(70) Intangible goods like copyright, patent, REP licence.

(71) Jari of all kinds including metallic yarn, metallic jari yarn, metallic plastic yarn, polyester film yarn and radiant yarn

(72) Kerosene sold through Public Distribution System

(73) Khoya/khoa

(74) Knitting wool

(75) Lac and Shellac

(76) (*i*) Lemon grass oil, (*ii*) Laurel oil, (*iii*) Ginger grass oil

(77) Light roofing sheets obtained by immersing paper mat in bitumen

(78) Lignite

(79) Linear alkyl benzene (LAB), Sulphonic Acid, Alfa Olefin and Sulphonate

(80) Maize products

(81) Medical equipment/devices and implants

(82) Milk food and milk products (including Flavoured milk, skimmed milk powder, Tinned, bottled or packed) Baby milk food, paneer, milk powder and UHT milk.

(83) Mixed PVC stabilizer

(84) Moulded plastic footwear, hawai chappals and straps thereof other than those specified in the Fourth Schedule.

(85) Napa Slabs (rough flooring stones)

(86) Napthalene balls

(87) Newars

(88) Non-alcoholic beverages sold without a brand name

(89) (i) Non-ferrous metal and alloys,

(ii) Metal powder including metal pastes of all types and grades and metal scraps other than those falling under the declared goods,

(iii) All metal castings,

(iv) Extrusions of non-ferrous metals such as aluminium, copper, and zinc.

(90) Non-mechanized boats used by fishermen

(91) Oats

(92) Oil seeds other than those specified in Section 14 of Central Sales Tax Act, 1956 (Central Act 74 of 1956).

(93) Ores and minerals, lime, lime stone, products of lime and dolomite

(94) Packing cases Packing materials including cork, cork sheets, gunny bags HDPE/PP woven strips HDPE/PP circular strips and woven fabrics, Hessian cloth, Hessian based paper, polythene and Hessian based paper, high density polythene, fabric based paper and bituminized water proof paper, Jute twine, polythene and plastic bags including LDPE plastic bags for milk pouches; tin containers, shooks, tea chests, wooden boxes, wooden shavings, wooden crates, wooden cable drums or other material notified by the Government in this behalf.

Explanation.—Planks pannels, battens, when assembled will form tea chest or packing cases will come under packing cases for the purpose of this entry.

(95) Palm fatty acid

(96) Paper of all sorts, paper board, newsprint and waste paper

(97) Paraffin wax of all grade standards other than food grade standard including standard wax and match wax.

(98) Perambulators including push chairs for babies and tyres, tubes and flaps used therewith.

(99) Petromax lights

(100) Pipes, tubes and its fittings of all varieties including hose pipes, ductile pipes and PVC pipes.

(101) Pizza bread

(102) Plastic granules, plastic powder, master batches and scraps

(103) Plastic raw materials

(104) Pollution control equipments as notified by the Government

(105) Printed material including diary and calendar other than those specified in the Fourth Schedule.

(106) Printing or drawing ink, whether or not concentrated or solid, excluding toner and cartridges other than those specified in the Fourth Schedule.

(107) Processed fruit and vegetables including fruit jam, jelly, pickle, fruit squash, paste, fruit drink and fruit juice (whether in sealed containers or otherwise), other than those specified in the Fourth Schedule.

(108) Processed meat, poultry and fish

(109) Pulp of bamboo, wood, bagasse and paper

(110) Pulses and grams other than those specified elsewhere in the Schedule

(111) Quinine and its products

(112) Railway wagons, engines, coaches and parts thereof

(113) Raw Cashew, Cashew nuts, fresh or dried, whether or not shelled or peeled.

(114) Raw silk and silk yarn imported from abroad

(115) Readymade garments

(116) Ready to use flour pastes

(117) Renewable energy devices and spare parts other than those specified in the Fourth Schedule.

(118) River sand and grit, red earth and red gravel

(119) Rubber, Raw rubber, latex, Dry ribbed sheets of RMA grades, Tree lace, Earth scrap, Ammoniated latex, Latex concentrate, Centrifugal latex, Dry crepe rubber, Dry block rubber, Crumb rubber, Skimmed rubber and all other qualities and grades of latex, Reclaimed rubber, All grades and qualities and Synthetic rubber.

(120) Sago and starch of all kinds

(121) Salt for industrial use

(122) Scraps and Wastes namely :—

(a) Aluminium scraps.

(b) Non-ferrous scraps, non-ferrous metal scraps, that is to say, scraps of copper, copper alloys, brass, lead and lead alloys (other than those specified elsewhere in the Schedule)

(c) Cloth rags.

(d) Waste of wool (goats hair and similar fibrous growth on bodies of animal) and waste of woolen yarn,

(e) Old brass, copper and stainless steel vessel whether worn out or beaten, and

(f) Waste of paper board.

(123) Sewing machines, its parts and accessories

(124) Sherbet

(125) Ships, boats and other water vessels

(126) Silk cotton seeds

(127) Silk fabrics (excluding handloom silks) tobacco and textile fabric unless covered by AED.

(128) Solvent oils other than organic solvent oil

(129) Spectacles, parts and components thereof, contact lens and lens cleaner

(130) Spices of all varieties and forms including cumin seed, aniseed, other than those specified in the Fourth Schedule.

(131) (i) Sports goods including goods for indoor or outdoor games, swings, medals, cups, trophies, shields and badges excluding apparel and footwear.

(ii) Childrens' palyground equipments

(132) Student note books and copy books other than those specified in the Fourth Schedule.

(133) Sweets made of groundnuts, gingelly, puffed rice, fried gram and peas dhall and murukku.

(134) Tamarind seed and powder

(135) Tanning materials of vegetable origin

(136) Tapioca flour

(137) Tea

(138) Tools

(139) Toys excluding electronic toys

(140) (i) Tractors of all kinds (excluding crawler tractors), and articles (excluding batteries) adapted for use generally as parts and accessories of tractors and tools and implements used therewith

(*ii*) Trailors of tractors of all kinds,

(*iii*) Power tillers, threshers, combined harvesters and transplanter; and

(*iv*) attachments and parts of (i), (ii) and (iii).

(141) Transformers

(142) Transmission wires and towers

(143) Umbrellas of all kinds including beach and garden umbrellas and folding umbrellas and parts thereof.

(144) Vanaspati (Hydrogeneted Vegetable Oil)

(145) Vegetable oil and oilcake other than those specified in the Fourth Schedule.

(146) Vegetable vathal of all kinds sold under a brand name other than those specified in the Fourth Schedule.

(147) Wet dates

(148) Wheat

(149) Wheat Flour, Atta, Maida and Rava (sooji)

(150) Windmill for water pumping and for generation of electricity.

PART-C

[*See* sub-section (2) of section (3)]

Goods which are taxable at the rate of 12.5 per cent

Description of the goods

All goods other than those exempted in Fourth Schedule and those specified in Second Schedule and in Part-A and Part-B of the First Schedule.

THE SECOND SCHEDULE

[*See* sub-section (5) of section (3)]

Serial No. (1)	*Description of the goods* (2)	*Point of levy* (3)	*Rate of Tax* (4)
1	Alcoholic liquors of all kinds for human consumption which are purchased/ procured/brought from outside the State other than foreign liquors falling under item 3.	At the point of first sale in the State.	58 per cent
2	Alcoholic liquors of all kinds for human consumption, other than liquors falling under items 1 and 3.	At the point of first sale in the State.	58 per cent
		At the second point of sale in the State.	38 per cent

3	Foreign liquors, that is to say, Wines, Spirits and Beers imported into India from foreign countries and dealt with under the Indian Tariff Act, 1934 (Central Act 32 of 1934) or under any other law for the time being in force relating to the duties of customs on goods imported into India.	At the point of first sale in the State.	73 per cent
4	Aviation Gasoline	At the point of first sale in the State.	29 per cent
5	(i) Aviation Turbine Fuel including jet fuel	At the point of first sale in the State.	29 per cent
	(ii) Aviation Turbine Fuel sold to a Turbo-prop Aircraft.	At the point of first sale in the State.	4 per cent
6	Petrol with or without additives	At the point of first sale in the State.	30 per cent
7	High Speed Diesel Oil	At the point of first sale in the State.	23.43 per cent
8	Light Diesel Oil	At the point of first sale in the State.	25 per cent
9	Kerosene other than those sold through Public Distribution System	At the point of first sale in the State.	25 per cent
10	Molasses	At the point of First sale in the State.	30 per cent
11	Sugar, Textile and Tobacco products not produced or manufactured in India.	At the point of first sale in the State.	4 per cent
12	Sugarcane	At the point of last purchase.	Rs.60 per metric ton.

Explanation I.—For the purpose of levy of tax at the second point of sale in the State for the item in Sl.No.2, the turnover of the goods liable to tax shall be arrived at by deducting the turnover of such goods on which tax has been levied at the first point of sale.

Explanation II.—For the purpose of petroleum products of this Schedule, a sale by one oil company to another oil company shall not be deemed to be the first sale in this State and accordingly any sale by one oil company to another person (not being an oil company) shall be deemed to be the first sale in the State.

Explanation III.—For the purpose of Explanation II, 'Oil Company' means (*a*) Chennai Petroleum Corporation Limited, (*b*) The Indian Oil Corporation Ltd., (*c*) The Bharat Petroleum Corporation Ltd., (*d*) The Hindustan Petroleum Corporation Ltd., (*e*) Indo-Burma Petroleum Company Ltd., (*f*) Kochi Refineries Limited and includes any other oil company notified in this behalf by the Government in the *Tamil Nadu Government Gazette*.

THE THIRD SCHEDULE

(*See* section 8)

Compounded rate for Hotels, Restaurants and Sweet Stalls

I. No.	*Turnover slab.*	*Rate of tax.*
(1)	(2)	(3)
(i)	Where the total turnover exceeds ten lakhs of rupees but does not exceed twenty-five lakhs of rupees.	Twelve thousand rupees per annum
(ii)	Where the total turnover exceeds twenty-five lakhs of rupees but does not exceed thirty lakhs of rupees.	Twenty-four thousand rupees per annum
(iii)	Where the total turnover exceeds thirty lakhs of rupees but does not exceed forty lakhs of rupees.	Thirty-six thousand rupees per annum
(iv)	Where the total turnover exceeds forty lakhs of rupees but does not exceed fifty lakhs of rupees.	Forty-eight thousand rupees per annum

Explanation.—For the purposes of computing the total turnover, the purchase turnover liable to tax under Section 12 of the Act shall be added to the sales turnover.

THE FOURTH SCHEDULE

Goods exempted from tax by section 15

PART-A

Goods produced or manufactured in India and included in the First Schedule to the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (Central Act 58 of 1957).

1. (i) Cane or beet sugar and chemically pure sucrose in solid form
   (ii) Palmyrah sugar
2. (i) Unmanufactured tobacco and tobacco refuse
   (ii) Cigars and Cheroots and cigarettes, cigarillos of tobacco or of tobacco substitutes
   (iii) Other manufactured tobacco including—
      (*a*) Smoking mixtures for pipes and cigarettes
      (*b*) Biris
      (*c*) Chewing tobacco
      (*d*) Snuff of tobacco and preparations containing snuff
      (*e*) Cut tobacco.
3. Woven fabrics of silk or of silk waste
4. (i) Woven fabrics or carded wool excluding hair belting
   (ii) Woven fabrics of combed wool excluding hair belting
5. Woven fabrics of cotton
6. (i) Woven fabrics of synthetic filament yarn
   (ii) Woven fabrics of artificial filament yarn.
7. (i) Woven fabrics of synthetic staple fibres
   (ii) Woven fabrics of artificial staple fibres.

(ii) Terry towelling and similar woven terry fabrics and tufted textile fabrics

(iii) Gauze

(iv) Lace in the piece in strips or in motifs of cotton or manmade fibres

(v) Embroidery in the piece, in strips or in motifs

(vi) Narrow woven fabrics.

9. (i) Textile fabrics coated with gum or amylaceous substances of a kind used for the outer covers of book or the like; tracing cloth; prepared painting canvas; buckram and similar stiffened textile fabrics.

(ii) Tyre cord fabric of high tenacity yarn of nylon or polyamides, polyesters or viscose rayon

(iii) Textiles fabrics, impregnated, coated, covered or laminated with plastics

(iv) Fabrics covered partially or fully with textile flocks or with preparation containing textile flocks.

10. Pile fabrics, including 'Long pile' fabrics and terry fabrics, knitted or crocheted.

PART-B

Sl.No.	*Description of the goods.*
(1)	(2)
1	Agricultural implements manually operated or animal driven as notified by the Government
2	Aids and implements for physically challenged persons as notified by the Government
3	Aluminium domestic utensils not operated by pressure and electricity
4	Appalam, Pappad, Vadam and Vathal
5	Aquatic feed, poultry feed, cattle feed and animal feed including supplement concentrates and additives, wh bran, de-oiled cake, grass, hay and straw.
6	Articles made of sea shells
7	Bacterial culture for agriculture purpose, Organic manure and all kinds of seeds including green manure se excluding oil seeds.
8	Bagasse
9	Bangles other than those made of precious metals
10	Black sugarcane other than those specified in the Second Schedule
11	Books, Reading books, Text books, periodicals and journals including maps, educational charts, Braille bo and globe.
12	Bread (branded or otherwise)
13	Broom sticks
14	Candles
15	Cart driven by animals and hand carts
16	Charcoal
17	Charkha, Ambar Charkha; handlooms, handspun yarn, handloom fabrics and Gandhi Topi.
18	Chillies, Tamarind, Coriander, Turmeric, Asafoetida (Hing), Shikakai and Shikakai powder, jaggery and including jaggery powder and nattuchakkarai sold by any dealer whose total turnover in respect of those does not exceed rupees three hundred crores in a year.

19	Coarse grains, paddy and rice including broken rice
20	Condoms and contraceptives
21	Curd, lussi, butter milk, separated milk and butter without any brand name
22	Cycle rickshaw (without motor)
23	Earthern pot and pottery items
24	Electoral rolls
25	Electrical energy
26	(*i*) Energy saving choolas, (*ii*) Solar cookers, (*iii*) Municipal waste conversion devices for producing energy
27	Firewood, excluding casurina and eucalyptus timber
28	Fishnet, fishnet fabrics, fishing hooks and fish seeds, prawn/shrimp seeds
29	Fly Ash sold to brick manufacturers
30	Footwear with sale value less than two hundred rupees
31	Fresh milk, pasteurized milk and directly reconstituted milk
32	Fresh plants, saplings, fresh flowers, green leaves, green tea leaves, betel leaves and plantain leaves
33	Fresh vegetables including potatoes, tapioca and fresh fruits
34	Garlic and ginger
35	Gauze or bandage cloth produced or manufactured in power loom sold by a dealer whose aggregate turnover does not exceed Rupees one hundred crore in a year.
36	Goods covered by Public Distribution System (except Kerosene)
37	Goods manufactured by Village Blacksmith and Adisarakku items as notified by the Government.
38	Goods taken under customs bond for re-export after manufacturing or otherwise.
39	Gum Benzoin including instant Sambirani in the form of tablets or sticks.
40	Handicrafts
41	Handmade or Handloom-made woven durries, coir mattings and jamakalams.
42	Hand pumps, parts and fittings
43	Handmade safety matches including partially machine, made safety matches.
44	Hank yarn
45	Human blood including blood components and blood plasma
46	(*i*) Hurricane lights and bed room lights burning on oil, (*ii*) Kerosene lamps (other than gas lights and petromax lights), (*iii*) Kerosene stoves, (*iv*) Parts and accessories including wicks and chimneys of the above goods.
47	Indian musical instruments including indigenous handmade musical instruments
48	Indigenous Sericulture products
49	Khadi garments/goods and made-ups as notified by the Government
50	Kumkum, Kajal, Bindi, Alta and sindur
51	Licenced software with complete Tamil version

[illegible]

53 Masala powder or paste whether or not with oil or additives, sold without a brand name

54 Meat, fish including dry fish, prawn and other aquatic products (other than branded, processed and packed items), eggs, poultry and livestock (other than race horses)

55 *(a)* Metti, anklet and waist cord made of silver

(b) Thali made of gold not exceeding eight grams in weight inclusive of all attachments to such thali but without chain.

(c) Neem oil cake

(d) Packed pickles weighing below 50 grams

(e) Wheat sold through Public distribution System

(f) Student Note Books and Copy books manufactured out of paper purchased from registered dealers liable to pay under this Act.

(g) Tamil Daily sheet calendars and

(h) UNICEF Greeting cards and calendars

56 National flag

57 Non-judicial stamp papers sold by Government Treasuries or vendors; postal items like envelope, post card etc., sold by Government; rupee note, when sold to the Reserve Bank of India and cheques, loose or in book form.

58 Panchamirtam, Namakkatti, Vibhuti and Prasadam by religious institutions

59 Paper bags and paper envelopes (whether printed or not)

60 Products of millets (flour, brokens and bran of cholam, cumbu, ragi, thinai, varagu, samai, kudiraivalai and milk

61 *(i)* Products of Palm industry other than those listed in the First Schedule and of article such as basket mats, brushes, fans manufactured out of palm leaves, coconut leaves and date leaves and thatti, kooda muram and other products made of bamboo or cane, palmyrah fibres and stalks, dry leaves (mantha leaves), coconut thatches, korai grass and korai mats, coir, coir dusts, coir fibre, coir rope and coir hus (excluding coir products], deccan hemp fibre (excluding deccan hemp products), broomstick and thonn *(ii)* tapioca kappi, tapioca thippi, groundnut shell, coconut shell and its chips; *(iii)* cotton rope, pulichakeer rope and braided cord; *(iv)* cotton seed husk, coconut husk and paddy husk; *(v)* Palm jaggery a palmyrah sugarcandy; *(vi)* sugar candy and bura sugar.

62 Puffed rice, flattened or beaten rice, parched rice, parched paddy or rice coated with sugar or gur, rice flo and de-oiled rice bran.

63 Raw wool and anima hair.

64 Rubber play balls and balloons.

65 Sale of following vegetable oils by any dealer whose total turnover on sale of those goods does not exce rupees three hundred crores per annum:—

1. Coconut oil
2. Gingelly oil
3. Groundnut oil
4. Sunflower oil
5. Cotton seed oil
6. Rice bran oil
7. All refined oils of the above 1 to 6; and
8. Refined Palm oil

66 Sale of oil cakes including de-oiled cakes by any dealer whose total turnover on the sales of these goods does not exceed rupees three hundred crores per year.

67 Sale of peas and peas dhall including broken, husk and dust thereof, by any dealer whose total turnover on their sales of these goods does not exceed rupees three hundred crores per year.

68 Sale of the following pulses and grams including broken, splits, flour, husk and dust thereof and parched and fried grams made from them by any dealer whose turnover in respect of the goods in each item does not exceed rupees three hundred crores in a year:—

1. Gram or Gulab gram
2. Tur or Arhur
3. Moong or Green gram
4. Masur or Lentil
5. Urad or Black gram
6. Moth
7. Lekh or Khesari.

69 Salt (branded or otherwise) including iodized or vitaminised salt for human consumption other than salt for industrial use.

70 Saree falls

71 Seeds of all kinds other than oil seeds

72 Semen including frozen semen

73 Silk worm laying, Cocoon and raw silk including indigenous raw silk and indigenous silk yarn

74 Slate, Slate Pencils and Chalk Sticks

75 Steam

76 Stitched Handloom and Mill-made Hand Kerchiefs

77 Tender Coconut

78 Toddy, Neera and Arrack

79 Vermicelli

80 Water other than—

(*i*) Aerated, Mineral, Distilled, Medicinal, Ionic, Battery, Demineralised Water; and

(*ii*) Water sold in sealed container.

81 Writing Instruments, Pencils, Sharpeners, Pens, Ballpoint Pens, Refills, Stainless Steel Nibs, Colour Pencils, Black Boards, Dusters, Geometry boxes and Dissection boxes.

THE FIFTH SCHEDULE

[*See* sub-section (1) of section 18]

List of International Organisation - Zero Rate Sale

Serial No.	*Name of the International organisation.*
(1)	(2)
1	The International Labour Organisation
2	The United Nations Children's Fund

3	The United Nations Development Programme
4	The United Nations Educational Scientific and Cultural Organisation
5	The United Nations Food and Agricultural Organisation
6	The United Nations Information Service
7	The United Nations Military Observers Group in India
8	The United Nations Office for Population Studies
9	The United Nations Technical Assistant Board
10	The World Health Organization
11	The World Bank

THE SIXTH SCHEDULE

(See section 70*)*

Transit Pass

Serial No.	*Description of the goods.*
(1)	(2)
1	Diesel engines
2	Marbles
3	Raw rubber
4	Refrigerators, Air-conditioners, Air-coolers and Water Coolers.
5	Washing machines
6	Alcoholic liquors of all kinds for human consumption other than Toddy and arrack.
7	Foreign liquors, that is to say, wines, spirits and beers imported into India from foreign countries and with under the Indian Tariff Act, 1934 (Central Act 32 of 1934) or under any other law for the time b in force relating to the duties of customs on goods imported into India.
8	Kerosene
9	All types of plastic granules and plastic raw materials.

(By order of the Governor)

S. DHEENADHAYALAN,
Secretary to Government (in-charge),
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 7th June 2007 and is hereby published for general information:—

ACT No. 21 OF 2007.

An Act to amend the Tamil Nadu Value Added Tax Act, 2006.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-eighth Year of the Republic of India as follows :—

Short title and commencement.

1. (*1*) This Act may be called the Tamil Nadu Value Added Tax (Amendment) Act, 2007.

(*2*) Sub-section (*2*) of section 6, sub-section (*4*) of section 9, section 10 and sub-section (1) of section 11, shall be deemed to have come into force on the 1st day of April 2007 and all other sections shall be deemed to have come into force on the 1st day of January 2007.

Amendment of section 3.

2. In section 3 of the Tamil Nadu Value Added Tax Act, 2006 (hereinafter referred to as the principal Act),—

(*1*) in sub-section (*1*), for clause (*b*), the following clause shall be substituted, namely :—

"(*b*) Notwithstanding anything contained in clause (*a*), every dealer other than a casual trader or agent of a non-resident dealer who purchases goods within the State and effects sale of those goods within the State and whose total turnover for a year is not less than rupees ten lakhs shall pay tax under this Act.".

(*2*) to sub-section (*2*), the following proviso shall be added, namely :—

"Provided that all spare parts, components and accessories of such goods shall also be taxed at the same rate as that of the goods if such spare parts, components and accessories are not specifically enumerated in the First Schedule and made liable to tax under that Schedule.".

(*3*) in sub-section (*4*),—

(*a*) for the expression "total turnover", the expression "turnover relating to taxable goods" shall be substituted;

(*b*) for the first proviso, the following proviso shall be substituted, namely :—

"Provided that such dealer shall not collect any amount by way of tax or purporting to be by way of tax.".

Amendment of section 6.

3. In section 6 of the principal Act,—

(*i*) in sub-section (*1*), after the expression "every dealer", the following expression shall be inserted, namely:—

"other than the dealer who purchases goods from outside the State or imports goods from outside the country;";

(*ii*) for sub-section (*5*), the following sub-section shall be substituted, namely :—

"(*5*) The dealer who pays tax under this section shall not collect any amount by way of tax or purporting to be by way of tax and shall not be entitled to input tax credit on the goods purchased by him.".

Amendment of section 7.

4. In section 7 of the principal Act, in sub-section (*1*), in clause (*b*), after the expression "in clause (*a*)", the following expression shall be inserted, namely :—

"whose total turnover is not less than rupees ten lakhs for a year".

Amendment of section 8.

5. In section 8 of the principal Act,—

(*1*) in the marginal heading, for the expression "and sweet-stalls", the expression "sweet-stalls and bakeries" shall be substituted;

(2) sub-section (1) shall be re-lettered as "clause (a)" of sub-section (1);

(3) after clause (a) as so re-lettered, the following clause shall be inserted, namely :—

"(b) Notwithstanding anything contained in clause (a) of sub-section (1) of section 3, every dealer in bakery products whose total turnover is not less than rupees ten lakhs but not more than rupees fifty lakhs for the year on the sale of unbranded bakery products and other ready to eat unbranded foods, may, at his option, instead of paying tax in accordance with the provisions of sub-section (2) of section 3, pay tax at the rate specified in the Third Schedule.".

Amendment of section 19

6. In section 19 of the principal Act,—

(1) in sub-section (3), in clause (a), for the expression, "wholly for use in the course of business of taxable goods", the expression "for use in the manufacture of taxable goods" shall be substituted;

(2) in sub-section (4), for the expression "four per cent of tax", the expression "three per cent of tax" shall be substituted;

(3) to sub-section (6), the following proviso shall be added, namely :—

"Provided that on the purchase of capital goods which are used in the manufacture of exempted goods and taxable goods, input tax credit shall be allowed to the extent of its usage in the manufacture of taxable goods in the manner prescribed.".

Amendment of section 38.

7. In section 38 of the principal Act, in sub-section (1), in clause (a), for the expression "whose total turnover in respect of purchase and sale within the State", the expression "who purchases goods within the State and effects sale of those goods within the State and whose total turnover" shall be substituted.

Amendment of section 88.

8. In section 88 of the principal Act, in sub-section (6), in clause (b), for the expression "thirty days", the expression "fifty-nine days" shall be substituted.

Amendment of First Schedule.

9. In the First Schedule to the principal Act, in Part-B,—

(1) in item 8, for the expression "Bakery products including bun, rusks, biscuits and cakes sold with or without brand name", the expression "Bakery products including bun, rusks, biscuits and cakes sold without a brand-name" shall be substituted;

(2) for item 67 and the entries relating thereto, the following item and entries shall be substituted, namely :—

"(67) Industrial inputs, that is to say, any goods falling under Part-C of this Schedule, including consumables, packing materials and labels but excluding plant and machinery, ethyl alcohol, absolute alcohol, methyl alcohol, rectified spirit, neutral spirit and cement, for use in manufacture and for use in assembling, packing or labelling in connection with such manufacture, inside the State, of goods other than those falling under Second Schedule";

(3) in item 107, the word "pickle" shall be omitted.

(4) in item 127, the word "tobacco" shall be omitted.

Amendment of Second Schedule.

10. In the Second Schedule to the principal Act, in item 11, for the expression "Sugar, textile and tobacco products", the expression "Sugar and textile products" shall be substituted.

Amendment of Fourth Schedule.

11. In the Fourth Schedule to the principal Act,—

(1) in Part-A, item 2 and the entries relating thereto shall be omitted;

(2) in Part B,—

(*i*) for item 21 and the entries relating thereto, the following item and entries shall be substituted, namely:—

"21. (i) Curd, lassie, butter-milk and separated milk.

(ii) Butter without brand name.";

(*ii*) in item 35, for the expression "Rupees one hundred crore in a year", the expression "rupees one crore in a year" shall be substituted;

(*iii*) in item 62, for the expression "and de-oiled rice bran", the expression "rice bran and de-oiled rice bran" shall be substituted;

(*iv*) in item 65,—

(*a*) for the expression "rupees three hundred crores per annum", the expression "rupees five hundred crores per year" shall be substituted;

(*b*) for sub-items 7 and 8, the following sub-items shall be substituted, namely :—

" 7. Palm oil

8. All refined oils".

(*v*) in item 66, for the expression "rupees three hundred crores per year", the expression "rupees five hundred crores per year", shall be substituted;

(*vi*) for item 68 and the entries relating thereto, the following item and entries shall be substituted, namely :—

"68. Sale of the following pulses and grams including broken, splits, flour, husk and dust thereof and parched and fried grams made from them by any dealer whose turnover in respect of the goods in each item does not exceed rupees five hundred crores in a year :—

1. Gram or gulab gram
2. Tur or arhur
3. Moong or green gram
4. Masur or lentil
5. Urad or black gram
6. Moth
7. Lekh or khesari
8. Mochai
9. Karamani
10. Thatta payaru
11. Kollu
12. Avarai.".

(By order of the Governor)

S. DHEENADHAYALAN,
Secretary to Government-in-charge,
Law Department.

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Part IV—Section 2

Tamil Nadu Acts and Ordinances

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 14th November 2007 and is hereby published for general information:—

ACT No. 42 OF 2007.

An Act further to amend the Tamil Nadu Va!ue Added Tax Act, 2006.

BE it enacted by the Legis!ative Assembly of the State of Tamil Nadu in the Fifty–eighth Year of the Republic of India as follows:—

Short title and commence-ment.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Second Amendment) Act, 2007.

(2) (*a*) Clause (1) of section 2 shall be deemed to have come into force on the 16th day of July 2007.

(*b*) Clause (2) of section 2 shall be deemed to have come into force on the 12th day of July 2007.

(*c*) Section 3 shall be deemed to have come into force on the 5th day of July 2007.

Amendment of First Schedule.

Nadu 32 of 6.

2. In the Tamil Nadu Value Added Tax Act, 2006 (hereinafter referred to as the principal Act), in the First Schedule,—

(1) in Part-B, after item 67 and the entries relating thereto, the following item and entries shall be inserted, namely:—

"(67-A). Goods which are sold either by the manufacturer or by the trader, namely:—

(*a*) Abrasive of all types.

(*b*) Acid oil including spent acid oil.

(*c*) Aluminium sink (extrusion) and composite panels.

(*d*) Artificial graphite, colloidal or semi-colloidal graphite, preparation based on graphite or other carbon in the form of paste, blocks powder and natural graphite.

(*e*) Baking powder, bread improver, cake gel, vinegar, wheat gluten and edible gelatin used for confectionery and ice creams.

(*f*) Bioxialy oriented polyester film and P.V.C. film.

(*g*) Bioxialy oriented polypropylene film.

(*h*) Buttons, zippers, zip fasteners, hooks and hoop tape, non-woven interlining polyester wadding shoulder pad, packing materials namely hangers, collar band, butterfly, all types of pins and clips.

(*i*) Carbon black and acetylene black and other form of carbon including activated carbon.

(*j*) Compressor of refrigerating equipments.

(*k*) Enzymes of all kinds.

(*l*) Fibre glass sleeves, fibre glass tapes, milinex paper, lethoroid paper, empire cloth.

(*m*) Flavouring essence and synthetic food colour.

(*n*) Furnace oil.

(*o*) Gelatine capsules (empty).

(*p*) Gases of all kinds other than Liquified Petroleum Gas.

(*q*) Glass frit and other glass in the form of powder, granules or flakes.

(*r*) Granulated slag (slag sand) from manufacturing of iron or steel.

(*s*) Gum resin, gum arabica, gum gel and gum glue.

(*t*) Industrial valves of all kinds and industrial fans.

(*u*) Insulating varnish.

(*v*) Liquid glucose dextrose syrup (non-medicinal).

(*w*) Quenching oil, mineral oils excluding crude oil.

(*x*) Naptha.

(*y*) P.V.C. resin and compound of all forms and kinds.

(*z*) P.V.C. sheets – plastic sheets.

(*aa*) Paper cones and paper tubes.

(*ab*) Parts of footwear (including upper), reprocessed sole.

(*ac*) Phenol.

(*ad*) (*i*) Pigments including water pigments and leather finishes.

(*ii*) Cellulose lacquers, nitro-cellulose lacquers, clear and pigments and nitro-cellulose ancillaries in liquid, semi-solid or pasty forms.

(*iii*) Turpentine oil, bale oil and white oil.

(*iv*) Primers of all kinds.

(*ae*) Printing rollers, reducers, blanket wash or roller wash and retarders pre sensitized plate and thermal plate used in printing industry.

(*af*) Resins, wood resin and ester gums.

(*ag*) Scraps and wastes of all kinds.

(*ah*) Sheets, circle, hoops, strips, bars, rods, rounds, squares, flaps, coils and foils of non-ferrous metals.

(*ai*) Silicon carbide, silicone resin and silicone oil.

(*aj*) Stampings.

(*ak*) Super enamelled copper wire.

(*al*) Veneer sheets for plywood.

(*am*) Waxes of all kinds and forms.

(*an*) Wood tar and wood tar oil.

(*ao*) Yeast of all kinds and forms.".

(2) for PART-C and the entries thereunder, the following PART and entries shall be substituted, namely:—

"PART-C.

[*See* sub-section (2) of Section 3]

Goods which are taxable at the rate of 12.5 per cent.

Serial Number (1)	*Description of the goods* (2)
(1)	Absolute alcohol, methyl alcohol, rectified spirit, neutral spirit and denatured spirit.
(2)	Adhesives of all kinds including gum, glue, adhesives solution, gum paste, lapping compound, liquid M-seal epoxy, adhesive tapes, self adhesive tapes, gum tapes, gummed tapes and resin other than those specified elsewhere in this Schedule.
(3)	(i) . Air-conditioning plants, air-conditioners and other air-conditioning appliances, air coolers, room coolers including all cooling appliances, apparatus and instruments. (ii) Refrigeration plants and all kinds of refrigerating appliances and equipments including refrigerators, deep freezers, mechanical water coolers, coffee coolers, walk-in-coolers. (iii) Water cooler-*cum*-heater units. (iv) Parts and accessories of items (i) to (iii) above.
(4)	Apparatus for making coffee under steam pressure, commonly known as espresso.
(5)	Arms, ammunitions and explosives of all kinds including— (i) rifles, revolvers, pistols and bayonets, truncheons and ammunition used therewith; (ii) Hand grenades; (iii) Air guns, air rifles and pellets used therewith; (iv) Gelatin sticks, RDX, gun powder, detonators caps, igniters, electric detonators, fuses and other blasting powder and the like.

Serial Number (1)	*Description of the goods* (2)
(6)	Articles and equipments for gymnastics including health fitness equipments.
(7)	Asbestos sheets and products, cement products in combination with other materials not elsewhere mentioned in this Schedule.
(8)	Bakery products including biscuits of all varieties, cakes, pastries sold with brand name.
(9)	Batteries and parts thereof, dry cells, button cells, solar cells of all kinds, parts and accessories thereof including zinc calots and carbon rods.
(10)	Binoculars, monoculars, opera glasses, other optical telescope, astronomical instruments, microscopes, binocular microscopes, magnifying glasses, diffraction apparatus and mounding therefor including theodolite, survey instruments and optical lenses, other than lenses for spectacles.
(11)	Blasting gun powder and other mechanical explosives.
(12)	(i) Bulbs, horns, cables and fare meters for all motor vehicles. (ii) Parts and accessories excluding batteries, tyres, tubes and flaps of two wheelers and three wheelers and higher number of wheelers. (iii) Tyres tubes and flaps ordinarily used for tractors, trailer of tractors.
(13)	Bulldozers, excavators, earthmovers, dumpers, dippers, pile-layers, scrappers and the like and parts and accessories thereof.
(14)	Cement including white cement and their substitutes and concrete mixture.
(15)	Cement products of all kinds including cement tiles, pavement blocks excluding cement jolleys, doors, window frames made of RCC and RCC pipes.
(16)	Chinaware, porcelain ware and stoneware articles.
(17)	Cinematographic equipments, including video cameras, projectors, over-head projectors, enlargers, plates and cloth required for use therewith, sound-recording and re-producing equipments, parts and accessories thereof and lenses, exposed films, film- strips, arc or cinema carbons, cinema slides.
(18)	Collapsible gates, rolling shutters whether operated manually, mechanically or electrically and their parts and grills made of iron and steel.
(19)	Confectionery including toffee, chocolate and sweets of all kinds, ice-candy, ice-cake, ice-jelly, kulfi and frozen confectionery, frozen desert, chewing gum, bubble gum and the like sold with brand name.
(20)	Cosmetics and toilet articles that is to say, talcum powder, prickly heat powder, similar medicated body powder and forms, ramachom oil, cinnamon oil, perfumes, scents, snow and cream, eau de cologne, solid colognes, beauty boxes, face packs, cleansing liquids, moisturizers, make-up articles, complexion rouge, bleaching agents, hair oil, hair dyes, hair sprayers, hair removers, hair creams, lipsticks, nail polishes and varnishes, polish removers, eye liners, eye lashes and body deodorants.

Serial Number (1)	*Description of the goods* (2)
(21)	*(i)* Crockery (other than those specified elsewhere in this Schedule)
	(ii) Cutlery (other than those specified elsewhere in this Schedule) including table cutlery, forks.
(22)	Detergents whether cakes, liquid or powder, toilet soap, abir, blue, stain busters, stain removers and all kinds of cleaning powder and liquids, other than those specifically mentioned elsewhere in the Schedule.
(23)	Diesel locomotive and parts and accessories thereof.
(24)	Doors, windows, ventilators, partitions, stands and ladders, made of any materials other than those specified in the Schedule.
(25)	Dry fruits and nuts and kernel such as almond, pistha, dry grapes, figs, apricots, walnut, other than those specified elsewhere in this Schedule.
(26)	Duplicating machines, photo copying machines, reprographic copiers including roneo machines, including duplicators and any other apparatus for obtaining duplicate copies, parts and accessories thereof, ribbons, plates used therewith.
(27)	Electric motor, spare parts and accessories.
(28)	Electrical domestic and commercial appliances including – food processors like mixer, grinder, ovens, frying pans, roti-maker, rice cooker, deep fat fryer, curd maker, hot food cabinet, water heater including immersion heater, electric kettle, electric knife, cooking ranges, washing machine, dish washer, electric iron, electric hair drier, electric hair remover, shavers, electric time switches, mechanical timers, vacuum cleaner, water purifier, drier, coffee roasting appliances, floor polishers, massage apparatus, sharpeners, vending machines, other than those specified elsewhere in the schedule.
(29)	Electric storage batteries including containers, covers and plates.
(30)	Electronic Toys and Games.
(31)	Fans, Air circulators, Voltage stabilisers and regulators not specified elsewhere controlling systems and thyristor control power equipments.
(32)	Fax machines and their parts and accessories.
(33)	Fibre glass sheets and articles made of fibre glass other than those specifically mentioned in the schedule.
(34)	Fire fighting equipments and devices.
(35)	Fire works including coloured matches.
(36)	Floor and wall tiles of all varieties—
	(i) Ceramic tiles, glazed floor, roofing and wall tiles
	(ii) Cuddappah stone slabs and shahabad stone slabs;
	(iii) (*a*) Granite blocks (rough or raw); and
	(*b*) Polished granite slabs, including tomb stones, monument slab and head stone;

Serial Number (1)	*Description of the goods* (2)
	(iv) Black stone, kota stone
	(v) Marbles, that is to say,—
	(a) Marble boulders or lumps;
	(b) Marble slabs;
	(c) Marble chips;
	(d) Marble dusts;
	(e) Marble floor tiles and wall tiles; and
	(f) Other articles made of marbles.
	(vi) Mosaic tiles, chips and powder.
(37)	Furnaces and boilers of all types including fluidized bed boilers and ignifluid boilers and boilers using agricultural waste as fuel but not including boilers using municipal waste only as fuel.
(38)	Gas stoves, Gas Ovens, other than those mentioned in any of the Schedules.
(39)	Generators, Generating sets and non electronic voltage stabilizers.
(40)	Ghee with brand name.
(41)	Glass and glassware other than those specified elsewhere in the Schedule.
(42)	Ice creams sold with brand name.
(43)	Instant tea and instant coffee.
(44)	Internal combustion engine, marine engine, diesel engine, oil engine, generators, their spare parts, other than those specifically mentioned in this Schedule.
(45)	Laminated board of sheet of all varieties and description including expanded polystyrene of all kinds of mica, sunmica, formica, decolam, copper-clad board or sheet.
(46)	Lifts elevators, hoists, whether operated by electricity, hydraulic power, mechanical power or steam.
(47)	Machine made matches.
(48)	Mirrors of all kinds.
(49)	Motor vehicle, chassis of motor vehicles, motor cycles, motor combinations, motor scooter, mopeds, motorettes, three wheelers, motor vessels, motor engine, trailers, motor bodies built on chassis on motor vehicles and bodies built on motor vessels, components, spare parts and accessories thereof.
(50)	(i) Paints and enamels not otherwise specified in this Schedule, including powder paints, stiff paste paints and liquid paints.
	(ii) Colours.
	(iii) Dry distempers including cement based water-paints, oil bound distempers, plastic emulsion paints.
	(iv) Varnishes, French polish, bituminous and coal-tar blacks.
	(v) Diluents and thinners including natural and synthetic drying and semi drying oils such as double boiled linseed oil, blown linseed

Serial Number	Description of the goods
	oil, stand oil, sulphurised linseed oil, parilla oil, whale oil and tung oil.
	(*vi*) Glaziers putty, grafting putty, resin cements, caulking compounds and other mastics, painters fillings, non refractory surfacing preparations for facades, indoor walls, false ceiling or the like.
	(*vii*) All other materials used in painting and varnishing such as flint papers, emery clothes, brushes, paint removers and stainers of all kinds.
(51)	Photographic cameras and enlargers, flash light apparatus, photo blocks, lenses, films including X-ray films and film packs and plates, photo albums, photo frames, photo mounts.
(52)	Plaster of Paris.
(53)	(*i*) Plywood, veneer plywood, hardboard, particle board, block board, insulation board, lamin board, batten board, hard or soft wall ceiling, floor boards and similar boards of wood of all kinds, whether or not containing any material other than wood;
	(*ii*) All other non-soft boards.
(54)	Power factors and shunt capacitors of all kinds.
(55)	Sandal wood.
(56)	Sanitary equipments and fittings of every description including sinks, wash basins, wash basin pedestal, taps, bath showers, bidets, water closet tanks, flushing cisterns, urinals, commodes, man-hole covers used in connection with drainage and sewerage disposals, parts and accessories thereof.
(57)	Sanitary towels, Sanitary napkins, beltless napkins, baby nappies and disposable diapers.
(58)	Shaving sets, safety razors, razor blades, razor cartridge, shaving brush, shaving cream, shaving soap, after shave lotion.
(59)	Strong room or vault doors and ventilators armoured or reinforced safes, strong boxes and doors, cash chests, cash or deed boxes, wall coffers, safe deposit lockers and locker cabinets.
(60)	Studio backgrounds including lighting control reflectors, tri-reflectors, modifiers, backgrounds and curtains backgrounds.
(61)	Synthetic rubber products and products of mixture of rubber.
(62)	Television sets and component parts and accessories thereof.
(63)	Timber. *Explanation*.—Timber includes all kinds of wood, standing trees, logs, planks, rafters of any size or variety, other than those specified elsewhere in the Schedule.
(64)	Tooth paste, tooth powder (whether medicated or not), tooth brush and other dentifrices, mouth washes, tongue cleaners and deodorants.
(65)	Tyres, tubes and flaps other than those specified in the Schedule.
(66)	Vacuum flasks of all kinds and descriptions including refills for such flasks and thermally insulated flasks, containers and vessels including thermoses, thermic jugs, ice buckets or boxes, tins and receptacles to keep food or beverages or other articles, hot or cold and components and accessories thereof.

Serial Number (1)	*Description of the goods* (2)
(67)	Watches, clocks, time-pieces (whether or not in combination with any other devices), stop watches, time switches, mechanical – timers, time – records, auto print time punching clocks, time – registers, instrument panel clocks of all kinds including all such electronic devices, parts and accessories thereof, watch bands, watch bracelets, watch chains, watch straps.
(68)	(*i*) Water meters, gas meters, industrial thermometers, parts and accessories thereof.
	(*ii*) (*a*) Weighing machines of all kinds including platform scales, weigh bridges, counter scales, spring balances, weighing scales and balances, parts and accessories of such machines and weights used therewith;
	(*b*) Dipping measures, metric pouring measures, conical measures, cylindrical measures; and
	(*c*) Meter scales, measuring tapes, steel yards and survey chains.
(69)	Any other goods, not specified in any of the Schedules.".

Amendment of Fifth Schedule.

3. In the Fifth Schedule to the principal Act, after serial number 11 and the entry relating thereto, the following serial number and the entry shall, respectively, be added, namely:—

"12. The United Nations Industrial Development Organisation.".

(By order of the Governor)

S. DHEENADHAYALAN,
Secretary to Government-in-charge,
Law Department.

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ON BEHALF OF THE GOVERNMENT OF TAMIL NADU

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The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 26th May 2008 and is hereby published for general information:—

ACT No. 32 OF 2008.

An Act further to amend the Tamil Nadu Value Added Tax Act, 2006.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-Ninth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Amendment) Act, 2008.

(2) It shall be deemed to have come into force on the 1st day of April 2008.

Amendment of First Schedule.

Tamil Nadu Act 32 of 2006.

2. In the First Schedule to the Tamil Nadu Value Added Tax Act, 2006 (herein after referred to as the principal Act), in Part-B,—

(1) in item 8, the expression "bun, rusks" shall be omitted;

(2) in item 52, the expression "jaggery gur including jaggery powder and Nattuchakkarai" shall be omitted.

Amendment of Fourth Schedule.

3. In the Fourth Schedule to the principal Act, in Part-B,—

(1) for item 12 and the entries relating thereto, the following item and entries shall be substituted, namely:—

"12. Bread, bun and rusk (branded or otherwise).";

(2) for item 18 and the entries relating thereto, the following item and entries shall be substituted, namely:—

"18. Chillies and Chilly powder, coriander and coriander powder, turmeric and turmeric powder, shikakai and shikakai powder, tamarind and asafoetida (Hing) sold by any dealer whose total turnover in respect of those item does not exceed rupees three hundred crores in a year.";

(3) after item 48 and the entries relating thereto, the following items and entries shall be inserted, namely:—

"48-A. Jaggery and gur including jaggery powder and Nattuchakkarai.

48-B. Jatropha seeds and Jatropha oil.";

(4) in item 55, for sub-item (b) and the entries relating thereto, the following sub-item and entries shall be substituted, namely:—

"(b) Thali, Karukamani and Cross made of gold and used as symbol of wedlock, without chain.";

(5) for item 59 and the entries relating thereto, the following item and entries shall be substituted, namely:—

"59. Paper bags, paper envelopes and cloth lined paper envelopes (whether printed or not).";

(6) after item 64, and the entries relating thereto, the following item and entries shall be inserted, namely:—

"64-A. Rubberised textile fabrics.";

(7) in item 65, after sub-item 8, and the entries relating thereto, the following sub-item and entries shall be added, namely:—

"9. Soya oil.";

(8) after item 72, and the entries relating thereto, the following item and entries shall be inserted, namely:—

"72-A. Siddha medicine.";

(9) for item 77 and the entries relating thereto, the following item and entries shall be substituted, namely:—

"77. (i) Tender coconut.

(ii) Packaged tender coconut water.

(iii) Desiccated coconut, coconut milk and coconut milk powder.".

(By order of the Governor)

S. DHEENADHAYALAN,
Secretary to Government,
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 28th November 2008 and is hereby published for general information:—

ACT No. 49 OF 2008.

An Act further to amend the Tamil Nadu Value Added Tax Act, 2006.

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-ninth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Second Amendment) Act, 2008.

(2) It shall be deemed to have come into force on the 18th day of June 2008.

Amendment of section 3.

2. In section 3 of the Tamil Nadu Value Added Tax Act, 2006 (hereinafter referred to as the principal Act), for sub-section (4), the following sub-section shall be substituted, namely:—

"(4)(a) Notwithstanding anything contained in sub-section (2), but subject to the provisions of sub-section (1), every dealer, who effects second and subsequent sales of goods purchased within the State, whose turnover relating to taxable goods, for a year, is less than rupees fifty lakhs may, at his option, instead of paying tax under sub-section (2), pay a tax, for each year, on his turnover relating to taxable goods at such rate not exceeding one per cent, as may be notified by the Government. Such option shall be exercised by a dealer,—

(i) Who commences business, within thirty days from the date of commencement of the business;

(ii) Whose turnover relating to taxable goods is below rupees fifty lakhs during the previous year, on or before the 30th day of April of the year for which he exercises such option;

(iii) for the year 2008-2009, within thirty days from the date of commencement of the Tamil Nadu Value Added Tax (Second Amendment) Act, 2008:

Provided that such dealer shall not collect any amount by way of tax or purporting to be by way of tax:

Provided further that such dealer shall not be entitled to input tax credit on the goods purchased by him:

Provided also that the dealer who purchased goods from such dealer shall not be entitled to input tax credit on the goods purchased by him.

(b) If the turnover relating to taxable goods of a dealer paying tax under clause (a), in a year, reaches rupees fifty lakhs at any time during that year, he shall inform the assessing authority in writing within seven days from the date on which such turnover has so reached. Such dealer is liable to pay tax under sub-section (2) on all his sales of rupees fifty lakhs and above and he is entitled to the input tax credit on the purchases made from the date, and on the stock available with him, the purchases of which has been made within ninety days before the date, on which such turnover has reached rupees fifty lakhs:

Provided that such dealer whose turnover relating to taxable goods has reached rupees fifty lakhs during the previous year shall not be entitled to exercise such option for subsequent years.

Amendment of section 21.

3. In section 21 of the principal Act, for the expression "Every dealer, liable to pay tax under this Act", the expression "Every dealer, registered under this Act" shall be substituted.

Insertion of new section 87-A.

4. After Section 87 of the principal Act, the following section shall be inserted, namely:—

"87-A. *Assessment of sales in certain cases.*—Notwithstanding anything contained in this Act, the assessment of a dealer under the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act 1 of 1959) or under the Tamil Nadu Additional Sales Tax Act, 1970 (Tamil Nadu Act 14 of 1970), in respect of the assessment for the period from the 1st day of April 2006 to the 31st day of December 2006, shall be on the basis of the return filed by him and such return shall be accepted in accordance with the rules as may be prescribed.".

Repeal and Saving.

5. (1) The Tamil Nadu Value Added Tax (Second Amendment) Ordinance, 2008 is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

(By order of the Governor)

S. DHEENADHAYALAN,
Secretary to Government,
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 28th November 2008 and is hereby published for general information:—

ACT No. 50 OF 2008.

An Act further to amend the Tamil Nadu Value Added Tax Act, 2006.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-ninth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Third Amendment) Act, 2008.

(2) It shall be deemed to have come into force on the 1st day of July 2008.

Amendment of Second Schedule.

Nadu 2 of

2. In the Second Schedule to the Tamil Nadu Value Added Tax Act, 2006, in the entries in column (2) against item 3 in column (1) thereof, for the expression "the Indian Tariff Act, 1934 (Central Act 32 of 1934)," the expression "the Customs Tariff Act, 1975 (Central Act 51 of 1975)" shall be substituted.

(By order of the Governor)

S. DHEENADHAYALAN,
Secretary to Government,
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 14th December 2014 and is hereby published for general information:—

ACT No. 26 OF 2014.

An Act further to amend the Tamil Nadu Value Added Tax Act, 2006.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-fifth Year of the Republic of India as follows:-

Short title and commence-ment.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Amendment) Act, 2014.

(2) It shall be deemed to have come into force on the first day of November 2014.

Tamil Nadu Act 32 of 2006.

Amendment of First Schedule.

2. In the First Schedule to the Tamil Nadu Value Added Tax Act, 2006 (hereinafter referred to as the principal Act), in PART-B, after Serial Number (132) and the entries relating thereto, the following Serial Number and entries shall be inserted, namely:-

"(132-A) Sugar of all kinds, that is, cane sugar, beet sugar, chemically pure sucrose in solid form and imported sugar of all kinds.".

Amendment of Second Schedule.

3. In the Second Schedule to the principal Act,—

(1) against Serial Number 2, for item (ii) and the entries relating thereto in columns (2), (3) and (4) thereof, the following item and entries shall, respectively, be substituted, namely:-

"(ii) Alcoholic liquors of all kinds for human consumption, other than Beer, Wine, Draught Beer and liquors falling against Serial Numbers 1 and 3.	At the second point of sale in the State.	220 per cent.";

(2) against Serial Number 11, in column (2), for the entry "Sugar and textile products not produced or manufactured in India", the entry "Textile products not produced or manufactured in India" shall be substituted;

(3) Serial Number 12 and the entries relating thereto shall be omitted;

(4) against Serial Number 13, in column (4), for the expression "20 per cent", the expression "30 per cent" shall be substituted;

`(5) in Explanation I, clauses (c) and (d) shall be omitted.

Amendment of Fourth Schedule.

4. In the Fourth Schedule to the principal Act, in PART-B,—

(1) Serial Number 10 and the entries relating thereto shall be omitted;

(2) against Serial Number 14-A, in column (2), item (i) shall be omitted;

(3) against Serial Number 36, in column (1), for the entry in column (2), the following entry shall be substituted, namely:—

"Goods covered by Public Distribution System (except kerosene and sugar).";

(4) after Serial Number 76 and the entries relating thereto, the following Serial Number and entry shall be inserted, namely:-

"76-A. Sugarcane of all varieties.".

(By order of the Governor)

G. JAYACHANDRAN,
Secretary to Government,
Law Department.

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Part IV—Section 2

Tamil Nadu Acts and Ordinances

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The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 31st March 2015 and is hereby published for general information:—

ACT No. 5 of 2015.

An Act further to amend the Tamil Nadu Value Added Tax Act, 2006.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-sixth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Amendment) Act, 2015.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

Tamil Nadu Act 32 of 2006.

Amendment of section 19.

2. In section 19 of the Tamil Nadu Value Added Tax Act, 2006 (hereinafter referred to as the principal Act),—

(1) in sub-section (2),—

(i) for clause (v), the following clause shall be substituted, namely:-

"(v) sale in the course of inter-State trade or commerce falling under sub-sections (1) and (2) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956).";

(ii) the proviso shall be omitted;

(2) in sub-section (5), clause (c) shall be omitted.

Amendment of First Schedule.

3. In the First Schedule to the principal Act, in PART-B,-

(i) after serial number (1) and the entries relating thereto, the following serial number and entry shall be inserted, namely:-

"(1-A) Air compressor.";

(ii) in serial number (26), for item (b), the following item shall be substituted, namely:-

"(b) Pump sets upto 10 hp and their parts thereof.";

(iii) in serial number (27), for item (iv), the following item shall be substituted, namely:-

"(iv) Mosquito destroyers and insect killer devices including heating devices used with insect repellent mats.";

(iv) after serial number (75) and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

"(75-A) LED (Light Emitting Diode) lamps of all kinds.".

Amendment of Fourth Schedule.

4. In the Fourth Schedule to the principal Act, in PART–B,-

(i) for serial number 28 and the entries relating thereto, the following serial number and entries shall be substituted, namely:-

"28. Fishnet, fishnet fabrics, fishnet twine, fishing floats, fishing hooks, fishing lamps, fishing ropes, fishing swivels, fish seeds and prawn/shrimp seeds.";

(ii) after serial number 55 and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

"55-A. Mosquito nets of all kinds.".

(By Order of the Governor)

S.S. POOVALINGAM,

Secretary to Government-in-charge,
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 31st March 2015 and is hereby published for general information:—

ACT No. 6 of 2015.

An Act further to amend the Tamil Nadu Fiscal Responsibility Act, 2003.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-sixth Year of the Republic of India as follows:—

Short title and commence-ment.

1. (1) This Act may be called the Tamil Nadu Fiscal Responsibility (Amendment) Act, 2015.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

Amendment of section 4.

Tamil Nadu Act 16 of 2003.

2. In section 4 of the Tamil Nadu Fiscal Responsibility Act, 2003, in sub-section (2), in clause (a), for the expression "not exceeding five per cent by 31st March 2011, eliminate revenue deficit by 2011-2012", the expression "not exceeding five per cent by 31st March 2016, eliminate revenue deficit by 2016-2017" shall be substituted.

(By Order of the Governor)

S.S. POOVALINGAM,
Secretary to Government-in-charge,
Law Department.

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ON BEHALF OF THE GOVERNMENT OF TAMIL NADU

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 11th December 2020 and is hereby published for general information:—

ACT No. 39 OF 2020.

An Act further to amend the Tamil Nadu Value Added Tax Act, 2006.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-first Year of the Republic of India a s follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Amendment) Act, 2020.

(2) It shall be deemed to have come into force on the 4th day of May 2020.

Amendment of Second Schedule.

Tamil Nadu Act 32 of 2006.

2. In the Second Schedule to the Tamil Nadu Value Added Tax Act, 2006,—

(1) in column (4), against Serial Number 6, for the expression "34 per cent", the expression "15 per cent plus Rupees 13.02 per litre" shall be substituted;

(2) in column (4), against Serial Number 7, for the expression "25 per cent", the expression "11 per cent plus Rupees 9.62 per litre" shall be substituted.

(By order of the Governor)

C. GOPI RAVIKUMAR,
Secretary to Government
Law Department.

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Part IV—Section 2

Tamil Nadu Acts and Ordinances

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 1st June 2022 and is hereby published for general information:—

ACT No. 31 OF 2022.

An Act further to amend the Tamil Nadu Value Added Tax Act, 2006.

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-third Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Amendment) Act, 2022.

(2) It shall be deemed to have come into force on the 1st day of January 2007.

Tamil Nadu Act 32 of 2006.

Amendment of Second Schedule.

2. In the Second Schedule to the Tamil Nadu Value Added Tax Act, 2006, after Explanation IA, the following Explanation shall be added, namely:—

"**Explanation IB.**— For the purpose of determining the turnover of the Tamil Nadu State Marketing Corporation Limited, a Corporation, wholly owned and controlled by the State Government, in respect of the goods specified in,—

(a) Serial numbers 1 and 3, liable to tax at the first point of sale in the State, the following method shall be adopted, namely:—

$$\frac{\text{Selling Price (Maximum Retail Price)}}{\text{100+rate of tax applicable at the point of first sale in the State.}} \times 100$$

(b) Serial number 2, liable to tax at the second point of sale in the State, the following method shall be adopted, namely:—

$$\frac{\text{Selling Price (Maximum Retail Price)} - \text{Amount paid on purchase (It includes excise duty but does not include Value Added Tax paid at the first point of sale)}}{\text{100+rate of tax applicable at the point of second sale in the State.”.}} \times 100$$

(By Order of the Governor)

C. GOPI RAVIKUMAR,
Secretary to Government (Legislation),
Law Department.

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