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GOVERNMENT OF TAMIL NADU 2006

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Part IV - Section 2

Tamil Nadu Acts and Ordinances

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No.32 of 2006 - Tamil Nadu Value Added Tax Act,2006.* 145-206

The following Act of the Tamil Nadu Legislative Assembly received the assent ofthe Governor on the 14thDecember 2006 and is hereby published for general information

THE TAMIL NADU VALUE ADDED TAX ACT, 2006.*

(Tamil Nadu Act32 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 *(Sixty-sixth) *(Sixty-seventh) Fifty-seventh Year of the Republic of India as follows:-

1.**Short title and commencement**.--*[(1) This Act may be called the Tamil Nadu Value Added Tax (*Second Amendment) Act, *2016 [2015].

*[Omitted] (2) It extends to the whole of the State of Tamil Nadu.]

(2) It shall come into force on such date as the [State] Government may, by Notification, appoint.**

*(2)It shall be deemed to have come into force on the 1stdy of January 2007

2.**In Section 2 of the Tamil Nadu Value Added Tax Act, 2006 (hereinafter referred to as the principal Act),-

Definitions.--In this Act, unless the context otherwise requires, -

. 1[(1)"AdditionalCommissioner" means any person appointed to be anAdditional Commissioner of Commercial Taxes under section 48;

1Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

** The Act has come into force from 1stJanuary 2007 vide Notification No. II (2) /CTR/651(b) / 2006– GO.Ms.No.189, Commercial Taxes and Registration (BI) dated 28-12-2006 published in the Tamil Nadu Government Gazette Extraordinary Part II, Section 2 dated 28-12-2006.

* This was omitted by Act No 5 of 2015 Tamil Nadu Value Added Tax (Amendment) Act, 2015 dated 31stMarch 2015

(1-A)**"Administrative Deputy Commissioner"**means any person appointed to be an administrative Deputy Commissioner of Commercial Taxes under Section 48;}

(2)**"Appellate 1[Deputy]Commissioner"**means any person appointed to be an Appellate Assistant Commissioner of Commercial Taxes under section 48;

(3) **"Appellate1[Joint] Commissioner"** means any person appointed to be an Appellate 1**[Deputy]**Commissioner of Commercial Taxes under section 48;

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

3[(4-A)**"Assessment"** means an assessment made or deemed to have been made under this Act and includes a reassessment or revision of assessment ;}

(5)**"Assessing authority"**means any person authorised2by the Government or by the Commissioner to make any assessment under this Act;

4[(5-A **"Assistant Commissioner"**means any person appointed to be an Assistant Commissioner under Section 48;}

(6)[*****]**O**mittedby Act No.23 of 2011-Section 2. prior to this omission (from 26thAugust 2010) this clause read as under;-

(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) 5[*****]

(8)5[*****]

(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 tomake 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;

1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.
2. By GO Ms.No.113 dated 5thSeptember 2011, the Assistant Commercial Tax Officer or Additional Assistant Commercial Tax Officer in respect of those dealers whose total turnover does not exceed Rs. 75 lakshs (including exempted items and the turnover under the CST Act, 1956), subject to Total tax effect not exceeding Rs.75 thousand per annum, have been authorized under this clause.
3. Added by Fifth Amendment Act (23 of 2012), effective from a date to be notified and notified by GO.No.82 as 19thJune 212.
4. Added by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.
5. Omitted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

(d) moulds, dies, jigs and fixtures;

(e**)** refractors and refractory materials;

(f) storage tanks; and

(g) tubes, pipes and fittings thereof

used in theState 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;

*(12-A) "clearing and forwarding agent" means any person who is engaged in providing any service, either directly or indirectly, connected with the clearing and forwarding of goods in any manner to any other person".;

1[(13) "**Commercial Tax Officer"** means any person appointed by the Commissioner by name or by virtue of his office, to exercise the powers of aCommercial Tax Officer;]

(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, abroker, 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 paymentor 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:

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1. Substituted by Tamil Nadu Amendment Act 18, of 2009, with effect from 30thJuly 2008.

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 includingunclaimed 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;

(iii) Railways administration as defined under the Railways Act, 1989(Central Act 24 of 1989);

(iv) Shipping, transport and construction companies;.

(v) Air Transport Companies and Airlines;

(vi) Any person holding permit for the transport vehicles granted under the Motor Vehicles Act, 1988 (Central Act 59 of 1988) which are used or adopted to be used for hire;

(vii) The Tamil Nadu State Road Transport Corporations;

(viii) Customs Department of the Government of India administering the Customs Act, 1962 (Central Act 52 of 1962);

(ix) Insurance and Financial Corporations or Companies and Banks included in the SecondSchedule to the Reserve Bank of India Act, 1934 (Central Act II of 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.

(16) **"declared goods"**means goods declared by section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956), to be of special importance in inter-State trade or commerce;

1[(16-A) "**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;

(17)2[*****]

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

3[(18-A)**"Deputy Commissioner (Assessment)"**means any person appointed to be a Deputy Commissioner of Commercial Taxes (Assessment) 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.

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1. Inserted by Section 2 (ii) of the Tamil Nadu Amendment Act 23, of 2011, with effect from 26thday of August 2010.
2. Omitted by Tamil Nadu Amendment Act 18, of 2009, with effect from 30thJuly 2008.
3. Substituted by Tamil Nadu Amendment Act 18, of 2009, with effect from 30thJuly 2008.

(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 *omitted[or payable] under this Actinserted[in the manner prescribed] by aregistered dealer to another registered dealeron the purchase of goods including capital goods inthe course of his business;

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

1[(25-A)**"Joint Commissioner (Enforcement)"** means any person appointed to be a Joint Commissioner of Commercial Taxes (Enforcement) under section 48;]

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

(27)**"manufacture"** with its grammatical variations and cognate expressions means producing,making, extracting, altering, ornamenting, finishing, assembling or otherwise processing, treatingor 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"**under this Act;

means reversal of input tax credit already claimed and availed

(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 inpursuance 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;

1.Inserted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

(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 un-incorporatedassociation 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) ofsection 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) Thesale 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 partyis prior or subsequent to such appropriation.

(b) Where there is a single contract of sale or purchase of goods, situated at more places thanone, the provisions of clause (a) shall apply as if there were separate contracts in respect of thegoods 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 takenplace –

(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 havesold the goods at one rate and to have passed on the sale proceeds to hisprincipal at another rate, or

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

*(35-A) "tax deductor identification number" means the number obtained under section 13-A"

(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)**"Territorial1[Deputy]Commissioner"**means any person appointed to be a Territorial 1**[Deputy]** 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 throughanother, 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 bythe 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 hisbusiness 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.

1.. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

3. **Levy of Taxes on sales of goods.-** (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.

[1](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][(1-A) Notwithstandinganything contained in this Act, for the purpose of assessment of tax under this Act, for the period from the 1stday of January 2007 to the 31stday of March 2007 in respect of dealers referred to in clause (a) or (b)of sub-section (1), the total turnover for the period from the 1stday of April 2006 to the 31stday of December 2006 under the repealed Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act 1 of 1959) and the total turnover for the period from the 1stday of January 2007 to the 31stday of March 2007 under this Act, shall be the total turnover for the year 2006-2007. in respect of such dealer whose total turnover for that year exceeds the total turnover referred to in the said clause (a) or (b) of sub-section 1 and if,-

(a) such dealer has not collected the tax under this Act, he is liable to pay tax under this Act,

(b) such dealer has collected the tax under this Act, he is liable to pay tax under this Act, and other provisions of this Act, shall apply to such dealer.]

(2) Subject to the provisions ofsub-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.

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1. This sub-section was substituted in its present form, with retrospective effect from 1st January 2007 by the Amendment Act (21 of) 2007, so as to restrict the benefit to the dealers who purchased and sell goods within the State and whose total turnover for a year is not less than Rs.10 lakshs.

2. Inserted by Tamil Nadu Amendment Act 26 of 2009 with effect from 7thAugust 2009. See entry 65 of the Fourth Schedule.

[1][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) 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.

[2][(4) (a) Notwithstanding anything contained in sub-section (2), but subject to the provisions of subsection (1), every dealer, who effects second and subsequent sales of goods purchased *[from the registered dealers]within the State, whose total turnover relating to taxable goods, for a year, is less than rupees fifty lakhs, may, at his option, instead ofpaying tax under sub-section (2), pay a tax, for each year, on his[3][turnover relating to taxable goods] at such rate not exceeding one percent, as may be notified[4]by the Government.Such option shall be exercised by the dealer , -

(i) Who commences business, within thirty daysfrom the date of commencement of the business;

(ii) Whose turnover is below rupees fifty lakhs during the previous year, on or before 30th day of April of the year for which he exercises such options;

(iii) For the year 2008-09, within thirty days from the date of commencement of the Tamil Nadu Value Added Tax (Second Amendment) Ordinance, 2008:

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1. This proviso was added from 1stJanuary 2007 by Section 2 (2) of the Amendment Act (21 of) 2007.

2. This sub-section is as substituted by Section 2 of the second Amendment Act (49 of) 2008, effective from 18thJune 2009, which replaced the Ordinance 1 of 2008.

3. . These words were substituted for the words ‘total turnover’ by Section 2 (3)(a) of the Amendment Act (21 of) 2007, with effect from 1stJanuary 2007.

4. This Rate has been notified as half a percent by Notification No. II (1)/CTR/(A-1)/2007-G.O.No.2 dated 1stJanuary 2007, effective from that date.

No 217 dated 14.10.2015.

Provided that such dealer shall not collect1[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 onthe goods purchased by him:

Provided also that the dealer who purchased goodsfrom 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 shallinform the assessing authority in writing within seven days from the date on which such turnover has so reached. 2[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 taxcredit 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 hasreached rupees fifty lakshs during the previous year shall not be entitled to exercise such option for subsequent years..

(5) Subject to the provisions of sub-section (1), every dealer, who deals in the goods specified inthe Second Schedule, shall pay atax, 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 applicableto such containers or packing materials, as the case may be, shall, whether the price of thecontainers 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, inwhich 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.

***4. Levy of Tax on right to use any goods.**. (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 ofIndia, 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 thegoods 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.

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1. These words were substituted for the words 'tax exceeding the rate notified by the Government under this sub-section', by Section 2 (3)(b) of the Amendment Act (21 of) 2007 with effect from 1st January 2007.

2. These words have been substituted by Section 2 of the Tamil Nadu Amendment Act 27 of 2011, from a date to be notified, by the words 'Such dealer may pay a tax for eachyear on this turnover relating to taxable goods upto rupees fifty lakhs at such rate not exceeding one percent as may be notified by the Government and his liable to pay tax under sub-section (2) on all his sales of taxable goods above rupees fifty lakhs'. This date has been notified as 1stApril 2012 by notification no.II (2)/CTR/437(c-2)/2011-GO>No.135 dated 31stOctober 2011.

* Notifications issued under this Section or indicated at page 412

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

Explanation.-Where any works contract involves more than one item of work, the rate of tax shouldbe 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.

6. Payment of tax at compounded rate by works contractor.-(1) Notwithstanding anything contained in this Act, every dealer,[1][other than the dealer who purchases*[or receives]goods from outside the State or imports goods from the outside the Country]may, at his option, instead ofpaying 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:	[2][Five]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 commencementof the works contract, his option to pay the tax under sub-section (1) and shall pay the tax duringthe 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.

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1. These words have been added by Section 3 (i) of the Amendment Act (21of) 2007, with effect from 1stJanuary 2007.

2. Substituted for the words 'four' by Section 2 of the Amendment Act (4 of) 2012, notified in No. II (2)/CTR/145©/2012-GO.No.31 dated 10thMarch 2012, to come into force from that date.

*. These words are inserted in sub-section (1) of Section 6 of the principal Act as per Gazette No 217 dated 14.10.2015.

(5) The dealer, who pays tax under this section, shall not[1][collect any amount by way of tax or purporting to be by way of tax andshall 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 ofconstruction 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 allkinds 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

[2][6-A Payment of tax at compounded rate by brick manufacturers.-(1)Notwithstanding anything contained in this Act, every dealer manufacturing bricks may, at his option, instead of paying tax in accordance with the provisions of sub-section (2) of Section 3, pay tax, for each

year, by way of composition the lumpsum linked with production capacity of each kiln as specified in the Seventh Schedule.

(2) Every dealer, who opts for payment of tax under sub-section (1), shall apply to the assessing authority on or before the 30thday 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:

Provided that for the year 2009-2010, every dealer who opts for payment of tax under sub-section (1) shall applyto the assessing authority within two months from the date of commencement of the Tamil Nadu Value Added Tax (Fourth Amendment) Act, 2009:

Provided furtherthat in respect of dealers referred to in the first proviso, the total turnover for the period prior to the date of opting for payment of tax under sub-section (1), shall be treated as the total turnover for that year and the excess input tax credit, if any, on that date shall lapse to the Government.

(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) The dealerwho 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 goods purchased by him.

(5) The dealer who purchases goods from such dealer shall not be entitled to input tax credit on the goods purchased by him.

(6) Notwithstanding the operation of a brick kiln for a part of the year, the dealer owning the kiln and opted for payment of lumpsum shall be liabletomake payment of lumpsum for the whole year, except when the dealer opts for payment of lumpsum for the first time after the commencement of the business, he shall be liable to pay lumpsum from the beginning of the month in which he exercises his option.

Explanation.-For the purpose of this section, "brick manufacturer" means the manufacturer of brick specified in sub-item (a) or (b) of item (22) in Part-B of the First Schedule."]

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1. These words have been added by Section 3 (i) of the Amendment Act (21 of) 2007, with effect from 1stJanuary 2007.

2. Added by Tamil Nadu Amendment Act 25 of 2009, notified to come into force on 1st September 2009.

[1]**7. Levy of taxes on food and drinks-**(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 ofthe State Government or Government of India and restaurants attached to such hotels at the rate of[2][fourteen] and half per cent of the taxable turnover;and

(b) every dealer other than those mentioned in clause (a)[3][whose total turnover is not less than rupees ten lakhs for a year], shall pay tax on the sale of ready to eat un-branded foods including sweets, savouries, un-branded non-alcoholic drinks and beveragesserved in or catered indoors or outdoors by hotels, restaurants, sweet-stalls, clubs, caterers and any other eating houses, at the rate of [4][five]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.

8 Payment of tax at compounded rate by hotels, restaurants, sweet-stalls and bakeries. - (1)(a) 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.

[5][(b) Notwithstanding anything contained in clause (a) of subsection (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 un-branded bakery products and other ready to eat un-branded 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.

1.Notification granting exemptions from levy of tax under this Section is available at page 413.

2. Substituted for the word 'twelve' by Section 3 of the Amendment Act (4 of) 2012, with effect from 10thMarch 2012.

3. These words were added by Section 4 of the Amendment Act (21 of) 2007, with effect from 1stJanuary 2007.

4. The rate of tax has been reduced to two percent from 1stJanuary 2007 by Notification No. II (1)/CTR/(a-14)/2007-GO.Ms.No.12 of that date. This reduced rate is applicable also to sales of mineral water by these dealers as per Notification No. II (1)/CTR/30(a-4)/2007-GO.Ms.No.79 dated 23rdMarch 2007, effective from 1stJanuary 2007.

The word 'four' has been substituted by the word 'five' by Section 3 of Amendment Act (4 of) 2012, effective from 10thMarch 2012, has stated in foot note 2 on page 16. The concessional rate two percent, granted by the two notifications mentioned above, has been continued by notification nos II (!)/CTR/11(a-1) and (a-2)/2012-GO.No.32 dated 10thMarch 2012, effective from that date, for all these goods.

5. Sun-section (1) was number as clause (a) and clause (b) was added from 1stJanuary 2007 by Section 5 of the Amendment Act (21 of) 2007.The words 'and bakeries' were also added in the heading by that Amendment. See Section 2 (9) for the meaning of the term 'branded'.

(2) Every dealer, who opts for payment of tax under sub-section (1), shall apply to theassessing authority on or before the30thday 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 inmonthly 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 continuefor 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 underthis section, shall not be entitled to input tax credit on goods purchased by him.

9 Levy of tax on bullion and jewellery.-. (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.

10Tax on goods purchased by dealers registered underCentralSalesTaxAct,1956(Central Act 74 of 1956)-. Notwithstanding anything contained in this Act, every dealer registered under sub-section (3) ofsection 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.

*[Omitted]**11. Levy of tax on sugar-cane.--**. (1) Notwithstanding anything contained in this Act, every dealer shall pay a tax on the lastpurchase 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 **[Omitted] ***

12.Levy of purchase tax .--(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 orpurchase of which is liable to tax under this Act), in circumstances in which no tax is payable bythat 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.

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*. Section 11 of the Principal Act shall be omitted as perGazette No 217 dated 14.10.2015.

(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.

13.deduction of tax at source in works contract .--. (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, deductan 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 1[five] 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 otherform) 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 orthe 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.—Forthe purpose of thisSection -

(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;

(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.

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1. The word 'F\our' has been substituted by the word 'Five' by Section 4 of the Amendment Act (4 of) 2012, with effect from 10thMarch 2012.

(4) On furnishing a certificate of deduction referred to in sub-section (3), the amount deposited under sub-section (2), shall be adjustedby 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, interestat1[two]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.

***[13-A. Tax deductor identification number:-**Any person liable to make deduction of tax under section 13 shall apply to such authority in such manner as may be prescribed and shall obtain a tax deductor identification number".

14. Reversal of tax credit.--. (1). Where a purchasing dealer has returned the goods to the seller for any reason, the input taxcredit claimed already on the purchase by the dealer shall be liable to reversal of tax crediton 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.

15.Exempted sale.--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.

16. Stage of levy of taxes in respect of imported and exported goods,--(1) In the case of goods imported into the State either from outside the territory of India orfrom any other State, the stage of levy of tax shall be deemed to commence at the stage of the saleor purchase effected immediately 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 orto any other State, the stage of levy of tax shall be deemed to conclude at the stage of sale orpurchase 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 undersub-

section (3) of section 5 of the Central Sales Tax Act, 1956, a saleor purchase in the course ofexport, the series of sales or purchases of such goods shall be deemed to conclude at the stage of thesale or purchase immediately preceding such sale or purchase in the course of export.

17.Burden of proof .--(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 ofthe first sale in the State shall be the first seller of such goods and shall be liable to pay tax at therate specified in the Second Schedule on his turnover of sale relating to such goods, unless heproves that the sale or purchase, as the case may be, of such goods had already been subjected totax under this Act.

1.The word 'two' was substituted for the word 'one and a quarter' as per Act No .11/2013 dated 29.05.2013.

18. Zero-rating .-. (1) The following shall be zero rate sale for the purpose of this Act, and shall be eligible forinput tax credit or refund of the amount of the tax paid on the purchase of goods specified in theFirst 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,*[for the purpose ofuse in manufacture, trading, production, processing, assembling, packaging or for use as packing material or packing accessories] 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 *Omitted[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 refundwithin a period of one hundred and eighty days from the date of1[making zero rate sales]accrual of such input tax credit,such credit shall lapse to Government.

19.Input tax credit .--(1) There shall be input tax credit of the amount of tax paidOmitted[or Payable]under this Act, by theregistered dealer to the seller on his purchases of taxable goods specified in the First Schedule :

* Omitted[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.]* Omitted

*[Provided that the registered dealer, who claims input tax credit, shall establish that the tax due On purchase of goods has actually been paid in the manner prescribed by the registered dealer who sold such goods and that the goods have actually been delivered

Provided further that the tax deferred under section 32 shall be deemed to have been paid under this Act for the purpose of this sub-section.]*

(2) Input tax credit shall be allowed for the purchase of goods made within the State from aregistered 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)4[Omitted]sale in the course of inter-State trade or commerce falling under sub-section (1) of section 8of the Central Sales Tax Act, 1956 (Central Act 74 of 1956);]

(v) sale in the course of inter-State trade or commerce falling under sub-section (1) and (2) of section 8 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956)

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

[4][Omitted] [3][Provided that Input Tax Credit shall be allowed in excess of three per cent of tax for the purpose specified in clause (v).]

(3) (a) Every registered dealer, in respect of purchases of capital goods, [2][for use in the manufacture of taxable goods], shall be allowed input tax credit in the manner prescribed.

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1. The words 'accrual of such input tax credit' which originally appeared here have been substituted by the words "making zero rate sale" by Amendment Act (9 of) 2010, with effect from 1st April 2010, as notified by GO.No.24 dated 2nd March 2010.
2. The words 'for use in the manufacture of taxable goods'were substituted for the words 'wholly for use in the course of

form 1stJanuary 2007.

3. Added by Section 2(1) of the Amendment Act 28 of 2013, Notified to come into force with effect from 11thNovember vide G.O.No139 dated 8thNovember 2013.
4. This was omitted by Act No 5 of 2015 Tamil Nadu Value Added Tax (Amendment) Act, 2015 dated 31stMarch 2015
*. These words are inserted inSub-section (1) Item (ii) and these words are omitted in Sub-section (2) of Section 18 and Sub-section (1) of Section 19 and new proviso was inserted instead of old proviso in Section 19as per Gazette No 217 dated 14.10.2015.

(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 un availed 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 *Omitted[or Payable] in the State on the purchase of goods, in excessof 1[fivepercent]1[three]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 *Omitted[or Payable] in other States or Union Territories on goods brought into this State from outside the State.

3[Omitted](c) No input tax credit shall be allowed on the purchase of goods sold as such or used in themanufacture 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 Act 74 of 1956).]

(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.

2[Provided that on the purchase of capital goods which are used in the manufacture of exempted goods and taxable goods, in put tax credit shall be allowed to the extent of its usage in the manufacture of taxable goods in the manner prescribed.]

(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 andin 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 himfor 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 paidOmitted[orPayable]at the time of purchase of goods, if such-

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1. Theword 'three' was substituted for the word 'four'from 1stApril 2007 by Section 6 (2) of that Act, consequent on the reduction of the rate of tax on inter–State under Section 8 (1) of the CST Act from that dateand now substituted forthe word 'three' from 11thNovember 2013 vide Section 2(1) of the Amendment Act 28 of 2013.
2. This proviso was added from 1stJanuary 2007 by Section 6 (3) of the Amendment Act (21 of) 2007.
3. This was omitted by Act No 5 of 2015 Tamil Nadu Value Added Tax (Amendment) Act, 2015 dated 31stMarch 2015.

(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 beforethe 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, billor 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 aregistered 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 1[two]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.

1.Substituted for the words “one and a quarter per cent” by Section 3 of the Second Amendment Act No 11 of 2013, effective from 28thMay 2013.

(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 dateof stoppage or closure of such business and recovered.

1 [(20) Not withstanding any thing contained in this section, where any registered dealer has sold goods at a price lesser than the price of the goods purchased by him, the amount of the input tax credit over and above the output tax of those goods shall be reversed.]

*[“(21) Notwithstanding anything contained in sub-section (2), in thecase of purchase of goods made within the State from a registered dealer who has availed fiscal incentive in the form of refund of gross or net output tax as Industrial Investment Promotion subsidy or soft loan sanctioned by the

Government, input tax credit shall be allowed only to the extent of aggregate of output tax paid on the re-sale of such goods and the sale of goods manufactured out of such goods, within the State or in the course of inter-State trade or commerce"]*

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

21. Filing of returns.-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,

Prior to the substitution of this section by Section 3 of the Fifth Amendment Act 23 of 2012, notified by GO.No.82 as effective from 19thJune 2012, this Section read as under;-

21. Filing of returns .- Every dealer,2[registered] 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 the 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 of filing return as prescribed whichever is later.

22.3[Deemed Assessment and] procedure to be followed by the assessing authority.- (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 arein the prescribed form andaccompaniedwith the prescribeddocuments andproof of payment of tax. Every such dealer shall be deemed to have been assessed for the year on the 31st day of October of the succeeding year –

Provided that in respect of such returns submitted for the years 2006-2007, 2007-2008, 2008-2009, 2009-2010 and 2010-2011, on which assessment order are not passed shall be deemed to have been assessed on the 30thday of June 2012.

Prior to the Amendment made by the Fifth Amendment Act 23 of 2012, notified by GO.No.82. as effective from 19th June2012, this sub-section was as under :-

(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 assessmentsshall be selected by the Commissioner in such manner as may be prescribed for the purpose of detailed scrutiny regarding the correctness of the returns submittedby the dealer and in such cases, revision of assessment shall be made, wherever necessary.

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1. Inserted by Amendment Act (22 of) 2010 and came into force on 19thAugust 2010, vide Notification No. II (2)/CTR/527(b)/2010 dated 19thAugust 2010 but the date of effect of this Amendment has been altered as 1stJanuary 2007 by Amendment Act 42 of 2010.
2. This term was substituted for the words "liable to pay tax" by Section 3 of the Amendment Act (49 of) 2008, effective from 18thJune 2008.
3. Substituted by Section 4 (3) of the Fifth Amendment Act, 23 of 2012, effective from the date to be notified and notified by the GO.No.82 has 19thJune 2012.

*. In section 19 after sub-section (20) the above sub-section (21) was inserted as per G.O.No 56 dated 27.02.2016.

*[(3-A) Notwithstanding anything contained in sub-section (2), the casual traders and the dealers in respect of whom the relevant assessment year is the first or the last year of business, shall be assessed on the basis of the scrutiny of the returns with reference to the books of accounts, registers, records and any other document and on such enquiry as the assessing authority may consider necessary".]

1[(4) If no return is submitted by the dealer forany period of the year or if the return filed is in complete or incorrect, or if not accompanied with any of the documents prescribed or proof of payments of tax, the assessing authority shall, after making such enquiries as it may consider necessary, assess the dealer to the best of its judgment,subject to suchconditions as may be prescribed, after the completion of that year:

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 theorder of assessment passed under sub-section (4) or by a separate order, direct the dealer topay by way of penalty, a sum which shall be,one hundred and fifty percent of the difference of the tax assessed and the tax already paid as per the returns:

Provided that no penalty under this sub-section shall be imposed after the period ofsixyears from the date of assessment order*unless the dealer affectedhas had a reasonableopportunity of showing cause against such imposition.

Explanation.—For the purpose of levy of penalty under this sub-section, the tax assessed on the following kinds of turnover shall be deducted from the tax assessed under sub-section (4):--

(i) Any turnover representing additions to the turnover asper the returns made by the assessing authority without reference to any specific concealment of turnover;

(ii) Any turnover estimated by the assessing authority with reference to any specific concealment of turnover as per the returns;

(iii) Any turnoveron which tax is paid at the concessional rate subject to the condition of furnishing any declaration but where such declaration could not be furnished at the time of assessment.

Prior to the amendments made from 19thJune 2012 by the aforesaid Fifth Amendment Act 23 of 2012, these two sub-sections (4) and (5) were as under, the Explanation below the latter being newly added:--

(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 in 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 percent 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 [xxx]**unless the dealer affected has had a reasonable opportunity of showingcause 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 madeand 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.

1.. Substituted by Section 4 (3) of the Fifth Amendment Act, 23 of 2012, effective from the date to be notified and notified by the GO.No.82 has 19thJune 2012

* The omission of the word “and” here is probably a drafting error.

** The omission of the word “and” here is probably a drafting error

(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.

23. **Procedure when Assessee claims identical question of law is pending before the High Court or Super Court.--**(1) Notwithstanding anything contained in this Act, where an assessee claims that anyquestion of law arising in his case for an assessment year, which is pending before the assessing authority (such case being hereafter in this section referred to as the relevant case) is identical with a questionof law arising in his case for another assessment year, which is pending before the High Court orSupreme Court (such case being hereafter in this section referred to as the other case), he mayfurnish to the assessing authority a declaration in the prescribed form for verification in theprescribed manner and if the assessing authority agrees to

apply in the relevant case the finaldecision on the question of law in the other case, he shall not raise such question of law in therelevant case.

(2) The assessing authority may, by order, in writing, -

(i) admit the claim of the assessee if it is satisfied that the question of law arising in the relevant case is identical with the question of law in the other case; or

(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 theother 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 Actfor the assessment of the turnover of the assessee or for the imposition of any penalty on him.

24. **Assessment of sales shown in accounts at low prices.--**(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 lowcompared to the prevailing market price of such goods, it may, at any time within a period of *[five] Six years from the expiry of the year to which the tax relates, assess or reassess the dealer to the best ofits 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 suchassessment.

(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.

25. Procedure tobe followed in assessment of certain cases.—(1) If any dealer who is liable to pay tax under this act fails to submit return within the prescribed period, or if the return submitted by him appears to be assessing authority to be incomplete or incorrect, the assessing authority may, after making such enquires as it considers necessary, determined provisionally the tax payable by the dealer to the best of its judgment—

Prior to its substitution by Section 5 of the Fifth Amendment Act 23 of 2012 (effective from a date to be *notified) this sub-section read as under:-

25.Procedure to be followed in assessment of certain cases.--(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 taxpayable 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 provingthe correctness or completeness of the return submitted by him.

(2) If the assessing authority has reason to believe that the tax determinedby 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 asmay be prescribed on the completion of assessment in the manner prescribed.

26.Assessment of legal representatives.--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 aspayable 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.

27. Assessment of escaped turnover and wrong availment of input tax credit (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[1][sixyears from the date of assessment], 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[2][six years from the date of assessesment],reassess 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 anydealer produces false bills, vouchers, declaration certificate or any otherdocuments with a view to support his claim of input tax credit or refund, the assessing authority shall, at any time, within aperiod of[2][six years from the date of assessesment],reverse input tax credit availed anddetermine 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.

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* Notified as 19thJune 2012 by G.O.No. 82 dated 18thJune 2012.

1. These words were substituted for the words 'five years from the date of assessment order by the assessing authority' by Section 6 (1) of the Fifth Amendment Act 23 of 2012, effective from a date to be notified and notified as 19thJune 2012 by GO.No.82.
2. These words were substituted by Section 6 of the aforesaid Fifth Amendment Act, 23 of 2012 for the words 'five years from the date of order of assessment by the assessing authority'.

(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*[which shall be three hundred percent of the tax due in respect of such claim;]

*omitted**[(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:]omitted*

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 even though the original order of assessment, if any, passed in the matter has been the subject matter of an appeal or revision.

(6) In computing the period of limitation for assessment or re-assessment under this section, the time during which the proceedings for assessment or re-assessment remained stayed under the orders of a Civil Court or other competent authority shall be excluded.

(7) In computing the period of limitation for assessment or re-assessment under this section, the time during which any appeal or other proceeding in respect of any other assessment or reassessment is pending before the High Court or the Supreme Court involving a question of law having a direct bearing on the assessment or re-assessment in question, shall be excluded.

(8) In computing the period of limitation for assessment or re-assessment under this section, the time during which any appeal or proceeding in respect of any assessment or re-assessment of the same or part of the turnover made under any other enactment was pending before any appellateor revisional authority or the High Court or the Supreme Court shall be excluded.

28.**Assessment of turnover not disclosed under compounding provisions.--**(1) Where for any reason, any part of the turnover of business of a dealer who has opted to paytax 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[1][six years from the date of assessment]determine to the best of its judgment the turnover which hasescaped assessment and re-assess the tax payable on the total turnover including the turnover already assessed under the said section.

_____

1. These words were substituted by Section 7 of the Amendment Act 2012, effective from 19th June 2012, as per GO.NO.82 for the words 'five years from the date of order of assessment by the assessing authority.

(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 opportunityto show cause against such re-assessment.

(3) The amount of tax already paid by the dealer concerned in pursuance of the option to compound undersub-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 reassessment under sub-section (1) as they apply to the reassessment of escaped turnover under sub-section (1) of section 27.

29.**Assessment in cases of price variation .--** Notwithstanding anything contained in sections 27 and 28,-

(a) if a dealer receives inany 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 areturn 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, asit 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 clauses (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.

30. Power of Government to notify exemption or reduction of tax.--(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).

**In exercise of the powers conferred by sub-sections (1) and (2) of Section 30 of the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006), the Governor of Tamil Nadu hereby makes an exemption in respect of the tax payable under the said Act by any dealer on the sale of raw materials used in the manufacture of artificial limbs and calipers to Tvl. Mukti (M.S Dha Foundation), Chennai subject to the following conditions that:-

(i)theseller shall furnish a declaration duly filled in and signed by the said Foundation in the format annexed*(below) herewith along with the monthly return to the assessing officer: and

(ii)the goods shall be used by the said Foundation for the purpose of manufacture of artificial limbs and calipers and supplied to the beneficiaries at free of cost.

2. The exemption hereby made shall remain in force for two years from the date of publication of this Notification.

ANNEXURE

DECLARATION

1.Name and complete address of the dealer:-

2.Tax Payer Identification Number (TIN) of the dealer:

Certified that the following raw materials have been purchased by us from the above said dealer for the bonafide use of Tvl. Mukti (M.S. Dadha Foundation), Chennai for the manufacture of artificial limbs and calipers and supplied to the beneficiaries at free of cost.

Sl.No (1)	Description of goods (2)	Bill No. and date (3)	*Quantity of Goods (4)	Value of goods (5)

31.Power of Government to notify remission.--The Government may, in such circumstances and subject to such conditions as may beprescribed, by notification, remit the

whole or any part of the tax or penalty or interest or feepayable in respect of any period by any dealer under this Act.

**G.O.(Ms) No 79, Commercial Taxes & Registration (B2) Department, dated 15.10.2014.

* The word "below" was inserted in sub-section (3) of Section 30 and theabovecoloumn was inserted as per G.O Ms. No. 123 CT & R (B2) Dated 17thDec 2015.

32.Power of Government to notify deferred payment of tax.--(1) The Government may, in such circumstances and subject to such conditions as may beprescribed, by notification whether prospectively or retrospectively, defer the payment, by anyindustrial 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 dateto be specified by the Government in this behalf.

(2) The Government may, by general or special order, authorise the Territorial[1][Deputy] 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.

33.Remission of tax deemed to be deferred payment of tax.--(1) Notwithstanding anything contained in this Act, all remission of tax made for a specifiedperiod or for any specified amount of tax under sub-section (4) of section 17 of the Tamil NaduGeneral Sales Tax Act, 1959 (Tamil Nadu Act I of 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:

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 any thing contained in this Act, the deferred payment of tax under sub-section (1) shall not attract interest under sub-section (3) of section42, provided the conditions laid down for payment of the tax deferred are satisfied.

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1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

(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 have already notified exemption of tax under the Tamil Nadu General Sales Tax Act, 1959(Tanuk Nadu Act I of 1959)and such exemptionon 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.

34. Liability of tax of persons and observing restrictions and conditions notified under Section 30 or Section 31.-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 theyear 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 31did not apply to such sales or purchases.

35.Liability ofFirms .-- (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, notwithstandingany contractto the contrary, beliable 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 un-assessed.

36. Liability to tax of partitioned Hindu family, dissolved Firm, etc..-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.

37. Liability to tax private Company on winding up.--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.

38. Registration of Dealers.-- (1) (a) Every dealer,[1][who purchases goods within the State and effects the sale of those goods within the State and whose total turnover] 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

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1.By Section 7 of the Amendment Act (21 of) 2007, with effect from 1st January 2007, the words 'whose total turnover in respect of purchase and sale within the State' were substituted by these words.

(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 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 anyother 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 otal turnover limit underclause (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 subsection (5).

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

39.**Procedure for registration .--**(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*One Thousand Rupees [five hundred rupees] for the principal place of business and in addition, a further fee of *One Thousand Rupees [fifty rupees]in respect of each of the places of business other than the principal place of business.

(2) If the authority grantingcertificate 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 registrationunder 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 oradditional 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 shallwithin 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 amountof 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 maybe 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.

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*. The words “One Thousand Rupees” were substituted instead of “Five Hundred Rupees” and “Fifty Rupees”

(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.

Omitted[(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.]Omitted

(12) A registered dealer shall exhibit at each place of his business the registration certificate, Omitted[(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*of dealerOmitted[or for a copy or duplicate of the certificate] Omittedunder thissection 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.

. **40.Collection of tax.--**(1) No person, who is not a registered dealer, shall collect any amount by way of tax orpurporting to be by wayof tax under this Act; and no registered dealer shall make any suchcollection except in accordance with the provisions of this Act and the rules made there under:

Explanation.-For the purposes of sub-section (1), any State Government orthe 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 of1[six years from the date of 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.

41.Forfeiture of tax collected..-=- If any person collects any amount by way of tax and his turnover for the year falls short of thetaxable limit specifiedunder this Act,the sum so collected shall be remitted to the Government and forfeited, after deducting the eligible input tax credit claim, if any, on the corresponding purchases.

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1. These words were substituted for the words 'five years from the date of order of the assessment' by Section 8 of
the Fifth Amendment Act 23 of 2012, effective from a date to be notified and notifie by G.O.No.82 as effective from 19thJune 2012.

*. In Section 39 Sub-section 11 was omitted and in sub-section 12 the words "or duplicate" were omitted and the words "of dealer" was substituted instead of these words" or for a copy or duplicate of the certificate" as per

Prior to 1stApril 2012, when this section was substituted in its present form by Section 2 of the Amendment Act 3 of 2012, this section was as under:--

41. Forfeiture of tax collected:- 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.

42. Payment and recovery of tax, penalty, etc.--(1) Save as otherwise provided for in section 21, the tax assessed or has become payable underthis 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, ifany, 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 theamount outstanding on the date of the default shall become immediately due and shall be a chargeon 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 himunder this Act, shall, subject to the claim ofthe 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(Tamil Nadu Act 30 of 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, --

(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 subsection (1) or in the order permitting payment in instalments, the dealer or person shall pay, inaddition to the amount due, interest at[1][two] 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 subsection, in respect of the amount in dispute in the appealor revision, shall be postponed till thedisposal of the appeal or revision, as the case may be, and shall be calculated on the amount thatbecomes due in accordance with the final order passed on the appeal or revision as if such amounthad 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, heshall pay, in addition to the amount of tax due as per his return, interest at[1][two]per cent of the tax payable for every month or part thereof.

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1. Substituted for the words “one and a quarter” by Section 3 of the Second Amendment Act of 2013 2. effective fromAct No .11-2013 dated 29.05.2013.

(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 andin 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 makefresh assessment order.

43.**Transfers to defraud revenue*void*.--**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.

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

45. Further mode of recovery.-- (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 personwho 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 dealeror 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 orwithin the time specified in the notice, (not being before the money becomes due or is held) somuch of the money as is sufficient to pay the amount due by the dealer or other person in respect of the arrearsthat have become payable under this Act or the whole of the money when it is equal toor 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 extentof 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 itby 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 dealerfor 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.

46.Recovery of tax where business of a dealer is transferred.--Where the ownership, of the business of a dealer liable to pay tax or other amount, istransferred, any tax or other amount payable under this Act in respect of such business andremaining 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 itsrecovery 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.

47.Rounding off of turnover, tax, etc.--The amount of turnover, tax, fee, penalty, fine or any other sum payable, and the amount ofrefund due, under this Act shall be rounded off to the nearest rupee and, for this purpose, wheresuch 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 ofturnover liable to tax at different rates each such item of turnover shall be rounded off as provided in this section.

48.Appointment of Commissioner of Commercial Taxes,[1][Additional Commissioners of Commercial Taxes, Appellate Joint Commissioners of Commercial Taxes, Joint Commissioners of Commercial Taxes, Appellate Deputy Commissioners of Commercial Taxes, Deputy Commissioners of Commercial Taxes and Assistant Commissioner of Commercial Taxes].--The Government mayappoint a Commissioner of Commercial Taxes and as many[1][Additional Commissioners of Commercial Taxes, Appellate JointCommissioners of Commercial Taxes,JointCommissioners of Commercial Taxes,JointCommissioners of Commercial Taxes(Enforcement), AppellateDeputyCommissioners of Commercial Taxes, TerritorialDeputyCommissioners of Commercial Taxes, AdministrativeDeputyCommissioners of CommercialTaxes,DeputyCommissioners of CommercialTaxes (Assessment),Deputy Commissioners ofCommercial Taxes(Enforcement) andAssistant Commissioners Commercial Taxes, as they think fit, for the purposeof performing the functions respectively conferred on them by or under this Act]. TheCommissioner of Commercial Taxes shall perform the functions conferred on him throughout theState, and the other officers shall perform their functions within such local limits as the Governmentor any authority or officer empowered in this behalf, may assign to them.

[2]**[48-A. Clarification and Advance Ruling.—**(1) The Government may constitute[3]a State Level Authority for Clarification and Advance Ruling, (hereinafter in this section, referred to as the Authority) comprising of the Commissioner of Commercial Taxes and two Additional Commissioners to clarify,any point concerning the rate of tax, on an application by a registered dealer:

Provided that no such application shall be entertained unless it is accompanied by proof of payment of such fee, paid in such manner, as may be prescribed.

(2) No application shall be entertained where the question raised in the application,-

(i) is already pending before any appellate or revising authority of the department or Appellate Tribunal or any Court; or

(ii) relates to an issue which is designed apparently for avoidance of tax :

Provided that no application shall be rejected under this sub-section without giving the applicant a reasonable opportunity of being heard and where the application is rejected, reasons for such rejection, shall be recorded in the order:

(3) The order of the authority shall be binding,--

(i) on the applicant who has sought for the clarification or advance ruling ;

(ii) in respect of the goods in relation to which the clarification or advance ruling was sought ; and

(iii) on all the officers working under the control of the Commissioner of Commercial Taxes.

(4) The Authority shall have power to review, amend or revoke its clarification or advance ruling at any time for good and sufficient cause after giving an opportunity of being heard to the affected parties.

(5) An order giving effect to such review or amendment or revocation shall not be subject to the period of limitation]

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1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effectfrom 30thJuly 2008.
2. Inserted by Section 2 of Tamil Nadu Amendment Act 26 of 2011 with immediate effect, that is , effect from the date of publication in the Gazette viz., 27thSeptember 2011.
3. By notification No. II(2)/CTR/437(c-1)/2011-GO.No. 134 dated 1stOctober 2011, this authority is to comprise of the Commissioner of Commercial Taxes, the Additional Commissioner (Public Relation) and the Additional Commissioner (Revision Petition) See Rule 12-A.

49Special powers of [1][Deputy] Commissioner under Revenue Recovery Act.--. (1) A Territorial[1][Deputy]Commissioner or the [1][Deputy]Commissioner (Assessment) shallhave the powers of a Collector under the Tamil Nadu Revenue Recovery Act, 1864(Tamil Nadu ActII of 1864) for the purposes of recovery of any amount due under this Act.

(2) Subject to the provisions of sub-section (3), the Territorial1[Deputy] Commissioner and the 1[Deputy]Commissioner (Assessment) shall, for the purposes of recovery of anyamount due under this

Act, have the powers of the Commissioner under the Tamil Nadu Rent and Revenue Sales Act,1839 (Central Act VII of 1839), for the sale of property distrained for any amount due under this Act.

(3) Notwithstanding anything contained in the Tamil Nadu Rent and Revenue Sales Act, 1839,. (Central Act VII 1839), the Territorial [1] [Deputy] Commissioner and the[1][Deputy] Commissioner (Assessment), in theexercise of the powers conferred by sub-section (2), shall be subjectto the control andsuperintendence of the [2][Joint]Commissioner having jurisdiction and the Commissioner.

(4) The Territorial [1][Deputy]Commissioner and the [1][Deputy]Commissioner (Assessment), may subject to the control and superintendence of the2[Joint]Commissioner and the Commissioner,delegate the powers vested in them under sub-sections (1) and (2), to any officer not below the rankof an[1]Deputy] 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[1][Deputy]Commissioner and the[1][Deputy] Commissioner (Assessment).

50. Constitution of Appellate Tribunal.-- (1) The Government shall constitute an Appellate Tribunal consisting of, subject to theprovisions of sub-section(2), a Chairman and two other members to exercise the functionsconferred on the Appellate Tribunal by or under this Act. The Chairman shall be a Judicial Officernot 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 totime, appoint such number of persons to be additional members of the Appellate Tribunal as theGovernment 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 JudicialOfficers 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;

(iii) by a single member of the Appellate Tribunal nominated in this behalf by theChairman, in cases where the disputed turnover as determined by the assessing authority does notexceed one lakh of rupees.

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1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.
2. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008, and again by Section 3 of Amendment Act 23 of 2011 with effect from 26thAugust 2010.

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 theChairman shall be a member.

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

(c) Where an appeal or application is heard by a Bench consisting of two members, and the members are divided in their opinion onany point, the point shall be referred for decision to aBench 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,[1]regulations consistentwith the provisions of this Act and the rules made thereunder for regulating the constitution and the procedure and the disposal of its business.

51 .Appeal to Appellate[2][Deputy] Commissioner.--(1) Any person objecting to an order passed by the appropriate authority under section 22,section 24, section 26, sub-sections (1), (2), (3) and (4) of section 27, section 28, section 29, section34 or sub-section (2) of section 40 other than an order passed by an [3][Deputy] Commissioner(Assessment)may, within a period of thirty days from the date on which the order was served

onhim, in the manner prescribed, appeal to the Appellate [3][Deputy]Commissioner having jurisdiction:

Provided that the Appellate[3][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 heis satisfied that the appellant had sufficient cause for not presenting the appeal within the firstmentioned period:

Provided furtherthat 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 entertainedunder this sub-section unless it is accompanied by satisfactory proof of the payment of the taxadmitted by the appellant to be due or of such instalments thereof as might have become payable, asthe case may be, and twenty-five per cent of the difference of the tax assessed by the assessingauthority 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[3][Deputy] Commissioner may, after giving theappellant 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 assessmentafter suchfurther inquiry as may be directed; or

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

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1. See page 441 for the regulations notified under this sub-section.
2. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.
3. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

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 tobeheard 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 [1][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 suchform and in such manner as maybe prescribed:

Provided further that the directions given under the first proviso shall stand vacated, if noorder is passed under sub-section (3) within a period of one hundred and eighty days of the issue oforder under the said proviso.

52.Appeal to Appellate[1][Joint]Commissioner:-(1) Any person objecting to an order passed by the[1][Deputy]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 thedate on which the order was served on him in the manner prescribed, appeal to the Appellate[1]**[Joint]** 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 issatisfied that the appellant had sufficient cause for not presenting the appeal within the firstmentioned 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 entertainedunder this sub-section unless it is accompanied by satisfactory proof of the payment of the taxadmitted by the appellant to be due or of such instalments thereof as might have become payable, asthe case may be, and twenty-five per cent of the difference of the tax assessed by the assessingauthority 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) Indisposing 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 annul 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

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1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

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

Provided that at the hearing of any appeal, theAssistantCommissioner (Assessment) shallhave 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, ifthe 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 vacated, ifno order is passed under sub-section (3) within a period of one hundred and eighty days of the issue of orderunder the said proviso.

53.Special powers of1[Joint] Commissioner.-- (1) The JointCommissioner may, of his own motion, call for and examine an order passedor 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.

This sub-section is as substituted by Section 9 of the Fifth Amendment Act 23 of 2012, notified as effective from 19th June 2012. Before this substitution, it read as under:-

53.Special powers of1[Joint] Commissioner.-- (1) The1**[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 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 1[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;

(b) the order has been made the subject of an appeal to the Appellate 1[Deputy] Commissioner or the Appellate1[Joint] Commissioner or the Appellate Tribunal, or of a revision in the High Court; or

2[(c) more than six years have expired after the date of assessment:

Provided that if the order passed or proceeding recorded by the appropriate authorityreferred to in sub-section (1) involves an issue on which the High Court has given its decisionadverse 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 ofthe High Court and the date of the order of the Supreme Court shall be excluded in computing the period referred to in clause (c).

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1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

2. Substituted for 'more than five years have expired after the passing of the order' by Section 9 of the Fifth Amendment Act 23 of 2012, notified by G.O. No. 82 as effective from 19thJune 2012.

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

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

54. Powers of revision of1[Joint] Commissioner.-- (1) Any person objecting to an order passed Or Proceedingrecorded 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 copyof the order or proceeding was

served on him, in the manner prescribed file an application for revision of such order or proceeding to the1[Joint] Commissioner:

Provided that the Deputy Commissioner may within a further period of thirty days admitan 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 thefirst mentioned period.

(2) An application forrevision 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 the1[Joint]Commissioner may in his discretion give such directions as he thinks fit, in regard to the payment ofsuch 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.

55.Special powers of1[Additional]Commissioner.--(1) The Additional Commissioner may, of his own motion, call for and examine an order passed or proceeding recorded by theappropriate 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 theDeputy Commissioner under section 53 or sub-section (3) of section 54 and if such orderorproceeding recorded is prejudicial to the interests of revenue, may make such inquiry or cause suchinquiry 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.

1.Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

This sub-section is as substituted by Section 10 of the Fifth Amendment Act 23 of 2012, notified by G.O.No. 82 as effective from 19thJune 2012. Before this substitution, it read as under:-

55.Special powers of1[Additional] Commissioner.--(1) The1[Additional] Commissioner may, of his own motion, call for and examine an order passed orproceeding 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 1[Joint]Commissioner under section 53 or sub-section (3) of section 54 and if such order orproceeding recorded is prejudicial to the interests of revenue, may make such inquiry or cause suchinquiry 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) The1[Additional]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 than2[sixyears have expired after the date of assessment]::

Provided that if the order passed or proceeding recorded by the appropriate authority or 1[Joint]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 orother competent authority shall be excluded.

56.Power to transfer appeals.---(1) The Chairman of the Appellate Tribunal may, either suo motu or on application, for reasonsto be recorded in writing, transfer an appeal pending before an Appellate[1][Joint] Commissioner to another Appellate[1][Joint] Commissioner or an appeal pending before an Appellate[1][Deputy] Commissioner to another Appellate[1][Deputy] 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[1][Joint]Commissioner or an Appellate[1][Deputy] 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.

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1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

2. Substituted for 'more than five years have expired after the passing of the order' by Section 10 of the aforesaid Fifth Amendment Act 23 of 2012, effective from 19thJune 2012.

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

Provided that the[1][Additional]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 issatisfied 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[1][Additional]Commissioner may call for and examinethe record of the order against which the application has been preferred and may make such inquiryor cause such inquiry to be made and, subject to the provisionsof 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 oflaw.

(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.

58.Appeal to Appellate Tribunal.--(1) Any officer prescribed by the Government or any person objecting to an order passed by the Appellate[1]Deputy]Commissioner under sub-section (3) of section 51, or by the Appellate[1][Joint]Commissioner under sub-section (3) of section 52, or by the[1][Joint] 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[1][Deputy]Commissioner or by the Appellate[1][Joint]Commissioner, as the case may be;

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1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

(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 bedue 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 ordered by the[1][Joint] 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 [1][Deputy]Commissioner under section 51 or by the Appellate[1][Joint]Commissioner under section 52, as thecase may be, setting aside the assessment and directing the assessing authority to make a freshassessment.

(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 subsection (1) by the other party, may file within sixty days of the receipt of the notice, a memorandumof 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 theAppellate 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 formand 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[1][Deputy] Commissioner or the Appellate [1][Joint]Commissioner orthe [1][Joint]Commissioner, the Government shall have the right to be heard by a representative:

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1 Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008. .

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[1][Deputy]Commissioner under sub-section (3) of section 51 or an order passed by the Appellate[1][Joint]Commissioner under sub-section (3) of section 52 or by the [1][Joint]Commissioner under sub-section (1) ofsection 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[1][Deputy] Commissioner or the Appellate[1][Joint]Commissioner or the[1][Joint]Commissioner, as the case may be. The Appellate Tribunal may, after giving a reasonableopportunity 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 filing 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, inthe case of an appeal against an order passed by the[1][Joint]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 producedby 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.

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1 Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

(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.

59. **Appeal to the High Court.--**(1)Any person objecting to an order passed by the[1]{Additional} Commissioner under section 55 may,within a period of ninetydays from the date on which the order was served on him, appeal againstsuch order to the High Court.

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

(3)In disposing of an appeal, the High Court may, after giving the appellant a reasonable opportunity of being heard,--

(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 assessmentand 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 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 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.

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1 Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008

(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.

60.Revision by the High Court(1) Within ninety days from the date on which the order under sub-sections (4), (5) or (7) ofsection 58 is served, any person who objects to such order or the1[Joint]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 the1[Joint]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 thepetition 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.

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1 Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008

(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.

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61.Petitions and appeals to the High Court to be heard by a Bench of not less than two judges.-- Every appeal preferred to the High Court under section 59 and every petition under section 60shall be heard by a Bench of not less than two Judges, and in respect of such appeal or petition theprovisions of section 98 of the Code of Civil Procedure, 1908(Central Act V of 1908) shall, so far as may be, apply.

62.Amendment of order of assessment etc.--(1) Where as a result of any order passed in appeal, revision or review under this Act, anychange becomes necessary, in the order of assessment, the appropriate appellate authority, or revising or reviewing authority may authorise the assessing authority to amend the order ofassessment accordingly and on such amendment being made, any amount overpaid by the assesseeshall be refunded to him without interest, or thefurther amount of tax, if any, due from him shall be collected in accordance with the provisions of this Act, as the case may be.

(2) Pending the exercise of the powers of appeal, revision or review, the appropriate appellate authority, or revising or reviewing authority may, on application made by the assessing authority, stay the refund to the assessee of any amount overpaid, in pursuance of the order which is the subject matter of appeal, revision or review.

(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.

63. Production of accounts.--(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 hisbusiness.

(2) The Appellate[1][Deputy]Commissioner or the Appellate [1][Joint]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 ofthe 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.

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1 Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008

[1]**[63-A. Accounts to be audited in certain cases.—**(1) Every registered dealer whose total turnover including zero-rate sale and sale in the course of inter-State trade or commerce as specified in Section 3 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) in a year, exceeds one crore rupees, shall get his accounts in respect of that year, audited by an Accountant and submit a report of such audit in the prescribed Form, duly signed and verified by the Accountant, to the assessing authority, within such period as may be prescribed.

Explanation.—For the purpose of this section "Accountant" means, a chartered accountant as defined in the Chartered Accountants Act, 1949 (Central Act 38 of 1949) or a cost accountant as defined in the Cost and Works Accountants Act, 1959 (Central Act 23 of 1959).

(2) If such registered dealer fails to get his accounts audited and submit a report of such audit within the prescribed period, as required in sub-section (1), the assessing authority may, after giving a reasonable opportunity of being heard, direct such registered dealer to pay by way of penalty of such of rupees ten thousand, in addition to any tax payable, in respect of the said period:

Provided that, this section shall not apply to the departments of Central and State Governments, local authorities, the railway administration as defined under the Railways Act, 1989 (Central Act 24 of 1989), the Tamil Nadu State Road Transport Corporations and similar such registered dealers, as way be notified by the Government.

64.Maintenance of upto date, true and correct accounts and record by dealers.--(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 ofbusiness 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 *Six [five]yearsat such place or places as he may notify to the registering authority. If the registereddealer 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.

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1. This Section was inserted by Section 2 of the Third Amendment Act 18 of 2012, with effect from30thAugust 2012, as notified in G.O. No. 118 of that date.It was clarified by Departmental CircularNo. 9/2012 dated 14thSeptember 2012 and 19thOctober 2012, that the submission of Audit Report in Form WW is applicable only from the financial year 2012-13 onwards. See Rule 16A.

*. In Sub-section (2) in clause (b) of Section 64 the expression “Six”was substituted instead

(4) The Commissioner may order for audit of the business of any registered dealer by anofficer not below the rank of1[Deputy]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) tofurnish 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.

65.Powers toorder production of accounts and powers of entry, inspection, etc.,--(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, andto furnish any other information relating to his business.

(2) All accounts, registers, records and other documents maintained by a dealer in the course of hisbusiness, 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 ofbusiness-cum-residence shall be entered into and searched by such officer except on the authorityof a search warrant issued by a

Magistratehavingjurisdiction over the area, and all searches under t his sub-section shall, so far asmay be, be made in accordance with the provisions of the Code of Criminal Procedure, 1973 (Central Act 2 of 1974).

1.The word 'Assistant' was substituted by the word 'Deputy' by Section 3 of the Tamil Nadu Amendment Act 23 of 2011, with effect from 26thAugust 2010.

(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 receiptfor 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, oriskeeping 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).

66.Powers to inspect goods delivered to a carrier or bailee.-- Where the goods are delivered to a carrier or a bailee for transmission, the movement of thegoods 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 inany 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, andto 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.

67.Establishment of check post or barrier and inspection of goods while in transit.--(1) If the Government consider that with a view to prevent or check evasion of tax under thisAct 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, andkeep 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 goodsvehicle 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 anysale 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) whethersuch 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 saidofficer 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 purchase 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 license.

(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 inrespect 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 ownerof 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 goodsvehicle or boat, shall furnish an authorisation from the owner of the goods vehicle or boatauthorising 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 thereofin a Government Treasury:

Provided that if the said officer is an officer below the rank of a[1][Commercial Tax Officer],the sale under this sub-section shall be effected by the[1][Commercial Tax Officer] having jurisdiction.

(11) Any person entitled to such sale proceeds shall, on application to the prescribed authority andupon sufficient proof, be paid the sale proceeds mentioned in sub-section (10) after deducting theexpenses of the sale and other incidental charges and the amount of tax due under this Act inrespect 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 officerin-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.

*[**67-A.Production of Advance Inward Way Bill.--**Thedriver or any other personin charge of the goods vehicle entering into the Statefrom a place outside the Stateto a destination within the State, carrying any

of the goods as maybe notified by the Government from time to time, shallon demand, produce at the checkpost on its route or before such authority as may be prescribed in this regard , advance inward way bill in such form and in such manner as may be prescribed".]

68.Possession and submission of certain records by owners,etc., of boats.--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 suchtime as may be prescribed.

69.Possession and submission of certain records by owners, etc., of goods vehicle.--Theowner 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 suchtime as may be prescribed.

70.Issue of transit pass .--(1) (a) When a goods vehicle carrying any goods mentioned in the SixthSchedule, comingfrom 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 theprescribed 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.

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1 Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008

(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 Stateby 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 byany 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 SixthSchedule, are1[sold or]consigned or transferred by anygoodsvehicle to another State from any place within the State, the1[seller or]consignor or transferor*[or clearing and forwarding agent]of the goodsshall 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 are1[sold or] consigned or transferred to other State.

(b) The1[seller or]consignor or transferor of the goods shall deliver or cause to be delivered, within theprescribed 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 the1[seller or] consignor or transferor of the goods fails to comply with clause (b), it shall bedeemed that the goods carried thereby have been sold within the State by the consignor or transferorand such1[seller or]consignor or transferor shall, notwithstanding anything contained in section 3, be liable topay 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 Actshall 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.

71. Offences and penalties.-- (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

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1. These words have been added by Section 2 of the Tamil Nadu Amendment Act 28 of 2011, given witheffect from 1stNovember 2011.

(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 accountand record under sub-section (1) of section 64 fails to keep and maintain such account or record, or keeps any booksof account at any place in contravention of sub-section (2) of section 64, or; moves the goods from one place to another in pursuance ofa 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 extendto 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 orfine 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 personin-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 license, 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 knowsor has reason to believe to be false, shall, on conviction, be liable to simple imprisonment whichmay 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*[input tax credit,]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 imprisonmentwhich may extend to three months and in the event of a second or subsequent conviction to rigorous imprisonment for six months.

72. Composition of offences.-- (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 offenceunder 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 thereforeand 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.

73.Cognizance of offences.--No prosecution for any offence under sub-section (4) of section 71 shall be instituted except with the written consent of the1[Joint] Commissioner.

74.Assessment, etc. not to be questioned in prosecution.--(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 anyfee 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.

75.Bar of certain proceedings.==(1) No suit, prosecution or other proceedings shall lie against any officer or servant of theGovernment 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.

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1 Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008

*. The words “input tax credit” were substituted in sub-section (9) of Section 71 as per Gazette No 217 dated 14.10.2015.

76. Limitations for certain suits and prosecutions.--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 Governmentfor 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.

77.Bar of suits and proceedings to set aside or modify assessment except as provided in this Act.-- (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.

78.Appearance before any authority in proceedings.--Any person who isentitled to appear before any authority other than the High Court inconnection 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.

79.Publication of information in respect of the Assessees .-- (1) If the Government is of opinion that it is necessary or expedient in the public interest topublish 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, causeto 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 forpresenting an appeal or a revision, as the case may be, has expired without an appeal or revisionhaving 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 thepartners of the firm, directors, managing agents, secretaries and treasurers, or managers of thecompany, 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.

***[79-A.Automation.--** (1) The Government may, by notification, provide that the provisions

contained in the Information Technology Act,2000(Central Act21 of 2000) and the rules made

and directions given under the said Act, including the provisions relating to digital signatures,

electronic governance, attribution, acknowledgement and dispatch of electronic records, secure

electronic records and secure digital signatures and digital signature certificates as are specified

in the said notification, shall, insofar as they may, as far as feasible, apply to the procedures

under this Act.

(2) Where any notice or communication is prepared on any automated data processing system and is properly served on any dealer or person, such notice or communication shall not be required to be personally signed by any officer or person and shall not be deemed to be invalid only on the ground that it is not personally signed by any such officer."]

80.Power to make Rules.-- (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;

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*. Section 79-A was inserted as per Gazette No 217 dated 14.10.2015. and appendix notification I & II were Added as per G.O.No 15 dated 29.01.2016.

(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 byany 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 administration 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, theauthority from whom, the conditions subject to which and the fees subject to payment ofwhich any form of declaration prescribed under the Act may be obtained, the manner in which anysuch 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 ofthis 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 ortransferred 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 providethat a person guilty of a breach thereof shall be punishable with fine which may extend to rupeesone 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 ornotification, 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.

81.Power to summon witnesses and production of documents.--(1) An assessing authority, or an appellate or revising authority including the Appellate Tribunalor any officer of the

Commercial Taxes Department, not below the rank of an [1][Deputy] 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 (Central Act V of 1908), for the purpose of -

(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 reasonableopportunity 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 [1][Deputy] 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.

82. Power to get information.--(1) An assessing authority, or appellate or revising authority under this Actor any officer of the Commercial Taxes Department not below the rank of an [1][Deputy]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 useful 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.

83.Power to remove difficulties.--If any difficulty arises in giving effect to the provisions of this Act, the Government may, bynotification 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.

84.Power to rectifyany error apparent on the face of the record.--(1) An assessing authority or an appellate or revising authority (including the AppellateTribunal) may, at any time within *Six [five] years from the date of any order passed by it, rectify any error apparent on the face of the record:

1.The word 'Assistant' in these three places was substituted by the word 'Deputy' by Section 5 and 6 of the Tamil Nadu Amendment Act 23 of 2011, with effect from 26thAugust 2010.

*. The word Six was substituted instead of five in sub-section (1) of Section 84 as per Gazette No 217 dated 14.10.2015.

Provided that no such rectification which has the effect of enhancing an assessment or anypenalty 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, theassessing authority shall give the dealer a revised notice of assessment or penalty and thereupon the provisions of this Act and the Rules made there under shall apply as if such notice had been given in the first instance.

(4) The powers under sub-section (1) may be exercises 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 orrectification made under this section as they apply to the order in respect of which such order of rectification has been made.

85.Prohibition of disclosure of particulars produced before tax authorities.--(1) Allparticulars 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 oraffidavit or deposition made, in the course of any proceeding under this Act or in any record of anyproceeding 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--

(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

(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[1][Deputy]Commissioner of the district where such particulars are to be furnished by an officer subordinate to the[1][Deputy]Commissioner; and

(ii) the permission of the Commissioner of Commercial Taxes where such particulars areto be furnished by an [1][Deputy]Commissioner or an Appellate [1][Deputy]Commissioner or an Appellate[1][Joint]Commissioner or a[1][Joint]Commissioner or a[1][Additional]Commissioner:

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

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

86.Power to amend Schedules.-- (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 asmay be, but in any case during the next session of the Legislative Assembly followingthe 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 withoutmodifications, but without prejudice to the validity of anything previously done there under:

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 tohave 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.

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

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1. Substituted by Tamil Nadu Amendment Act 18 of 2009, with effect from 30thJuly 2008.

1**[87-A. Assessment of sales in certain cases**.—Not withstanding anything contained in this Act,the assessment of a dealer under the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act I 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, within such time and in such manner as may be prescribed and such return shall be accepted in accordance with the Rules as may be prescribed.]

88. Repeal and savings.--(1) The Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act I of 1959) and the Tamil Nadu Additional Sales Tax Act, 1970 (Tamil Nadu Act 14 of 1970)(hereafter in this section referred to "the said Act or 1970 Act") are hereby repealed:

Provided that such repeal shall not affect the previous operation of the said Act or 1970 Act, as thecase may be, or any right, privilege, obligation or liability already acquired, accrued or incurred thereunder and subject thereto, anythingdone 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 saidAct 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 thesaid Act or 1970 Act as the case may be.

(2) A registered dealer, who would have continued to be so under the said Act or 1970 Act, asthe case may be, had this Act not come into force, shall be a registered dealer till a fresh certificateof 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 thecase 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; _____

1. This Section was added from 18thJune 2008 by Section 4 of the Amendment Act (No.49 of) 2008.

(e) the Chairman or any members ofthe 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 Chairmanand 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 Actor 1970 Act, as the casemay be, immediately before the commencement of this Act, shall on andfrom the commencement of this Act, be deemed to have been continued, and shall have jurisdictionand 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 untilthey are repealed or amended.

(4) All arrears oftax, 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 thisAct, 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 [1][fifty nine]days from the date of commencement of this Act.

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1. The words ‘fifty nine’ were substituted for the word ‘thirty’ by Section 8 of Amendment Act (21 of) 2007, effective from 1st January 2007.

APPENDIX

NOTIFICATION - I

In exercise of the powers conferred by sub-section (2) of section 1 of the Tamil Nadu Value Added Tax (Second Amendment) Act, 2015 (Tamil Nadu Act 13 of 2015), the Governor of Tamil Nadu hereby appoints the 29th day of January 2016 as the date on which the said Act shall come into force.

NOTIFICATION – II

In exercise of the powers conferred by sub-section (1) of section 79-A of the Tamil Nadu ValueAdded Tax Act, 2006 (Tamil Nadu Act 32 of 2006), the Governor of Tamil Nadu hereby notifies that the provisions contained in the Information Technology Act, 2000 (Central Act 21 of 2000) and the rules made and directions given under the said Act, including the provisions relating to digital signatures, electronic governance, attribution, acknowledgement and dispatch of electronic records, secure electronic records and secure digital signatures and digital signature certificates, shall apply to the procedures relating to application for registration, filing of monthly

or annual returns with prescribed enclosures, application for refund of excess tax paid or input tax credit at the excess or related to export of goods outside the country, assessment, reassessment, revision or rectification of assessment, notice of demand or refund due as per such assessment, reassessment or revision or rectification, input tax credit claim, availment or reversal, appeal or revision petitions, payment, forfeiture and recovery oftax and other levies or fees and all other procedures laid down under the said Tamil Nadu Act 32 of 2006 and the rules made thereunder.

2. The Notification shall come into force on the 29th day of January 2016.

NOTIFICATION – III

Under section 67-A of the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006), the Governor of Tamil Nadu hereby notifies the following goods for the purposes of the said section:-

(a)Refrigerators, air-conditioners, air-coolers and water – coolers;

(b)Alcoholic Liquors of all kinds for human consumption falling under the Second Schedule to the Act.

(c)All kinds of non-ferrous scraps;

(d)All types of plastic granules, plastic raw materials including master batches, scraps and all kinds of plastic products;

(e)Tobacco products falling under the Second Schedule to the Act;

(f)Cement, including white cement and their substitutes and concrete mixture;

(g)Granite blocks, ceramic tiles, and marbles of all kinds;

(h)Electrical goods of all kinds;

(i)Iron and Steel as specified in clause (iv)of section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956), including scrap, stainless steel sheets, iron and steel products;

(j)Cellular Telephone (Mobile Phone) including smart phones and its accessories;

(k)Oil seeds as specified in clause (vi) of section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956);

(l)Raw Rubber of all grades and qualities;

(m) Sanitary equipments and fittings of every description;

(n)Timber, plywood and wood based products;

(o)Vegetables oils including refined vegetable oils; and

(p)Cotton and Readymade garments.

2. The Notification shall come into force on the 29th day of January 2016.

NOTIFICATION - IV

In exercise of thepowers conferred by sub-sections (1) and (2) of section 30 of the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006) and in supersession of the Commercial Taxes and Registration Department Notification No. II(1)/CTR/58(h-14)/2006 published at pages 8 and 9 of Part II Section 1 of the TamilNadu Government Gazette, Extraordinary dated the 30th December, 2006, the Governor of Tamil Nadu hereby makes an exemption in respect of the tax payable under the said Act by any dealer on the sale of goods made by such dealer to a registered dealer for the purpose of setting up, operation and maintenance of a unit located in a Special Economic Zone in the State of Tamil Nadu as notified by the Government of India, or for development, operation and maintenance of a Special Economic Zone by the developer of the Special Economic Zone, if such registered dealer is authorized to establish such units or such other establishments within the Special Economic Zone or to develop, operate and maintain such Special Economic Zone by the Authority specified by the Government of India, subject to the following conditions, namely:-

(a) the dealer obtains and furnishes a Certificate in the format appended below; and

(b)the goods purchased are used only for the aforesaid purposes.

APPENDIX

CERTIFICATE

Name and address of thepurchasing dealer with Taxpayer Identification Number and	
Name and address of the selling dealer with Taxpayer Identification Number and Central	

(i)Certified that the goods listed below were purchased by us for the purpose of setting up or development, operation, and maintenance of Special Economic Zone, ……of our unit located in Special Economic Zone, …….

(ii) Certified that we are authorized to set upor develop, operate, and maintain Special Economic Zone …… by the Authority specified by the Government of India.

(iii) For this purpose, the goods listed below were purchased during the year …….. from 01.04.20……. to 31.03.20……..

Serial Number	Invoice Number and Date	Description of goods	Quantity of goods	Value of goods (Rs.)
Total				

Signature
Name
Status
Place
Date
Seal of the firm or Unit

. The Notification shall come into force on the 29th day of January 2016.