

Under rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 11th November 2010 is published together with Statement of Objects and Reasons for general information:—

**L.A. BILL No. 39 OF 2010**

***A Bill to bring provision of the Tamil Nadu Value Added Tax (Second Amendment) Act, 2010 into force with retrospective effect.***

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

**1.** This Act may be called the Tamil Nadu Value Added Tax (Special Provision) Act, 2010. Short title.

Tamil Nadu  
Act  
22 of 2010.

**2.** Notwithstanding anything contained in sub-section (2) of Section 1 of the Tamil Nadu Value Added Tax (Second Amendment) Act, 2010 (hereinafter referred to as the 2010 Act) and in the notification of the State Government in the Commercial Taxes and Registration Department No. II(2)/CTR/527(b)/2010, published at page 1 in Part II—Section 2 of the *Tamil Nadu Government Gazette* Extraordinary, dated the 19th day of August 2010, Section 2 of the 2010 Act shall be deemed to have come into force on the 1st day of January 2007.

Section 2 of  
Tamil Nadu  
Act 22 of  
2010 deemed  
to have come  
into force on  
the 1st day  
of January  
2007.

Tamil Nadu  
Ordinance  
7 of 2010.

**3.** (1) The Tamil Nadu Value Added Tax (Special Provision) Ordinance, 2010 is hereby repealed.

Repeal and  
saving.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act.

**STATEMENT OF OBJECTS AND REASONS**

In order to protect the revenue of the Government, Section 19 of the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006) has been amended suitably by Tamil Nadu Act 22 of 2010 providing for reversal of the amount of the input tax credit for the goods over and above the output tax of those goods, in a case where a registered dealer has sold goods at a price less than the price of the goods purchased by him and the said amendment has been given effect to from the 19th August 2010.

2. Now, the Government have decided to give effect to the said amendment from the date of coming into force of the said Tamil Nadu Act 32 of 2006 (*i.e.*) from the 1st day of January 2007 itself in order to prevent any loss to the State Exchequer from that date.

3. Accordingly, the Tamil Nadu Value Added Tax (Special Provision) Ordinance, 2010 (Tamil Nadu Ordinance 7 of 2010) was promulgated by the Governor on the 28th October 2010 and the same was published in the *Tamil Nadu Government Gazette* Extraordinary, dated the 29th October 2010.

4. The Bill seeks to replace the Ordinance.

**S.N.M. UBAYADULLAH,**  
*Minister for Commercial Taxes.*

M. SELVARAJ,  
*Secretary.*