

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 8th January 2010 is published together with Statement of Objects and Reasons for general information:—

**L.A. BILL No. 5 OF 2010**

***A Bill further to amend the Tamil Nadu Value Added Tax Act, 2006.***

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

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Amendment) Act, 2010.

Short title and  
commence-  
ment.

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

Tamil Nadu Act  
32 of 2006.

2. In Section 18 of the Tamil Nadu Value Added Tax Act, 2006, in sub-section (3), for the expression “from the date of accrual of such input tax credit”, the expression “from the date of making zero rate sale” shall be substituted.

Amendment of  
section 18.

**STATEMENT OF OBJECTS AND REASONS**

Sub-section (3) of section 18 of the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006) provides for refund of input tax credit within a period of one hundred and eighty days from the date of accrual of input tax credit. Accordingly, the period of one hundred and eighty days is being computed from the date of purchase of goods by the dealers. The dealers have made representation that the period of one hundred and eighty days may be computed only from the date of making the zero rate sale.

2. Based on the above representation of the dealers, the Hon'ble Minister for Commercial Taxes has announced during the demand for Grant for the year 2009-10, that necessary amendment will be made to the said Act. To give effect to the above announcement, the Government have decided to amend the said sub-section (3) of section 18 of the Tamil Nadu Act 32 of 2006 suitably.

3. The Bill seeks to give effect to the above decision.

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

M. SELVARAJ,  
*Secretary.*