

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 14th September 2011 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 25 OF 2011

A Bill further to amend the Tamil Nadu Fiscal Responsibility Act, 2003.

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

1. (1) This Act may be called the Tamil Nadu Fiscal Responsibility (Amendment) Act, 2011.

Short title and
commence-
ment.

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

2. In sub-section (2) of Section 4 of the Tamil Nadu Fiscal Responsibility Act, 2003 after clause (b), the following clause shall be inserted, namely:—

Amendment
of section 4.

“(bb) maintain the ratio of total outstanding debt to Gross State Domestic Product with medium term goal of not being more than 24.5 per cent during 2011-2012; 24.8 per cent during 2012-2013; 25.0 per cent during 2013-2014; 25.2 per cent during 2014-2015 and thereafter maintain such per cent as may be prescribed”.

Tamil Nadu
Act
16 of 2003.

STATEMENT OF OBJECTS AND REASONS

It is proposed to amend the Tamil Nadu Fiscal Responsibility Act, 2003 (Tamil Nadu Act 16 of 2003) to include the targets for Debt - Gross State Domestic Product ratio for the period from 2011-2012 to 2014-2015, so as to avail the benefit of interest relief on National Small Savings Fund, write-off of outstanding loans from Government of India administered by Ministries other than Ministry of Finance and state specific Needs Grants as recommended by the Thirteenth Finance Commission for the award period of 2010-2015.

2. The Bill seeks to achieve the above object.

O. PANNEERSELVAM,
Minister for Finance.

A.M.P. JAMALUDEEN,
Secretary.