

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 23rd March, 2017 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 15 of 2017

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 Sixty-eighth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Second Amendment) Act, 2017.

(2) It shall be deemed to have come into force on the 1st day of April 2016.

Amendment of section 3.

2. In section 3 of the Tamil Nadu Value Added Tax Act, 2006, after sub-section (5), the following sub-section shall be inserted, namely:—

Tamil Nadu
Act 32 of
2006.

“(5-A). Notwithstanding anything contained in this Act, but subject to the provisions of sub-section (5), every dealer liable to pay tax on the sale of alcoholic liquors of all kinds for human consumption, other than the sale in the course of inter-State trade or commerce or in the course of international trade or commerce, shall be liable to pay, in addition to the tax payable, an additional tax on the taxable turnover of sale of alcoholic liquors of all kinds for human consumption, at such rate not exceeding five per cent, as may be specified by the Government by notification, and different rates may be specified in respect of different kinds of alcoholic liquors for human consumption:

Provided that the dealer who pays tax under this sub-section shall not be entitled to collect the tax payable under this sub-section or purporting to be by way of tax payable under this sub-section.”.

STATEMENT OF OBJECTS AND REASONS.

Provision for levy of additional tax on goods is available in the Value Added Tax Acts of other States, namely, Gujarat, Uttar Pradesh, Uttarakhand, and Madhya Pradesh. However, there is no such provision for levy of such additional tax on goods in the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006).

2. In order to augment the revenue to the State, the Government have decided to amend the said Tamil Nadu Act 32 of 2006, for making a provision to levy additional tax, with retrospective effect from 1.4.2016, on the taxable turnover of the intra-State sale of alcoholic liquors of all kinds for human consumption, at a rate not exceeding five per cent. The Government have also decided to make a provision in the said Act to notify different rates of additional tax in respect of different kinds of alcoholic liquors for human consumption falling under the Second Schedule to the said Act.

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

K.C.VEERAMANI
Minister for Commercial Taxes

A.M.P. JAMALUDEEN,
Secretary.