

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 7th January, 2019 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 7 of 2019

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-ninth Year of the Republic of India as follows:-

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Amendment) Act, 2019. Short title and commencement.

(2) It shall be deemed to have come into force on the 30th day of July, 2018.

Tamil Nadu Act 32
of 2006.

2. In the Second Schedule to the Tamil Nadu Value Added Tax Act, 2006,-

Amendment of
Second
Schedule.

(1) for Serial No.3 and the entries relating thereto in columns (2), (3) and (4), the following shall, respectively, be substituted:-

<p>“3. Foreign liquors, that is to say, wines, spirits, and beers, imported into India from foreign countries and dealt with under the Customs Tariff Act, 1975 (Central Act 51 of 1975) or under any other law for the time being in force relating to the duties of customs on goods imported into India.</p>	<p>At the point of first sale in the State.</p> <p>At the second point of sale in the State.</p>	<p>58 per cent.</p> <p>14.5 per cent.”</p>
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(2) after the Explanation I, the following Explanation shall be inserted, namely:-

“Explanation IA.- For the purpose of levy of tax on the goods specified against Serial No.3, at the second point of sale in the State, the total turnover of that goods shall be taken into account.”.

STATEMENT OF OBJECTS AND REASONS.

Under the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006), foreign liquors are taxable only at the first point of sale in the State.

2. In order to augment the revenue to the State, the Government have decided to amend the said Tamil Nadu Act 32 of 2006, so as to levy tax at 14.5% on the total turnover of sale at the second point of sale of foreign liquors in the State, in addition to the existing levy of tax at 58% at the first point of sale of foreign liquors. To give effect to the above decision; a notification was issued under sub-section (1) of section 86 of the said Tamil Nadu Act 32 of 2006 to amend the Second Schedule to that Act. As required under sub-section (2) of section 86 of the said Tamil Nadu Act 32 of 2006, a Bill to replace the above said notification has to be introduced in the Legislative Assembly.

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

K.C.VEERAMANI,
Minister for Commercial Taxes.

K. SRINIVASAN,
Secretary.