No. 378] CHENNAI, TUESDAY, SEPTEMBER 15, 2020
Aavani 30, Saarvari, Thiruvalluvar Aandu-2051

Part IV—Section 1

Tamil Nadu Bills

CONTENTS

BILLS:

No. 24 of 2020—The Tamil Nadu Admission to Undergraduate Courses in Medicine, Dentistry, Indian Medicine and Homoeopathy on Preferential Basis to Students of Government Schools Act, 2020 .. 118-122

No. 25 of 2020—The Tamil Nadu Public Health (Amendment) Act, 2020 .. 123-124

No. 26 of 2020—The Tamil Nadu Public Health (Second Amendment) Act, 2020 .. 125-130


No. 28 of 2020—Tamil Nadu Goods and Services Tax (Second Amendment) Act, 2020. 135-139
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 15th September, 2020 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 28 of 2020

**A Bill further to amend the Tamil Nadu Goods and Services Tax Act, 2017.**

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

1. (1) This Act may be called the Tamil Nadu Goods and Services Tax (Second Amendment) Act, 2020.

(2) (i) Sections 11 and 14 shall be deemed to have come into force on the 1st day of July 2017;

(ii) Section 12 shall be deemed to have come into force on the 31st day of March 2020;

(iii) Sections 2 and 13 shall be deemed to have come into force on the 30th day of June 2020;

(iv) Section 16 shall come into force at once; and

(v) All the remaining provisions of this Act shall come into force on such date as the State Government may, by notification, appoint.

2. In section 2 of the Tamil Nadu Goods and Services Tax Act, 2017 (hereinafter referred to as the principal Act), in clause (114), for sub-clauses (c) and (d), the following sub-clauses shall be substituted, namely:—

"(c) Dadra and Nagar Haveli and Daman and Diu;

(d) Ladakh;".

3. In section 10 of the principal Act, in sub-section (2), in clauses (b), (c) and (d), after the expression "of goods", the expression "or services" shall be inserted.

4. In section 16 of the principal Act, in sub-section (4), the expression "invoice relating to such" shall be omitted.

5. In section 29 of the principal Act, in sub-section (1), for clause (c), the following clause shall be substituted, namely:—

"(c) the taxable person is no longer liable to be registered under section 22 or section 24 or intends to opt out of the registration voluntarily made under sub-section (3) of section 25:;"

6. In section 30 of the principal Act, in sub-section (1), for the proviso, the following proviso shall be substituted, namely:—

"Provided that such period may, on sufficient cause being shown, and for reasons to be recorded in writing, be extended,—

(a) by the Additional Commissioner or the Joint Commissioner, as the case may be, for a period not exceeding thirty days;
Amendment of section 31.

7. In section 31 of the principal Act, in sub-section (2), for the proviso, the following proviso shall be substituted, namely:—

“Provided that the Government may, on the recommendations of the Council, by notification,—

(a) specify the categories of services or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed;

(b) subject to the condition mentioned therein, specify the categories of services in respect of which—

(i) any other document issued in relation to the supply shall be deemed to be a tax invoice; or

(ii) tax invoice may not be issued.”.

Amendment of section 51

8. In section 51 of the principal Act,—

(a) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) A certificate of tax deduction at source shall be issued in such form and in such manner as may be prescribed.”;

(b) sub-section (4) shall be omitted.

Amendment of section 122.

9. In section 122 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Any person who retains the benefit of a transaction covered under clauses (i), (ii), (vii) or clause (ix) of sub-section (1) and at whose instance such transaction is conducted, shall be liable to a penalty of an amount equivalent to the tax evaded or input tax credit availed of or passed on.”.

Amendment of section 132.

10. In section 132 of the principal Act, in sub-section (1),—

(1) for the expression “Whoever commits any of the following offences”, the expression “Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences” shall be substituted;

(2) for clause (c), the following clause shall be substituted, namely:—

“(c) avails input tax credit using the invoice or bill referred to in clause (b) or fraudulently avails input tax credit without any invoice or bill;”;

(3) in clause (e), the expression “fraudulently avails input tax credit” shall be omitted.
11. In section 140 of the principal Act,—

(1) in sub-section (1), after the expression “existing law”, the expression “within such time and” shall be inserted;

(2) in sub-section (2), after the expression “appointed day”, the expression “within such time and” shall be inserted;

(3) in sub-section (3), for the expression “goods held in stock on the appointed day subject to”, the expression “goods held in stock on the appointed day, within such time and in such manner as may be prescribed, subject to” shall be substituted;

(4) in sub-section (5), for the expression “existing law”, the expression “existing law, within such time and in such manner as may be prescribed” shall be substituted;

(5) in sub-section (6), for the expression “goods held in stock on the appointed day subject to”, the expression “goods held in stock on the appointed day, within such time and in such manner as may be prescribed, subject to” shall be substituted.

12. After section 168 of the principal Act, the following section shall be inserted, namely:—

“168-A. Power of Government to extend time limit in special circumstances.— (1) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, by notification, extend the time limit specified in, or prescribed or notified under, this Act in respect of actions which cannot be completed or complied with due to force majeure.

(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date not earlier than the date of commencement of this Act.

Explanation.— For the purposes of this section, the expression “force majeure” means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature or otherwise affecting the implementation of any of the provisions of this Act.”.

13. In section 172 of the principal Act, in the proviso to sub-section (1), for the expression “three years”, the expression “five years” shall be substituted.
14. In Schedule II to the principal Act, in paragraph 4, the expression “whether or not for a consideration,” in two places where it occurs, shall be omitted.

15. (1) Notwithstanding anything contained in the CT&R Department Notification No.II(2 CTR/532(d-4)/2017, dated the 29th June 2017, published at pages 3 to 68 in Part II – Section 2 of Tamil Nadu Government Gazette, Extraordinary, dated 29th June 2017, on the recommendations of the Council, in exercise of the powers under sub-section (1) of section 9 of the principal Act,—

(i) no State tax shall be levied or collected in respect of supply of fishmeal (falling under heading 2301), during the period commencing from the 1st day of July 2017 and ending with the 30th day of September 2019 (both days inclusive);

(ii) State tax at the rate of six per cent, shall be levied or collected in respect of supply of pulley, wheels and other parts (falling under heading 8483) and used as parts of agricultural machinery (falling under headings 8432, 8433 and 8436), during the period commencing from the 1st day of July 2017 and ending with the 31st day of December 2018 (both days inclusive).

(2) No refund shall be made of all such tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times.

16. (1) The Tamil Nadu Goods and Services Tax (Amendment) Ordinance, 2020 and the Tamil Nadu Goods and Services Tax (Second Amendment) Ordinance, 2020 are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinances, shall be deemed to have been done or taken under the said Act, as amended by this Act.
STATEMENT OF OBJECTS AND REASONS.

The Tamil Nadu Goods and Services Tax Act, 2017 (Tamil Nadu Act 19 of 2017) provides for levy and collection of tax on intra-State supply of goods or services or both by the State Government.

2. In order to empower the Central Government, on recommendations of the Goods and Services Tax Council, to extend due dates for various compliances, inter-alia, filing statement of outward supplies, filing refund claims, filing appeals, etc. specified, prescribed or notified under the Central Goods and Services Tax Act, 2017 (Central Act 12 of 2017) which cannot be completed or complied with due to force majeure, the Central Government promulgated the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 (No.2 of 2020) on 31st March 2020 which, among others, provides for insertion of section 168A in the said Central Act 12 of 2017. Corresponding amendment was therefore required to be made to the said Tamil Nadu Act 19 of 2017. The Government, therefore, decided to amend the said Tamil Nadu Act 19 of 2017 suitably. Accordingly, the Tamil Nadu Goods and Services Tax (Amendment) Ordinance, 2020 (Tamil Nadu Ordinance 4 of 2020) was promulgated by the Governor of Tamil Nadu on 22nd May 2020 and the same was published in the Tamil Nadu Government Gazette, Extraordinary, dated the 23rd May 2020.

3. Further, in order to give effect to the recommendations of the Goods and Services Tax Council, the Central Government again amended the said Central Act 12 of 2017 vide the Finance Act, 2020 (Central Act 12 of 2020). Hence, corresponding amendments were required to be made to the said Tamil Nadu Act 19 of 2017. The Government, therefore, decided to amend the said Tamil Nadu Act 19 of 2017 suitably. Accordingly, the Tamil Nadu Goods and Services Tax (Second Amendment) Ordinance, 2020 (Tamil Nadu Ordinance 9 of 2020) was promulgated by the Governor of Tamil Nadu on the 28th July 2020 and was published in the Tamil Nadu Government Gazette Extraordinary, on the same date.

4. The Bill seeks to replace the above said two Ordinances.

K.C. VEERAMANI,
Minister for Commercial Taxes.

Chennai,

K. SRINIVASAN,
Secretary.