

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the Tamil Nadu on 9th December, 2024 is published together with Statement of Objects and Reasons for general information:—

L.A Bill No. 36 of 2024

**A Bill further to amend the Tamil Nadu Local Authorities
Entertainments Tax Act, 2017.**

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

1. (1) This Act may be called the Tamil Nadu Local Authorities Entertainments Tax (Amendment) Act, 2024. Short title and commencement.

(2) It shall come into force at once.

Tamil Nadu
Act 20 of 2017. 2. In section 2 of the Tamil Nadu Local Authorities Entertainments Tax Act, 2017 (hereinafter referred to as the principal Act),— Amendment of section 2.

(a) in clause (8), after the expression “payment for admission”, the following expression shall be inserted, namely:—

“or concert, drama, show or any other event conducted in the premises of any institution or in any other place for which persons are required to make payment for admission by way of ticket or contribution or subscription or any other charges collected in any manner whatsoever.”;

(b) for clause (10), the following clause shall be substituted, namely:—

“(10) “institution” includes any educational institution or company, society, club or any other association of persons by whatever name called;”;

(c) for clause (11), the following clause shall be substituted, namely:—

“(11) “local authority” means a municipal corporation or a municipal council or a town panchayat constituted or deemed to have been constituted under the Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999) or a village panchayat constituted under the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994), in whose jurisdiction the entertainment is provided;”;

(d) in clause (16), after the expression “any person or body of persons conducting other tournaments”, the expression “or any person or body of persons conducting any concert, drama, show or any other event”, shall be inserted.

3. In section 3 of the principal Act,—

Amendment of
section 3.

(a) in sub-section (1), after the item (h), the following item shall be added, namely:—

“(i) any concert, drama, show or any other event conducted in the premises of any institution or in any other places.”;

(b) in sub-section (2),—

(i) in clause (i), for the expression “Municipalities, Special Grade”, occurring in two places, the expression “Municipal Councils, Special Grade” shall be substituted;

(ii) for the *Explanations I and II*, the following *Explanation* shall be substituted, namely:—

“*Explanation.*— For the purposes of clause (i),—

(a) “Municipal Corporations” mean the Municipal Corporations constituted or deemed to have been constituted under the Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999);

(b) “Municipal Councils, Special Grade” mean the Municipal Councils constituted or deemed to have been constituted under the Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999) and classified as “Municipal Councils, Special Grade” under rule 3 of the Tamil Nadu Urban Local Bodies Rules, 2023.”;

(c) in sub-section 5, for the items (a), (b) and (c), the following items shall be substituted, namely:—

“(a) within the limits of the Municipal Corporations constituted or deemed to have been constituted under the Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999). six thousand rupees per month.

(b) within the limits of the Municipal Councils constituted or deemed to have been constituted under the Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999). three thousand rupees per month.

(c) within the limits of the Town Panchayats constituted or deemed to have been constituted under the Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999). one thousand and five hundred rupees per month.”;

(d) after sub-section (9), the following sub-section shall be added, namely:—

“(10) The entertainments tax on any concert, drama, show or any other event conducted in the premises of any institution or in any other places shall be calculated at the rate of ten per cent on each payment for admission.”.

4. In section 23 of the principal Act, in sub-section (2), for the expression “Code of Criminal Procedure, 1973 (Central Act 2 of 1974)”, the expression “Bharatiya Nagarik Suraksha Sanhita, 2023 (Central Act 46 of 2023)” shall be substituted. Amendment of section 23.

5. In section 29 of the principal Act, in clause (ii), for the expression “Municipalities”, the expression “Municipal Councils” shall be substituted. Amendment of section 29.

6. In section 30 of the principal Act, for the expression “section 21 of the Indian Penal Code (Central Act XLV of 1860)”, the expression “clause (28) of section 2 of the Bharatiya Nyaya Sanhita, 2023 (Central Act 45 of 2023)” shall be substituted. Amendment of section 30.

STATEMENT OF OBJECTS AND REASONS.

The Tamil Nadu Local Authorities Entertainments Tax Act, 2017 (Tamil Nadu Act 20 of 2017) enables the local bodies to levy and collect tax on entertainments and amusements specified therein. However, there is no enabling provision for levy and collection of entertainments tax on concert, drama, show or any other event conducted by any institution, including an educational institution on payment for admission. The Government have therefore decided to make suitable provisions for levy and collection of entertainments tax for the aforementioned events also at the rate of ten percent on each payment for admission. Accordingly, the Government have decided to amend the said Tamil Nadu Act 20 of 2017, suitably for the purpose.

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

K.N. NEHRU,
Minister for Municipal Administration.

Secretariat,
Chennai-600 009,
9th December 2024.

K. SRINIVASAN,
Principal Secretary.