

PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND ADVANCE RULING		
ACAAR No.133/ 2013-14. (Acts Cell – II/8803/2014)		Dated 23.10.2014
Present:	1. Thiru. K.Rajaraman, I.A.S., Principal Secretary & Commissioner of Commercial Taxes. 2. Thiru. R.Vayanaperumal, Additional Commissioner (CT), (Public Relations) 3. Thiru. K.Mahalingam, Additional Commissioner (CT), (Revision Petitions)	
1.	Name and address of the Applicant	: Tvl. R.S. Products, No.123, Brickklin Road, Purasaiwakkam, Chennai -600 007.
2.	Registration Certificate No.	: TIN:33710261310 / CST:094942
3.	Date of application	: 14.03.2014
4.	Date of receipt of application	: 14.03.2014
5.	Clarification sought for	: Rate of Tax on "Popcorn Machine and its spares"
6.	Date of Personal Hearing	: ----
7.	Represented by	: ----

ORDER

Tvl. R.S. Products, No.123, Brickklin Road, Purasaiwakkam, Chennai - 600 007. , (TIN: 33710261310), a registered dealer in the files of Ayanavaram Assessment Circle, Chennai, manufacturing and marketing Popcorn machines and its spares, have preferred application in Form 'VV' and sought clarification under Section 48-A (1) of the TNVAT Act, 2006, read with Rule 12-A of TNVAT Rules, 2007.

2. The applicant-dealers have sought for clarification on the following:

Rate of tax on "**Popcorn Machine and its spares**"

3. The applicant-dealer has stated that they are manufacturing and marketing the Popcorn machines and its spares. The applicant-dealer has pointed out that it has been clarified by the Commissioner of Commercial Taxes in Ref. No. VAT Cell/33508/2007 (VCC No.848) dated 05.07.2007 that the Popcorn machine and its spares are taxable goods taxable at 5 % under Entry 25 of Part-B of First Schedule to the TNVAT Act, 2006. The applicant-dealer has requested that the applicable rate of tax for Popcorn machine and its spares may be clarified.

4. The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules, 2007 and the related Entries in Parts B and C of the First and Fourth Schedules to the TNVAT Act, 2006. Section 48-A of TNVAT Act, 2006 provides for clarification on any point concerned with rate of tax for commodities.

5. The applicant-dealers have sought for clarification regarding rate of tax on **"Popcorn machine and its spares."**

6. There is no specific entry in any of the Parts in First and Fourth Schedules to the Act. But, the Entry 25 of Part-B of First Schedule read with section 2(11) of the TNVAT Act, 2006, provides for classification of any machine and its spares or accessories as capital goods as per the description adopted in clauses (a) and (c) of the definition of capital goods under Section 2(11) of the Act, 2006. The Popcorn machine and its spares would fall within the scope and meaning of the Entry 25 of Part-B of First Schedule to the Act. Moreover, it has been already clarified by the Commissioner of Commercial Taxes in Ref. No. VAT Cell/33508/2007 (VCC No.848) dated 05.07.2007 that the Popcorn machine and its spares are taxable goods taxable at 5 % under Entry 25 of Part-B of First Schedule to the TNVAT Act, 2006.

7. The clarification is therefore that the **"Popcorn Machine and its spares" are is taxable @ 5 % as capital goods under Entry 25 of Part-B of First Schedule read with clauses (a) and (c) of section 2(11) of the TNVAT Act, 2006.** However this item is payable @14.5% if it sold to other State from Tamil Nadu without 'C' Form.

Dated this, the 23rd Day of October, 2014.

Sd/- R. Vayanaperumal,
Additional Commissioner (PR)

Sd/- K. Mahalingam,
Additional Commissioner (RP)

Sd/- K. Rajaraman,
Principal Secretary/
Commissioner of Commercial Taxes

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To

Tvl. R.S. Products,
No.123, Brickklin Road,
Purasaiwakkam,
Chennai -600 007.

Copy to

The Assistant Commissioner (CT)
Ayanavaram Assessment Circle.

The Joint Commissioner (CT),
Chennai (Central) Division.

The Joint Commissioner (CS)

To host in the Department Website

The Principal Secretary to Government, Commercial Taxes & Registration
Department, Chennai - 9.

All Joint Commissioners (CT) including Enforcement, LTU, MOU and ISIC.

All Deputy Commissioners (CT), Territorial, Assessment and Enforcement

All Head of Offices (Assessment)

The State Representative, Sales Tax Appellate Tribunal, Chennai - 104.

The Addl. State Representative, (AB) Chennai, Madurai and Coimbatore.

The Director, CTSTI, Greams Road, Chennai - 6.

The Executive Officer, Traders Welfare Board, Chennai - 5.

The Accountant General (Audit)-II, No.44, Greams Road, Chennai - 6.

The Additional Commissioners, Deputy Commissioners, Assistant
Commissioners, Commercial Tax Officers in CCT's Office.

Personal Clerk to the CCT.

Stock File3 / Acts Cell-II / Spare - 5.

//Forwarded/By order//


Additional Commissioner (PR)