

**GOVERNMENT OF TAMILNADU  
COMMERCIAL TAXES DEPARTMENT**

**PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND  
ADVANCE RULING**

**ACAAR No.34/2016-17**  
**(Acts Cell-II/24779/2016)**

Dated: 07.03.2017

- Present:** 1.Dr.C.Chandramouli, I.A.S.,  
Additional Chief Secretary / Commissioner of  
Commercial Taxes.
- 2.Thiru. A.Sarvar Allam,  
Additional Commissioner (CT), (Public Relations)(FAC)
- 3.Thiru. K. Gnanasekaran,  
Additional Commissioner (CT), (Revision Petitions)(FAC)

1	Name and address of the Applicant	:	Tvl. Future Generali India Insurance Co, Plot No.55, Vijay Raghava Road Chennai-17.
2.	Registration Certificate No.	:	TIN.No.33146383654
3.	Assessment Circle	:	T Nagar Assessment Circle
4.	Date of application	:	---
5.	Date of receipt of application	:	08.09.2016
6.	Clarification sought for	:	Rate of Tax on " <b>Sale of used Motor Vehicle</b> "
7.	Date of Personal Hearing	:	-----
8.	Represented by	:	-----

**ORDER**

Tvl. Future Generali India Insurance Co, Plot No.55, Vijay Raghava Road Chennai (TIN. No. 33542701778), the registered dealers in the files of T Nagar Assessment Circle, have preferred application in Form 'VV' and sought clarification under Section 48-A (1)

of the Tamil Nadu Value Added Tax Act, 2006 (TNVAT Act, 2006), read with Rule 12-A of Tamil Nadu Value Added Tax Rules, 2007 (TNVAT Rules, 2007).

2. The applicant-dealers have stated that they are Insurance company selling used motor vehicles that are in damaged condition (but repairable) because the vehicles were damaged due to flood in Chennai. The applicant-dealers have also stated that they adopt the nomenclature as "vehicle scrap/used motor vehicle" in the invoice for the above sales. In the above said circumstances, the applicant-dealers have requested to clarify that whether the Notification No.II (1)/CTR/12(R-20)/2011 in G.O.Ms.No.86, Commercial Taxes Registration (B2) Dept, dated 19.07.2011 S. No. 22 tax at 5% is applicable to them for the above sales of used motor vehicle.

3. The applicant dealers are not a registered dealer in automobiles and hence it is clarified that the "**Sale of used cars/ motor vehicles**" are liable to tax on value addition without input tax credit at 4% upto 11.07.2011 as per Notification No.II(1)/CTR/11(b-7)/2008 in G.O.Ms.No.36, CT&R (B2), dated 01.04.2008 and at 5% from 12.07.2011 onwards as per Notification No.II (1) / CTR /12 (R-25)/2011 in G.O.Ms.No.78, CT&R (B2) Department, dated 11.07.2011, subject to fulfilment of conditions contained in the above Notifications.

Dated this the Seventh day of March 2017.

Sd/- A. Sarvar Allam,  
Additional Commissioner (PR)(FAC)

Sd/- K. Gnanasekaran,  
Additional Commissioner (RP)(FAC)

Sd/- Dr.C. Chandramouli, I.A.S  
Additional Chief Secretary/  
Commissioner of Commercial Taxes

To,  
Tvl. Future Generali India Insurance Co,  
Plot No.55, Vijay Raghava Road,  
Chennai-17.

Copy to:  
The Assistant Commissioner (CT),  
T. Nagar 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 File 3/ Acts Cell-II /Spare - 5.

//Forwarded/by Order//

  
Commercial Tax Officer