

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.84/2015-16
Acts cell-II/32035/2015

Date:30.12.2016

- 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. Mahalingam,
Additional Commissioner (CT), (Revision Petitions)

1	Name and address of the Applicant	:	Tvl.Rajesh Saw Mill, Old 171, Triplicane High Road, Ice House, Chennai - 600 005
2.	Registration Certificate No.	:	TIN.No. 33370741356 CST:655674
3.	Assessment Circle	:	Thiruvallikeni Assessment Circle
4.	Date of application	:	13-10-2015
5.	Date of receipt of application	:	13-10-2015
6.	Clarification sought for	:	Rate of tax on " Plastic Strips (Edge Band Tape) "
7.	Date of Personal Hearing	:	26-10-2016
8.	Represented by	:	Thiru. Ramanik J Shah, Manager

ORDER

Tvl.Rajesh Saw Mill, Old 171, Triplicane High Road, Ice House, Chennai - 600 005 (TIN.No. 33370741356), registered dealers in the files of Thiruvallikeni 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) on the rate of tax applicable on **Plastic Strips (Edge Band Tape)** dealt by them.

2. The applicant-dealers have sought for personal hearing and accordingly they were heard on 26.10.2016. Thiru. Ramanik J Shah, Manager appeared for the hearing and filed written statements along with documentary evidences. He stated that these plastic strips were made from PVC Resin and pigments and used to cover and finish the edges of wood works/products. He claimed that as such these strips are to be treated as plastic products falling under item no.13 in notification No.II(1)CTR/12(R-20)/2011 published in G.O. Ms. No. 78, Commercial Taxes and Registration (B2), dt. 11th July 2011.

3.1. This committee considered the above application and the documents filed along with the application carefully and examined the issue with reference to the Schedules and provisions of TNVAT Act, 2006, Rules made thereunder and notifications issued under the Act. The contentions made by the learned representative of the applicants at the time of personal hearing were also examined thoroughly.

3.2. Item No. 13 of the Notification No.II(1)CTR/12(R-20)/2011 published in G.O. Ms. No. 78, Commercial Taxes and Registration (B2) Dept, dated 11th July 2011 which reduces the rate of tax applicable on the goods enumerated thereunder to 5%, reads as follows:-

"All plastic goods other than doors, windows, frames, profiles, automobile, industrial and sanitary items".

3.3 Edge band tape dealt by the applicant dealers is a plastic product made of PVC resin used for closing the open edges of wood works/products. This product would not fall under the classification of "doors, windows, frames, profiles, automobile, industrial and sanitary items" that have been excluded in the above notification for the purpose of application of reduced rate of tax on plastic products. Therefore, the above notification is applicable on the edge band tape dealt by the applicants.

4. In view of the above discussion, it is clarified that the **"Edge band tape made from PVC (Plastic Strip)" is eligible to be classified as plastic goods and liable at the reduced rate of 5% tax, vide Item No. 13 in Notification No.II(1)CTR/12(R-20)/2011 published in G.O. Ms. No. 78,**

Commercial Taxes and Registration (B2) Dept, dated 11th July 2011.

Dated this the Thirtieth day of December 2016.

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

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

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

To
Tvl.Rajesh Saw Mill,
Old 171, Triplicane High Road,
Ice House, Chennai - 600 005

Copy to:
The Assistant Commissioner (CT)
Thiruvallikeni Assessment Circle

The Joint Commissioner (CT),
Chennai (East) 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//

U.S. Mahalingam
2.1.17
Commercial Tax Officer