

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.88/2015-16
Acts cell-II/33067/2015

Dated: 25.04.2018

- Present:**
1. Dr. T.V. Somanathan, I.A.S.,
Principal Secretary/Commissioner of Commercial Taxes
 2. Thiru M. Parameswaran,
Additional Commissioner (ST), (Public Relations)(FAC)
 3. Thiru C. Palani,
Additional Commissioner (ST), (Revision Petitions)(FAC)

1.	Name and address of the Applicant	:	Tvl. Ramani Harvester Spares, No.6/64(4), Kongu Selvam Complex, Salem-Cuddalore Main Road, Mummudi, Thalaivasal (PO), Attur (TK), Salem- 636 112.
2.	Registration Certificate No.	:	TIN.No.33373263162 CST : 1154579
3.	Assessment Circle	:	Attur (Rural) Assessment Circle
4.	Date of application	:	--
5.	Date of receipt of application	:	26.10.2015
6.	Clarification sought for	:	Rate of Tax on " Harvester and Harvester spares "
7.	Date of Personal Hearing	:	--
8.	Represented by	:	--

ORDER

Tvl. Ramani Harvester Spares, No.6/64(4), Kongu Selvam Complex, Salem-Cuddalore Main Road, Mummudi, Thalaivasal (PO), Attur (TK), Salem- 636 112 (TIN. No. 33373263162) have preferred an 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 sought for clarification on the rate of tax on "**Harvester and Harvester spares**". They have stated that they are sellers of "**Harvester and Harvester spares**" locally as well as inter-State. They have requested to clarify whether the "**Harvester and Harvester spares**" is exempt from sales tax or not. They further requested to clarify the rate at which the above said goods is taxable in case they are not exempted.

3. The issue has been examined in detail with reference to the provisions of the TNVAT Act, 2006 and TNVAT Rules, 2007 and the related entries regarding the commodities classified under all the schedules to the TNVAT Act, 2006. Section 48-A of the TNVAT Act, 2006 provides for clarification on any point concerned with rate of tax for commodities.

3.1. The documents filed along with the application, namely, sales invoice and pamphlets featuring the above commodity is examined. In the invoice raised, it has been stated that parts of Harvester, namely, Roller seal ring, pump shaft front (Eaton), Pump Shaft Back (Eaton), Lock Nut- Class Gear Box Shaft and connecting gear classes are all parts of agricultural implement parts and claimed as exemption under the category of "Paddy Combined Harvester and Harvester Spares" as per entry No.1(ii) of Part-B to fourth Schedule as per Notification No.II(1)/CTR/12(a-13)/2012, dated 27.03.2012 with effect from 01.04.2012.

3.2. With effect from 01.04.2012, entry 1(ii) of part-B of Fourth Schedule to the TNVAT Act, 2006 reads as follows.

"Agricultural Implements other than those specified in item (i) above and those powered or operated by tractors or by power tillers as notified by the Government and their parts and accessories".

3.3. Accordingly, the Government notified the following commodities in G.O.Ms.No.50 Commercial Tax and Registration (B1) Department, dated 27.03.2012 - Notification No.II(1)/CTR/12 (a-13)/2012.

"Bund Former, Cage wheel, Castor Shelter, Chaff Cutter, Channel Former, Cultipacker, Cultivator, Disc harrow, Drag harrow, Groundnut Thresher, Multicrop Thresher, Paddy Combine Harvester, Paddy Transplanter, Plough, Bed Plough, Chisel Plough and Disc Plough, Power Weeder, Ridger, Rotavator, Spike harrow and Subsoiler".

3.4. The applicant-dealer have stated that their commodity falls under the above notified goods as "Paddy Combine Harvester" and its parts are eligible for exemption.

3.5. From the above notification, it is made clear that the exemption has been provided keeping in mind about paddy cultivation and its related harvesting functions. This could be inferred from another entry in part-B of First Schedule to the TNVAT Act, 2006, taxable at 5% which reads as follows:

Item 140 (iii) and (iv) of Part-B of First Schedule :

- (iii) Power tillers, threshers, combined Harvesters and transplanters and
- (iv) Attachment and parts of (iii)

3.6. The Commodity Combined Harvester in the above entry means Harvester used for all agricultural products (Multicrops) and not restricted to paddy. It is applicable to Ragi, Cholan, Cumbu, etc. Only in the interest of paddy farmers or farmers cultivating paddy, certain commodities notified under item No.1(ii) of part-B of Fourth Schedule with effect from 01.04.2012 which included Paddy Combine Harvester.

4. Hence, it is clarified that **"Harvester and Harvester spares" is liable to tax @ 5% as per entry 140(iii) and (iv) of Part-B of First Schedule to the TNVAT Act, 2006.**

Dated this the twenty fifth day of April 2018.

Sd/- M. Parameswaran,
Additional Commissioner (PR)(FAC)

Sd/- C. Palani,
Additional Commissioner (RP) (FAC)

Sd/- Dr. T.V. Somanathan,
Principal Secretary/
Commissioner of Commercial Taxes

To
Tvl. Ramani Harvester Spares,
No.6/64(4), Kongu Selvam Complex,
Salem-Cuddalore Main Road,
Mummudi, Thalaivasal (PO),
Attur (TK), Salem- 636 112.

Copy to:
The Assistant Commissioner (CT)
Attur Rural Assessment Circle

The Joint Commissioner (CT),
Salem Division.

The Joint Commissioner (CS)

To host in the Department Website

-4-

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//

d. Srinivasan 26/04/18
State Tax Officer
26/4/18