

Circular No.39/2014
Q4/27905/2014

Office of the Principal Secretary/
Commissioner of Commercial Taxes,
Chepauk, Chennai – 5.

Dated 8.9.2014

**Thiru K. RAJARAMAN, I.A.S.,
Principal Secretary/Commissioner of
Commercial Taxes,
Chepauk, Chennai – 600 005.**

Sub : Commercial Taxes Department – Tamil Nadu Tax on Entry of Motor
Vehicles Act, 1990 – Registration of vehicles in Tamil Nadu and
payment of Entry Tax – Reg.

1. Under Sec. 3 of the Tamil Nadu Tax on Entry of Motor Vehicles Act, 1990, entry tax is collectable on entry of motor vehicles into Tamil Nadu from outside the State for use or sale in the State, which are liable for registration, or for the assignment of a new registration mark, in the State under the Motor Vehicles Act, 1988.

2. As per Sec. 40 of Motor Vehicles Act, 1988, every owner of a motor vehicle shall cause the vehicle to be registered by a registering authority in whose jurisdiction he has the residence or place of business where the vehicle is normally kept. Under Rule 110 of Tamil Nadu Motor Vehicles Rules, when a motor vehicle which is not registered in this State has been kept within the State for a continuous period of thirty days, the owner or other person in charge of the vehicle shall send intimation to the Registering Authority of the area.

3. In spite of the above provisions of law, many motor cars, particularly high end vehicles are plying in Tamil Nadu with other State registration, more specifically, Puducherry and Karnataka registration. Sometimes, the motor vehicle inspectors intercept such vehicles for verification and after payment of compounding fee for violation or road tax for the vehicle; the vehicles are allowed to be used in Tamil Nadu, without changing the registration. In the absence of necessity for registration of the vehicle in Tamil Nadu, the question of payment of entry tax is not raised.

4. In view of the above facts, all the Joint Commissioners, Enforcement are directed to intercept the non-commercial motor vehicles with other State/UT registration and verify the normal domicile of the vehicle owner or person in charge of the vehicle with reference to the available documents. If it could not be proved with documents that the owner of the vehicle is the normal resident of the State/UT

in which the registration of the vehicle has been done, besides referring the matter to the transport authorities concerned, necessary action should also be taken to collect the entry tax due for the vehicle.

5. The details of offences booked by transport authorities for violation of Rule 110 of Tamil Nadu Motor Vehicles Rules may be obtained for the past one year period and necessary action should be taken to collect the entry tax for such vehicles, which have the liability for registration in Tamil Nadu.

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

To

All the Joint Commissioners, Enforcement.

Copy to:

1. All the Additional Commissioners, O/o.PS/CCT, Chepauk, Chennai – 5.
2. The Joint Commissioner (Admin), O/o.PS/CCT, Chepauk, Chennai – 5.
3. The Deputy Commissioner (GS), O/o.PS/CCT, Chepauk, Chennai – 5.
4. All the Joint Commissioners (CT), Deputy Commissioners (CT) & Assistant Commissioners(CT), O/o.PS/CCT, Chepauk, Chennai – 5.
5. The Joint Commissioner (Computer Systems), Chennai – 6 for uploading in the internet and intranet websites.
6. The Director, Commercial Taxes Staff Training Institute, Chennai – 6.
7. Stock File/Spare

/Forwarded by order/

Deputy Commissioner(SMR)