



ABSTRACT

Waiver - Commercial Taxes Department - Waiver of Penal interest levied under section 24(3) of Tamil Nadu General Sale Tax Act, 1959 for belated payment of Taxes on the sale of flour of pulses and grams payable by 11 dealers in Madurai Division for the period from 01.04.1993 to 31.07.1993 - Orders - Issued.

Commercial Taxes and Registration (D2) Department

G.O.(2D) No.8

Dated: 07.02.2019

விளம்பி தை 24

திருவள்ளூர் ஆண்டு 2050

Read:

1. Orders of the Hon'ble High Court of Madras, dated 29.03.1993 in 1993(3) MTCR, 1337
2. G.O.(D)No.194, Commercial Taxes Department, dated 28.05.1998.
3. Government letter No.3933/D2/2018-4, Commercial Taxes and Registration (D2) Department, dated 04.07.2018
4. From the Additional Chief Secretary/Commissioner of Commercial Taxes letter No.Drafting Cell-II/72520/2003, dated 20.09.2018.
5. From the Additional Chief Secretary/Commissioner of Commercial Taxes letter No. Drafting Cell-II/72520/2004, dated 10.04.2018.

ORDER:-

In the High Court order first read above, the Hon'ble High Court of Judicature at Madras in the judgment of 1993(3) MTCR, 337 gave a ruling that Flour made out of tax suffered dhalls, pulses and grams would be liable to single point levy under item 80(b) of the First schedule to the Tamil Nadu General Sales Tax Act, 1959. Based on the above judgment, the Special Commissioner and Commissioner of Commercial Taxes informed all the Assessing Officers on 12.08.1993 that even if the pulses have suffered tax, the flour there from is again taxable. The President, Tamil Nadu Food Grain Merchants Association, Madurai in its representation dated 20.12.1993 stated that even though the High Court had delivered the judgment on 29.03.1993, the dealers came to

know the decision of Commissioner of Commercial Taxes only on 26.08.1993. Hence, they requested the Government to waive the tax on flour for the period from 01.04.1993 to 31.07.1993. The Tamil Nadu Chamber of Commerce and Industry, Madurai in its representation dated 14.06.1997 also requested to waive additional tax for the period earlier to 01.04.1993 and from 1.4.93 to 31.7.93 on the sale of flour of pulses/grams.

2. In the Government order second read above, the Government have rejected the representations of the, Tamil Nadu Food Grains Merchants' Association, Madurai and the Tamil Nadu Chamber of Commerce Industry, Madurai and directed the Special Commissioner and Commissioner of Commercial Taxes to take action to collect the arrears of tax for the period from 01.04.1993 to 31.07.1993 and also the additional sales tax for the period earlier to 01.04.1993 and from 01.04.1993 to 31.07.1993 on the sale of flour of pulses and grams from the dealers immediately. Accordingly, necessary instruction have been issued to the assessing officers concerned, by the Commissioner of Commercial Taxes to collect tax arrears.

3. In this connection, the Joint Commissioner (CT), Madurai Division has reported that since 11 dealers (10 dealers in Chitrakara street assessment circle and 1 dealer in Thiruparankundram assessment circle) in the jurisdiction of the Madurai not collected any tax, but they paid tax, surcharge and additional sales tax in installments as ordered by the Commissioner of Commercial Taxes, the request of the Tamil Nadu Chamber of Commerce and Industry for remission of penal interest levied under section 24(3) on the sale of flour of pulses and grams for the period from 01.04.1993 to 31.07.1993 to the extent of Rs.10,42,311/- may be considered.

4. Based on the report of the Joint Commissioner(CT), Madurai, and considering the fact that 11 dealers not collected any tax for the period from 01.04.1993 to 31.07.1993, but they paid tax, surcharge, and additional sales tax in installments as ordered by the Commissioner of Commercial Taxes, the Additional Chief Secretary/Commissioner of Commercial Taxes has requested the Government to issue orders for waiver of an amount of Rs.10,42,311/- being the interest payable under Section 24(3) of the Tamil Nadu General Sales Tax Act, 1959 on the sale of flour of pulses and grams by the 11 dealers in Madurai Division as follows, on the lines of orders issued in G.O.Ms.No.132, dated 23.05.1995 for remission of penal interest of Rs.78,49,103/- payable by the dealers in various trades for the period from 21.09.1977 to 31.10.1982 under the Tamil Nadu General Sales Tax Act, 1959:-

Sl. No.	Name of dealer	Name of Assessment Circle	Amount (Rs.)
1	Suresh Trading company	Chithrakara street circle	1,80,070/-
2	S.V.Sankaralinga Nadar	Chithrakara street circle	3,02,173/-
3	R.D.A.R.Trading company	Chithrakara street circle	40,551/-
4	A.T.K.M.Traders	Chithrakara street circle	53,766/-
5	A.R.S.Trading company	Chithrakara street circle	30,897/-
6	A.S.Rajasekaran &Co.	Chithrakara street circle	26,816/-
7	Ramakrishna Traders	Chithrakara street circle	18,989/-
8	A.T.K.Mariappa Nadar & Co.	Chithrakara street circle	2,47,399/-
9	M.M.S.Krishnan & Co.	Chithrakara street circle	54,941/-
10	Amaravathy Traders	Chithrakara street circle	52,577/-
11	Vannithangam Enterprises	Thiruparankundram circle	34132/-
TOTAL			10,42,311/-

5. In the Government letter third read above, the Additional Chief Secretary/Commissioner of Commercial Taxes has been requested to place the same with proper justification before the waiver committee constituted vide G.O.(D) No.428, Commercial Taxes and Registration (D2) Department, dated 25.08.2006 for its decision.

6. Accordingly, the Additional Chief Secretary/Commissioner of Commercial Taxes has placed the waiver proposal before the waiver committee in his reference fourth read above, for its decision as follows:-

Considering the fact that even though the above dealers have not collected any tax for the period from 01.04.1993 to 31.07.1993, they have paid tax, surcharge and additional sales tax in installments as ordered by the Commissioner of Commercial Taxes and also in G.O.Ms.No.132, dated 23.05.1995, the Government have issued orders for remission of pena interest of Rs.78,49,103/- payable by the dealers in various trades for the period from 21.09.1977 to 31.10.1982 under the Tamil Nadu General Sales Tax Act,1959, the proposal for waiver of an amount of Rs.10,42,311/- (Rupees Ten lakh forty two thousand three hundred and eleven only) being the interest payable under section 24(3) of the Tamil Nadu General Sales Tax Act,1959 by the above 11 dealers of Madurai Division is placed before the Waiver Committee for its decision. The Waiver Committee has agreed to the above proposal.

7. In the reference fifth read above, the Additional Chief Secretary/Commissioner of Commercial Taxes has sent the proposal of the waiver committee to Government and requested the Government to issue orders in this regard.

8. The Government after careful examination of the proposal of the waiver committee, to accepted the decision of the waiver committee at para 6 above and issue orders for waiver at an amount of Rs.10,42,311/- (Rupees Ten lakh forty two thousand three hundred and eleven only) being the interest payable under section 24(3) of the Tamil Nadu General Sale Tax Act,1959 by 11 dealers of Madurai Division detailed in para 4 above on the sale of Flour of Pulses and Grams for the period from 01.04.1993 to 31.07.1993 and ordered accordingly.

9. This order issues with the concurrence of Finance Department vide its No.3612 ACS(F)/P/2018, dated 10.09.2018.

(By Order of the Governor)

Ka. BALACHANDRAN
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Additional Chief Secretary/Commissioner of Commercial Taxes,
Chennai - 5

✓ The Joint Commissioner (Admin), Office of the Additional Chief
Secretary/Commissioner of Commercial Taxes, Chennai - 5

The Joint Commissioner (CT), Madurai

The Principal Accountant General (A&E) Chennai - 18.

The Principal Accountant General (Audit) Chennai - 18.

The Pay and Account Officer concerned (through the Additional Chief
Secretary/Commissioner of Commercial Taxes, Chennai - 5)

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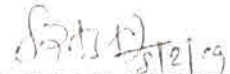
The Private Secretary to the Principal Secretary to Government,
Commercial Taxes and Registration Department, Chennai-9.

The Public (SC) Department, Chennai - 9

The Finance (Revenue) Department, Chennai - 9

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//Forwarded by Order//


SECTION OFFICER
