

ABSTRACT



Commercial Taxes Department – Waiver – Waiver of differential tax and penalty payable on the sale of PP (Polypropylene) woven sacks for the assessment year 1997-1998 under Tamil Nadu General Sales Tax Act, 1959 – Orders – Issued.

Commercial Taxes and Registration (D2) Department

G.O.(D) No.163

Dated: 11.04.2017

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துன்முகி, பங்குனி 29

திருவள்ளூர் ஆண்டு 2048

Read:

1. The Special Commissioner & Commissioner of Commercial Taxes letter No. D.Dis. Acts Cell-II/ 70314/98, dated 17.11.1998.
2. The Principal Secretary/Commissioner of Commercial Taxes letter No. D.Dis. Acts Cell-II/59903/1998, dated 18.8.2000 .
3. The Principal Secretary/Commissioner of Commercial Taxes letter No. Drafting Cell-II/21055/2007, dated 16.3.2015.
4. Government letter No.3875/D2/2015-1, Commercial Taxes and Registration (D2) Department, dated 17.04.2015.
5. The Additional Chief Secretary/Commissioner of Commercial Taxes letter No. DCII/21055/2007, dated 01.07.2016.

ORDER:

Based on an objection by the Accountant General (audit), the Special Commissioner/Commissioner of Commercial Taxes in his letter first read above clarified that PP (Polypropylene) woven sacks are classified under entry 33 of Part 'C' of the First Schedule to the Tamil Nadu General Sales Tax Act, 1959, taxable at 8% with effect from 17.07.1996 from the existing 4%.

2. In his letter second read above, the Principal Commissioner and Commissioner of Commercial Taxes clarified that polypropylene will fall under item 32 of Part-B of First Schedule, taxable at 4% with effect from 17.07.1996 and cancelled the clarification issued in the reference first read above. He also directed the Deputy Commissioners to instruct the assessing authorities to finalise all the pending assessments levying tax @ 8% on the sale of PP (polypropylene) woven sacks, take steps to collect the tax @ 4% and submit waiver proposal for the balance of 4%.

3. As per the instructions issued by the Principal Secretary/Commissioner of Commercial Taxes, the Joint Commissioner (Commercial Taxes), Tirunelveli sent a report

for waiver of differential rate of tax and penalty payable on the sale of PP (Polypropylene) woven sacks for the period 1997-1998. Accordingly, the Principal Secretary/ Commissioner of Commercial Taxes in his letter third read above sent proposal for waiver of an amount of Rs.5,92,573/- (Rupees Five lakh ninety two thousand five hundred and seventy three only).

4. In the Government letter fourth read above, the Principal Secretary/ Commissioner of Commercial Taxes was requested to place the above waiver proposal before the waiver committee constituted vide G.O.(D).No.428, Commercial Taxes and Registration (D2) Department, dated 25.08.2006 for its decision.

5. In the reference fifth read above, the Additional Chief Secretary/ Commissioner of Commercial Taxes has sent revised proposal for waiver of an amount of Rs.13,44,142/- (Rupees Thirteen lakh forty four thousand one hundred and forty two only) being the Tax of Rs.7,36,193/- (Rupees Seven lakh thirty six thousand one hundred and ninety three only) and Penalty of Rs.6,07,949/- (Rupees Six lakh seven thousand nine hundred and forty nine only) in respect of following two dealers on the sale of PP (Polypropylene) woven sacks for the assessment year 1997-1998, under the Tamil Nadu General Sales Tax Act, 1959:-

Sl. No.	Assessment year	Name of the dealer	Tax (in Rs.)	Penalty (in Rs.)	Total (in Rs.)
1.	1997-98	Tvl. Sandhiya Polymers, Rajapalayam	1,28,244/-	--	1,28,244/-
2.	1997-98	Tvl. Chola Packaging (P) Ltd., Rajapalayam	6,07,949/-	6,07,949/-	12,15,898/-
Total			7,36,193/-	6,07,949/-	13,44,142/-

and he has also stated that the following waiver proposal has been placed before the Waiver Committee for its decision:-

"Considering the fact that the dealers had collected only 4% tax on the sales of PP (Polypropylene) woven sacks for the assessment year 1997-1998, the proposal for waiver of differential tax and penalty of Rs.13,44,142/- (Rupees Thirteen lakhs forty four thousand one hundred and forty two only) payable by Tvl.Sandhiya Polymers, Rajapalayam and Tvl.Chola Packaging Private Limited, Rajapalayam is placed before the Waiver Committee for its decision."

The Waiver Committee has agreed to the above proposal. He has therefore, requested the Government to issue waiver orders in this regard.

6. The Government after careful examination, have decided to accept the decision of the waiver committee and hereby waive an amount of Rs.13,44,142/- (Rupees Thirteen lakh forty four thousand one hundred and forty two only) being the Tax of Rs.7,36,193/- (Rupees Seven lakh thirty six thousand one hundred and ninety three only) and Penalty of Rs.6,07,949/- (Rupees Six lakh seven thousand nine hundred and forty nine only) payable under the Tamil Nadu General Sales Tax Act, 1959 by the two dealers viz Tvl. Sandhiya Polymers, Rajapalayam and Tvl. Chola Packaging Private

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Limited, Rajapalayam on the sale of PP (Polypropylene) woven sacks for the period 1997-1998 under item 7 of Appendix 21 of Chapter – II of the Tamil Nadu Financial Code Volume – II.

7. This order issues with the concurrence of the Finance department vide its U.O.No.50801/Revenue/2016, dated 21.10.2016.

(By Order of the Governor)

Dr C. CHANDRAMOULI
ADDITIONAL CHIEF SECRETARY (FAC)

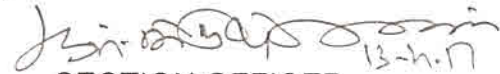
To

✓ The Additional Chief Secretary/Commissioner of Commercial Taxes, Chennai – 5
The Joint Commissioner concerned, (through the Additional Chief Secretary/
Commissioner of Commercial Taxes, Chennai – 5)
The Principal Accountant General, Chennai – 8

Copy to:

The Finance (Revenue) Department, Chennai – 9
Stock file/Spare copies.

//Forwarded by Order//


SECTION OFFICER
13/4/17