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AOC (WR)

### ABSTRACT

Commercial Taxes Department – Waiver – Waiver of tax, surcharge and penalty payable by the dealers on the sale of paper cones and tubes for the assessment years 2003-04 to 2005-06 under the Tamil Nadu General Sales Tax Act, 1959 – Orders – Issued.

### Commercial Taxes and Registration (D2) Department

G.O.(D) No.102

Dated: 02.03.2017

7700

துன்முகி, மாசி 18

திருவள்ளூர் ஆண்டு 2048

Read:

1. Commissioner of Commercial Taxes letter No. Acts Cell-II/ 9683/2004, dated 13.5.2005
2. The Principal Secretary/Commissioner of Commercial Taxes letter No. Audit Cell-II/ 8100/2007, dated 28.1.2009
3. The Additional Chief Secretary/Commissioner of Commercial Taxes letter No. DC-II/ 6171/2009, dated 01.09.2016.
4. Government letter No.10446/D2/2016-2, Commercial Taxes and Registration (D2) Department dated 17.10.2016
5. Minutes of the waiver committee DCII/6171/2009, dated 04.11.2016.
6. The Additional Chief Secretary/Commissioner of Commercial Taxes letter No. DC-II/ 6171/2009, dated 09.11.2016.

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### ORDER:

In the reference first read above, the Commissioner of Commercial Taxes(i/c) issued a clarification that paper cones & tubes are parts of textile machinery taxable @ 4% under entry No.63 of Part-B of the First Schedule to the Tamil Nadu General Sales Tax Act, 1959.

2. In the light of the ruling of the Tamil Nadu Taxation Special Tribunal and based on the objection raised by the Accountant General, the Principal Secretary/Commissioner of Commercial Taxes in the reference second read above issued a revised clarification that as the paper cones and tubes are only packing materials and not parts & accessories of textile machinery, they are to be assessed @ 12% and requested all the Joint Commissioners (Commercial Taxes) to send waiver proposal, if any, on this subject. As instructed by the Principal Secretary/Commissioner of Commercial Taxes the Joint Commissioners (Commercial Taxes), Salem and Tirunelveli sent a report in respect of 4 dealers and the other Joint Commissioners (Commercial Taxes) sent 'NIL' report.

3. Based on the report of the Joint Commissioners (Commercial Taxes) of Salem and Tirunelveli, the Additional Chief Secretary/Commissioner of Commercial Taxes in the reference third read above sent proposal to Government for waiver for an amount of Rs.9,82,546/- (Rupees nine lakh eighty two thousand five hundred and forty six only) being difference of tax of Rs.6,35,552/-, surcharge of Rs.32,274/- and penalty of Rs.3,14,720/- in



respect of four dealers on the sale of paper cones and tubes for the assessment years 2003-04 to 2005-06 considering the fact that the dealers had not collected higher rate of tax.

4. In the reference fourth read above the Additional Chief Secretary/ Commissioner of Commercial Taxes was requested to place the 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 placed the waiver proposal before the waiver committee for its decision as follows :-

"Considering the fact that the dealers have not collected higher rate of tax, the proposal for waiver of differential tax of Rs.6,35,552/-, surcharge of Rs.32,274/- and penalty of Rs.3,14,720/- amounting to Rs.9,82,546/- (Rupees Nine lakh eighty two thousand five hundred and forty six only) in respect of four dealers on the sale of paper cones and tubes for the assessment years 2003-04 to 2005-06 is placed before the Waiver Committee for its decision".

6. As the Waiver Committee has agreed to the above proposal, the Additional Chief Secretary/Commissioner of Commercial has requested the Government to issue waiver orders in the reference sixth read above.

7. The Government after careful examination, have decided to accept the decision of the waiver committee and hereby waive an amount of Rs.9,82,546/- (Rupees Nine lakh eighty two thousand five hundred and forty six only) being differential tax - Rs.6,35,552/-, surcharge - Rs. 32,274/- and penalty- Rs.3,14,720/- payable under the Tamil Nadu General Sales Tax Act, 1959 by four dealers viz Tvl. Pathi Cones, Kanishka Traders, Salem Division, Tvl.Text Tube India and Jothi & Co, Tirunelveli Division on the sale of paper cones and tubes for the assessment years 2003-04 to 2005-06 under item 7 of Appendix 21 of Chapter-II of the Tamil Nadu Financial Code Volume-II.


8. This order issues with the concurrence of the Finance department vide its U.O.No.64128 /Revenue/2017, dated 13.01.2017.

(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  
6/3/17