



# TAMIL NADU GOVERNMENT GAZETTE

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## Part IV—Section 2

### Tamil Nadu Acts and Ordinances

The following Ordinance which was promulgated by the Governor on the 17th December 2019 is hereby published for general information:—

TAMIL NADU ORDINANCE No.10 OF 2019.

***An Ordinance further to amend the Tamil Nadu Goods and Services Tax Act, 2017.***

WHEREAS the Legislative Assembly of the State is not in session and the Governor of Tamil Nadu is satisfied that circumstances exist which render it necessary for him to take immediate action for the purposes hereinafter appearing;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 213 of the Constitution, the Governor hereby promulgates the following Ordinance:—

1. (1) This Ordinance may be called the Tamil Nadu Goods and Services Tax (Amendment) Ordinance, 2019.

Short title and commencement.

(2) Section 13 shall be deemed to have come into force on the 1st day of September 2019 and all the remaining provisions of this Ordinance shall come into force on such date as the State Government may, by notification, appoint.

Tamil Nadu Act  
19 of 2017.

2. In section 2 of the Tamil Nadu Goods and Services Tax Act, 2017 (hereinafter referred to as the principal Act), in clause (4), after the expression “the Appellate Authority for Advance Ruling”, the expression “the National Appellate Authority for Advance Ruling” shall be inserted.

Amendment of section 2.

3. In section 10 of the principal Act,—

Amendment of section 10.

(1) in sub-section (1), after the second proviso, the following Explanation shall be inserted, namely:—

*“Explanation.—*For the purposes of the second proviso, the value of exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount shall not be taken into account for determining the value of turnover in a State.”;

(2) in sub-section (2),—

(a) in clause (d), the expression “and” occurring at the end, shall be omitted;

(b) in clause (e), for the expression “Council:”, the expression “Council; and” shall be substituted;

(c) after clause (e), the following clause shall be inserted, namely:—

“(f) he is neither a casual taxable person nor a non-resident taxable person.”;

(3) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) Notwithstanding anything to the contrary contained in this Act, but subject to the provisions of sub-sections (3) and (4) of section 9, a registered person, not eligible to opt to pay tax under sub-section (1) and sub-section (2), whose aggregate turnover in the preceding financial year did not exceed fifty lakh rupees, may opt to pay, in lieu of the tax payable by him under sub-section (1) of section 9, an amount of tax calculated at such rate as may be prescribed, but not exceeding three per cent of the turnover in State, if he is not—

(a) engaged in making any supply of goods or services which are not leviable to tax under this Act;

(b) engaged in making any inter-State outward supplies of goods or services;

(c) engaged in making any supply of goods or services through an electronic commerce operator who is required to collect tax at source under section 52;

(d) a manufacturer of such goods or supplier of such services as may be notified by the Government on the recommendations of the Council; and

(e) a casual taxable person or a non-resident taxable person:

Provided that where more than one registered person are having the same Permanent Account Number issued under the Income-tax Act, 1961, the registered person shall not be eligible to opt for the scheme under this sub-section unless all such registered persons opt to pay tax under this sub-section.”;

Central Act 43  
of 1961.

(4) in sub-section (3), after the expression “under sub-section (1)” occurring in two places, the expression “or sub-section (2-A), as the case may be,” shall be inserted;

(5) in sub-section (4), after the expression “of sub-section (1)”, the expression “or sub-section (2-A), as the case may be,” shall be inserted;

(6) in sub-section (5), after the expression “under sub-section (1)”, the expression “or sub-section (2-A), as the case may be,” shall be inserted;

(7) after sub-section (5), the following Explanations shall be inserted, namely:—

*“Explanation - 1.—*For the purposes of computing aggregate turnover of a person for determining his eligibility to pay tax under this section, the expression “aggregate turnover” shall include the value of supplies made by such person from the 1st day of April of a financial year upto the date when he becomes liable for registration under this Act, but shall not include the value of exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount.

*Explanation - 2.*— For the purposes of determining the tax payable by a person under this section, the expression “turnover in State” shall not include the value of following supplies, namely:—

(i) supplies from the first day of April of a financial year up to the date when such person becomes liable for registration under this Act; and

(ii) exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount.”.

4. In section 22 of the principal Act, in sub-section (1), after the second proviso, the following proviso and Explanation shall be inserted, namely:— Amendment of section 22.

“Provided also that the Government may, on the recommendations of the Council, enhance the aggregate turnover from twenty lakh rupees to such amount not exceeding forty lakh rupees in case of supplier who is engaged exclusively in the supply of goods, subject to such conditions and limitations, as may be notified.

*Explanation.*— For the purposes of this sub-section, a person shall be considered to be engaged exclusively in the supply of goods even if he is engaged in exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount.”.

5. In section 25 of the principal Act, after sub-section (6), the following sub-sections shall be inserted, namely:— Amendment of section 25.

“(6A) Every registered person shall undergo authentication, or furnish proof of possession of Aadhaar number, in such form and manner and within such time as may be prescribed:

Provided that if an Aadhaar number is not assigned to the registered person, such person shall be offered alternate and viable means of identification in such manner as Government may, on the recommendations of the Council, prescribe:

Provided further that in case of failure to undergo authentication or furnish proof of possession of Aadhaar number or furnish alternate and viable means of identification, registration allotted to such person shall be deemed to be invalid and the other provisions of this Act shall apply as if such person does not have a registration.

(6B) On and from the date of notification, every individual shall, in order to be eligible for grant of registration, undergo authentication, or furnish proof of possession of Aadhaar number, in such manner as the Government may, on the recommendations of the Council, specify in the said notification:

Provided that if an Aadhaar number is not assigned to an individual, such individual shall be offered alternate and viable means of identification in such manner as the Government may, on the recommendations of the Council, specify in the said notification.

(6C) On and from the date of notification, every person, other than an individual, shall, in order to be eligible for grant of registration, undergo authentication, or furnish proof of possession of Aadhaar number of the Karta, Managing Director, whole time Director, such number of partners, Members of Managing Committee of Association, Board of Trustees, authorised representative, authorised signatory and such other class of persons, in such manner, as the Government may, on the recommendations of the Council, specify in the said notification:

Provided that where such person or class of persons have not been assigned the Aadhaar Number, such person or class of persons shall be offered alternate and viable means of identification in such manner as the Government may, on the recommendations of the Council, specify in the said notification.

(6D) The provisions of sub-section (6A) or sub-section (6B) or sub-section (6C) shall not apply to such person or class of persons or any part of the State, as the Government may, on the recommendations of the Council, specify by notification.

*Explanation.*—For the purposes of this section, the expression “Aadhaar number” shall have the same meaning as assigned to it in clause (a) of section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016.”.

Central Act 18  
of 2016.

Insertion of new  
section 31A.

6. After section 31 of the principal Act, the following section shall be inserted, namely:—

**“31A. Facility of digital payment to recipient.**—The Government may, on the recommendations of the Council, prescribe a class of registered persons who shall provide prescribed modes of electronic payment to the recipient of supply of goods or services or both made by him and give option to such recipient to make payment accordingly, in such manner and subject to such conditions and restrictions, as may be prescribed.”.

Amendment of  
section 39.

7. In section 39 of the principal Act,—

(1) for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

“(1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52 shall, for every calendar month or part thereof, furnish, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and such other particulars, in such form and manner, and within such time, as may be prescribed:

Provided that the Government may, on the recommendations of the Council, notify certain class of registered persons who shall furnish a return for every quarter or part thereof, subject to such conditions and restrictions as may be specified therein.

(2) A registered person paying tax under the provisions of section 10, shall, for each financial year or part thereof, furnish a return, electronically, of turnover in the State, inward supplies of goods or services or both, tax payable, tax paid and such other particulars in such form and manner, and within such time, as may be prescribed.”;

(2) for sub-section (7), the following sub-section shall be substituted, namely:—

“(7) Every registered person who is required to furnish a return under sub-section (1), other than the person referred to in the proviso thereto, or sub-section (3) or sub-section (5), shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return:

Provided that every registered person furnishing return under the proviso to sub-section (1) shall pay to the Government, the tax due taking into account inward and outward supplies of goods or services or both, input tax credit availed, tax payable and such other particulars during a month, in such form and manner, and within such time, as may be prescribed:

Provided further that every registered person furnishing return under sub-section (2) shall pay to the Government, the tax due taking into account turnover in the State, inward supplies of goods or services or both, tax payable, and such other particulars during a quarter, in such form and manner, and within such time, as may be prescribed.”.

8. In section 44 of the principal Act, in sub-section (1), the following provisos shall be inserted, namely:—

Amendment of  
section 44.

“Provided that the Commissioner may, on the recommendations of the Council and for reasons to be recorded in writing, by notification, extend the time limit for furnishing the annual return for such class of registered persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of Central tax shall be deemed to be notified by the Commissioner.”.

9. In section 49 of the principal Act, after sub-section (9), the following sub-sections shall be added, namely:— Amendment of section 49.

“(10) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under this Act, to the electronic cash ledger for integrated tax, central tax, State tax, or cess, in such form and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act.

(11) Where any amount has been transferred to the electronic cash ledger under this Act, the same shall be deemed to be deposited in the said ledger as provided in sub-section (1).”.

10. In section 50 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely:— Amendment of section 50.

“Provided that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, shall be levied on that portion of the tax that is paid by debiting the electronic cash ledger.”.

11. In section 52 of the principal Act,— Amendment of section 52.

(1) in sub-section (4), the following provisos shall be inserted, namely:—

“Provided that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing the statement for such class of registered persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of Central tax shall be deemed to be notified by the Commissioner.”;

(2) in sub-section (5), the following provisos shall be inserted, namely:—

“Provided that the Commissioner may, on the recommendations of the Council and for reasons to be recorded in writing, by notification, extend the time limit for furnishing the annual statement for such class of registered persons as may be specified therein:

Provided further that any extension of time limit notified by the Commissioner of Central tax shall be deemed to be notified by the Commissioner.”.

12. After section 53 of the principal Act, the following section shall be inserted, namely:— Insertion of new section 53A.

**“53A. Transfer of certain amounts.**—Where any amount has been transferred from the electronic cash ledger under this Act to the electronic cash ledger under the Central Goods and Services Tax Act or under the Integrated Goods and Services Tax Act or under the Goods and Services Tax (Compensation to States) Act, the Government shall, transfer to the central tax account or integrated tax account or cess account, an amount equal to the amount transferred from the electronic cash ledger, in such manner and within such time as may be prescribed.”.

13. In section 54 of the principal Act, after sub-section (8), the following sub-section shall be inserted, namely:— Amendment of section 54.

“(8-A) Where the Central Government has disbursed the refund of State tax, the Government shall transfer an amount equal to the amount so refunded, to the Central Government.”.

Amendment of section 95.

14. In section 95 of the principal Act,—

(1) in clause (a),—

(a) after the expression “the Appellate Authority”, the expression “or the National Appellate Authority” shall be inserted;

(b) after the expression “of section 100”, the expression “or of section 101C of the Central Goods and Services Tax Act” shall be inserted;

(2) after clause (e), the following clause shall be inserted, namely:—

“(f) “National Appellate Authority” means the National Appellate Authority for Advance Ruling referred to in section 101A.”.

Insertion of new section 101A.

15. After section 101 of the principal Act, the following section shall be inserted, namely:—

**“101A. National Appellate Authority for Advance Ruling under the Central Goods and Services Tax Act shall be Appellate Authority under this Act.**—Subject to the provisions of this Chapter, for the purposes of this Act, the National Appellate Authority for Advance Ruling constituted under section 101A of the Central Goods and Services Tax Act shall be deemed to be the National Appellate Authority for Advance Ruling under this Act.”.

Amendment of section 102.

16. In section 102 of the principal Act,—

(1) after the expression “the Appellate Authority” occurring in two places, the expression “or the National Appellate Authority” shall be inserted;

(2) for the expression “or section 101”, the expression “or section 101 of this Act or section 101C of the Central Goods and Services Tax Act” shall be substituted;

(3) for the expression “or the appellant”, the expression “appellant, the Authority or the Appellate Authority” shall be substituted.

Amendment of section 103.

17. In section 103 of the principal Act,—

(1) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) The Advance Ruling pronounced by the National Appellate Authority under this Chapter shall be binding on—

(a) the applicants, being distinct persons, who had sought the ruling under sub-section (1) of section 101B of the Central Goods and Services Tax Act and all registered persons having the same Permanent Account Number issued under the Income-tax Act, 1961;

Central Act  
43 of 1961.

(b) the concerned officers and the jurisdictional officers in respect of the applicants referred to in clause (a) and the registered persons having the same Permanent Account Number issued under the Income-tax Act, 1961.”;

Central Act  
43 of 1961.

(2) in sub-section (2), after the expression “in sub-section (1)”, the expression “and sub-section (1-A)” shall be inserted.

Amendment of section 104.

18. In section 104 of the principal Act, in sub-section (1),—

(1) after the expression “the Authority or the Appellate Authority”, the expression “or the National Appellate Authority” shall be inserted;

(2) for the expression "of section 101", the expression "of section 101 of this Act or section 101C of the Central Goods and Services Tax Act" shall be substituted.

19. In section 105 of the principal Act,—

Amendment of  
section 105.

(1) for the marginal heading, the following marginal heading shall be substituted, namely:—

**"Powers of Authority, Appellate Authority and National Appellate Authority.";**

(2) in sub-section (1), after the expression "the Appellate Authority", the expression "or the National Appellate Authority" shall be inserted;

(3) in sub-section (2), after the expression "the Appellate Authority" occurring in two places, the expression "or the National Appellate Authority" shall be inserted.

20. In section 106 of the principal Act,—

Amendment of  
section 106.

(1) for the marginal heading, the following marginal heading shall be substituted, namely:—

**"Procedure of Authority, Appellate Authority and National Appellate Authority.";**

(2) after the expression "the Appellate Authority", the expression "or the National Appellate Authority" shall be inserted.

21. In section 171 of the principal Act, after sub-section (3), the following sub-section shall be added, namely:—

Amendment of  
section 171.

"(4) Where the Authority referred to in sub-section (2), after holding examination as required under the said sub-section comes to the conclusion that any registered person has profiteered under sub-section (1), such person shall be liable to pay penalty equivalent to ten per cent of the amount so profiteered:

Provided that no penalty shall be leviable if the profiteered amount is deposited within thirty days of the date of passing of the order by the Authority.

*Explanation.*—For the purposes of this section, the expression "profiteered" shall mean the amount determined on account of not passing the benefit of reduction in rate of tax on supply of goods or services or both or the benefit of input tax credit to the recipient by way of commensurate reduction in the price of the goods or services or both."

22. (1) The following S.No. and the entries relating thereto which was inserted by the Commercial Taxes and Registration Department Notification No.II(2)/CTR/917(e-2)/2017, published at pages 20-22 in Part II— Section 2 of the *Tamil Nadu Government Gazette* Extraordinary, dated the 14th November 2017, in the Schedule to the Commercial Taxes and Registration Department Notification No.II(2)/CTR/532(d-5)/2017, published at pages 68-75 in Part II - Section 2 of the *Tamil Nadu Government Gazette* Extraordinary, dated the 29th June 2017, shall be deemed to have come into force on the 1st day of July 2017, namely:—

Amendment of  
Notification.

(1)	(2)	(3)
"103A	26	Uranium Ore Concentrate."

(2) For the purposes of sub-section (1), the Government shall have and shall be deemed to have the power to amend the notification referred to in sub-section (1) with retrospective effect as if the Government had the power to amend the said notification under sub-section (1) of section 11 of the Tamil Nadu Goods and Services Tax Act retrospectively, at all material times.

(3) No refund shall be made of all such tax which has been collected, but which would not have been so collected, if the notification referred to in sub-section (1) had been in force at all material times.

17th December 2019.

**BANWARILAL PUROHIT,**  
*Governor of Tamil Nadu.*

**EXPLANATORY STATEMENT.**

The Tamil Nadu Goods and Services Tax Act, 2017 (Tamil Nadu Act 19 of 2017) was enacted with a view to make a provision for levy and collection of tax on *intra-State* supply of goods or services or both by the State Government.

2. The Goods and Services Tax Council in its 35th meeting held on 21st June 2019, has recommended various amendments to the Central Goods and Services Tax Act, 2017 (Central Act 12 of 2017). To give effect to the said recommendations, the Central Government amended the said Central Act by the Finance (No.2) Act, 2019 (Central Act 23 of 2019) which got the Presidential assent on 01.08.2019. Corresponding amendments are therefore required to be made to the Tamil Nadu Goods and Services Tax Act, 2017 (Tamil Nadu Act 19 of 2017). The Government have, therefore, decided to amend the said Tamil Nadu Act 19 of 2017 suitably.

3. The Ordinance seeks to give effect to the above decision.

(By order of the Governor)

**C. GOPI RAVIKUMAR,**  
*Secretary to Government (FAC),  
Law Department.*