



ABSTRACT

Goods and Services Tax - Tamil Nadu Goods and Services Tax Act, 2017 – Reduction in state tax on the margin of the supplier on the intra-State supplies of old and used motor vehicles - Notification - Issued.

COMMERCIAL TAXES AND REGISTRATION (B1) DEPARTMENT

G.O. (Ms) No.20

Dated: 25.01.2018

Thai-12

Thiruvalluvar Aandu, 2049

ORDER:

The Notification annexed to this order will be published in the Extraordinary issue of the Tamil Nadu Government Gazette, dated the 25th January, 2018.

(BY ORDER OF THE GOVERNOR)

Dr. C. CHANDRAMOULI
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To

The Additional Chief Secretary/Commissioner of State Tax, Chepauk, Chennai-5.

The Works Manager, Government Central Press, Chennai-79.

(with a request to publish the Notification in the Extraordinary issue of the Tamil Nadu Government Gazette, dated the 25th January, 2018 and to send 500 copies to the Government and 1000 copies to the Additional Chief Secretary/Commissioner of State Tax, Chennai-5.)

All Additional Commissioners/Joint Commissioners/Deputy Commissioners of State Tax concerned (Through the Additional Chief Secretary/Commissioner of State Tax, Chennai-5).

Copy to:

The Chief Minister's Office, Chennai – 9.

All Secretaries to Government, Chennai – 9.

(To communicate to all Heads of the Departments under their control)

The Accountant General (Accounts and Entitlements),
Chennai-18 (By name).

The Accountant General (Audit-I) / (Audit-II), Tamil Nadu
Lekha Pariksha Bhavan, 361, Anna Salai, Chennai-18.

The Commercial Taxes and Registration (B2) Department, Chennai-9.
(for paper placing)

NIC, Chennai-9 (to host the G.O. on www.tn.gov.in).

SF/SC.

//Forwarded/ By Order//

S. Sridhar
25/1/2018
SECTION OFFICER

ANNEXURE.**NOTIFICATION.**

In exercise of the powers conferred by sub-section (1) of section 11 of the Tamil Nadu Goods and Services Tax Act, 2017 (Tamil Nadu Act 19 of 2017), the Governor of Tamil Nadu, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby exempts the state tax on intra-State supplies of goods, the description of which is specified in column (3) of the Table below, falling under the tariff item, sub-heading, heading or Chapter as specified in the First Schedule to the Customs Tariff Act, 1975 (Central Act 51 of 1975), as are given in corresponding entry in column (2), from so much tax as specified in Schedule IV of the Commercial Taxes and Registration Department Notification No.II(2)/CTR/532(d-4)/2017, published at pages 3-68 in Part II-Section 2 of the Tamil Nadu Government Gazette, Extraordinary, dated 29th June, 2017, as is in excess of the amount calculated at the rate specified in the corresponding entry in column (4), of the said Table, on the value that represent margin of the supplier, on supply of such goods.

Table

S. No.	Chapter, Heading, Sub-heading or Tariff item	Description of Goods	Rate
(1)	(2)	(3)	(4)
1.	8703	Old and used, petrol, liquefied petroleum gases (LPG) or compressed natural gas (CNG) driven motor vehicles of engine capacity of 1200 cc or more and of length of 4000 mm or more. Explanation.- For the purposes of this entry, the specification of the motor vehicle shall be determined as per the Motor Vehicles Act, 1988 (Central Act 59 of 1988) and the rules made there under.	9%
2.	8703	Old and used, diesel driven motor vehicles of engine capacity of 1500 cc or more and of length of 4000 mm Explanation.- For the purposes of this entry, the specification of the motor vehicle shall be determined as per the Motor Vehicles Act, 1988 (Central Act 59 of 1988) and the rules made there under.	9%
3	8703	Old and used motor vehicles of engine capacity exceeding 1500 cc, popularly known as Sports Utility Vehicles (SUVs) including utility vehicles. Explanation.- For the purposes of this entry, SUV includes a motor vehicle of length exceeding 4000 mm and having ground clearance of 170 mm. and above.	9%
4.	87	All old and used vehicles other than those mentioned from S. No. 1 to S.No.3	6%

Explanation – For the purposes of this notification, -

- (i) in case of a registered person who has claimed depreciation under section 32 of the Income-Tax Act, 1961 (Central Act 43 of 1961) on the said goods, the value that represents the margin of the supplier shall be the difference between the consideration received for supply of such goods and the depreciated value of such goods on the date of supply, and where the margin of such supply is negative, it shall be ignored; and
- (ii) in any other case, the value that represents the margin of supplier shall be, the difference between the selling price and the purchase price and where such margin is negative, it shall be ignored.

2. This notification shall not apply, if the supplier of such goods has availed input tax credit as defined in clause (63) of section 2 of the Tamil Nadu Goods and Services Tax Act, 2017, CENVAT as defined in CENVAT Credit Rules, 2004 or the input tax credit of Value Added Tax or any other taxes paid, on such goods.

3. This notification shall come into force with effect from the 25th January, 2018.

Dr. C. CHANDRAMOULI
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT (FAC)

/True Copy/

d. dindi
25/1/2018
SECTION OFFICER