



## **ABSTRACT**

Arrears – Tamil Nadu General Sales Tax Act, 1959 and Central Sales Tax Act, 1956 – Irrecoverable arrears of tax, surcharge, additional surcharge, additional tax, penalty and interest – Write off arrears of demands raised during the period from 1951-52 to 1990-91 – Delegation of powers to Territorial Assistant Commissioner (Commercial Taxes) for write off – Orders – Issued.

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### **Commercial Taxes and Registration [D1] Department**

**G.O. (Ms.) No.88**

**Dated : 10.10.2008**

**Read :**

The Commissioner of Commercial Taxes Letter No.Drafting Cell-I / 23465 / 2008 dated 23.5.2008.

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### **ORDER:**

The Commissioner of Commercial Taxes has reported to the Government that an amount of Rs.98.71 crore is pending collection as tax for the period from 1951-52 to 1990-91. Whereas Rs.79.08 crore is pending under the Tamil Nadu General Sales Tax Act, 1959 and Rs.19.63 crore is pending under the Central Sales Tax Act, 1956. This includes the amount of penalty of Rs.31.29 crore under the Tamil Nadu General Sales Tax Act, 1959 and Rs.6.42 crore under the Central Sales Tax Act, 1956 totaling Rs.37.71 crore. The Commissioner of Commercial Taxes has also reported that the above said arrears could not be collected inspite of the action taken by the Department for so many years and that there is no scope for collection of such arrears from the dealers whose business had been closed down.

2. While moving the "Demand" for the Commercial Taxes Department for the year 2008-09, the Hon'ble Minister for Commercial Taxes has made an announcement in the floor of the Assembly that it has been decided to write off the arrears of demands to the tune of approximately Rs.98.71 crore raised under the Tamil Nadu General Sales Tax Act, 1959, Tamil Nadu Sales Tax (Surcharge) Act, 1971, Tamil Nadu Additional Sales Tax Act, 1970 and Central Sales Tax Act, 1956 during the period from 1951-52 to 1990-91. Under section 49 of the Tamil Nadu Value Added Tax Act, 2006, the Territorial Assistant Commissioners has the special powers of a Collector under the Tamil Nadu Revenue Recovery Act, 1864. Therefore, the power to write off such arrears can be vested with the Territorial Assistant Commissioners.

3. Accordingly, the Government delegate the powers vested with the Government/ Commissioner of Commercial Taxes under item 6 and 7 of Appendix 21 of the Tamil

Nadu Financial Code Volume-II to the Territorial Assistant Commissioners (Commercial Taxes) for specific purpose to write off the arrears on demands raised for the period from 1951-52 to 1990-91 under the Tamil Nadu General Sales Tax Act, 1959, the Tamil Nadu Sales Tax (Surcharge) Act, 1971, the Tamil Nadu Additional Sales Tax Act, 1970 and the Central Sales Tax Act, 1956, subject to the following conditions:-

- (1) Against the arrears of tax, surcharge, additional surcharge, additional tax, penalty and interest, no appeal, revision petition, writ petition or suit is pending before any appellate forum or court of law on the date of issue of this order.
  - (2) No immovable property has been attached for recovery of arrears under the Tamil Nadu Revenue Recovery Act, 1864.
  - (3) The defaulter has stopped business prior to 1<sup>st</sup> April, 2002.
4. The Commissioner of Commercial Taxes is directed to send a compliance report to the Government in this regard.
5. This order issues with the concurrence of Finance Department vide its U.O. No.233/DS(RC) dated 29.9.2008.

(BY ORDER OF THE GOVERNOR)

**RAJEEV RANJAN,**  
SECRETARY TO GOVERNMENT.

To  
The Commissioner of Commercial Taxes, Chennai-5.  
The Accountant General, Chennai-18.  
The Accountant General, Chennai-18. (By name)  
The Accountant General (CAS), Chennai-9.

Copy to:  
The Chairman, Sales Tax Appellate Tribunal, Chennai-104.  
All Deputy Commissioners (Commercial Taxes),  
through Commissioner of Commercial Taxes, Chennai-5.  
All Assistant Commissioners (Commercial Taxes),  
through Commissioner of Commercial Taxes, Chennai-5.  
The Finance (Revenue) Department, Chennai -9.  
The Law Department, Chennai -9  
SF / SCs.

// Forwarded / By order //

**SECTION OFFICER.**