

COMMERCIAL TAXES DEPARTMENT

From

THIRU T. JACOB, I.A.S.,
Commissioner of Commercial Taxes,
Chepauk, Chennai-5.

To

Tvl. Indo Shell Mould Limited,
No. A-9, SIDCO Industrial Estate,
Coimbatore – 641 021.

Lr. No. VAT Cell / 45889 /2007 (VCC No. 1140), dated 28.8.2007.

Sir,

Sub: TNVAT Act, 2006 – Certain clarification under TNVAT Act, 2006 regarding adjustment of input tax credit on zero rate sales - Requested by Tvl. Indo Shell Mould Limited, Coimbatore-21 – Regarding.

Ref: Letter dated 20.8.2007 from Tvl. Indo Shell Mould Limited, Coimbatore-21.

Tvl. Indo Shell Mould Limited, Coimbatore-21 have requested certain clarification under the TNVAT Act, 2006 regarding adjustment of input tax credit on zero rate sales.

It is clarified that sales to 100% E.O.U. is exempt. The corresponding input tax credit shall lapse to Government. Export is zero rate sale. For the corresponding input tax credit, the dealer can either adjust it for liability both under VAT Act and also CST Act.

Sd./G. Shanmugam,
For Commissioner of Commercial Taxes

Copy submitted to the Secretary to Government,
Commercial Taxes and Registration Department, Fort St. George, Chennai-9.

// Forwarded // By Order //

COMMERCIAL TAX OFFICER (VAT)