

COMMERCIAL TAXES DEPARTMENT

From

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

To

Thiru P. Nanjunda Moorthy,  
Sundaram Complex,  
No.19-F, Co.op. Colony,  
Mettupalayam – 641 301,  
Coimbatore District.

---

Lr. No. VAT Cell / 41922/2007 (VCC No. 1161), dated 29.8.2007.

Sir,

Sub: TNVAT Act, 2006 – Certain clarification under  
compounding scheme - Requested by Thiru P.  
Nanjundamoorthy, Mettupalayam, Coimbatore district -  
Regarding.

Ref: Letter dated 27.7.2007 from Thiru P. Nanjunda-moorthy,  
Mettupalayam, Coimbatore District.

\*\*\*\*\*

Thiru Nanjundamoorthy, Sundaram Complex, 19-F, Co-op. Colony, Mettupalayam, Coimbatore District is hereby informed that if a dealer is paying tax under section 3(4) of the Act and in the middle of the year his turnover has crossed rupees fifty lakhs, then he will not be eligible for payment under section 3(4) of the Act for the entire year i.e. he has to pay tax at the higher rate on the sale in which he has collected tax at 0.5%. He is eligible for input tax credit for his purchases made from the beginning of the year. But the time barred sales tax credit relating to stock held as on 31.12.2006 cannot be claimed.

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)