

## COMMERCIAL TAXES DEPARTMENT

From

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

To

Tvl. I T I Limited,  
No: 104 (129) Greams Road,  
Thousandlights, Chennai 6

Lr. No. VAT Cell /45900/ 2007 (VCC No1263), dated 19.9.2007.

Sir,

Sub: TNVAT Act, 2006 – Rate of tax clarification under  
TNVAT Act 2006 for certain items - requested -  
Regarding.

Ref: Letter dated 22.8.2007 from Tvl. I T I Ltd, Chennai 6

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Tvl. I T I Ltd, No:104 (129) Greams Road, Thousand Lights, Chennai 6 have requested certain clarification under the TNVAT Act 2006 for the following :

<b>S No</b>	<b>Items</b>	<b>Rate of tax</b>
I	Communication equipments	4% under Entry No:34 of Part B of I Schedule
II	<u>Supplies made to Government Department / Corporations etc.,</u>  1. Southern Railway 2. Integral Coach Factory 3. Department of Atomic Energy 4. Ministry of Defence	The supplies/sales of goods made to these Government Department are taxable at 4% under TNVT Act 2006 under TNVT Act 2006 as was under TNGST Act 1959subject to production of required certificate.
	5. Tamil Nadu Electricity Board 6. Neyveli Lignite Corporation	Taxable at 4% under TNVT Act 2006 subject to production of required certificate

	<ul style="list-style-type: none"> <li>7. University of Madras</li> <li>8. Madurai Kamaraja University Tamil Nadu Cement Corporation</li> <li>9. Tamil Nadu Cement Corporation</li> <li>10. Tuticorin Port Trust</li> <li>11. Madras Port Trust</li> <li>12. Tamil Nadu Text Books Society</li> <li>13. Tamil Nadu Veterinary and Animal Science University</li> <li>14. Tamil Nadu Housing Board</li> <li>15. Bharat Sanchar Niham Ltd (BSNL)</li> </ul>	<p>Taxable at Vat rate applicable to the goods sold/supplied</p> <p>Taxable at VAT rate applicable to the goods sold/supplied</p>
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II Indivisible works contract

As per Section 5 of TNVAT Act, the dealer is to pay existing rate of tax as per first Schedule.

If they file option under section 6, they have to pay at 2% on civil work and civil maintenance work and 4% on other works contract.

No tax on labour charges under TNVAT Act 2006.

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)