

COMMERCIAL TAXES DEPARTMENT

From

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

To

Tvl D.S.Ramaswamy,
Accountant,
45,Abbas Garden,
Etaopalayam, Coimbatore 25

Lr. No. VAT Cell /47684 / 2007 (VCC No 1301), dated 4.10.2007

Sir,

Sub: TNVAT Act, 2006 – Rate of Tax clarification under
TNVAT Act 2006 for collecting hire charges as
scaffolding equipments, centering and shuttering materials
- regarding.

Ref: Letter dated 2.9.2007 from Tvl. D.S.Ramasamy,
Coimbatore

Tvl. D.S.Ramasamy, Coimbatore have requested rate of tax clarification for
collecting hire charges as scaffolding equipments, centering and shuttering materials.

It is clarified that leasing is deemed sale. Though receipt is called rent or hire
charges, it is only consideration for leasing. The scaffolding materials are liable to tax at
12.5% and its lease receipt though called rent is liable to tax at 12.5%

.Sd/ 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)