

COMMERCIAL TAXES DEPARTMENT

From

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

To

Tvl. Tvl. Nagammai Cotton Mills Pvt.Ltd,
New No:15, Wheat Croft Road, Chennai 34

Lr. No. VAT Cell / 47671 / 2007 (VCC No 1407) , dated 20.11.2007

Sir,

Sub: TNVAT Act, 2006 – Certain clarification under TNVAT Act
2006 - requested - regarding.

Ref: Letter dated 3.9.2007 received from Tvl. Nagammai
Cotton Mills Pvt.Ltd, Chennai 34.

Tvl. Nagammai Cotton Mills Pvt.Ltd, Chennai 34 have requested certain clarification under Tamil Nadu Value Added Tax 2006.

The petitioner is clarified as follows:

1. Capital goods are those goods which fall under Section 2(11) of the Tamil Nadu Value Added Tax 2006. Capital goods are enumerated under entry 25 of Part B of the First Schedule and they are not industrial input.

2 and 3 - Input tax paid on purchase of parts and accessories of existing capital goods on or after 1.1.2007 is eligible for credit as per proviso clause of Rule 10(4)(b) of the Tamil Nadu Value Added Tax Rules 2006 subject to conditions prescribed.

4. Packing materials fall under Entry 94 to Part B of I Schedule and labels fall under Entry 105 of Part B of First Schedule and are eligible for Input tax credit for a manufacturer of other goods.

5. Input tax credit is eligible for those goods which are used as input on manufacture or process of goods in this State.

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)