

COMMERCIAL TAXES DEPARTMENT

From

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

To

Thiru S.Harihara Raghavan,  
General Manager,  
The Theosophical Society,  
International Headquarters,  
Adyar, Chennai 600 020

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Lr. No. VAT Cell / 48179 / 2007 (VCC No 1441), dated 5.12.2007

Sir,

Sub: TNVAT Act, 2006 – Rate of tax clarification under Tamil Nadu Value Added Tax Act 2006 for printers and other agencies connected with the printing - requested -regarding

Ref: Letter dated 3.9.2007 received from the General Manager, The Theosophical Society, Chennai 20.

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The points raised in your letter are clarified as follows:

- i) VAT 4% charged when magazine cover etc., is printed on paper supplied by petitioner.
- ii) VAT 4% charged on lamination work without specifying the cost of the material used by the job contractor.
- iii) When printers specify the cost of material, they can charge VAT at applicable rate. But, when cost of material and labour charges are not shown separately, VAT can be charged only on 70% of the bill cost whereas the petitioners contract printers charge 4% on the entire bill value.

In this connection, the job work contractors of the petitioner seem to be correct in collecting 4% on the entire job work turnover if the job work contractor have opted for compounded tax payment system under section 6 of Tamil Nadu Value Added Tax Act 2006 before the amendment dated 8.6.2007. Thereafter, no such tax collection can be made.

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)