

COMMERCIAL TAXES DEPARTMENT

From

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

To

1. Tvl. The Tamil Nadu Jaggery Merchants Association,
No. 25, Chitrakara Street,
Madurai - 625 001,
2. Tvl, The Virudhunagar Chamber of
Commerce & Industry,
No,102, Main Bazaar,
Virudhunagar - 626 001.
3. Tvl. Goyal International,
No.79, Acharappan Street, 1st Floor,
Chennai – 600 001.
4. Tvl. Micky Traders,
No.17/89, V.H. Road,
Coimbatore – 641 001.

Lr.No. VAT Cell / 46775/ 2007(VCC No. 1495), dated 21.02.2008.

Sir,

Sub: Central Sales Tax Act, 1956 – Inter-State sale of jaggery, gur, pulses & grams, edible oils, oil cake, peas & peas dhall, etc. Conditional exemption granted under TNVAT Act, 2006 – clarification issued – Regarding.

- Ref:
1. Tvl. The Tamil Nadu Jaggery Merchants Association, Madurai Lr. dated 13.8.2007.
 2. Tvl.The Virudhunagar Chamber of Commerce & Industry, Virudhunagar letter dated 3.9.2007.
 3. Tvl. Goyal International, Chennai Lr.dt. 10.9.07.
 4. Tvl. Micky Traders, Coimbatore lr. dt. 31.9.2007.

In the references cited above, the petitioners have sought clarification as to whether the inter-State sale of jaggery, gur, pulses and grams, vegetable oils, and oil cake, peas and peas dhall are eligible for exemption, as these goods are exempt from levy of VAT under TNVAT Act, 2006, particularly after the amendment made to Section 8 of CST Act, 1956 by the Finance Act 16 of 2007 of the Parliament, with effect from 1.4.2007.

It is informed that as there are specific entries for levy of tax on the commodities mentioned by the petitioners (item Nos. 41, 52, 110 and 145 of Part B of First Schedule to TNVAT Act), the exemption granted for the said commodities with the conditions of turnover limit, for a class of dealers under Part B of Fourth Schedule to the TNVAT Act is not applicable to inter-State sales. As far as the levy of CST is concerned, it is goods specific and not dealer specific, according to the Explanation provided under Section 8(2) of the CST Act, 1956.

Sd./ T. Jacob,
Commissioner of Commercial Taxes.

Copy submitted to the Secretary to Government,
Commercial Taxes and Registration Department, Chennai-9.

// Forwarded/ By Order //

DEPUTY COMML. TAX OFFICER (VAT)