

COMMERCIAL TAXES DEPARTMENT

From

Thiru T.Jacob, I.A.S.,
Principal Secretary/
Commissioner of Commercial Taxes,
Chepauk,
Chennai-600 005

To

Tvl. Foretek Engineers Pvt. Ltd.,
No.11, Dr. Nair Road, T.Nagar,
Chennai-600 017.

VATCELL / 35884 / 2008 /A1/ Dated 20.09.2008

Sir,

Sub: TNVAT Act, 2006 – Rate of tax clarification under
TNVAT Act, 2006 for spray painting booth – Requested
– Regarding.

Ref: Letter No.FE/ACCT/023/08-09, dated 28.7.2008
received from Tvl. Foretek Engineers Pvt. Ltd.
Chennai.17.

Tvl. Foretek Engineers Pvt. Ltd. Chennai-17 have requested rate of tax clarification under TNVAT Act, 2006 for sale of spray painting booth equipment to Tvl. Simpson and Company Ltd., Chennai-2.

It is clarified that since the machine is used not only for degreasing, water cleaning and drying but also for spray painting of the product manufactured (i.e. Diesel Engine) the paint booth equipment sold by Tvl. Foretek Engineers Pvt. Ltd. Chennai-17 to Tvl. Simpson & Co. Ltd. Chennai-2 is taxable at 4% as capital goods under Entry 25 of Part B of Ist Schedule of TNVAT Act 2006.

The clarification already issued in letter No. VAT Cell / 10596/08/A3/(VCC 1508) dated 14.5.2008 is cancelled with effect from 14.5.2008.

Sd/- R.Chandranathan,
for Principal Secretary/
Commissioner of Commercial Taxes

//Forwarded / by order//

COMMERCIAL TAX OFFICER