



### **ABSTRACT**

Waiver – Commercial Taxes Department – Waiver of tax, penalty and additional sales tax on the sale of tea in tea auction centres at Ooty and Coimbatore including Tea Serve – Orders – Issued.

### **COMMERCIAL TAXES AND REGISTRATION (B2) DEPARTMENT**

G.O. (2D) No.115

Dated: 16.12.2022

Maargazhi-1

Thiruvalluvar Aandu, 2053

Read:

1. G.O.(Ms) No.876, Commercial Taxes and Religious Endowments Department, dated 29.07.1982.
2. G.O.(Ms) No.12, Commercial Taxes and Registration (B2) Department, dated 04.02.2008.

Read also:

3. From the Principal Secretary/Commissioner of Commercial Taxes Letter No.Drafting Cell-II/40851/2008, dated 09.09.2014 and 20.07.2016.

### **ORDER:**

In the Government Order first read above, exemption was granted under the Tamil Nadu General Sales Tax Act, 1959, in respect of tax payable by any dealer on the sale of Tea made at the auction centres at Coimbatore and Coonoor, subject to the following conditions, with effect from 01.08.1982:-

- 1) Tea purchased at the auction is actually exported within six months from the date of auction; and
- 2) A declaration in the form prescribed is to be obtained by the seller from the buyer at the auction and furnished to the assessing authority before final assessment.

2. The sale of tea at 'tea serve' and other tea auction centres at Ooty and Coimbatore were treated as inter-State sales and assessed to tax at 4% under the Central Sales Tax Act, 1956. The Accountant General had viewed that the sales of tea at Tea Serve and other private

auction centres at Ooty and Coimbatore were intra-State sales (local sales) and had to be assessed under the Tamil Nadu General Sales Tax Act, 1959. The then Additional Advocate General had also endorsed the views of the Accountant General.

3. Accordingly, the Cabinet, in its meeting on 10.01.2008, decided to allow the Commissioner of Commercial Taxes to reopen the assessments relating to sale of tea in auction tea centres at Ooty and Coimbatore including Tea Serve made under the Central Sales Tax Act, 1956 (wherever the assessments are not time-barred) and to reassess the transaction to tax under the Tamil Nadu General Sales Tax Act, 1959 as though they were of the nature of intra-State sales, deduct the Central Sales Tax already paid and to ask the Commissioner of Commercial Taxes to send necessary proposals to Government for waiver of the balance portion of tax due.

4. In the Government Order second read above, the Commissioner of Commercial Taxes was directed to reopen the assessments relating to sale of tea in tea auction centres at Ooty and Coimbatore including Tea Serve made under the Central Sales Tax Act, 1956 (wherever the assessments are not time-barred) and to reassess the transaction to tax under the Tamil Nadu General Sales Tax Act, 1959 as though they were of the nature of intra-State sales and to deduct the Central Sales Tax already paid.

5. Accordingly, the Commissioner of Commercial Taxes had instructed the Joint Commissioner (CT), Coimbatore Division to reopen the assessments relating to sale of tea in tea auction centres at Ooty and Coimbatore including Tea Serve made under the Central Sales Tax Act, 1956 following the conditions laid down in the Government Order second read above. In respect of Coonoor Assessment Circle, assessments were reopened in 32 cases and demands raised for an amount of Rs.27,38,52,651/- (Tax Rs.17,56,39,863/-; Penalty Rs.1,65,85,599/-; Additional Sales Tax Rs.8,16,27,189/-) and in respect of Trichy Road Assessment Circle, no assessment required revision as per the Government Order.

6. In the letter third read above, the Commissioner of Commercial Taxes had sent waiver proposal to Government in respect of the demand raised on account of reassessment of sales of tea as ordered in the Government Order second read above as intra-State sales liable under the Tamil Nadu General Sales Tax Act, 1959 after deducting the Central Sales Tax already paid, and to waive the remaining balance amount of Rs.27,38,52,651/- (Tax Rs.17,56,39,863/-; Penalty Rs.1,65,85,599/-; Additional Sales Tax Rs.8,16,27,189/-) in respect of 32 dealers.

7. The Waiver Committee agreed to the above proposal.

8. The Government, after careful examination, have decided to accept the recommendations of the Waiver Committee. Accordingly, in exercise of the powers conferred under item 7 of Appendix 21 of Chapter-XII of the Tamil Nadu Financial code, Volume-II, the Government waive a sum of Rs.27,38,52,651/- (Rupees twenty-seven crore thirty-eight lakhs fifty-two thousand six hundred and fifty-one), (being of Tax Rs.17,56,39,863/-, Penalty of Rs.1,65,85,599/- and Additional Sales Tax of Rs.8,16,27,189/-) payable by 32 dealers on account of reassessment of sales of tea, as ordered in the Government Order second read above, as intra-State sales liable under the Tamil Nadu General Sales Tax Act, 1959 after deducting the Central Sales Tax already paid.

**(BY ORDER OF THE GOVERNOR)**

**B. JOTHI NIRMALASAMY  
SECRETARY TO GOVERNMENT**

To

The Principal Secretary/Commissioner of Commercial Taxes, Chepauk, Chennai-5.  
The Joint Commissioner (Administration), Office of the Principal Secretary/  
Commissioner of Commercial Taxes, Chepauk, Chennai-5.

✓ The Joint Commissioner (CT) concerned.

The Accountant General (Accounts & Entitlements), Chennai-18.

The Accountant General (Audit), Chennai-18.

Copy to:

The Principal Private Secretary to Chief Secretary to Government, Chennai - 9.

The Special Personal Assistant to Minister for Finance and  
Human Resources Management, Chennai-9.

The Special Personal Assistant to Minister for Commercial  
Taxes and Registration/Public Works/Higher Education/  
Co-operation/MAWS/WR, Chennai-9.

The Private Secretary to the Additional Chief Secretary, Finance  
Department, Chennai-9

The Private Secretary to the Secretary, Commercial Taxes and  
Registration Department, Chennai-9.

The office of the Chief Minister, Chennai - 9.

The Finance (Revenue) Department, Chennai - 9.

The Finance (Resources) Department, Chennai - 9.

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**//Forwarded/By Order//**

செ. முரளி கிருஷ்ணன்  
SECTION OFFICER 16.12.22

16.12.22

Sl.No.	Asst. No.	Asst. Year	Name of the dealer	Tax	Penalty	AST	Total	Date of Assessment Order
1.	2540205	2002-2003	Tvl.Carrittmoran & Co	6018462	515483	2075291	8609236	16.06.2009
2.	2540205	2003-2004	Tvl.Carrittmoran & Co	5325316	582320	2075291	7982927	16.06.2009
3.	2540196	2002-2003	Tvl.Forbes & Co	3297618	295459		3593077	18.06.2009
4.	2540205	2004-2005	Tvl.Carrittmoran & Co	8559890	957801	4321478	13839169	18.06.2009
5.	2540205	2005-2006	Tvl.Carrittmoran & Co	5796196	613844	1929091	8339131	18.06.2009
6.	2540206	2002-2003	Tvl.J.Thomas & Co	13874478	1123736	9849393	24847607	30.06.2009
7.	2540205	2006-2007	Tvl.Carrittmoran & Co	4221785	453603	1712704	6388092	18.06.2009
8.	2541996	2002-2003	Tvl.Global Tea Brokers	4230735	399701	1284818	5915254	28.07.2009
9.	2541996	2004-2005	Tvl.Global Tea Brokers	8422157	841692	3847011	13110860	28.07.2009
10.	2541996	2003-2004	Tvl.Global Tea Brokers	4370287	45158	1476197	5891642	28.07.2009
11.	2541996	2005-2006	Tvl.Global Tea Brokers	4393801	439374	1418468	6251643	28.07.2009
12.	2541996	2006-2007	Tvl.Global Tea Brokers	4278122	242613	748979	5269714	15.10.2009
13.	2542164	2002-2003	Tvl.Paramount Tea Marketing Ltd	7955160	795517	2379102	11129779	29.10.2009
14.	2542164	2003-2004	Tvl.Paramount Tea Marketing Ltd	7426488	747288	248185	8421961	05.11.2009
15.	2542164	2004-2005	Tvl.Paramount Tea Marketing Ltd	12538142	1208873	5038490	18785505	05.11.2009
16.	2542164	2005-2006	Tvl.Paramount Tea Marketing Ltd	7408833	740754	2110315	10259952	05.11.2009
17.	2542165	2006-2007	Tvl.Paramount Tea Marketing Ltd	4665147	340283	900198	5905628	05.11.2009

18.	2540693	2002-2003	Tvl. Contemporary Target Prafect	404821	10140		414961	25.04.2011
19.	2542157	2002-2003	Tvl. Contemporary Tea Auct	3093076	309308	1153302	4555686	27.04.2011
20.	2542157	2003-2004	Tvl. Contemporary Tea Auct	3726133	422938	1637278	5786349	27.05.2011
21.	2542157	2004-2005	Tvl. Contemporary Tea Auct	8093625	809369	4343049	13246043	27.04.2011
22.	2542157	2005-2006	Tvl. Contemporary Tea Auct	5273856	613409	3729059	9616324	27.04.2011
23.	2542157	2006-2007	Tvl. Contemporary Tea Auct	5025470	333557	1780640	7130667	27.04.2011
24.	2540196	2003-2004	Tvl. Forbes & Co	3307880	333654	1223567	4865101	24.08.2011
25.	2540196	2004-2005	Tvl. Forbes & Co	7840651	800205	4156147	12797003	12.09.2011
26.	2540196	2005-2006	Tvl. Forbes & Co	6172297	699317	2466367	9337981	29.08.2011
27.	2540820	2002-2003	Tvl. Paramount Tea Marketing Ltd	4019827	244868	3044252	7308947	15.08.2012
28.	2540820	2003-2004	Tvl. Paramount Tea Marketing Ltd	1484279	148394	1095498	2728171	15.08.2012
29.	2540820	2005-2006	Tvl. Paramount Tea Marketing Ltd	1136594	113604	7617347	8867545	15.07.2012
30.	2540820	2004-2005	Tvl. Paramount Tea Marketing Ltd	1494313	189825	1365285	3049425	16.07.2012
31.	2540820	2006-2007	Tvl. Paramount Tea Marketing Ltd	1008936	61094	1241912	2311942	16.07.2012
32.	2540206	2003-2004	J. Thomas and Co Pvt. Ltd	10775438	1152418	5358475	17286331	01.04.2013
			<b>Total</b>	<b>175639863</b>	<b>16585599</b>	<b>81627189</b>	<b>273852651</b>	

*[Signature]*  
Personal Assistant  
to Joint Commissioner (CT)  
Coimbatore-18.

*[Signature]*  
11.9.13