
Tamil Nadu Additional Sales Tax (Amendment) Act, 2005**14 of 2005****CONTENTS**

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Statement of Objects and Reasons² The High Court, Madras in its order dated the 14th September 2001 in M/s. Wipro GE Medical Systems Limited v. Tamil Nadu Taxation Special Tribunal and others (Writ Petition No. 11632 of 1999) held that the levy of interest on the additional Sales Tax under the Tamil Nadu Additional Sales Tax Act, 1970 (Tamil Nadu Act 14 of 1970) is impermissible in the absence of a specific provision in the said Act. 2. As a result of the decision of the High Court, Madras, interest could not be levied under the said Tamil Nadu Act 14 of 1970, on the delayed payment of additional sales tax and the penalty imposed by the Assessing Authority. To obviate the difficulty and also to validate the action already taken for the collection of interest on the delayed payment of additional Sales Tax and penalty, the Government have decided to make specific provisions in the said Act with retrospective effect, by amending the said Act suitably. 3. The Bill seeks to give effect to the above decision. PREAMBLE An Act further to amend the Tamil Nadu Additional Sales Tax Act, 1970. Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-sixth Year of the Republic of India as follows :-- 1. Received the assent of the Governor on the 12th October, 2005 -- Published in Tamil Nadu Government Gazette, Extraordinary, Part IV, Section 2, Issue No.222, Page 95, dated October 13, 2005. 2. Vide LA Bill No. 15 of 2005 -- As published in Tamil Nadu Government Gazette, Extra., Part IV, Section 1, Issue No.209, dated September 23, 2005.

1. Short Title And Commencement :-

(1) This Act may be called the Tamil Nadu Additional Sales Tax (Amendment) Act, 2005.

(2) Section 2 shall be deemed to have come into force on the 1st day of April 1970.

2. Amendment Of Section 2 :-

In Section 2 of the Tamil Nadu Additional Sales Tax Act, 1970 (Tamil Nadu Act 14 of 1970) (hereinafter referred to as the principal Act), in sub-section (1),--

(1) after clause (aa), the following clause shall be inserted, namely:--

"(aaa) On any amount of additional tax or penalty Imposed by the assessing authority remaining unpaid under this Act, the dealer referred to in clause (aa) shall pay interest as specified in sub-section (3) of Section 24 of the said Act, in addition to such amount of additional tax or penalty due.".

(2) for clause (b), the following clause shall be substituted, namely:--

"(b) The provisions of the said Act shall apply in relation to the additional tax payable under clause (aa) and the interest payable under clause (aaa) as they apply in relation to the tax and interest payable under the said Act.".

3. Validation :-

Notwithstanding anything contained in the principal Act or in any judgment, decree or order of any Court, tribunal or other authority, any interest paid or payable for delayed payment of additional tax or penalty which is in conformity with the provisions of the principal Act as amended by Section 2 of this Act for the period commencing on the 1st day of April 1970 and ending with the date of publication of this Act in the Tamil Nadu Government Gazette shall, for all purposes, be deemed to be and to have always been, validly paid or payable in accordance with law, as if the principal Act as amended by Section 2 of this Act had been in force at all material times when such interest was paid or became payable and accordingly all acts, proceedings or things done or taken by any authority, officer or person in connection with the payment of such interest for delayed payment of additional tax or penalty shall, for all purposes, be deemed to be and to have always been done or taken in accordance with law.

