

**Tamil Nadu General Sales Tax (Fourth Amendment) Act,
2006****37 of 2006**

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Statement of Objects and Reasons² In view of the proposal to introduce the system of Value Added Tax in Tamil Nadu with effect from 1st January 2007, there is urgent need to complete the back year assessments before introduction of the same. The Government has to concentrate more on cases of high revenue yield rather than on cases of low revenue potential. There is a lot of pendency in back year assessments. 2. The Government have therefore decided to make a provision in the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act 1 of 1959) for completing the back year assessments pending as on 1st April 2006 based on the return filed by the dealer without requiring the presence of the dealer or production of books of accounts by the dealer subject to certain conditions. 3. The Bill seeks to achieve the above decision. Memorandum Regarding Delegated Legislation Clause 2 of the Bill authorizes the Government to make Rules for the purpose specified therein. 2. The powers delegated are normal and not of an exceptional character. PREAMBLE An Act further to amend the Tamil Nadu General Sales Tax Act, 1959. Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-seventh Year of the Republic of India as follows:-- 1. Received the Assent of the Governor of Tamil Nadu on the December 16, 2006 -- Published in Tamil Nadu Government Gazette, Extraordinary, Part IV, Section 2, Iss. No.350, page 219, dated December 18, 2006. 2. Vide L.A. Bill No.41 of 2006 as introduced in the Tamil Nadu Assembly on December 6, 2006 -- Published in the Tamil Nadu

Government Gazette, Extraordinary, Part IV, Section 1, Issue No.337, pages 367-369, dated December 6, 2006.

1. Short Title And Commencement :-

(1) This Act may be called the Tamil Nadu General Sales Tax (Fourth Amendment) Act, 2006.

(2) It shall come into force on such date as the Government may, by notification, appoint.

2. Insertion Of New Section 12-C :-

In the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act 1 of 1959) (hereinafter referred to as principal Act), after Section 12-B, the following Section shall be inserted, namely:--

"12-C. Assessment of sales in certain cases.--

(1) Notwithstanding anything contained in this Act but subject to the provisions of Section 16, the assessment of a dealer in respect of the assessment for the period prior to the 1st day of April 2006 shall be on the basis of the return relating to his turnover and on the basis of the declaration or certificate as may be prescribed, furnished on or before the 31st March 2007 and such return shall be accepted without requiring the presence of the dealer or production of books of accounts by the dealer subject to such conditions as may be prescribed:

Provided that this sub-section shall not apply to a dealer who has filed an appeal or other proceeding in respect of any assessment for the period referred to in this subsection and is pending before the High Court or the Supreme Court, as the case may be.

(2) Every dealer who claims to be not liable to pay tax and has not filed return, shall file the return on or before the 31st March 2007 in the prescribed manner relating to his turnover for the period prior to the 1st day of April 2006 and such return shall be accepted, subject to the provisions of Section 16, failing which his registration shall be cancelled, after giving him a reasonable opportunity of being heard."