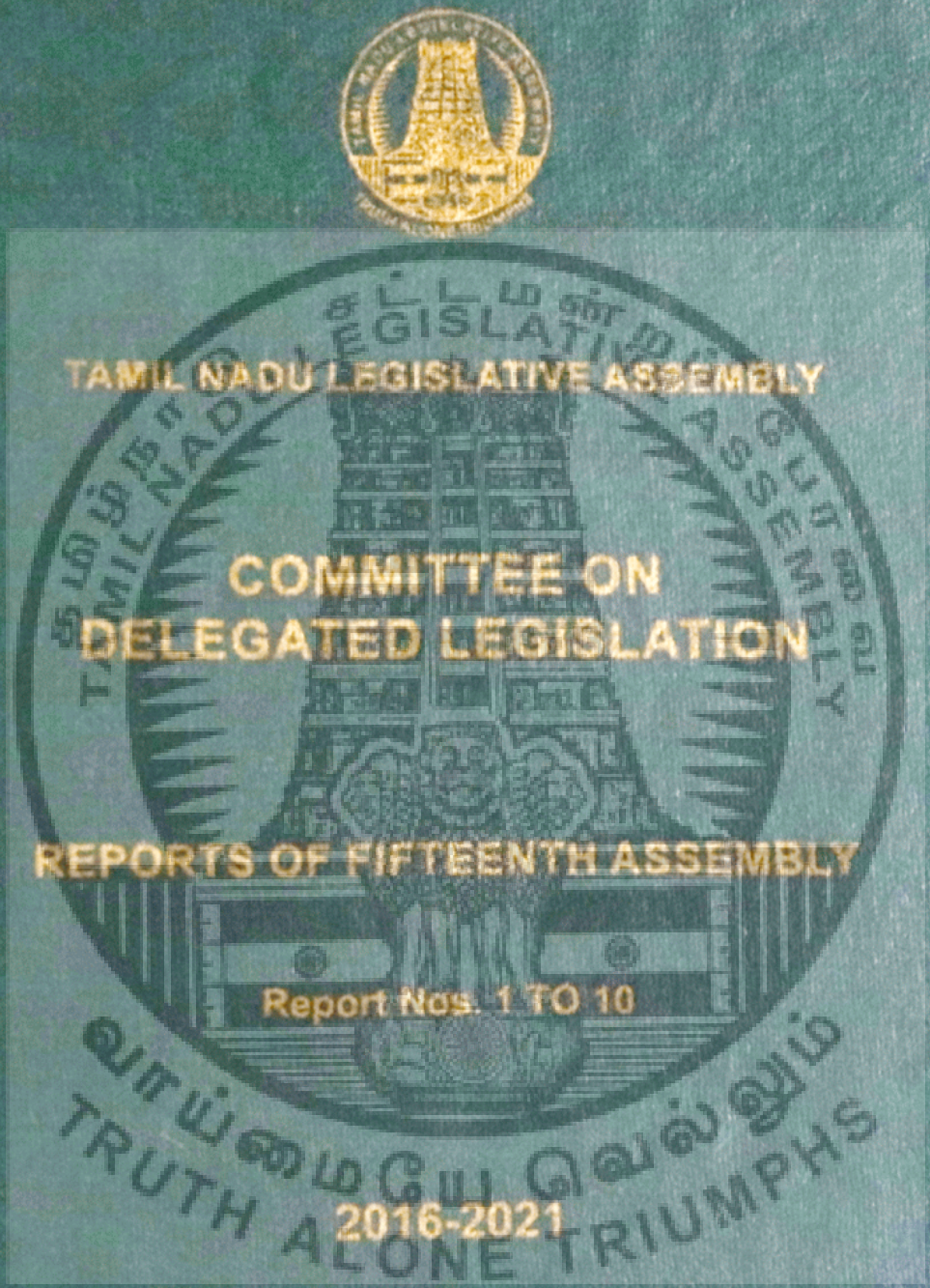


TAMIL NADU LEGISLATIVE ASSEMBLY

COMMITTEE ON DELEGATED LEGISLATION

REPORTS OF FIFTEENTH ASSEMBLY

Report Nos. 1 TO 10

2016-2021

SECTION

TAMIL NADU LEGISLATIVE ASSEMBLY

COMMITTEE ON DELEGATED LEGISLATION

(2016-2018)

(FIFTEENTH ASSEMBLY)

FIRST REPORT

Report on action taken by the Government on the recommendations of the Committee contained in the Fourteenth Report (Fourteenth Assembly)

(Presented to the Assembly on 28 JUN 2017)

Legislative Assembly Secretariat,
Chennai- 600 009.

TAMIL NADU LEGISLATIVE ASSEMBLY

COMMITTEE ON DELEGATED LEGISLATION

(2016-2018)

(FIFTEENTH ASSEMBLY)

FIRST REPORT

Report on action taken by the Government on the recommendations of the Committee contained in the Fourteenth Report (Fourteenth Assembly)

TAMIL NADU LEGISLATIVE ASSEMBLY
வாய்மையே வெல்லும்
VAIMAIYE VELLUM
TRUTH ALONE TRIUMPHS

Legislative Assembly Secretariat,
Chennai- 600 009.

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TAMIL NADU LEGISLATIVE ASSEMBLY
TRUTH ALONE TRIUMPHS

TAMIL NADU LEGISLATIVE ASSEMBLY

COMMITTEE ON DELEGATED LEGISLATION (2016-2018)

(Constituted on 1st February, 2017)

CHAIRMAN

1. Thiru. P. Palaniappan

MEMBERS

2. Thiru. S. Ambeth Kumar
3. Thiru Amman K. Arjunan
4. Thiru. P. Adalarasan
5. Thiru. S. Eswaran
6. Tmt. K. Uma Maheswari
7. Thiru V. Ganesan
8. Thiru. R. Ganesh
9. Thiru. V.T. Kalaiselvan
10. Thiru. Durai K. Saravanan
11. Thiru. A. Natarajan
12. Thiru. K.S. Vijaya Kumar

SECRETARIAT

Thiru. K. Boopathy	...	Secretary (Incharge)
Tmt. P. Thenmozhi	...	Deputy Secretary
Thiru. G. Ganesh	...	Committee Officer in the cadre of Deputy Secretary
Thiru. S.R.Ravi	...	Under Secretary

REPORT OF THE COMMITTEE ON DELEGATED LEGISLATION ON THE STATEMENT OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS OF THE COMMITTEE CONTAINED IN THE FOURTEENTH REPORT (FOURTEENTH ASSEMBLY)

INTRODUCTION

I, the Chairman of the Committee on Delegated Legislation having been authorised by the Committee to present this First Report on its behalf.

2. This Report relates to the action taken by the Government on the recommendations of the Committee contained in its Fourteenth Report (XIV Assembly), which was presented to the Assembly on 14th September, 2015.

3. The Committee for the year 2016-2017 was constituted on 1st February, 2017 and further extended upto 31st March, 2018 on 24th March, 2017.

4. The Committee considered the statement of action taken by the Government on the recommendations of the Committee at its meeting held on 5th May, 2017 at Chennai.

5. All the recommendations contained in the said Report were either implemented by the Government or the statement of action taken furnished by the Government were read and recorded by the Committee.

6. Detailed statement showing the subject matter of the notifications considered, the recommendations made, the statement of action taken on them by the Government and the decision of the Committee thereon are appended to this Report as Annexure.

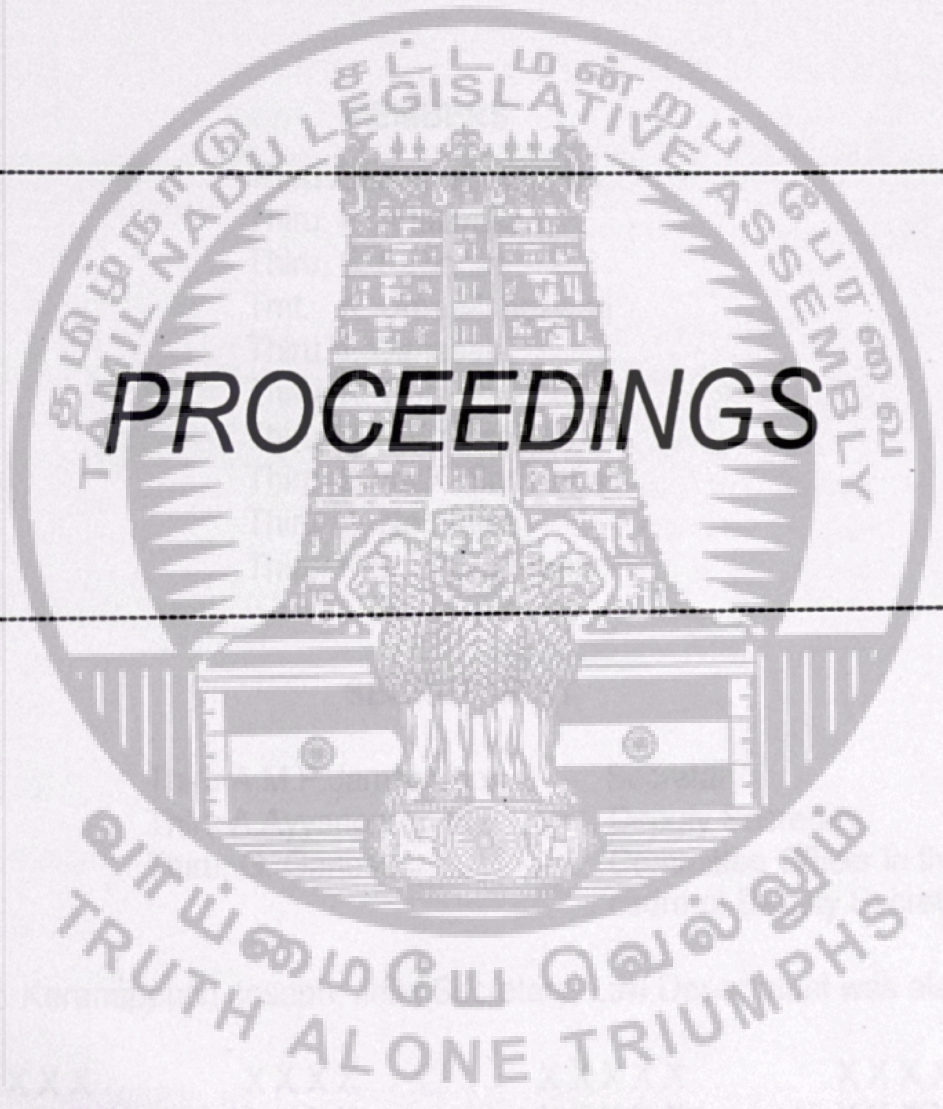
7. The Committee approved this Report at its meeting held on 31st May, 2017.

Udhagamandalam,
31st May, 2017,
Hevilambi, Vaikasi 17,
Thiruvalluvar Aandu-2048.

P. PALANIAPPAN
CHAIRMAN

TRUTH ALONE TRIUMPHS


தமிழ்நாடு சட்டமன்றப் பேரவை
TAMIL NADU LEGISLATIVE ASSEMBLY
வாய்மையே வெல்லும்
TRUTH ALONE TRIUMPHS



PROCEEDINGS


தமிழ்நாடு சட்டமன்றப் பேரவை
TAMIL NADU LEGISLATIVE ASSEMBLY
வாய்மையே வெல்லும்
TRUTH ALONE TRIUMPHS

PROCEEDINGS OF THE COMMITTEE ON DELEGATED LEGISLATION

Friday, the 5th May, 2017

The Committee on Delegated Legislation met at 10-00 a.m. on Friday, the 5th May, 2017 in the Committee Room, Legislators' Residential Quarters, Omanthoorar Government Estate, Chennai-600 002.

The following Members were present:

CHAIRMAN

Thiru. P. Palaniappan

MEMBERS

Thiru Amman K. Arjunan
Thiru. P. Adalarasan
Thiru. S. Eswaran
Tmt. K. Uma Maheswari
Thiru V. Ganesan
Thiru. R. Ganesh
Thiru. V.T. Kalaiselvan
Thiru. Durai K. Saravanan
Thiru. A. Natarajan
Thiru. K.S. Vijaya Kumar

SECRETARIAT

Thiru A.M.P.Jamaludeen	-	Secretary
Thiru A.Ayyanperumal	-	Deputy Secretary
Thiru. G. Ganesh	-	Committee Officer in the cadre of Deputy Secretary

Tmt. Keranappuch Joseph, Joint Secretary, Law Department was also present.

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The Committee then took up for consideration the **Statement of Action taken** by the Department on the recommendations of the Committee contained in its **FOURTEENTH REPORT (FOURTEENTH ASSEMBLY)**.

Serial No.1 - Item No.1(i)

Sub: Exemption or reduction granted and cancellation or variation issued under the Tamil Nadu Value Added Tax Act, 2006

(i) G.O.Ms.No.143, C.T&R(B2) Dept., dated 19.8.2010

(ii) G.O.Ms.No.68, C.T&R(B2) Dept., dated 29.6.2011

(iii) G.O.Ms.No.70, C.T&R(B2) Dept., dated 30.6.2011

(iv) G.O. Ms.No.32, C.T&R(B2) Dept., dated 21.3.2013

The Committee read and recorded the Statement of action taken by the Government.

Serial No.1 - Item No.1(ii)

Sub: Amendments to rules under the Tamil Nadu Value Added Tax Act, 2006

(i) G.O.Ms.No.126, C.T&R(B1) Dept., dated 12.10.2011

(ii) G.O.Ms.No.137, C.T&R(B1) Dept., dated 1.11.2011

The Committee accepted the Statement of action taken report furnished by the Government.

Serial No.1 - Item No.1(iii)

Sub: Amendments to rules under the Tamil Nadu Value Added Tax Act, 2006

(G.O. Ms. No.133, C.T&R(B1) Dept., dated 31.10.2011)

The Committee treated the recommendation as implemented.

Serial No.1 - Item No.1(v)

Sub: Grant of exemption or reduction in rate of tax payable under the Tamil Nadu Value Added Tax Act, 2006

(i) G.O.Ms.No.32, C.T&R(B2) Dept., dated 9.3.2012

(ii) G.O.Ms.No.103, C.T&R(B2) Dept., dated 1.8.2012

The Committee treated the recommendation as implemented.

Serial No.1 - Item No.1(vi)

Sub: Amendments to rules under the Tamil Nadu Value Added Tax Act, 2006

(G.O.Ms.No.119, C.T&R (B1) Dept., dated 30.8.2012)

The Committee treated the recommendation as implemented.

Serial No.1 - Item No.1(viii)

Sub: Notifications issued under the Tamil Nadu Value Added Tax Act, 2006.

(i) G.O.Ms.No.91, C.T&R(B1) Dept., dated 2.7.2012

(ii) G.O.Ms.No.75, C.T&R(B2) Dept., dated 11.7.2011

(iii) G.O.Ms.No.77, C.T&R(B2) Dept., dated 11.7.2011

(iv) G.O.Ms.No.78, C.T&R(B2) Dept., dated 11.7.2011

(v) G.O.Ms.No.81, C.T&R(B2) Dept., dated 12.7.2011

(vi) G.O.Ms.No.86, C.T&R(B2) Dept., dated 19.7.2011

The Committee read and recorded the Statement of action taken by the Government.

Serial No.1 - Item No.1(ix)

Sub: Notification issued under the Tamil Nadu Value Added Tax Act, 2006 in supersession of an earlier Notification.

(G.O. Ms. No.77, C.T&R(B2) Dept., dated 11.7.2011)

The Committee treated the recommendation as implemented.

Serial No.1 - Item No.1(x)

Sub: Grant of exemption under the Tamil Nadu Value Added Tax Act, 2006.

(G.O. Ms. No. 10, C.T&R (B2) Department, dated 6.2.2013)

The Committee treated the recommendation as implemented.

Serial No.2 - Item No.2

Sub: Grant of exemption from payment of tax on luxury provided in a hotel in Tamil Nadu under the Tamil Nadu Tax on Luxuries Act, 1981.

(G.O. Ms. No. 83, C.T& R (C2) Department, dated 13.7.2011)

The Committee read and recorded the Statement of action taken by the Government.

Serial No.3 - Item No.3

Sub: Amendments made to the Central Sales Tax (Tamil Nadu) Rules, 1957.

(G.O.Ms.No.109, C.T& R (C1) Department, dated 10.8.2012)

The Committee read and recorded the Statement of action taken by the Government.

Serial No.4 - Item No.4

Sub: Amendments made to the Tamil Nadu Entertainment Tax Rules, 1939.

(G.O. Ms. No.54, C.T& R (C1) Department, dated 29.5.2013)

The Committee read and recorded the Statement of action taken by the Government.

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XXXXX XXXX XXXXX XXXXX

Wednesday, the 31st May, 2017

The Committee on Delegated Legislation met at 9-00 a.m. on Wednesday, the 31st May, 2017 in the Conference Hall, Tamizhagam Government Guest House, Udhagamandalam-643 001.

The following Members were present:

CHAIRMAN

Thiru. P. Palaniappan

MEMBERS

Thiru S. Ambeth Kumar
Thiru. P. Adalarasan
Thiru. S. Eswaran
Tmt. K. Uma Maheswari
Thiru. R. Ganesh
Thiru. V.T. Kalaiselvan
Thiru. Durai K. Saravanan
Thiru. K.S. Vijaya Kumar

SECRETARIAT

Thiru A.Ayyanperumal	-	Deputy Secretary
Thiru. G. Ganesh	-	Committee Officer in the cadre of Deputy Secretary

Thiru P. Anbucholan, Deputy Secretary, Law Department was also present.

XXXXX XXXX XXXXX XXXXX
XXXXX XXXX XXXXX XXXXX

The Committee then took up for consideration the Draft Report on the Statement of Action taken by the Government on the recommendations of the Committee on Delegated Legislation contained in its Fourteenth Report (Fourteenth Assembly).

The Committee approved the Draft Report without any modifications and authorized the Chairman to sign and present the Report to the Assembly on its behalf.


தமிழ்நாடு சட்டமன்றப் பேரவை
TAMIL NADU LEGISLATIVE ASSEMBLY
வாய்மையே வெல்லும்
TRUTH ALONE TRIUMPHS

ANNEXURE


தமிழ்நாடு சட்டமன்றப் பேரவை
TAMIL NADU LEGISLATIVE ASSEMBLY
வாய்மையே வெல்லும்
TRUTH ALONE TRIUMPHS

STATEMENT OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS OF THE COMMITTEE ON DELEGATED LEGISLATION CONTAINED IN ITS FOURTEENTH REPORT (FOURTEENTH ASSEMBLY)

Sl. No.	Item No. in Part-II of the Main Report	Subject	Recommendations of the Committee	Action taken by the Government	Remarks
(1)	(2)	(3)	(4)	(5)	(6)
1	1	(i) Exemption or reduction granted and cancellation or variation issued under the Tamil Nadu Value Added Tax Act, 2006 (i) G.O.Ms.No.143, C.T&R(B2) Dept., dated 19.8.2010 (ii) G.O.Ms.No.68, C.T&R (B2) Dept., dated 29.6.2011 (iii) G.O.Ms.No.70, C.T&R (B2) Dept., dated 30.6.2011 (iv) G.O. Ms.No.32, C.T&R (B2) Dept., dated 21.3.2013	The Committee reiterated its earlier recommendation contained in the Sixteenth Report (Tenth Assembly) that the notifications, papers containing rules, amendments to rules etc., should be completely free from printing errors and spelling mistakes before they are sent to the Legislative Assembly Secretariat for laying on the Table of the House, lest they run the risk of being considered disrespectful to the Privilege of the House.	As per the recommendations of the Committee, utmost care would be taken to ensure that the notifications, papers containing rules, amendments to rules, etc., are completely free from printing errors and spelling mistakes before they are sent to the Legislative Assembly Secretariat for laying on the Table of the House.	The Committee read and recorded the Statement of action taken.

(1)	(2)	(3)		(4)	(5)	(6)
		(ii)	Amendments to rules under the Tamil Nadu Value Added Tax Act, 2006 (i) G.O.Ms.No.126, C.T&R(B1) Dept., dated 12.10.2011 (ii) G.O.Ms.No.137, C.T&R(B1) Dept., dated 1.11.2011	The Committee reiterated its earlier recommendation that whenever amendment to rules are issued, the "Existing Rules" and "Rules embodying the amendment" be appended to the rules placed on the Table of the House in order to have a proper understanding of the amendments .	As per the recommendation of the Committee, in respect of the amendments now being made to rules, the "Existing Rules" and "Rules embodying the amendments" are being appended to the papers placed on the Table of the House.	The Committee accepted the Statement of action taken report furnished by the Department.
		(iii)	Amendments to rules under the Tamil Nadu Value Added Tax Act, 2006 (G.O. Ms. No.133, C.T&R(B1) Dept., dated 31.10.2011)	The Committee recommended that the rules be suitably amended providing a reasonable time limit for disposal of an application admitted by the Authority for Clarification and Advance Ruling.	Based on the recommendation of the Committee, sub-rule (7) of rule 12-A of the Tamil Nadu Value Added Tax Rules, 2007 has been amended to provide for a time limit of one hundred and eighty days for disposal of an application admitted by the Authority for Clarification and Advance Ruling - vide G.O.(Ms) No.101, Commercial Taxes and Registration (B2) Department, Dated, 11.7.2016 and Notification No.SROA-12(a)/2016, dated 11.7.2016. The papers relating to the said Notification have been placed on the Table of the House on 29.8.2016.	The Committee treated the recommendation as implemented.

(1)	(2)	(3)		(4)	(5)	(6)
		(v)	Grant of exemption or reduction in rate of tax payable under the Tamil Nadu Value Added Tax Act, 2006 (i) G.O.Ms.No.32, C.T&R (B2) Dept., dated 9.3.2012 (ii)G.O.Ms.No.103,C.T&R(B2) Dept., dated 1.8.2012	The Committee was pleased to record the clarification with the hope that copies of erratum will be placed on the Table of the House at the earliest.	Based on the recommendation of the Committee, erratum has been issued to the Notifications and copies of erratum were also placed on the Table of the House on 14.9.2015.	The Committee treated the recommendation as implemented.
		(vi)	Amendments to rules under the Tamil Nadu Value Added Tax Act, 2006 (G.O.Ms.No.119, C.T & R (B1) Dept., dated 30.8.2012)	The Committee noticed that the word 'year' mentioned in the newly inserted 'rule16-A' would give rise to mis-interpretation and suggested that the word be substituted by the words 'Financial Year'. The Committee recorded the clarification and is of the view that in such instances, the errata or amendments to notifications / rules issued should also indicate the circumstances under which it is issued or published.	Recommendation of the Committee is accepted and sub-rule (1) to rule 16-A of the Tamil Nadu Value Added Tax Rules, 2007 has been amended suitably by replacing the expression "year" with the expression "Financial year". Papers relating to the said amendment has been placed on the Table of the House on 14.9.2015. The previous rule and the present rule have been duly indicated in the said papers placed. In the Explanatory Note to the papers placed, the circumstances under which the amendment was made has also been set out.	The Committee treated the recommendation as implemented.

(1)	(2)	(3)		(4)	(5)	(6)
		(viii)	Notifications issued under the Tamil Nadu Value Added Tax Act, 2006. (i) G.O.Ms.No.91,C.T& R (B1) Dept, dated 2.7.2012 (ii) G.O.Ms.No.75,C.T& R (B2) Dept, dated 11.7.2011 (iii) G.O.Ms.No.77, C.T&R (B2) Dept, dated 11.7.2011 (iv) G.O.Ms.No.78, C.T&R (B2) Dept, dated 11.7.2011 (v) G.O.Ms.No.81, C.T&R (B2) Dept, dated 12.7.2011 (vi) G.O.Ms.No.86, C.T&R (B2) Dept, dated 19.7.2011	The Committee reiterated its earlier recommendation that notifications issued in pursuance of delegation of Legislative powers be placed on the Table of the House within a period not exceeding six months from the date of their publication in the Tamil Nadu Government Gazette.	As per the recommendations of the Committee, adequate care would be taken to place the papers relating to the Notifications issued on the Table of the House within the stipulated period not exceeding six months from the date of publication of the Notification.	The Committee read and recorded the Statement of action taken.
		(ix)	Notification issued under the Tamil Nadu Value Added Tax Act, 2006 in supersession of an earlier Notification. (G.O. Ms. No.77, C.T& R (B2) Department, dated 11.7.2011)	The Committee recommended that an errata be issued and copies of the errata be placed on the Table of the House at the earliest.	Based on the recommendation of the Committee, the papers relating to the Notifications issued in G.O.(Ms) No.77, Commercial Taxes and Registration (B2) Department, Dated 11.7.2011 have been reprinted and placed on the Table of the House on 25.7.2016.	The Committee treated the recommendation as implemented.

(1)	(2)	(3)	(4)	(5)	(6)
		(x) Grant of exemption under the Tamil Nadu Value Added Tax Act, 2006. (G.O.Ms.No10, C.T&R (B2) Department, dated 6.2.2013)	The Committee recommended that the word "Form" occurring in condition (i) be substituted by the word "Format" and that a separate column "Quantity" be suitably added in the Table under the Declaration annexed to the Notification.	Based on the recommendation of the Committee, erratum has been issued to the Notification in consultation with the Law Department-vide G.O. (Ms.) No.123, Commercial Taxes and Registration (B2) Department, dated 17.12.2015. and Notification No.II(2)/CTR/777(b)/ 2015, dated 17.12.2015. The papers relating to the said Notification have been placed on the Table of the House on 25.7.2016.	The Committee treated the recommendation as implemented.
2	2	Grant of exemption from payment of tax on luxury provided in a hotel in Tamil Nadu under the Tamil Nadu Tax on Luxuries Act,1981. (G.O. Ms. No. 83, C.T& R (C2) Department, dated 13.7.2011)	The Committee reiterated its earlier recommendation that notifications issued in pursuance of delegation of Legislative powers be placed on the Table of the House within a period not exceeding six months from the date of their publication in the Tamil Nadu Government Gazette.	As per the recommendations of the Committee, adequate care would be taken to place the papers relating to the Notifications issued on the Table of the House within the stipulated period not exceeding six months from the date of publication of the Notification.	The Committee read and recorded the Statement of action taken.

TRUTH ALONE TRIUMPHS

(1)	(2)	(3)	(4)	(5)	(6)
3	3	Amendments made to the Central Sales Tax (Tamil Nadu) Rules, 1957. (G.O.Ms.No.109,C.T&R(C1) Department,dated 10.8.2012)	The Committee sought clarification from the department as to the procedure that was followed during the intermittent period i.e. between 1.4.2007 to 10.8.2012. The Committee reiterated its earlier recommendation that whenever amendment to rules are issued, the "Existing Rules" and "Rules embodying the amendment" be appended to the rules placed on the Table of the House in order to have a proper understanding of the amendments made.	(i) In G.O.(Ms) No.109, CT&R(C1) Department, dated 10.8.2012, amendments were carried out to the Central Sales Tax (Tamil Nadu) Rules, 1957, so as to delete Rule 9-A of the said rules pertaining to Form D which was issued by the Government Departments, which are not registered, for their inter-State purchases. Since Form D was abolished by the Government of India with effect from 1.4.2007, the Committee on Delegated Legislation has sought for clarification as to the procedure that was followed during the intermittent period, i.e., between 1.4.2007 to 10.8.2012, i.e., from the date of abolition of Form D to the date of carrying out amendment to the Central Sales Tax (Tamil Nadu) Rules, 1957. With reference to the above clarification sought by the Committee, it is stated that the Department of Revenue, Ministry of Finance, Government of India had, among others, stipulated as below in a press release dated 29.3.2007:- "(b) The rate of Central Sales Tax Act, 1956 on inter-State sale other than sale to registered dealers shall be the rate of VAT/State Sales Tax applicable in the State of selling dealer. (c) The rate of Central Sales Tax on inter-State sale to Government Departments shall also be the rate of VAT/Sales Tax applicable in the State of selling dealer, indicated at (b) above.	The Committee read and recorded the Statement of action taken by the Government.

(1)	(2)	(3)	(4)	(5)	(6)
				The facility of inter-State purchases by Government Departments against Form D stands withdrawn." The Principal Secretary / Commissioner of Commercial Taxes has stated that the above stipulations of the Government of India had been followed during the intermittent period from 1.4.2007 to 10-8-2012. Further, during the intermittent period, the Principal Secretary / Commissioner of Commercial Taxes has on various occasions clarified that "the rate of Central Sales Tax on inter-State sale to Government Departments shall also be the rate of VAT in the State of selling dealers since Form D stands withdrawn with effect from 1.4.2007". The Commissioner of Commercial Taxes has also issued a Circular in this regard that "the Government of India has withdrawn the Form D concession with effect from 1.4.2007 which was extended to the Government Departments located in other States. From 1.4.2007 onwards, no inter-State sales can be made or assessed against Form D and all the inter-State sales made to Government Departments are to be levied and assessed at local VAT rate of tax based on the commodity sold. Further, as the concession of Form D was withdrawn, Input Tax Credit on the corresponding local purchases is also to be reversed as per section 19(5)(c) of the Tamil Nadu	

(1)	(2)	(3)	(4)	(5)	(6)
				Value Added Tax Act, 2006." (ii) As per the recommendation of the Committee, in respect of the amendments now being made to rules, the "Existing Rules" and "Rules embodying the amendments" are being appended to the papers placed on the Table of the House.	
4	4	Amendments made to the Tamil Nadu Entertainment Tax Rules, 1939. (G.O. Ms. No.54, C.T& R (C1) Department, dated 29.5.2013)	The Committee reiterated its earlier recommendation that whenever amendment to rules are issued, the "Existing Rules" and "Rules embodying the amendment" be appended to the rules placed on the Table of the House in order to have a proper understanding of the amendments.	As per the recommendation of the Committee, in respect of the amendments now being made to rules, the "Existing Rules" and "Rules embodying the amendments" are being appended to the papers placed on the Table of the House.	The Committee read and recorded the Statement of action taken.

K. BOOPATHY
Secretary (i/c)

TRUTH ALONE TRIUMPHS