



**ABSTRACT**

Goods and Services Tax - Tamil Nadu Goods and Services Tax Act, 2017 – Persons opting for Composition Scheme to supply services upto a limit - Tamil Nadu Goods and Services Tax (Removal of Difficulties) Order, 2019 - Notification - Issued.

**COMMERCIAL TAXES AND REGISTRATION (B1) DEPARTMENT**

G.O. (Ms) No.20

Dated: 01.02.2019

Thai-18

Thiruvalluvar Aandu, 2050

**ORDER:**

The Notification annexed to this order will be published in the Extraordinary issue of the Tamil Nadu Government Gazette, dated the 1<sup>st</sup> February, 2019.

**(BY ORDER OF THE GOVERNOR)**

**Ka. BALACHANDRAN  
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Additional Chief Secretary/Commissioner of State Tax, Chepauk, Chennai-5.

The Works Manager, Government Central Press, Chennai-79.

(with a request to publish the Notification in the Extraordinary issue of the Tamil Nadu Government Gazette, dated the 1<sup>st</sup> February, 2019 and to send 100 copies to the Government and 500 copies to the Additional Chief Secretary/Commissioner of State Tax, Chennai-5.)

All Additional Commissioners/Joint Commissioners/Deputy Commissioners of State Tax concerned (Through the Additional Chief Secretary/Commissioner of State Tax, Chennai-5).

Copy to:

The Chief Minister's Office, Chennai – 9.

All Secretaries to Government, Chennai – 9.

(To communicate to all Heads of the Departments under their control)

The Accountant General (Accounts and Entitlements), Chennai-18 (By name).

The Accountant General (Audit-I) / (Audit-II), Tamil Nadu

Lekha Pariksha Bhavan, 361, Anna Salai, Chennai - 18.

The Commercial Taxes and Registration (B2) Department, Chennai-9. (for paper placing)

NIC, Chennai-9 (to host the G.O. on [www.tn.gov.in](http://www.tn.gov.in)).

SF/SC.

//Forwarded/By Order//

*d. d. d. d.*  
*1/2/2019*  
**SECTION OFFICER**

**ANNEXURE.**  
**NOTIFICATION.**

WHEREAS, sub-section (1) of section 10 of the Tamil Nadu Goods and Services Tax Act, 2017 (Tamil Nadu Act 19 of 2017) (hereafter in this Order referred to as the said Act) provides that-

(i) a registered person engaged in the supply of services, other than supply of service referred to in clause (b) of paragraph 6 of Schedule II to the said Act, may opt for the scheme under the said sub-section;

(ii) a person who opts for the said scheme may supply services (other than those referred to in clause (b) of paragraph 6 of Schedule II to the said Act), of value not exceeding ten per cent. of turnover in the State in the preceding financial year or five lakh rupees, whichever is higher;

AND WHEREAS, clause (a) of sub-section (2) of section 10 of the said Act provides that the registered person shall be eligible to opt under sub-section (1), if, save as otherwise provided in sub-section (1), he is not engaged in the supply of services;

AND WHEREAS, rendering of services as part of the savings and investment practice of business, by way of extending deposits, loans or advances, in so far as the consideration is represented by way of interest or discount, is resulting in their ineligibility for the aforesaid scheme, causing hardships to a lot of small businesses and because of that, certain difficulties have arisen in giving effect to the provisions of section 10;

NOW, THEREFORE, in exercise of the powers conferred by section 172 of the Tamil Nadu Goods and Services Tax Act, 2017 and in supersession of the Tamil Nadu Goods and Services Tax (Removal of Difficulties) Order, 2017, published as Commercial Taxes and Registration Department Notification No.II(2)/CTR/858(a-13)/2017 at page 13 in Part II-Section 2 of the Tamil Nadu Government Gazette, Extraordinary, dated 13<sup>th</sup> October, 2017, except as respects things done or omitted to be done before such supersession, the Governor of Tamil Nadu, on recommendations of the Council, hereby makes the following Order, namely: —

1. Short title. —This Order may be called the Tamil Nadu Goods and Services Tax (Removal of Difficulties) Order, 2019.
2. For the removal of difficulties, it is hereby clarified that the value of supply of exempt services by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount, shall not be taken into account -
  - (i) for determining the eligibility for composition scheme under second proviso to sub-section (1) of section 10;
  - (ii) in computing aggregate turnover in order to determine eligibility for composition scheme.

**Ka. BALACHANDRAN**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

/True Copy/

*S. Sridhar*  
11/2/2019  
**SECTION OFFICER**