



COMMERCIAL TAXES AND REGISTRATION DEPARTMENT

DEMAND NO.10

COMMERCIAL TAXES

POLICY NOTE
2020-2021

K.C.VEERAMANI
MINISTER FOR COMMERCIAL TAXES

பொறையொருங்கு மேல்வருங்கால் தாங்கி இறைவற்கு
இறையொருங்கு நேர்வது நாடு

எத்தகைய சூழ்நிலையிலும், தன் அரசனுக்கு செலுத்த
வேண்டிய வரியை குறையாமல் செலுத்தும் மக்களைக்
கொண்டதே நல்ல நாடாகும்.

– திருக்குறள் :733

“திரைகடலோடியும் திரவியம் தேடு” என்ற
பொன்மொழிக்கேற்ப, அயல் நாடுகளில் அரசமுறைப் பயணங்கள்
மேற்கொண்டு யாதும் ஊரே திட்டத்தினை தொடங்கிவைத்ததன்
மூலம் வெளிநாட்டு முதலீடுகளைத் திரட்டி, பல்துறை
வளர்ச்சியின் வாயிலாக மக்கள் நலத்திட்டங்களை செயல்படுத்த
மாண்புமிகு புரட்சித் தலைவி அம்மாவின் “மக்களால் நான்,
மக்களுக்காகவே நான்” என்ற கொள்கையின் அடிப்படையில்
இவ்வரசு மக்களின் நலன் ஒன்றினையே குறிக்கோளாகக்
கொண்டு செயல்படுகிறது.

எடப்பாடி திரு.கே.பழனிச்சாமி,
மாண்புமிகு தமிழ்நாடு முதலமைச்சர்

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Introduction

The Commercial Taxes department plays a key role in the development and welfare programmes of the State Government, by contributing more than 80% of the State's Own Tax Revenue. The Department constantly strives to improve efficiency in collection of revenue to Government by streamlining the collection mechanism and enhancing the performance of administrative machinery. Introduction of Goods and Services Tax Act, 2017 is a land mark reform in this direction for reaching 'One Nation One Tax'. This Act provides for taxation of both goods

and services in a simple, transparent and comprehensive manner.

2. Acts administered by the Department

The Commercial Taxes Department is administering the following tax enactments:-

1. Tamil Nadu Goods and Services Tax Act, 2017
2. Tamil Nadu Value Added Tax Act, 2006 and Central Sales Tax Act, 1956 (only for the six goods that find place in Serial Number 54 of State List of the Seventh Schedule to the Constitution of India)

Residuary works in the following tax enactments administered by the department till 30.06.2017 are being followed up:-

1. Tamil Nadu Value Added Tax Act, 2006
2. Tamil Nadu General Sales Tax Act, 1959
3. Tamil Nadu Additional Sales Tax Act, 1970
4. Tamil Nadu Entertainments Tax Act, 1939

5. Tamil Nadu Betting Tax Act, 1935
6. Tamil Nadu Tax on Luxuries Act, 1981
7. Tamil Nadu Tax on Entry of Motor Vehicles into Local Areas Act, 1990
8. Tamil Nadu Tax on Entry of Goods into Local Areas Act, 2001
9. Tamil Nadu Advertisements Tax Act, 1983.
10. Central Sales Tax Act, 1956

3. Trend in Revenue Collection

The data of revenue collection by the department in the past six years is furnished below:-

(Rs.in crore)

Year	Revenue Collection
2014-2015	60,314.61
2015-2016	61,709.58
2016-2017	67,576.77
2017-2018	73,148.28

Year	Revenue Collection
2018-2019	87,905.26
2019-2020 (Upto29.02.2020)	86,363.51

The Commercial Taxes Department has collected a revenue of Rs.86,363.51 crore (which includes GST compensation and IGST settlement) during the year 2019-2020 (upto 29.02.2020) achieving an excess of Rs.8,148.66 crore over and above the collection of Rs.78,214.85 crore made in the corresponding period of the previous year with a growth rate of 10.42%. This achievement has been possible despite the unsettled conditions in the economy.

4. Administration Cost

Commercial Taxes Department has pioneered in achieving cost efficiency in Tax administration. Administration cost of Commercial

Taxes collection has never crossed even one percent of the total tax receipts in a year. This continues even in the context of administration of Tamil Nadu Value Added Tax Act, 2006 and Tamil Nadu Goods and Services Tax Act, 2017.

5. Act-wise revenue collection during the previous years

Act-wise tax revenue collection details over the past years are tabled below:-

(Rs. in crore)

Sl. No	Act	2014-2015	2015-2016	2016-2017
1.	Tamil Nadu Value Added Tax Act	53,930.47	54,804.54	59,262.00
2.	Central Sales Tax Act	3,811.17	4,037.76	5,125.20
3.	Tamil Nadu General Sales Tax Act	195.21	211.12	188.65
4.	Tamil Nadu Entertainments Tax Act	82.97	106.29	85.81
5.	Betting Tax Act	5.60	5.65	7.86

Sl. No	Act	2014-2015	2015-2016	2016-2017
6.	Luxury Tax Act	319.26	357.03	379.01
7.	Entry Tax Act on Vehicles & Goods	1,969.93	2,187.19	2,258.24
	Total	60,314.61	61,709.58	67,576.77

Tax Collection during 2017-2018

(Rs.in crore)

	Total	Non VAT/Non GST*	VAT/ Others	SGST	IGST settlement	Advance IGST settlement	Compensation
Pre GST	15,535.66	7,592.28	7,943.38	0	0	0	0
Post GST	57,612.62	28,554.90	3,518.80	16,199.93	7,402.99	1,304.00	632.00
Total	73,148.28	36,147.18	11,462.18	16,199.93	7,402.99	1,304.00	632.00

**Tax Collection during 2018-2019 and
2019-2020**

(Upto 29.02.2020)

(Rs.in crore)

Year	Total	Non GST*	VAT/ Others	SGST	IGST settlement	Adhoc IGST settlement	Compen- sation
2018-19	87905.26	42414.96	593.98	24476.56	12425.94	4842.82	3151.00
2019-20 (Upto 29.02.2020)	86363.51	38296.89	613.04	24894.19	12902.29	105.07	8922.03

* Represents Non GST revenue collection in respect of petroleum products and alcoholic liquor for human consumption under TNVAT Act, 2006 and CST Act, 1956

Note: Petroleum products include Petrol, Diesel, Aviation Turbine Fuel, Natural Gas and Petroleum Crude.

6. Organisational set up

The primary task of the Department is administration of Tamil Nadu Goods and Services Tax Act and it is aided by a well-structured

organisational set-up. The Commissioner of Commercial Taxes is the Head of the Department and having headquarters at Chennai is assisted by six Additional Commissioners and one Joint Commissioner (Administration) and other officers. In the GST regime, the Commissioner is entrusted with specific powers for extension of date of filing of returns by traders, power to arrest tax evaders, issue of instructions for the purpose of uniformity in the implementation of the Act as per recommendation of the GST Council.

The Large Tax Payers Unit continues to function to facilitate large tax payers in the State. Only around 100 tax payers are allotted to this unit and all services are provided at ease for the top tax payers.

Administration of the department was re-organised with effect from 01.06.2019 to improve the performance and ensure effective delivery of service to taxpayers.

Some salient features of re-organisation are as follows:-

- A new territorial division was formed with headquarters at Erode, comprising of Tiruppur Commercial Taxes District of Coimbatore Division, Erode Commercial Taxes District of Salem Division and four assessment circles from Karur Commercial Taxes District of Trichy Division by redeployment of manpower from the existing sanctioned strength.
- A new intelligence division was formed at Erode with jurisdiction co-terminus with the new Erode territorial division, by redeployment of manpower from the existing sanctioned strength.
- The assessment circles of Avadi, Surapet and Thirumullaivoyil were detached from Chennai (South) Division and were

attached with Chennai (North) Division to maintain even distribution of work load in the divisions of Chennai. Similarly, Ramapuram and Saligramam assessment circles were attached with Chennai (Central) division from Chennai (South) Division.

- Circles were re-aligned within the divisions keeping the taxpayers base in the range of approximately 1500-2000, while maintaining geographical contiguity.
- The existed 329 circles have been reorganised into 338 circles.
- Separate arrear recovery cells were formed at zonal level.

This department consists of three administrative wings, namely Assessment Wing,

Appellate Wing and Intelligence Wing. Activities of these wings are narrated below:-

6.1. Assessment Wing

338 assessment circles across the State are headed by proper officers in the cadre of Assistant Commissioners/Commercial Tax Officers. They carry out the core functions of the department such as registration, monitoring the filing of returns, scrutiny of returns, assessment/adjudication, levy and collection of tax, transitional credits and recovery of arrears of tax. Further, they also undertake issue of forms mandated under the Tamil Nadu Value Added Tax and Central Sales Tax Acts. These circles are monitored by 42 Deputy Commissioners at district/zonal level and by 11 Joint Commissioners at the divisional level. The Joint Commissioners are entrusted with the statutory power of revision and appeal against the orders of their subordinates.

6.1.1. Review & Appeal

Under the Tamil Nadu Goods and Services Tax Act, 2017, appeal against the order or decision of the proper officer shall be filed either by the tax payers or by the Department. This is a new process in GST. Hence the department has to review all the orders and decisions passed by the adjudicating authority.

The erstwhile internal audit wing headed by the Assistant Commissioner has now been tasked with review and appeal work. Under the Goods and Services Tax Act, all the returns filed are self-assessed and no orders are passed by the proper officers for assessing the returns filed by the tax payers. The works relating to review and appeal under GST is system oriented so as to curb tax evasion.

The above functions are dealt by the Assistant Commissioners under the control of the territorial Deputy Commissioners.

6.1.2. Accountant General's Audit

Under the TNVAT, CST and TNGST Acts, annual audit in the assessment circles is a periodic exercise by the Accountant General. Besides performance audit, the Accountant General does thematic study on different activities of the department from time to time. Important audit observations pointed out by the Accountant General are discussed in the joint meetings of the departmental audit committee and rectified.

6.2. Appellate Wing

6.2.1. Appeal

Under TNVAT and CST Acts, the Appellate Deputy Commissioner is the first appellate authority for the orders passed by any assessing officer upto the rank of Assistant Commissioner and the appeal against the assessment orders passed by Deputy Commissioners are placed before the Appellate Joint Commissioners. The

Appellate Deputy Commissioners and Appellate Joint Commissioners are functioning under the control of Tamil Nadu Sales Tax Appellate Tribunal. In case of appeals filed before the Appellate Authorities, the department is represented in each Appellate Forum by a departmental representative in the cadre of Assistant Commissioner. Under the TNGST Act, 2017, the order of filing appeal commences from the level of first Appellate Authority followed by Appellate Tribunal and thereafter High Court and Supreme Court. Accordingly, the first Appellate Authorities are functioning with effect from 01.06.2019.

Deputy Commissioners (GST-Appeal) at Chennai-I, Chennai-II, Trichy, Madurai, Erode and Coimbatore have been formed as first Appellate Authority under the TNGST Act, 2017. They hear appeals filed against the order/decision made under the TNGST Act, 2017 by the proper officers

in the cadre of Assistant Commissioner and below in the respective jurisdiction. In respect of order/decision made by the Deputy Commissioners of Large Taxpayers Unit under the TNGST Act, 2017, the appeals are dealt by the Joint Commissioner (GST Appeal) Chennai. The department is represented in each appellate forum by a departmental representative in the cadre of Assistant Commissioner.

6.2.2. Tamil Nadu Sales Tax Appellate Tribunal

Under Tamil Nadu Value Added Tax Act, 2006 and Central Sales Tax Act, 1956, appeal against the orders of the first appellate authority i.e., appellate Deputy Commissioner or Joint Commissioner is filed before the Sales Tax Appellate Tribunal. The Main Bench of STAT is located in Chennai and Additional Benches are located at Chennai, Madurai and Coimbatore.

The STAT is headed by a Chairman, who is in the rank of a District Judge, along with two other members to exercise the functions conferred on the Appellate Tribunal by the TNVAT Act, 2006.

Of the two additional members of the Appellate Tribunal, one departmental member shall be an officer of the Commercial Taxes Department of the State Government not below the rank of Additional Commissioner. The other member shall be,

- (a) an officer of the Indian Audit and Accounts Service; or
- (b) an officer of the Income-Tax Department not below the rank of Joint Commissioner; or
- (c) an officer of the above cadre in Central Excise Department or Customs Department or Railway Accounts

Department or Defence Accounts Department; or

- (d) an outsider who is - (i) a member of the Institute of Chartered Accountants of India and possess practical experience of not less than five years as a Chartered Accountant; or
- (ii) a member of the Institute of Cost and Works Accountants of India and possess practical experience of not less than five years as a Cost Accountant.

Each Additional Bench of the STAT is constituted by a Judicial Member in the rank of a Subordinate Judge and an Additional Departmental Member in the cadre of a Joint Commissioner. A State Representative in the cadre of Joint Commissioner and an Additional State Representative in the cadre of Deputy Commissioner are representing the department

before the Main Bench and the Additional Benches, respectively.

The above set up continues to exist for the Legacy Cases and for the goods dealt under TNVAT Act, 2006 and CST Act, 1956.

6.2.3. National Tribunal under GST

Under Tamil Nadu Goods and Services Tax Act, 2017, appeal against the orders passed by the first Appellate Authority i.e., Appellate Deputy Commissioner or Joint Commissioner or the Revisional Authority, where one of the issues involved relates to the place of supply, are placed before the Appellate Tribunal under GST. There are two tribunals to be formed under the GST namely National Tribunal and Regional Tribunal.

The GST Council approved the creation of the Tribunal with a National bench in New Delhi and regional bench in Chennai. The State Bench has jurisdiction to hear appeals against the

orders passed by the Appellate Authority or Revisional Authority in cases where the issues involved relate to other than the place of supply. The State Bench of the Appellate Tribunal, which is to be formed, shall consist of a Judicial Member, one Technical Member each from Central and State Governments. The State Government may designate the senior most Judicial Member in the State as the State President.

6.3. Intelligence Wing

The Enforcement Wing has been restructured and renamed as Intelligence Wing for effective functioning, reflecting the changing role of officers under Goods and Services Tax Act and achieving the desired result without harassing the tax payers based on intelligence tools.

The Intelligence division is headed by a Joint Commissioner (Intelligence). There are nine Intelligence Divisions across the State, two in

Chennai and one each in Vellore, Trichy, Madurai, Salem, Tirunelveli, Coimbatore and Erode. Specialised cells have been constituted for gathering data. Further action is taken on the investigation files which are prepared based on the inputs received from market survey. Inspection is proposed on intelligence basis and not through routine manner. There is a permanent roving squad in each Intelligence Division. All other officers constitute the Investigation unit, Inspection unit, Review Cell, Demand Collection Cell, Adjudicating and Legal Cell, Special Roving Squads, Data Cell, Survey Cell, Technical Cell and Collection cell in each Intelligence Division.

6.3.1. Central Intelligence wing

This wing functions at Chennai head quarters under the control of the Commissioner and is assisted by the Additional Commissioner (Intelligence). This wing consists of Investigation

unit headed by Joint Commissioner (Investigation) and the Coordination unit headed by Deputy Commissioner (Intelligence).

(i) The Investigation unit examines and studies the pattern and modus operandi of tax evasion based on the data gathered from Data cell. The Data Cell consists of one internal data collection section for collection of data within the department and another section for collection of data from external sources. The Survey Cell has been constituted for the purpose of market survey and to study and analyse the market price of Goods and Services. A Technical Cell has been created to retrieve hidden/deleted/remotely located data with adequate tools.

(ii) The Co-ordination unit is headed by the Deputy Commissioner (Intelligence). This unit examines the investigation file received from the Intelligence Divisions. This unit is responsible for

the preparation of statistics and reports on inspections.

7. Statistics and Research Cell

The Statistics and Research Cell is functioning at the State headquarters headed by the Joint Director of Statistics. Each Commercial Tax Division has a Junior Research Officer to assist the Joint Commissioner. Each Zone/Commercial Tax District has a Statistical Inspector to assist the Deputy Commissioner.

Every Year, the Statistics and Research Cell brings out the following periodical reports:-

- Monthly performance Report–Territorial Divisions
- Monthly performance Report–Intelligence Divisions
- Monthly Report on Revenue analysis of top commodities

- Monthly Report on Revenue analysis of list of commodities showing Negative growth rate of revenue during the month
- Monthly Report on Revenue analysis of top dealers
- Monthly Report on List of dealers showing Negative growth rate during the month
- Monthly Performance – Compiling the Balanced Scorecard for objective evaluation of the performance of Territorial / Intelligence Divisions
- Commercial Taxes Department - Yearly Administrative Report
- Commercial Taxes Department - Annual Time series report on Statistical Compendium.

8. Commercial Taxes Staff Training Institutes

The Commercial Taxes Staff Training Institute is functioning from 1982 onwards and is located in Chennai. It is headed by a Director in the cadre of Joint Commissioner to impart 'In Service Training' and 'Refresher Course Training' to all the officials of Commercial Taxes Department. Training is also imparted at the Regional Training Centres at Vellore, Salem, Coimbatore, Trichy, Madurai and Tirunelveli. The institute and its regional training centers have been placed under the control of Additional Commissioner (VAT and Audit) for the purpose of guidance and coordination.

In 2019-2020, a sum of Rs. 96.72 lakh has been spent for training 2083 Officers in the cadre of Additional Commissioner, Joint Commissioner, Deputy Commissioner, Assistant Commissioner,

State Tax Officer, Deputy State Tax Officer and other Staff of the Department. Various types of training like refresher training, in-service training, Advanced Training on GST, Training in Insolvency and Bankruptcy code, Digital Forensics, Training on Tally and Advanced Excel Data Analysis, Training for Data retrieval, Workshops and induction training were imparted by the Training Institute, Chennai and other regional training centers across the State.

Apart from the regular training, a residential Management training to Assistant Commissioners at Mamallapuram and also a special residential training to Stenographers were imparted by Anna Institute of Management. Training was also imparted on the subjects of Stress Management, Soft Skills and 'pre-retirement counselling'.

During the year 2019-2020, GST books worth of Rs.1 lakh were added to the existing stock of books in the Commercial Taxes Staff

Training Institute library. Rs.26.11 Lakh has been sanctioned to purchase laser projectors for the institute at Chennai and its Regional centers at Madurai, Coimbatore, Trichy, Salem, Tirunelveli and Vellore.

9. Goods and Services Tax

9.1. Transition to Goods and Services Tax

The Commercial Taxes Department took various steps for migration of existing taxpayers under the TNVAT Act consequent to the implementation of GST in the State with effect from 01.07.2017. This made smooth and successful transition of existing taxpayers to the TNGST Act. Under GST, new taxpayer registration is fully online through common GSTN portal and it is very user friendly. The total registered taxpayers are 10.40 lakh as on 29.02.2020.

After implementation of Goods and Services Tax in our State, there has been representations from taxpayers to alleviate certain difficulties in

the procedures followed in GST vis-à-vis erstwhile VAT. In order to address these issues necessary amendments have been made to the TNGST Act, 2017. Similarly, the TNGST Rules have been amended as recommended by the GST Council for making changes wherever the taxpayers found it difficult in following the procedures so as to make it user friendly.

9.2. Goods and Services Tax Network

The Goods and Services Tax Network (GSTN) is a non-profit Government company. It manages the entire IT system of the GST portal, which is the mother database of the entire GST. This portal is used by the Government to track every reported business transaction and provide taxpayers with all services – from registration to filing of returns and maintaining all tax details. The GSTN establishes single interface for the taxpayer and also creates a common and shared IT infrastructure between the Centre and States.

The Government has strategic control over the GSTN, as it is necessary to keep the information of all taxpayers confidential and secure.

Registration of new taxpayers under GST Act is done through the GSTN portal. The taxpayers can apply for registration and obtain Registration Certificates without visiting the offices.

In the GSTN portal, Help desk number 0120-4888999 and Log/Track your issue: Grievance Redressal portal for GST have been provided.

9.3. Rates of Goods and Services Tax

Under the Goods and Services Tax Act, the GST Council has classified goods and services tax rates as detailed below:-

- Four tax slabs of 5%, 12%, 18% and 28%.

- Tax on Gold, Silver, Platinum is kept at 3% and rough precious and semi-precious stones are placed at a special rate of 0.25%.
- To compensate the loss of revenue to the State due to implementation of Goods and Services Tax, Compensation Cess at different rates is levied on sin and luxury goods
- Manufacturers and traders whose total turnover is upto Rs. 1.5 crore can opt to pay composition rate of tax at 1%.
- GST is levied on imported and inter-State supply of Goods and Services under the Integrated Goods and Services Tax Act.

Representations received from Trade and Industrial Associations are examined and the requests are forwarded with remarks to the GST Council for recommendation. Any modification on

rate of tax of goods and services shall be made by the Central and State Governments based on the recommendations of the Goods and Services Tax Council only.

The GST Council has conducted 39 meetings till date, during which the rate of tax on various goods and services have been recommended to modify and to exempt on various goods and services from levy of tax providing relief to the public in general and traders in particular.

9.4. Goods and Services Tax Council

As per Article 279A of the Constitution, the GST Council has been constituted, which is a joint forum of the Central and the State Governments. The Council is the governing body for the implementation of GST Act/rules in the country. Besides governing the implementation of GST Act, it has major functions of making recommendations by holding the Council meetings. The Council is

tasked to ensure that one uniform rate of tax is applied on goods and services across the country.

Hon'ble Minister for Fisheries and Personnel & Administrative Reforms is functioning as member of this Council for Tamil Nadu.

The Goods and Services Tax Council has resolved the following important issues for the benefit of stakeholders:-

- Issues relating to transitional provisions, by establishing ITGRC (Information Technology Grievance Redressal Committee) to deal with the issues of technical glitches while filing the transitional claim in TRAN-01.
- Rationalisation of rate of taxes in relation to various Goods and Services.
- Grant of extension of due dates for furnishing of certain statutory returns on the common portal.

- Waiver of late fee payable to give more opportunity for taxpayers to file the returns.
- Issues of Non-technical glitches in claiming Transitional credit.
- Postponing Reverse Charge Mechanism (RCM) to grant relief to the taxpayers.

Some of the important recommendations made by the GST Council till date are as below:-

- Basic exemption limit for suppliers of goods has been increased from Rs.20 lakh to Rs.40 lakh.
- A new composition tax scheme was announced for the Service providers with a tax rate of 6% having an annual turnover in the preceding Financial year upto Rs 50 lakh.
- The annual turnover limit in the preceding financial year for availing composition tax

scheme for goods has been increased to Rs.1.5 crore.

- Effective GST of 1% & 5% without ITC on affordable housing and non-affordable housing as against the earlier rate of 8% and 12% respectively.
- E-ticketing mandatory for Multiplex screens.
- Proposed to introduce electronic invoicing system in a phase-wise manner for B2B transactions.
- New Return System to be introduced in a phased manner
- Using Aadhaar for verification of registration under GST Act
- Rate on all electric vehicles reduced from 12% to 5%.
- Rate on charger or charging stations for Electric vehicles reduced from 18% to 5%.

- Hiring of electric buses (carrying capacity of more than 12 passengers) by local authorities is exempted from GST.
- Tax on wet grinders with grinding stone reduced from 12% to 5%.
- Tax on Zipper parts reduced from 18% to 12%
- Cups, mats, pots, thonnai and plates made of leaves of Palm tree, Coconut tree, Dates tree, Areca tree, Mandari tree, Banyan tree and Banana tree are exempted from tax.
- Dried tamarind is exempted from tax.
- Fish meal was exempted from tax for the period from 01.07.2017 to 30.09.2019.
- Rationalisation of tax rate on Railway wagons.

- Service tax on Job works relating to manufacture of engineering components reduced from 18% to 12%.
- Levied a single rate of 28% on both State run and State authorized lottery from 01.03.2020.
- A uniform rate of 18% on all Woven and Non-Woven Bags and sacks of polyethylene.

In the 39th GST Council Meeting the following important decisions are taken:-

- To rationalise the rate of tax on all types of match boxes and to tax at 12%. By this decision, the tax on Match boxes, has been reduced from 18% to 12%.
- Interest for delay in payment of GST to be charged on the net cash tax liability with effect from 01.07.2017

- In respect of cancelled registrations till 14.03.2020, application for revocation of cancellation of registration can be filed by traders up to 30.06.2020

The State level Grievance Redressal Committee (GRC) will be formed with representatives of Trade and Industry and other GST stakeholders. It will be co-chaired by Commissioner of State Tax and Principal Chief Commissioner of Central Tax.

Tamil Nadu is consistently raising the issue of reduction/exemption of tax on many goods and services based on the representations received from the traders and it is being constantly pursued in the GST Council.

9.5. Screening Committee on Anti-profiteering

A State level Screening Committee on Anti-profiteering has been constituted in Tamil Nadu. It ensures that the business entities pass on the benefit of reduced tax incidence on goods or services or both to the consumers under the Goods and Services Tax regime.

State Level Screening Committee on Anti-profiteering for the State of Tamil Nadu consists of the Joint Commissioner (State Tax), Intelligence-I, Chennai and Commissioner, Chennai North Commissionerate (CGST), Chennai is functioning at the office of the Joint Commissioner (ST), Intelligence-I, Second floor, Greams Road, Chennai – 600006 and it can be accessed through Telephone number 044-28291717, FAX No.044-28291717, e-mail: jcenf.chn1@ctd.tn.gov.in

9.6. Authority and Appellate Authority for Advance Ruling

The Tamil Nadu Authority for Advance Ruling has been constituted with a Joint Commissioner (State Tax) and with a Joint Commissioner (Central Tax). The office is functioning at Room No.503, Fifth Floor, Integrated Commercial Taxes Office Complex, Elephant Gate Bridge Road, Park Town, Chennai-600003 and can be accessed through e-mail id: jc.adv.rul@ctd.tn.gov.in, in order to enable taxpayers to seek clarity on taxation.

The Tamil Nadu Appellate Authority for Advance Ruling has been constituted with the Commissioner of State Tax and the Principal Chief Commissioner, GST & CX Zone, Chennai. The office is functioning at the second floor, Ezhilagam, Chepauk, Chennai-600005 and can be accessed through Telephone No.044-28521744 and e-mail id: cct@ctd.tn.gov.in.

9.7. e-Way Bill

In Tamil Nadu, e-Way Bill system under the GST Regime was introduced from 01.04.2018 for inter-State movement of goods and from 02.06.2018 for intra-State movements. In our State for intra-State movement, no e-way bill is required to be generated for the consignment value upto One Lakh rupees. A separate portal for e-way bill (ewaybill.nic.in/ ewaybillgst.gov.in) has been rolled out. 3.04 lakh tax payers are registered and 3.89 crore of e-way bills for inter-State movements and 6.43 crore of e-way bills for intra-State movements were prepared through the portal as on 29.02.2020. Further, 378 login IDs have been created for the Officers of the Department for accessing e-way bill related data. Tamil Nadu is the 4th highest State in the Country in the generation of e-way bills.

Under the Tamil Nadu Goods and Services Tax Act, 2017, exemption is provided from

generating e-Way bills for intra-State movement of 100 types of goods irrespective of value of the consignment. The Micro, Small and Medium Enterprises have been given relief from generation of e-Way bill for movement of the goods inside the State with valid tax invoice.

10. Traders Welfare Board

Tamil Nadu Traders Welfare Board was constituted for implementing several welfare schemes for the traders viz., family assistance, medical assistance, fire accident assistance and educational assistance to the family members for having secured high marks, etc. On 25.01.2017, the corpus fund has been raised from Rs.5 crore to Rs.10 crore. 46,979 traders have been enrolled as members of the Board and welfare assistance have been given to 563 members to the tune of Rs. 132.86 lakh upto 29.02.2020. The annual renewal of membership has been exempted for members to continue in the Board. For small dealers who have not registered under the Act,

provision has been made to register in the Board using the licence issued by local bodies.

11. Computerisation

11.1. Total Solution Project

The Total Solution Project of the Commercial Taxes Department has been implemented with GST compatibility at a cost of Rs. 248.08 crore.

The prime objectives of the Project are:

- Improve service delivery for the dealers
 - a) Providing anytime anywhere access to services
 - b) Reduction in service turn around time and minimal physical interaction with the department officials
 - c) Increased channels for service delivery
 - d) Transparency in service delivery

- Support the department in achieving its goal of enhanced revenue collection
 - a) System aided decision making in core tax processes
 - b) Greater G2G collaboration
 - c) Simplification and streamlining the procedures of the Department and reduction of cumbersome, time-consuming and non-value adding activities of the Department so that the staff can spend their time on core activities
 - d) Enhanced Analytics and reporting capabilities and business intelligence for system aided decision making.

Due to the implementation of Goods and Services Tax Act, 2017, registered dealers who are dealing with six commodities that are kept outside the purview of the Goods and Services

Tax Act are utilising the following online services provided through the portal <https://ctd.tn.gov.in>

- Monthly Return Filing
- E-payment of taxes (online and offline)
- Online generation of forms JJ, KK, LL and MM
- Assessment and recovery
- Form – W filing for refund
- Online generation of statutory forms including C and F forms

Presently dealers can pay the taxes online through 31 banks. Out of these, payment can also be made offline (through Challans) in 11 banks.

11.2. Other online Services

The following facilities/services are also available in the website <https://ctd.tn.gov.in> for the mercantile public:-

- Viewing and downloading of the Acts & Rules, Forms, Circulars, Clarifications, Government Orders and Notifications issued then and there.
- The facility to view dealer payment history and profile (Dealer's Ledger) by logging into the system.
- On-line search facility to know the rate of tax and commodity code.
- On-line search facility of the details of dealers by entering their TIN or Name.
- Separate improved icons are provided under GST for use of all the dealers.

11.3. Intranet facilities to the Department

- All the works in the Assessment Circle relating to the dealers are being done through backend business application developed by a System Integrator with proper work flow in the backend business system.
- Digital Signature Certificate has been provided to all higher officials in the Assessment Circle from Deputy State Tax Officer cadre for generating the digitally signed TIN Registration Certificate and all other works related to dealers.
- Assessment is completely driven through system.
- Statistical reports are generated online.
- Tax Revenue reports based on online and offline payment of taxes also been generated through online.

- Statistical Analysis System (SAS) enabled Business Intelligence tool is being used by the Department to identify possible tax evaders. Analysis on misuse of TRAN-01 has been incorporated in the SAS tool.
- Intranet Connectivity has been provided to the officials of the Commercial Taxes Department for accessing the Back-office Application of TSP as well as the GST viz. Registration Approval, Refund Approval, Cancellation of Registration and Revocation of cancellation etc.

11.4. Data Retrieval Lab

The Data Retrieval Lab has been established which enables the Department to detect the IT enabled evasion and different kinds of sophisticated trade malpractices by processing the data seized from the place of business of dealers, which have been stored in different electronic

storage devices and deciphering the suppressed transactions.

Data from the electronic storage devices like Hard disk seized from dealer premises have been retrieved and processed in the Lab. Training on the data retrieval has also been given to the Department officials.

12. Construction of own buildings for Commercial Tax offices

The policy of the Government is to provide better facilities to the staff and visiting traders and to provide good working environment. Therefore, it has been decided to construct own buildings for the Commercial Tax Offices functioning in private buildings.

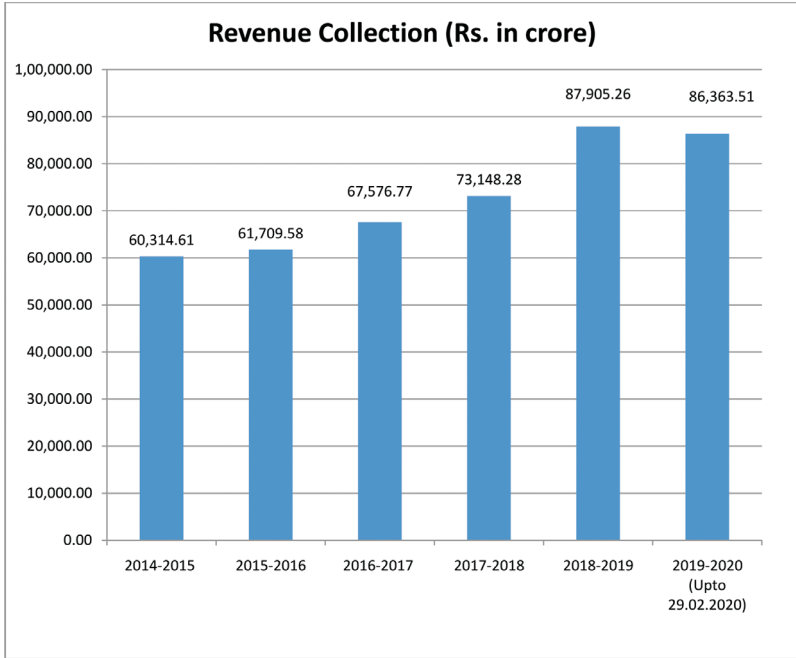
During the period from 2014-2015 to 2019-2020, sanction was accorded for construction of 16 buildings for housing the offices of the department which are functioning in private rented buildings at a cost of Rs.149.47 crore.

Out of these, construction works for 9 buildings have been completed and these offices are functioning in the own buildings. Construction work is in progress for the remaining 7 buildings.

13. Right to Information Act, 2005

The Commercial Taxes Department with fairly large amount of direct interaction with the mercantile public ensures that the activities of the Department are conducted in a simple and transparent manner. Towards this objective, the Department gives special importance to all the applications received under the Right to Information Act, 2005 from general and mercantile public and replies are sent promptly to the applicants in all the cases. Under this Act, 718 applications have been received and information furnished during the year 2019. A sum of Rs.9,615/- has been received in this regard.

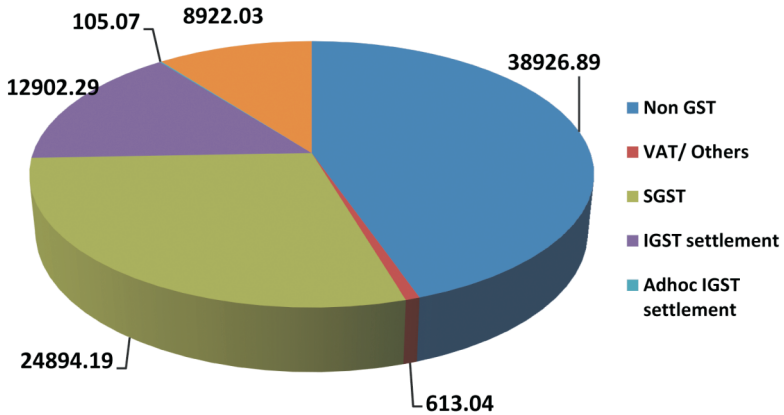
**K.C. VEERAMANI
MINISTER FOR COMMERCIAL TAXES**



(Rs.in crore)

Year	Revenue Collection
2014-2015	60,314.61
2015-2016	61,709.58
2016-2017	67,576.77
2017-2018	73,148.28
2018-2019	87,905.26
2019-2020 (Upto 29.02.2020)	86,363.51

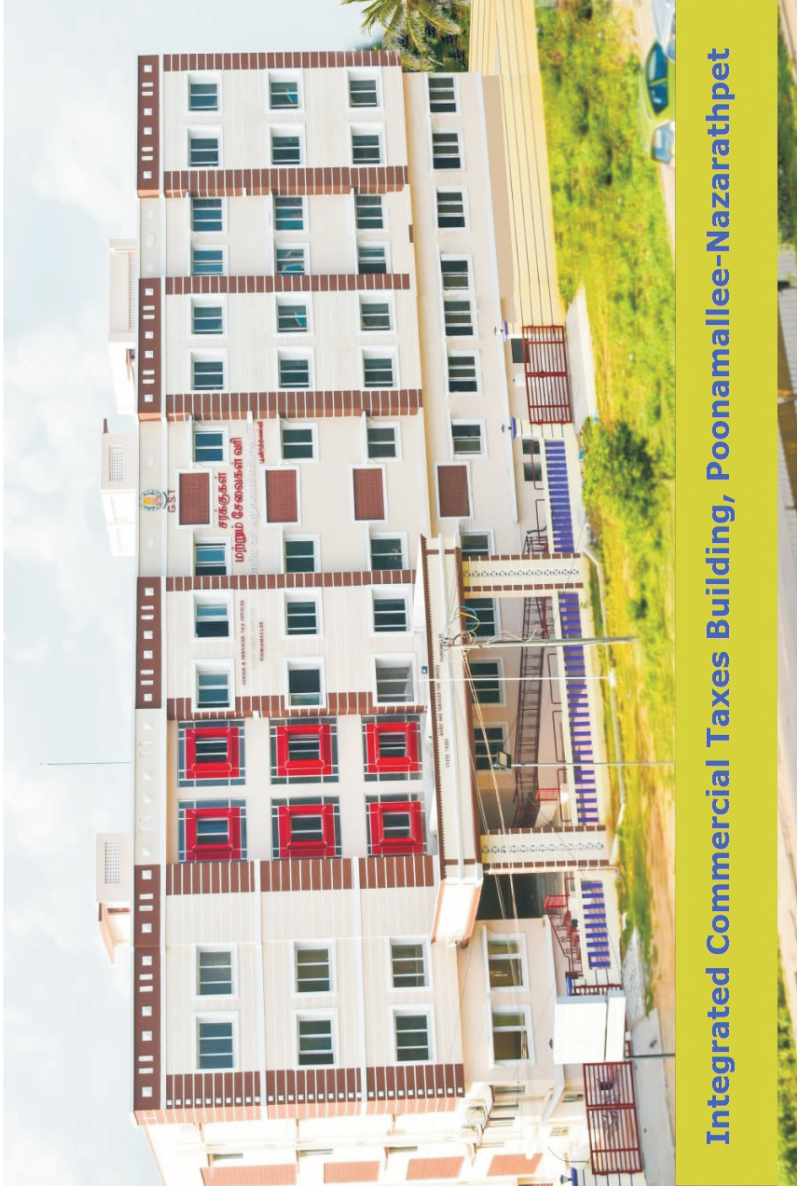
Act wise Revenue Collection - 2019-2020 (Upto 29.02.2020)
(Rs. in Crore)



Value Added Tax / Other than Goods and Services Tax (Petrol & Liquor)	38,926.89
Value Added Tax / Tax Arrears	613.04
State Goods and Services Tax	24,894.19
Integrated Goods and Services Tax Settlement	12,902.29
Integrated Goods and Services Tax Advance	105.07
GST Compensation	8,922.03
Total	86,363.51



Hon'ble Chief Minister on 19.11.2019 inaugurated Commercial Taxes and Registration office buildings



Integrated Commercial Taxes Building, Poonamallee-Nazarathpet



INTEGRATED COMMERCIAL TAXES OFFICE COMPLEX,CHENNAI (NORTH) DIVISION, ELEPHANT GATE ROAD