



COMMERCIAL TAXES AND REGISTRATION DEPARTMENT

DEMAND NO.10

COMMERCIAL TAXES

**POLICY NOTE
2023-2024**

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**Minister for Commercial Taxes
and Registration**

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GOVERNMENT OF TAMIL NADU
2023

INDEX

Sl. No.	Subject	Page No.
1	Preface	1
2	Functions of Commercial Taxes Department	2
3	Details of Gross Revenue collection of the Commercial Taxes Department	4
4	Expenditure incurred on Administration of the Commercial Taxes Department	5
5	Act-wise Revenue collection after the introduction of Goods and Services Tax (GST)	5
6	Organisational framework of the Department	6
7	Territorial Divisions	8
	7.1 Performance of Large Taxpayers Unit (LTU)	9
8	Intelligence Divisions	10
	8.1 Activities of Intelligence Wing	11
	8.2 Activities of Intelligence Wing of Commissionerate	13
	8.3 Other activities of the Intelligence Wing of Commissionerate	14

Sl. No.	Subject		Page No.
	8.4	Verification of new registration under GST	15
	8.5	Measures taken to curb bill trading	16
	8.6	Action against bill trading by Economic Offences Wing	17
	8.7	Integration of e-Way bill system, Radio Frequency Identification Device (RFID) and FASTag	18
	8.8	Test Purchase	19
9	Appellate Wing		20
	9.1	First Appeal under Legacy Acts	21
	9.2	First Appeal under Tamil Nadu Goods and Services Tax Act, 2017	22
	9.3	Second Appeal under Legacy Acts	24
	9.4	Functions of Legal Wing	26
10	Audit		28
	10.1	Audit functions by Accountant General	28
	10.2	Creation of separate wing for Audit	30
	10.3	Activities of the Review, Appeal and Revision (RA&R) Wing	31

Sl. No.	Subject		Page No.
11	Statistics and Research Cell		34
12	Training Programmes conducted by Commercial Taxes Staff Training Institute (CTSTI)		35
13	Functioning of Taxpayers Advisory Committees		38
	13.1	Activities of State Level Taxpayers Advisory Committee	38
	13.2	Taxpayers Advisory Committee at the District Level	39
14	Functioning of Complaint Cell		39
15	Levy of tax under Tamil Nadu Goods and Services Tax Act, 2017		40
16	Functioning of the Goods and Services Tax Council		42
	16.1	GST Compensation Cess	44
	16.2	GST Council Meetings held during the year 2022-2023	45
	16.2.1	Major decisions taken in 47 th GST Council Meeting	45
	16.2.2	Major decisions taken in 48 th GST Council Meeting	47
	16.2.3	Major decisions discussed in 49 th GST Council Meeting	49

Sl. No.	Subject		Page No.
17	Constitution of Grievance Redressal Committee		50
18	e-Way bill system to monitor movement of goods		50
19	Functioning of the Authority for Advance Ruling (AAR) and the Appellate Authority for Advance Ruling (AAAR)		52
20	Anti-Profiteering authority and State Level Screening Committee under GST		54
21	Common portal under GST		55
22	Promotion of Ease of Doing Business		56
	22.1	Creation of 'Ease of Business' Cell	57
23	Tamil Nadu Traders Welfare Board		58
	23.1	Enhancement of Family Assistance and Fire Accident Assistance	61
24	e-Governance		61
	24.1	Registration of new taxpayers through the GST portal	62
	24.2	GST return filing and Collection of Taxes	62

Sl. No.	Subject	Page No.
	24.3 VAT return filing and Collection of Taxes	63
	24.4 Back-office Application Software	63
	24.5 Statistical Analytics Tool	64
	24.6 Scrutiny of Returns	66
	24.7 Call Centre	66
	24.8 Engaging Information Technology Professionals during inspection conducted by Commercial Taxes Department	67
	24.9 GST Prime Software	68
	24.10 My Bill - My Right	69
	24.11 Control Room for Roving Squads	70
	24.12 Other online Services	70
25	Action taken under Right to Information Act, 2005	71
26	Construction and Renovation of Commercial Taxes buildings	72
27	Other initiatives of the Department during the year 2022-2023	73

Sl. No.	Subject		Page No.
	27.1	Re-organisation of Commercial Taxes Department – Upgradation of 1000 posts of Assistants	73
	27.2	Formation of atleast one co-terminus Commercial Taxes District for each Revenue District	74
	27.3	Rewards for helping in preventing tax evasion	74
	27.4	Tax Research Unit	75
28	Conclusion		76

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1. Preface

The Commercial Taxes Department is a forerunner in collection of revenue to the State, by using innovative scientific tools in tax administration, to the maximum extent. The collection of revenue from Commercial Taxes Department is vital as it is utilised for development as well as implementation of various schemes for the welfare of the people of Tamil Nadu.

The Tamil Nadu Goods and Services Tax Act, 2017, which was introduced from 01.07.2017, prevents the cascading of taxes and ensures seamless flow of input tax credit on

supply of goods or services or both in the value chain till consumption.

The Department encourages voluntary compliance on payment of taxes by adopting ease of doing business practices in tax administration which helps the State in becoming an investment destination.

2. Functions of Commercial Taxes Department

The core function of the Commercial Taxes Department is implementation of Tamil Nadu Goods and Services Tax Act, 2017, Tamil Nadu Value Added Tax Act, 2006 and Central Sales Tax Act, 1956.

The six goods falling under entry 54 of State List of the VII Schedule to the Constitution of India, namely, Petroleum Crude, High Speed Diesel, Motor Spirit (commonly known as Petrol), Natural Gas, Aviation Turbine fuel and Alcoholic

liquor for human consumption alone continue to be administered under the Tamil Nadu Value Added Tax Act, 2006 (TNVAT Act) and Central Sales Tax Act, 1956 (CST Act).

Further, the work relating to the existing laws, which were in force till 30.06.2017 is also carried out by the Commercial Taxes Department, as detailed below:-

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. Details of Gross Revenue collection of the Commercial Taxes Department

The year-wise gross revenue collection including compensation for the past six years is detailed below:-

Year	Collection of Gross Revenue (Rs. in crore)	Growth Rate (%)
2017-2018	73,148.28	8.24%
2018-2019	87,905.26	20.17%
2019-2020	95,086.93	8.17%
2020-2021	96,209.23	1.18%
2021-2022	1,04,970.06	9.11%
2022-2023	1,33,540.70	27.22%

4. Expenditure incurred on Administration of the Commercial Taxes Department

The year-wise total expenditure incurred on various heads relating to administration of Commercial Taxes Department is being maintained below half percent of the total revenue collected as tabulated below:-

Year	Revenue receipts (Rs. in crore)	Expenditure amount (Rs. in crore)	% of Expenditure to revenue receipts
2020-2021	96,209.23	459.39	0.48
2021-2022	1,04,970.06	425.95	0.40
2022-2023	1,33,540.70	481.64	0.36

5. Act-wise Revenue collection after the introduction of Goods and Services Tax (GST)

The details of Act-wise revenue collection after the introduction of GST till 2022-2023 are tabulated below:-

(Rs. in crore)

Year	Non-GST **	VAT & Others ***	SGST	IGST Settle- ment	GST Compen- sation	Total
2017- 2018*	28,554.90	3,518.80	16,199.93	8,706.99	632.00	57,612.62
2018- 2019	42,414.96	593.98	24,476.56	17,268.76	3,151.00	87,905.26
2019- 2020	44,023.19	796.53	27,117.38	14,227.80	8,922.03	95,086.93
2020- 2021	42,982.27	393.52	23,870.18	18,360.44	10,602.82	96,209.23
2021- 2022	48,401.21	416.74	29,440.98	19,475.33	7,235.80	1,04,970.06
2022- 2023	58,234.92	896.96	36,353.12	21,840.87	16,214.83	1,33,540.70

* Period from 01.07.2017 to 31.03.2018

** Represents Non-GST revenue collection under TNVAT Act, 2006 and CST Act, 1956, in respect of alcoholic liquor for human consumption and petroleum products (Petroleum Crude, High Speed Diesel, Petrol, Natural Gas and Aviation Turbine Fuel).

*** Comprises revenue collection from Legacy Acts.

6. Organisational framework of the Department

The Commercial Taxes Department is headed by the Commissioner of Commercial

Taxes who is assisted by a Senior Additional Commissioner, five Additional Commissioners and one Joint Commissioner (Administration - in the IAS cadre) among other officers. The Government have issued orders for creation of two new posts in the cadre of Additional Commissioner in the office of the Commissioner of Commercial Taxes vide G.O. (Ms.) Nos. 14 and 15, Commercial Taxes and Registration (A1) Department, dated 28.02.2023.

The three main administrative wings of the Commercial Taxes Department are Territorial Wing, Intelligence Wing and Appellate Wing.

The jurisdiction of the Commercial Taxes Department is divided into 12 Territorial Divisions (including Large Taxpayers Unit-LTU) which are headed by the Joint Commissioners. The Government have issued orders for creation of seven new Territorial Divisions vide G.O. (Ms.)

No.21, Commercial Taxes and Registration (A2) Department, dated 09.03.2023.

The Territorial Wing comprises 42 Zones / Commercial Tax Districts which are headed by the Deputy Commissioners and 338 Assessment Circles headed by Assistant Commissioners / Commercial Tax Officers.

The administration of the Department is undergoing re-organization in the light of various changes being adopted in the implementation of GST laws to ensure better and timely services to the taxpayers.

7. Territorial Divisions

The works relating to registration, refund, monitoring of filing of returns, return scrutiny, assessment, transitional credits and collection of arrears of tax are being undertaken in the Assessment Circles. The Territorial Joint Commissioners are empowered with revision

powers against the adjudication orders of the proper officers. The Territorial Deputy Commissioners are empowered with review powers against the orders passed by the proper officers and to file appeals.

7.1 Performance of Large Taxpayers Unit (LTU)

The Large Taxpayers Unit functions at Chennai for administering the large taxpayers of the State. Top 100 taxpayers are allotted to this unit to provide effective services to them. The hundred taxpayers comprises 14 dealers dealing in Petroleum goods and Alcoholic liquor for human consumption (they pay GST also), while 86 taxpayers deal exclusively in goods and services under GST. The details of revenue collected from Large Taxpayers Unit in the last two years are as mentioned below:-

Year	No. of Large Tax Payers	Nature of Tax	State Revenue (Rs. in Crore)	LTU Revenue (Rs. in Crore)	% Share of LTU in State Revenue
2021-2022	14	Non-GST & VAT	48,817.95	44,458.12	91.07%
	86	State GST (State Taxpayers only)	16,709.25	3,546.26	21.22%
	100	Total	65,527.20	48,004.38	73.25%
2022-2023	14	Non-GST & VAT	59,131.88	53,009.74	89.65%
	86	State GST (State Taxpayers only)	21,020.02	5,989.15	28.49%
	100	Total	80,151.90	58,998.89	73.61%

8. Intelligence Divisions

The Intelligence Wing of the Department comprises nine Intelligence Divisions namely Chennai-I, Chennai-II, Vellore, Trichy, Madurai, Salem, Erode, Tirunelveli and Coimbatore, headed by the Joint Commissioners. The Government have issued orders for creation of six new Intelligence Divisions vide G.O. (Ms.) No. 19, Commercial Taxes and Registration (A2) Department, dated 09.03.2023.

The Intelligence division consists of Data Cell and Survey Cell which scrutinize data and

process the information about the taxpayers for furnishing the same to the Investigation Unit. The Investigation Unit initiates the investigation file based on the above inputs as well as reports from other officers of the Intelligence Wing. The Data Cell and the Survey Cell report to the Deputy Commissioner (Investigation) / Assistant Commissioner (Investigation).

8.1 Activities of Intelligence Wing

The taxpayers pay tax on self-assessment basis under the Tamil Nadu Goods and Services Tax Act, 2017 (TNGST Act, 2017). However, there are provisions to investigate the business affairs of the taxpayers, if there is reason to believe that there is tax evasion.

The Government emphasize that the intelligence activities shall be carried out in an unobtrusive and efficient manner under proper authorization and with overall supervision and

control of the Commissioner. It is also stressed to avoid indiscriminate investigation and any disrepute to the Department.

The Intelligence Wing of the Department, through inspections, has unearthed different *modus operandi* adopted by the tax evaders.

In addition to the above, check of vehicles in movement is carried out by the Roving Squads of Intelligence Wing to monitor transport of goods moving with an intention to evade payment of tax.

The performance of Roving Squads for the last two years is detailed below:-

Year	No. of vehicles checked	No. of e-Way bills verified	No. of offences booked	Amount collected (Rs. in crore)
2021-2022	5,39,788	6,82,293	10,902	73.22
2022-2023	8,77,012	9,50,297	27,847	222.49
% Increase	62.47	39.28	155.43	203.87

8.2 Activities of Intelligence Wing of Commissionerate

The Intelligence Wing in the office of the Commissioner of Commercial Taxes examines the investigation files received from the Intelligence Divisions. The investigation file approved is sent to the Intelligence Divisions for implementation. The investigation files not fit for approval are transferred to the respective proper officer for further action or sent to the concerned Intelligence Division for detailed scrutiny.

Further, 14 risk parameters have been identified along with weightage points for generating quality investigation files and to improve the effectiveness of inspections.

In order to control tax evasion and augment revenue through intelligence activities, the number of investigation files to be generated and the number of inspections conducted per month have been increased since 25.10.2022.

The performance details of inspections conducted in the last two years are tabulated below:-

Year	No. of cases inspected	Amount Collected (Rs. in crore)
2021-2022	1,810	69.77
2022-2023	3,809	510.03
% Increase	110.44	631.02

8.3 Other activities of the Intelligence Wing of Commissionerate

Under the TNGST Act, 2017, a total of 1,028 taxpayers claiming refund were chosen for audit of accounts during the years 2021-2022 and 2022-2023. Out of these, in 1,023 cases, audit has been completed and an amount of Rs.40.36 crore was collected during the year 2022-2023. During the month of January 2023, a total of 22 cases in respect of Large Taxpayers Unit and 4,116 cases in respect of other divisions, have been selected for GST audit along with 8 cases of Large Taxpayers Unit for VAT Audit.

Further, 'GST Audit manual' has been released with details of the procedures for conducting audit to identify the irregularities in tax compliance and to educate the taxpayer regarding the deficiencies in such compliance. The manual is intended to serve as a useful reference to the officers of the Commercial Taxes Department to conduct audit under the GST Act in a professional and transparent manner.

8.4 Verification of new registration under GST

Newly registered taxpayers and their premises are post verified by the Department in all cases, since 01.06.2021, to identify bill traders at an early stage. During the year 2022-2023, a total of 1,966 newly registered taxpayers have been found to be non-existent at the declared business premises. Out of these, 1,386 registrations have been cancelled by following the provisions of GST law.

8.5 Measures taken to curb bill trading

Bill trading activity by way of circular trading or linear trading is a fraudulent activity of creating artificial transactions by issuance of tax invoices amongst a close group without actual supply of goods.

During the year 2022-2023, totally 712 bill traders have been identified and action is being taken against them under TNGST Act, 2017. Beneficiaries of such bill trading activity are referred to proper officers for blocking of input tax credit.

During the year 2022-2023, in 3 cases, arrest has been ordered by the Commissioner of Commercial Taxes under section 69(1) of the TNGST Act, 2017. Further, in 2 cases prosecution has been launched.

During the year 2022-2023, provisional attachment of the Bank Account / property has been made in 12 tax evading cases.

8.6 Action against bill trading by Economic Offences Wing

As announced in the floor of Assembly, severe action against bill trading is taken by Economic Offences Wing. Accordingly, the Home Department has communicated that the offence of bill trading would be covered under the mandate of Economic Offences Wing of the Police Department and cases involving revenue of Rs.5 crore and above may be referred to the Economic Offences Wing for taking further action on a case-to-case basis.

A total of six cases, wherein the taxable persons indulged in bill trading activities and beneficiaries who have evaded tax by fraudulently availing the Input Tax Credit, based on the fake invoices issued by bill traders, amounting to Rs.5 crore and above during the period from 01.07.2017 to 31.03.2022, have been referred to the Additional Director General of Police, Economic Offences Wing, in February

2023, for taking further action, to realize the revenue due to the State.

Further, action is being taken by the Joint Commissioners of Intelligence divisions along with the Additional Director General of Police, Economic Offences Wing, for taking criminal action and launching prosecution on the list of 217 bill traders and 49 beneficiaries who had evaded tax or wrongly availed or utilized the input tax credit of Rs.5 crore and above.

8.7 Integration of e-Way bill system, Radio Frequency Identification Device (RFID) and FASTag

The integration of e-Way bill system, Radio Frequency Identification Device (RFID) and FASTag has enabled tax officials to undertake live vigilance in respect of e-Way bill compliance by business. This helps in preventing revenue leakage by real-time identification of cases of

recycling of e-Way bills, non-generation of e-way bills, etc.

The Management Information System (MIS) reports are made available to the proper officers of the Department and they utilize these reports during audit and intelligence activities to identify the fraudulent transactions of bill trading.

To improve the tax compliance, if a registered taxpayer has not filed GSTR-3B return for last two successive months, the generation of e-Way bill is blocked.

8.8 Test Purchase

In order to inculcate the practice of issuing invoice / bill of supply by a trader or an industry and to ensure tax compliance by a taxable person, Test Purchase is conducted as per section 67(12) of the TNGST Act, 2017.

A permanent advance of Rs. 1 lakh has been sanctioned to each of the Territorial and

Intelligence Wing Joint Commissioners, totalling to Rs.20 lakh vide G.O.(2D) No.57, Commercial and Taxes (D2) Department, dated 25.07.2022 for conducting test purchase.

During the year 2022-2023, totally 385 test purchases have been conducted by the Intelligence Divisions; non-issuance of tax invoice has been identified in 248 cases and penalty of Rs.49.50 lakhs has been collected.

During the same period, 3032 test purchases have been conducted by Territorial Divisions; non-issuance of tax invoice has been identified in 1774 cases and penalty of Rs.351.50 lakhs has been collected.

9. Appellate Wing

The appeals against the orders issued under the Legacy Acts are filed before the Appellate Deputy Commissioner / Appellate Joint Commissioner, being the first appellate authority.

The Sales Tax Appellate Tribunal is the second Appellate Authority for appeal orders issued under the Legacy Acts.

The first Appellate authority for the appeals filed against the orders issued under the GST Act, functions separately. The second appellate authority, namely GST Appellate Tribunal is being constituted.

9.1 First Appeal under Legacy Acts

In respect of orders passed by assessing officer upto the rank of Assistant Commissioner under the TNVAT Act and CST Act, the Appellate Deputy Commissioner is the first appellate authority. In respect of orders passed by assessing officer in the rank of Deputy Commissioner in the Large Taxpayers Unit, the Appellate Joint Commissioner is the first Appellate Authority.

The Chairman, Tamil Nadu Sales Tax Appellate Tribunal is having administrative control over the first Appellate Authority for the Legacy Acts. The cases filed by the dealers in the first appellate forum are defended by the Department, represented by a departmental representative in the cadre of Assistant Commissioner.

The details of appeals filed before the first Appellate Authority under the Legacy Acts are furnished below:-

Number of appeals pending as on 01.04.2022	Appeals filed during 2022-2023	Total	Appeals disposed	Balance as on 31.03.2023
3,796	837	4,633	1,766	2,867

9.2 First Appeal under Tamil Nadu Goods and Services Tax Act, 2017

Under the Tamil Nadu Goods and Services Tax Act, 2017, the Appellate Deputy Commissioner (GST Appeals) is the first Appellate Authority in respect of orders passed / decisions

taken by proper officer upto the rank of Assistant Commissioner. In respect of orders passed by Deputy Commissioners in the Large Taxpayers Unit, the Appellate Joint Commissioner (GST Appeals) is the first Appellate Authority.

At present, there are six Appellate Deputy Commissioners (GST Appeals) and one Appellate Joint Commissioner (GST Appeals). In the first Appellate forum for GST Appeals, the Department is represented by a departmental representative in the cadre of Assistant Commissioner.

The details of appeals filed before the first Appellate Authority under TNGST Act are furnished below:-

Appeals pending as on 01.04.2022	Appeals filed during 2022-2023	Total	Appeals disposed	Balance as on 31.03.2023
1,776	5,045	6,821	2,576	4,245

9.3 Second Appeal under the Legacy Acts

Second Appeal against the orders passed under TNVAT Act and CST Act by the first Appellate Authority, namely the Appellate Deputy Commissioner or Appellate Joint Commissioner lies before the Tamil Nadu Sales Tax Appellate Tribunal. Its main bench is at Chennai and additional benches are functioning at Chennai, Madurai and Coimbatore.

The main bench is headed by the Chairman of Tamil Nadu Sales Tax Appellate Tribunal. Besides, there are two additional members, one from the Commercial Taxes Department of the State Government, not below the rank of Additional Commissioner and another from the Indian Audit and Accounts Service or an officer not below the rank of Joint Commissioner in the Income Tax Department or Central Excise Department or Customs Department or Railway Accounts Department or Defence Accounts

Department or a member of the Institute of Chartered Accountants of India having practical experience of not less than five years as a Chartered Accountant or a member of the Institute of Cost and Works Accountants of India with a practical experience of not less than five years as a Cost Accountant.

The additional bench of the Sales Tax Appellate Tribunal is constituted by one judicial member in the rank of a subordinate judge and an additional Departmental member in the cadre of Joint Commissioner. The State is represented by the Joint Commissioner as State Representative and by the Deputy Commissioners as Additional State Representatives in the main bench and in the additional benches respectively.

The details of appeals disposed in Sales Tax Appellate Tribunal are furnished below:-

Appeals pending as on 01.04.2022	Appeals filed during 2022-2023	Total	Appeals disposed	Balance as on 31.03.2023
6,863	731	7,594	674	6,920

9.4 Functions of Legal Wing

The Writ Petitions, Writ Appeals and Special Leave Petitions filed by the dealers and the Department relating to tax matters before High Court and Supreme Court are monitored by the Legal Wing. Approval of counter affidavits for Writ of Declaration relating to Legacy Acts is monitored by the Legal Wing. In respect of Goods and Service Tax cases, the counter affidavits are approved by the Commissioner of Commercial Taxes.

The law officers are coordinated and monitored by the Legal Wing for effective disposal of the cases filed before the High Court and

Supreme Court. The sanction of legal fees to the law officers is processed by the Legal Wing.

The Legal Wing ensures that the orders of the High Court are reviewed for effective compliance and where sufficient cause exists for further appeal, in such cases, writ appeal / review and special leave petition are preferred by the Department.

During the year 2022, a circular has been issued from the Legal Wing, wherein, all Assessing / Adjudicating Authorities have been instructed to scrupulously follow the Principles of Natural Justice in all the quasi-judicial proceedings and always issue speaking orders without any flaw, which can withstand the judicial scrutiny. Meetings have been conducted in all Divisions and training has also been imparted to officials on following the Principles of Natural Justice.

10. Audit

The orders or decisions of the adjudicating authorities are reviewed internally by Review, Appeal and Revision Wing and periodically by the Accountant General.

10.1 Audit functions by Accountant General

The Accountant General (AG) is taking up audit of the assessments / decisions / collection / refunds made under Tamil Nadu Goods and Services Tax Act, 2017, Tamil Nadu Value Added Tax Act, 2006 and Central Sales Tax Act, 1956. Besides taking up the performance audit, the Accountant General undertakes thematic study on the various activities of the Department. The Accountant General also looks after individual topics such as Subject Specific Compliance Audit (SSCA) for inclusion in the Audit Report.

Joint sittings are held by the Accountant General along with the officials of the Commercial

Taxes Department to discuss the settlement of audit paras, periodically.

The progress of settlement of Accountant General Audit paras is detailed below:-

Number of AG Audit Paras pending (Opening Balance as on 01.04.2022)		18,602
Number of AG Audit Paras received upto 31.03.2023		834
Total		19,436
a) Number of AG audit paras settled in Joint sitting with the AG Audit in Chennai Zones (Zone-IV,V, VI, VII, VIII, X, XI & XII)	2,072	
b) Number of AG audit paras rectified upto 31.03.2023	2,718	
c) Total number of audit paras settled from 01.04.2022 to 31.03.2023	4,790	4,790
Balance		14,646

In respect of the balance 14,646 paras, replies have been furnished to the Accountant General in all the cases.

10.2 Creation of separate wing for Audit

After the implementation of Goods and Services Tax Act, the taxation methodology and taxpayers interaction with officials have been changed. Hence, the Accountant General has modified the audit pattern as below instead of year based performance audit:-

- Thematic Audit
- Special Audit
- Detailed Audit
- Functional Audit

The legacy audit cases have to be monitored properly along with GST Audit cases and hence a separate wing is necessary to be created. Hence, the Non-GST wing is bifurcated into two separate wings headed by

Additional Commissioner. Accordingly, the audit wing has been newly created exclusively for handling Accountant General Audit paras under GST and Legacy Acts and this has been sanctioned vide G.O. (Ms.) No. 15, Commercial Taxes and Registration (F) Department, dated 28.02.2023.

10.3 Activities of the Review, Appeal and Revision (RA&R) Wing

The Deputy Commissioners (Territorial) and Deputy Commissioners (Intelligence) are empowered to review the adjudication orders passed and decisions taken under the TNGST Act, 2017, by the jurisdictional proper officers. The Deputy Commissioners are assisted by the Assistant Commissioners (RA&R) in this function.

Based on the review, the Department takes up appeal before the Appellate authority under section 107 of TNGST Act, 2017. The appeals have to be filed within 6 months and in case

appeals are not filed in time, revision under section 108 of TNGST Act, 2017 could be taken up by the Joint Commissioners of the respective Divisions.

Besides, Revision Petitions filed by the dealers under the Legacy Acts are taken up by the Additional Commissioner for hearing and orders are passed in accordance with provisions of the said Acts.

The details of disposal of Revision Petitions filed by the dealers are mentioned below:-

Pending as on 01.04.2022	Filed during 2022-2023	Total	Disposed	Balance as on 31.03.2023
1,130	41	1,171	414	757

Since the introduction of Insolvency and Bankruptcy Code, 2016, whenever dealers are subjected to insolvency resolution process or liquidation process before National Company Law Tribunal (NCLT), the claims of the Department pertaining to the dealers are filed before NCLT.

The filing of claims, admission or rejection of such claims and filing of Interlocutory Application on the rejected claims are monitored in the RA&R Wing.

Further, the orders issued by the Tribunal under the Legacy Acts are reviewed and decision is taken either to record or to file Tax Case (Revision) before the High Court. Wherever question of law is involved, Special Leave Petition (SLP) is filed before the Supreme Court against the orders of the High Court. The orders issued by the Tribunal under the Central Sales Tax Act relating to stock transfer and consignment sales are reviewed and decision is taken to file appeal before Central Sales Tax Appellate Authority in applicable cases.

The details of action taken on the orders of the High Court and Tribunal are as follows:-

Year	Recorded	Tax Case Filed
2022-2023	412	48

11. Statistics and Research Cell

The Statistics and Research Cell prepares the following monthly reports for the review of performance of the officers:-

1. GST Statistical report for Territorial Divisions
2. Non-GST Statistical report for Territorial Divisions
3. Statistical report on the intelligence activities of the Intelligence Wing of the Department

During the year 2022-2023, the Statistics and Research Cell published the 'Commercial Taxes Department – Administrative Report'

explaining the overall functions of the Department, the hierarchy of the administrative structure and essential activities.

12. Training Programmes conducted by Commercial Taxes Staff Training Institute (CTSTI)

The Commercial Taxes Staff Training Institute is functioning from 1982 and is located in Chennai. It is headed by a Director in the cadre of Joint Commissioner. The objective of the training Institute is to impart 'In Service Training' and 'Refresher Course Training' to all the officials of the Department. Training is also imparted at the Regional Chapters at Vellore, Salem, Coimbatore, Trichy, Madurai, Tirunelveli and Erode.

In the year 2022-2023, the Government have allocated a sum of Rs.96.72 lakh for training. About 3000 officers and staff of the Department have been imparted various refresher

training, induction training and workshops by CTSTI, Chennai and the Regional Chapters.

Apart from the regular training on taxation laws and procedures, the following training programmes were conducted by CTSTI, Chennai:-

- Three days residential training on 'Building Competencies for Personnel Excellence (BCPE) Program' for 81 senior officers of the Department in the cadre of Joint Commissioners and Deputy Commissioners at Mamallapuram.
- Training on 'Migration to Model-2 software system from Model-1 software system for GST Back Office application' for 70 Master Trainers of the Department.
- Three days training on Tally, SAP and Excel for 47 officials of Intelligence Wing in the cadre of State Tax Officers and Deputy State Tax Officers from Chennai Divisions.

- One day refresher training in Integrated Finance and Human Resources Management System (IFHRMS) to all Drawing and Disbursing Officers (DDOs) of Commercial Taxes Department in association with Pay and Accounts Offices of Chennai (South) and (East).
- Three Days Outbound Management Residential Training Program at Mamallapuram on 'Human Capital Development' for 150 officers of the Department in the cadre of Assistant Commissioners in association with Anna Administrative Staff College, Chennai.
- One day training program on Health Engagement (Psychology, Ortho & Physiotherapy and Emergency & First Aid) to 1500 officers and staff of the Department from the cadre of Assistant Commissioners to Office Assistants in

Chennai & Vellore Divisions in association with Apollo Hospitals, Chennai.

- One day Accounts Training for 40 Section Officers of Secretariat.
- Compulsory District and Head of Departments Training for 78 Section Officers of Secretariat.

Details of funds utilised and training conducted by the CTSTI during the year 2022-2023:-

Amount sanctioned (Rs.)	Amount spent (Rs.)	Number of trainings conducted	Number of classes conducted	No. of Trainees
98,21,000	94,23,048	132	864	11,029 (Physical) and 1,720 (Webinar Online training)

13. Functioning of Taxpayers Advisory Committees

13.1 Activities of State Level Taxpayers Advisory Committee

The State Level Taxpayers Advisory Committee has been constituted to redress the

grievances/ representations received from the taxpayers, trade associations and Chambers of Commerce. The Committee, functioning under the chairmanship of the Commissioner of Commercial Taxes, addresses the grievances of various stakeholders for necessary redressal.

13.2 Taxpayers Advisory Committee at the District Level

District Level Taxpayers Advisory Committee has been constituted with the District Collector as the Chairman of the Committee for the purpose of redressing the grievances of taxpayers.

14. Functioning of Complaint Cell

To receive the grievances of trading community and general public relating to Commercial Taxes Department and resolve them in a speedy manner, a 'Complaint Cell' has been formed in the office of the Commissioner of Commercial Taxes on 01.07.2021. A dedicated

Telephone number 044-28514250 and e-mail id ctdpetition@ctd.tn.gov.in have been provided for receiving complaints.

The details of complaints received, resolved and pending are tabulated as below:-

Details	Received over phone	Received through e-mail
Complaints received	739	629
Complaints disposed	724	447
Balance	15	182

15. Levy of tax under Tamil Nadu Goods and Services Tax Act, 2017

The active taxpayers registered under various Legacy Acts as on 30.06.2017 were migrated to the GST regime on 01.07.2017 through electronic mode, resulting in successful transition by the Department.

The amendments are being made under the TNGST Act and Rules for easy tax compliance by the taxpayers.

The rates of tax of various goods and services under the GST Act are as follows:-

- The four major tax rates under GST are 5%, 12%, 18% and 28%.
- Gold, Silver, Platinum and precious goods are taxable at 3%.
- Rough, precious and semi-precious stones are taxable at 0.25%.
- Sin goods like pan masala, tobacco and luxury goods like cars, etc., are also levied with a compensation cess at different rates so as to compensate the loss of revenue to the State for a period of five years, due to implementation of the GST Act from 01.07.2017.

- Under the Integrated Goods and Services Tax Act, 2017, GST is levied on the import and inter-State supply of goods and services.
- The taxpayers may opt for a composition scheme of taxation with certain conditions, attracting 1% GST for the supply by traders and manufacturers whose aggregate turnover is upto Rs.1.50 crore per annum.
- Normally, supply of services attracts GST at 18%. The construction of affordable residential apartments attracts 1.5% tax without Input Tax Credit (ITC) and non-affordable residential apartment attracts 7.5% tax without ITC.

16. Functioning of the Goods and Services Tax Council

The Goods and Services Tax Council has been constituted as per the enactment of the

Constitution (101st Amendment) Act, 2016, to implement a uniform tax rate throughout the country. The Council consists of all States including Union Territories having legislature and the Centre as its members. The Honourable Minister for Finance and Human Resources Management of Government of Tamil Nadu is the State member of the Council.

The main function of the GST Council is to make recommendations on the issues relating to model GST Laws, GST rates including the floor rates with bands, the goods and services which are subjected to various rates of tax or exempted from GST, threshold limits, principles that govern place of supply, special rates for raising additional resources during natural disasters, special provisions for certain States and any other matter relating to the GST. The GST Council has conducted 49 meetings till date.

16.1 GST Compensation Cess

The GST (Compensation to States) Act, 2017 provides for compensation to the States for loss of revenue arising on account of implementation of the Goods and Services Tax for a period of five years from 01.07.2017 to 30.06.2022. A compensation cess under this Act at various rates is levied on certain luxury goods, sin goods and services in addition to GST. Further, the Union Government has extended the period of levy of cess upto 31.03.2026 to repay the market borrowings made towards the compensation paid to the States. But, the compensation period has not been extended beyond 30.06.2022 by the GST Council. The Government of Tamil Nadu has been repeatedly raising the issue of extending the GST compensation for a further period of 2 years in the GST Council meetings and in other forums.

16.2 GST Council Meetings held during the year 2022-2023

During the year 2022-2023, three GST Council meetings were held as below:-

Council Meeting	Place	Date
47 th Meeting	Chandigarh	28.06.2022 and 29.06.2022
48 th Meeting	Through Video Conference	17.12.2022
49 th Meeting	New Delhi	18.02.2023

16.2.1 Major decisions taken in the 47th GST Council Meeting

In the 47th meeting, the GST Council has made the following recommendations:-

- To constitute a Group of Ministers to address various concerns raised by the States in relation to constitution of GST Appellate Tribunal and to make

recommendations for appropriate amendments in CGST Act.

- The reduced rate of tax of 12% applicable on works contract service to Government Department has been withdrawn and 18% rate of tax is to be levied.
- The Group of Ministers on Casino, Race Course and Online Gaming to re-examine the issues in its terms of reference based on further inputs from States and submit its report within a short duration.
- The GST Council has recommended the following trade facilitation measures:-
 - i. In-principle approval for relaxation in the provisions for suppliers making supplies through E-Commerce Operators (ECOs).
 - ii. Waiver of late fee for delay in filing FORM GSTR-4 for financial year 2021-2022 till 28.07.2022 and

extension of due date for filing FORM GST CMP-08 for the first quarter of financial year 2022-2023 till 31.07.2022.

16.2.2 Major decisions taken in 48th GST Council Meeting

In the 48th meeting, the GST Council has recommended the following trade facilitation measures:-

- To raise the minimum threshold of tax amount for launching prosecution under GST from Rs.1 crore to Rs.2 crore, except for the offence of issuance of invoices without supply of goods or services or both.
- To reduce the compounding amount from the present range of 50% to 150% of tax amount to the range of 25% to 100%.

- To decriminalize certain offences specified under clause (g), (j) and (k) of sub-section (1) of section 132 of CGST Act, 2017, namely –
 - obstructing or preventing any officer in discharge of duties;
 - deliberate tampering of material evidence;
 - failure to supply the information.
- In-principle approval was given for allowing unregistered suppliers and composition taxpayers to make intra-State supply of goods through e-Commerce Operators (ECOs), subject to certain conditions with effect from 01.10.2023.

16.2.3 Major issues discussed in 49th GST Council Meeting

In the 49th meeting, the GST Council has deliberated the following trade facilitation measures:-

- Increasing the time limit for making an application for revocation of cancellation of registration from 30 days to 90 days and further time limit from 90 days to 180 days.
- Rationalisation of late fee for belated filing of annual return in FORM GSTR-9 for financial year 2022-2023 onwards.
- Amnesty schemes in respect of pending returns in FORM GSTR-4, FORM GSTR-9 and FORM GSTR-10 by way of conditional waiver/reduction in late fee.
- Formation of GST Tribunal.

17. Constitution of Grievance Redressal Committee

As per the recommendations of the GST Council, the State Level Grievance Redressal Committee (GRC) was constituted consisting of various Trade and Industry bodies and other GST stakeholders to redress the GST related grievances. The Commissioner of Commercial Taxes and Principal Chief Commissioner of Central Tax are the Co-chairs of this Committee. This Committee conducts periodical meetings so as to address the grievances of the stakeholders.

18. e-Way bill system to monitor movement of goods

e-Way bill system was introduced for self-compliance of accounting of transactions involving goods. For inter-State movement of goods having consignment value exceeding Rs.50,000/-, e-Way bill was introduced from 01.04.2018 across the country. Subsequently, e-Way bill has been introduced for movement of

goods having consignment value exceeding Rs.1,00,000/- within the State of Tamil Nadu with effect from 02.06.2018. This system facilitates the Department to ascertain movement of goods and to verify the input tax credit claims.

In terms of generation of e-Way bill, Tamil Nadu is the third ranking State for intra-State movement and fourth ranking State for inter-State movement. There are various Management Information System (MIS) reports in the e-Way bill system for detecting tax evasion cases.

As on 31.03.2023, about 4.35 lakh taxpayers have registered and generated 22.77 crore e-Way bills for intra-State movement and 20.91 crore e-Way bills for inter-State movements in Tamil Nadu from the e-Way bill portal.

19. Functioning of the Authority for Advance Ruling (AAR) and the Appellate Authority for Advance Ruling (AAAR)

Under the GST Act, any person registered or desirous of obtaining registration may seek advance ruling on classification of goods or services or both, applicability of notifications, determination of supply, time and value of supply, admissibility of input tax credit, liability to pay tax and liability to get registration before the Authority for Advance Ruling.

The Authority for Advance Ruling for Tamil Nadu has been formed with a State and a Central member in the cadre of Joint Commissioner and Additional Commissioner respectively. The AAR is functioning at the Integrated Commercial Tax Offices Complex, Elephant Gate Bridge Road, Park Town, Chennai-600 003. The e-mail id of AAR is 'jc.adv.rul@ctd.tn.gov.in'.

The details of rulings pronounced by the Authority for Advanced Ruling (AAR) are provided below:-

Year	No. of rulings pronounced
2021-2022	53
2022-2023	30

An applicant aggrieved by the ruling pronounced by the Advance Ruling Authority may appeal before the Appellate Authority for Advance Ruling (AAAR), Tamil Nadu within 30 days from the date of communication of the order. The Commissioner of State Tax and the Principal Chief Commissioner of Central Tax, Tamil Nadu are members of the Appellate Authority for Advance Ruling. The e-mail id of AAAR is 'cct@ctd.tn.gov.in'.

The details of orders issued by the AAAR are provided below:-

Year	No. of orders issued
2021-2022	19
2022-2023	2

20. Anti-Profiteering authority and State Level Screening Committee under GST

As per the provisions of the GST Act, any reduction in the rate of tax on any supply of goods or services or the benefit in input tax credit shall be passed onto the recipients by the supplier by way of commensurate reduction in prices. The wilful action of not passing on the benefits to the recipients in the manner prescribed leads to 'profiteering'. A National Authority was formed under the GST laws for curtailing and monitoring the anti-profiteering activities.

From 01.12.2022 onwards, the Competition Commission of India has been empowered in the

place of National Anti-Profiteering Authority to monitor the anti-profiteering activities.

The Joint Commissioner (Intelligence-I), Chennai and Central Commissioner, Chennai North Commissionerate (CGST), Chennai are members of the State Level Screening Committee on Anti-Profiteering for Tamil Nadu for identifying such cases.

21. Common portal under GST

To have a single window portal for all taxpayer related business processes under GST, the Goods and Services Tax Network (GSTN) has developed a common portal 'www.gst.gov.in'. Through this portal, new registration, amendment, filing of returns, refund applications, etc., are facilitated as a single mode of interaction between taxpayers and tax officials. All communications like notice, order, etc., are issued to taxpayers through this portal only.

22. Promotion of Ease of Doing Business

The Commercial Taxes Department aims to promote ease of doing business by providing the following services:-

- Various business processes including registration, filing of returns, payment, refund under GST, etc., are made 'online'.
- A separate toll-free State Helpdesk is functioning to address the e-payment related queries and clarify the doubts of taxpayers.
- A free e-filing facilitation center is functioning at Chennai and Coimbatore for the taxpayers to help in e-filing of returns.
- A new call centre is proposed to be set up through the Tamil Nadu e-Governance Agency (TNeGA) in Chennai to continuously monitor the filing of returns

by taxpayers so as to avoid belated filing of returns.

22.1 Creation of 'Ease of Business' Cell

As a part of initiatives taken by the Government to create a business-friendly environment for attracting new investments, the Department has created the 'Ease of Business' Cell. The Grievance Redressal Cell already functioning under the control of the Director, Commercial Taxes Staff Training Institute has been renamed as 'Ease of Business Cell' vide G.O. (Ms.) No. 14, Commercial Taxes and Registration (A1) Department, dated 28.02.2023.

This Cell comprises three wings, namely Grievance Redressal Wing, Quality Monitoring Wing and Social Media Wing.

- The Grievance Redressal Wing addresses the grievances of taxpayers relating to all system based issues arising out of

functions of the Department, namely registration, refund, etc.

- Quality Monitoring Wing is formed to review the quality of orders passed by the proper officers with reference to different functions like registration, refund, scrutiny, audit, inspection and intelligence activities.
- A Social Media Wing is formed to handle social media like Twitter, Facebook, etc., to create posters for tweets and to post contents on approval of Commissioner of Commercial Taxes. Further, this Wing will also handle queries raised in the social media.

23. Tamil Nadu Traders Welfare Board

Tamil Nadu Traders Welfare Board was constituted in the year 1989, based on the announcement made by the former Chief Minister

of Tamil Nadu, Dr. Kalaignar in the floor of the Assembly.

The following nine assistance schemes are being provided to the members of the Board:-

Sl. No.	Name of the Assistance		Amount in Rupees
1	Family Assistance		3,00,000/-
2	Medical Assistance		
	A	Bypass surgery and Cancer surgery	50,000/-
	B	Dialysis, Angioplasty, Chemotherapy, Radiation therapy	15,000/-
	C	Surgery after getting Dialysis, Angioplasty, Chemotherapy, Radiation therapy	25,000/-
	D	Uterus removal surgery	20,000/-
3	Educational Assistance		
	A	Arts and Science Course	5,000/-
	B	Professional Course	10,000/-
4	Assistance to Sports Persons		
	A	International Level	25,000/-
	B	National Level	10,000/-
	C	State Level	5,000/-
	D	District Level	3,000/-

Sl. No.	Name of the Assistance		Amount in Rupees
5	Relief for Fire Accident		20,000/-
6	Assistance for bunk shops		10,000/-
7	Scholarship for School Students (10 th and 12 th Standard)		
	A	First Place	5,000/-
	B	Second place	3,000/-
	C	Third Place	2,000/-
8	Marriage Assistance		10,000/-
9	Accidental Assistance		25,000/-

A total of 8,880 members have benefited from the above welfare schemes involving an assistance of Rs.3.20 crore from the inception of the board till 31.03.2023. Till date, 88,171 traders have enrolled as registered members in the Board.

The eligible traders can register themselves as members in the Traders Welfare Board through 'online' facility.

23.1 Enhancement of Family Assistance and Fire Accident Assistance

The Honourable Chief Minister of Tamil Nadu in the Traders meeting conducted in the context of Traders' Day at Trichy announced that the family assistance given by the Traders Welfare Board will be enhanced from Rs.1,00,000/- to Rs.3,00,000/- and the assistance for fire accidents in the business place will be enhanced from Rs.5,000/- to Rs.20,000/-. These welfare schemes were inaugurated by the Honourable Chief Minister of Tamil Nadu on 30.05.2022.

24. e-Governance

Various e-Governance initiatives have been taken by the Department for facilitating the taxpayers.

24.1 Registration of new taxpayers through the GST portal

Under the GST Act, new registration of any business entity is done electronically through a Common Portal. The taxpayers need not visit the tax office for the purpose of getting their business registered.

In Tamil Nadu, about 11.67 lakh active taxpayers doing business are availing the e-services rendered through the Portal. Out of the above, 6.96 lakh taxpayers come under the jurisdiction of State and the remaining 4.71 lakh taxpayers come under jurisdiction of Centre.

24.2 GST return filing and Collection of Taxes

The entire mechanism of GST return process comprises electronic filing of returns, uploading of invoice information and auto-population of information on input tax credit. This mechanism is transparent and it helps the

taxpayers to file returns with ease and to avail eligible input tax credit. About 6.25 lakh taxpayers file GSTR-3B returns with payment of tax. The Government receives SGST and IGST settlement every month through this mechanism.

24.3 VAT return filing and Collection of Taxes

A separate web portal is being maintained by the Commercial Taxes Department for the use of mercantile public who deal with Non-GST goods. They can file returns and make payment of tax using this portal.

24.4 Back-office Application Software

Back-office Application Software of Commercial Taxes Department was successfully migrated from Model 1 to Model 2 system with effect from 05.09.2022. In the Model 2 system, GSTN is providing entire back office interface and services on various processes including registration, return filing, payment of taxes,

return scrutiny, refund, appeal, intelligence, audit, etc., for the use of tax officials.

The Total Solution Project was taken up to address the issues related to the back office of both GST (Model-1) and VAT. Though the Back-office Software of GST has been shifted from Model-1 to Model-2 to enable this transition process, the contract with the present System Integrator for Total Solution Project has been extended for one more year from February 2023 to January 2024 vide G.O.(Ms.) No.9, Commercial Taxes and Registration (D1) Department, dated 23.01.2023, as per the decision of the State Level Empowered Committee during its meeting held on 22nd September 2022.

24.5 Statistical Analytics Tool

To detect tax evasion and to arrest leakage of revenue in GST regime, an upgraded Business Intelligence Tool, namely Statistical Analysis System (SAS) software support service is

deployed by the Department. This Analytical tool plays a vital role in planning intelligence activities and in analyzing the data.

The following reports are being generated by this software:-

Sl. No.	Module	Reports
1	Returns	<ul style="list-style-type: none"> i. Mismatch of Return data ii. Interest Payable iii. Revenue from cancelled dealers
2	Registration	Commodity based analysis and Risk Profile
3	Payment	<ul style="list-style-type: none"> i. Commodity-wise collection ii. Tax Rate Analysis iii. Sector-wise Analysis
4	SAS Alerts	Status of the alerts sent through Model 1 Back Office
5	Third Party Data	<ul style="list-style-type: none"> i. Comparison of e-Way bill and GSTR-3B not filed. ii. Inter-State e-Way bill by taxpayers under Composition scheme.

The above analytical reports help tax officials in identifying the taxpayers who engage in tax evasion and in curbing tax evasion.

24.6 Scrutiny of Returns

By integrating analytical tool, tax officials are facilitated to carry out effective scrutiny of returns. Making use of the analytical reports provided in the system, tax officials scrutinize the discrepancies found in the transactions reported by the taxpayers in their returns. Tax evaders and Bill traders are identified through such scrutiny of returns for appropriate action.

24.7 Call Centre

An outbound Call Centre sanctioned vide G.O. (Ms.) No.196, Commercial Taxes and Registration (A2) Department, dated 20.12.2022 is being established in the Commercial Taxes Annexe Building, Greams Road, Chennai. The outbound Call Centre will be closely monitoring

the non-filers of returns and payment defaulters. The Call Centre officials will call the defaulters and request them to file the returns and pay the tax dues immediately. Subsequent follow-up will also be carried out by the Call Centre.

24.8 Engaging Information Technology Professionals during inspection conducted by Commercial Taxes Department

The Government have sanctioned a sum of Rs.38 lakhs to implement the facility of outsourcing the technical resources/experts vide G.O. (Ms.) No.112, Commercial Taxes and Registration (D1) Department, dated 20.07.2022.

The experts selected shall accompany the proper officers at the time of inspection of the business place. The experts having thorough knowledge about different software and hardware can get into the accounting systems, billing systems and payment systems like 'point of sale systems' (POS), etc., used by the taxpayers and

retrieve data from the taxpayers Hardware/Cloud. This will help the tax officials to retrieve data for verification and to conduct inspections effectively.

By adopting this method of inspection, the Department will be able to scrupulously obtain all the relevant data from the business places. Such an operation will fetch good results in detecting tax evasion and thereby arresting leakage of revenue.

24.9 GST Prime Software

GST Prime is an application software developed by National Informatics Centre (NIC) with various MIS reports facilitating the tax administrators to analyze and monitor tax collection. This system acts as an interface between GST Common Portal, e-Way bill and tax administrators and provides actionable reports. The process of implementation of the new software is under progress.

24.10 My Bill-My Right

A new scheme of 'My Bill - My Right' is sanctioned vide G.O.(Ms.) No.126, Commercial Taxes and Registration (C2) Department, dated 26.07.2022. This scheme intends to raise awareness among the general public to ask for bill for the goods purchased and to inculcate the practice of issue of bills by the mercantile public. This initiative will ensure sale of goods with bill, thereby resulting in increase in collection of revenue.

Under the scheme, consumers can upload the bills in the Government Web Portal / Mobile Application and they will be rewarded with cash prize by drawing-of-lots periodically. The development of web/mobile application by National Informatics Centre (NIC) is under process.

24.11 Control Room for Roving Squads

To support and provide adequate data / guidance to the Roving Squad officials in the Intelligence Wing and to monitor their activities, a centralized Control Room is being established in Commercial Taxes Building, Greams Road, Chennai-6. The Central Control Room will monitor the Roving Squad officials through the Global Positioning System (GPS) and cameras fitted to their vehicles on a real time basis and guide them with the help of e-Way bill database and data analytics. During the interception of vehicles, the Control Room will provide relevant information and guidance to the Roving Squad officials.

24.12 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 and Rules, Forms, Circulars, Clarifications,

Government Orders and Notifications issued.

- View dealer payment history and profile (Dealer's Ledger).
- Online search facility to know the rate of tax and schedule of commodities.
- Online search facility of the details of dealers by entering their Taxpayer Identification Number (TIN) or Name of the business entity.

25. Action taken under Right to Information Act, 2005

During the year 2022, i.e. from 01.01.2022 to 31.12.2022, totally 625 applications under Right to Information Act, 2005 were received by this Department on which prompt action was taken and replies furnished to the applicants promptly.

26. Construction and Renovation of Commercial Taxes buildings

- During the year 2021-2022, the Government have accorded financial sanction for an amount of Rs.9.64 crore for construction of own Commercial Taxes office buildings for the circle offices of Polur, Thuraiyur, Attur (Rural), Attur (Town), Sathyamangalam, Gobichettipalayam and Pudukkottai and these offices will be inaugurated shortly.
- During the year 2022-2023, the Government have accorded financial sanction for an amount of Rs.11.85 crore for renovation of Integrated Commercial Taxes office building at Madurai and Mylapore Taluk Office building at Chennai (where Commercial Tax Offices are functioning) and renovation work is under progress.

27. Other initiatives of the Department during the year 2022-2023

27.1 Re-organisation of Commercial Taxes Department - Upgradation of 1000 posts of Assistants

As announced in the Budget for 2021-2022, the Commercial Taxes Department is being reorganised to align with the changes made in the Goods and Services Tax Act, to ensure ease of doing business and also to increase the tax revenue of the State by strengthening the human resources at the cutting edge level. Accordingly, the Government have sanctioned upgradation of 1000 posts of Assistants to 840 posts of Deputy Commercial Tax Officers and 160 posts of Commercial Tax Officers vide G.O. (Ms.) No. 20, Commercial Taxes and Registration (A2) Department, dated 09.03.2023. This enables effective monitoring of return filing, refund, scrutiny, audit and inspection under GST Act. By creating a new Audit Wing with the involvement

of more officials, effective action could be taken on preventing tax evasion and increasing the revenue collection to Government.

27.2 Formation of at least one co-terminus Commercial Taxes District for each Revenue District

As announced in the floor of Assembly, the Government, vide G.O. (Ms.) No.150, Commercial Taxes and Registration (A2) Department, dated 09.11.2021, have accorded sanction for the formation of 13 co-terminus Commercial Tax Districts in Commercial Taxes Department, to ensure that each Revenue District has at least one co-terminus Commercial Taxes District. The creation of these Commercial Taxes Districts is under progress.

27.3 Rewards for helping in preventing tax evasion

As announced in the floor of Assembly, the Government, vide G.O.(Ms.) No.100, Commercial

Taxes and Registration (F1) Department, dated 24.06.2022, sanctioned an amount of Rs.1.66 crore for grant of rewards to private informants who provide information on tax evaders and to the officers of the Commercial Taxes Department who detect the tax evasion and collect the tax dues efficiently. This scheme is being implemented.

27.4 Tax Research Unit

As announced in the floor of Assembly, the Government vide G.O. (Ms.) No. 207, Commercial Taxes and Registration (A2) Department, dated 30.12.2022 have accorded sanction for creation of separate 'Tax Research Unit' in the office of the Commissioner of Commercial Taxes. The Unit comprises two Tax Consultants, one Assistant Commissioner and one Commercial Tax Officer. This Unit has responsibilities relating to the study of revenue trend, changes in rate of tax and revenue potential. This Unit also analyses sector-

wise variance, effective parameters for investigation/audit and tax evasion methodologies adopted by taxpayers.

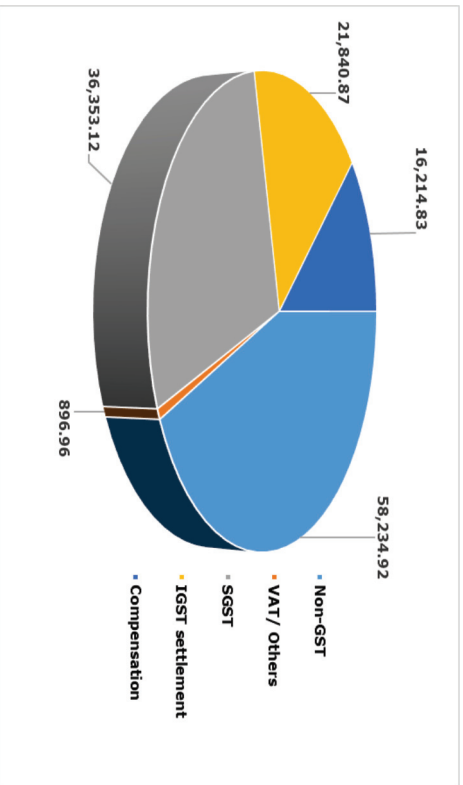
28. Conclusion

The State has achieved the highest ever revenue collection of Rs.1,33,540.70 crore in the financial year 2022-2023 due to focused and sustained efforts taken by the Department. By adopting ease of doing business practices in the tax administration with collective synergy across the field levels, the Commercial Taxes Department aims to provide better services to the taxpayers and also achieve the revenue target.

P.MOORTHY
Minister for Commercial Taxes
and Registration

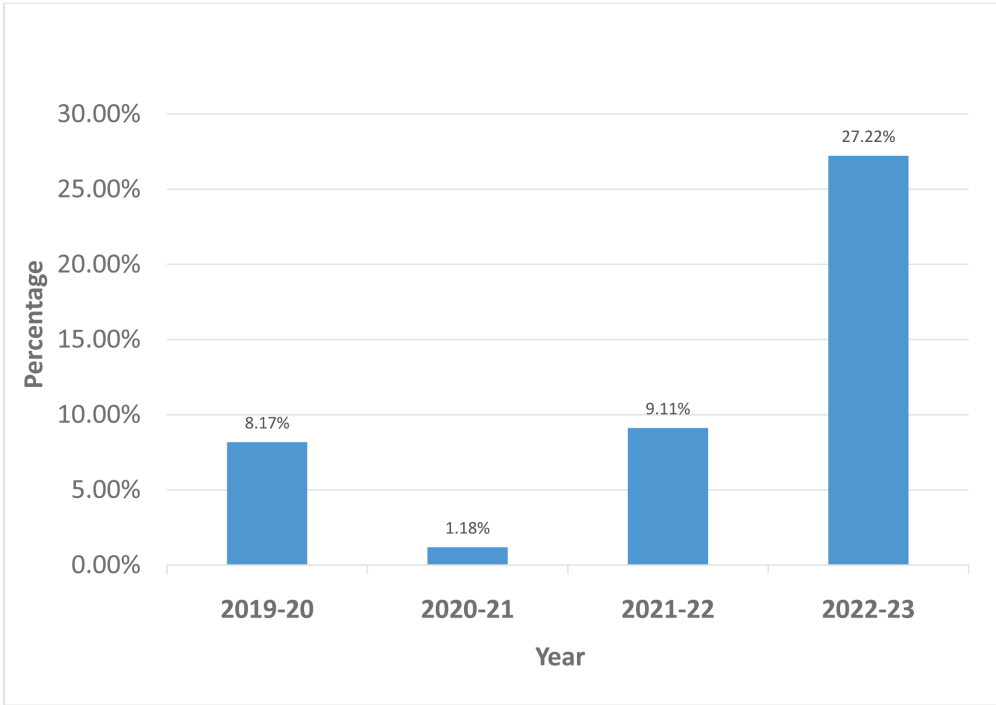
COMMERCIAL TAXES DEPARTMENT
Act-wise Revenue Collection
for the year 2022-2023

(Rs. in crore)

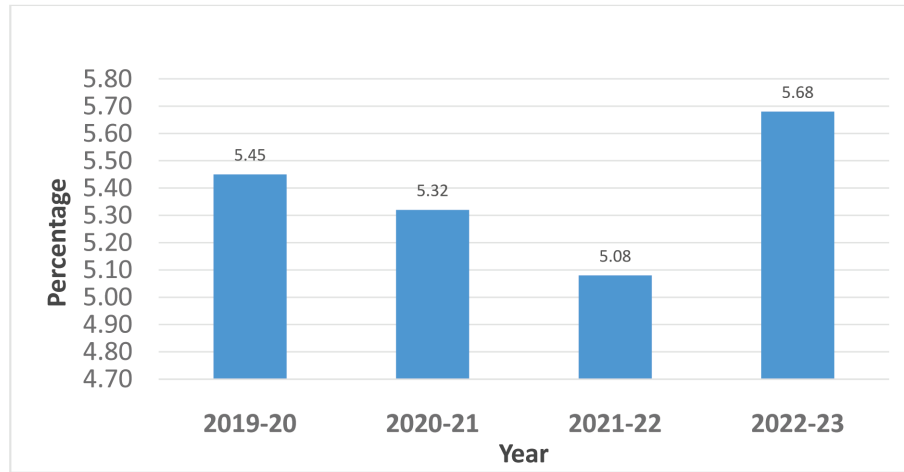


Tax Detail	Collection (Rs. in crore)
Non-GST	58,234.92
Value Added Tax / Others	896.96
State Goods and Services Tax	36,353.12
Integrated Goods and Services Tax Settlement	21,840.87
GST Compensation	16,214.83
Total	1,33,540.70

Growth Percentage of Gross Revenue collection in Commercial Taxes Department



Ratio of Commercial Taxes Revenue and Gross State Domestic Product





Hon'ble Chief Minister of Tamil Nadu appreciated Hon'ble Minister for Commercial Taxes and Registration on 18.11.2022 for the achievement of additional collection of Rs.20,529 crore by the Commercial Taxes Department and Rs.2,785.65 crore by the Registration Department (total additional collection of Rs.23,314.65 crore) during the year 2022-2023 as against the collection during the year 2021-2022. Thiru. Dheeraj Kumar, I.A.S., Principal Secretary/Commissioner of Commercial Taxes, Tmt. B. Jothi Nirmalashamy, I.A.S., Secretary to Government, Commercial Taxes and Registration Department, Thiru M.P. Sivanarul, I.A.S., Inspector General of Registration, Tmt. M.S.Sangeetha, I.A.S., Joint Commissioner (Administration) were present.



Hon'ble Minister for Commercial Taxes and Registration conducted review of the performance of all Joint Commissioners of Commercial Taxes Department for the month of October, 2022 on 21.11.2022 at Chennai. Thiru. Dheeraj Kumar, I.A.S., Principal Secretary/Commissioner of Commercial Taxes, Tmt.B. Jothi Nirmalasamy, I.A.S., Secretary to Government, Commercial Taxes and Registration Department, Tmt. M.S.Sangeetha, I.A.S., Joint Commissioner (Administration) and other senior officials of the Commercial Taxes Department were present.



Hon'ble Minister for Commercial Taxes and Registration flagged off new vehicles for the Roving Squads of Commercial Taxes Department on 11.05.2022 at Chennai. Thiru. K.Phanindra Reddy, I.A.S., Additional Chief Secretary/Commissioner of Commercial Taxes, Tmt.B. Jothi Nirmalasamy, I.A.S., Secretary to Government, Commercial Taxes and Registration Department, Tmt. K.Karpagam, I.A.S., Joint Commissioner (Administration) and other senior officials of the Commercial Taxes Department were present.



Hon'ble Minister for Commercial Taxes and Registration distributed the appointment orders to 10 Assistant Commissioners, recruited through Tamil Nadu Public Service Commission at Chennai on 21.11.2022. Thiru. Dheeraj Kumar, I.A.S., Principal Secretary/Commissioner of Commercial Taxes, Tmt.B. Jothi Nirmalasamy, I.A.S., Secretary to Government, Commercial Taxes and Registration Department and Tmt. M.S.Sangeetha, I.A.S., Joint Commissioner (Administration) were present.



Hon'ble Minister for Commercial Taxes and Registration presented orders of cash rewards for the excellent work done by the officers of Commercial Taxes Department on 11.05.2022 at Chennai. Thiru.K.Phanindra Reddy, I.A.S., Additional Chief Secretary/Commissioner of Commercial Taxes, Tmt. B.Jothi Nirmalasamy, I.A.S., Secretary to Government, Commercial Taxes and Registration Department, Tmt. K.Karpagam, I.A.S., Joint Commissioner (Administration) and senior officials of the Commercial Taxes Department were present.

