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MASSIVE SURPRISE RAIDS
BY THE COMMERCIAL TAXES DEPARTMENT OFFICIALS IN CHENNAI

The Principal Secretary / Commissioner of Commercial Taxes has ordered for massive surprise raids on various business establishments dealing in goods like Iron and Steel and Electrical goods, who are suspected to be bill traders. Nearly 150 officers were involved in the Surprise mass raids and during the raids, verifications are made as to whether the dealers have paid the correct rate of tax and correct quantum of tax amount. Bill Trading activities were also verified. Already the Commercial Tax Department Officials have identified several bill traders and bogus dealers and cancelled their registration certificates. In order to control and curb the bill trading and bogus transaction activities, strict action is being taken and the mass surprise raids are a part of such control measures taken by the Department.

After the introduction of TNVAT Act, dealers were permitted to adjust the tax paid on their purchases within the state towards the taxes due on their sales (Input Tax Credit). Of late, some of the dealers without effecting actual sales, started issuing bogus bills, so that the dealers will adjust the Input Tax Credit without payment of taxes to Government. This raid is mainly intended to curb such activity by inspecting and verifying the genuineness of such business transaction.

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