

PRESS RELEASE

Action taken against Tax Evasion on Tobacco Products

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Government have ordered an increase in the Sales Tax on Tobacco Products from 20% to 30% for the first point of sale in Tamil Nadu from 1.11.2014, in G.O.No.82, (Commercial Tax and Registration) Department, dated 31.10.2014.

For the tobacco products purchased from other states, 30% of sales tax should be paid for the first point of sale in Tamil Nadu. The dealers should retain invoices for tobacco products in their outlets or in godown and make them available for inspection. Legal action will be initiated against the dealers who purchase or sell tobacco products without proper invoices or if they fail to pay appropriate tax or if they maintain such stocks in an unregistered godown or if they have not properly accounted for their stocks.

Surprise checks have been conducted in Railway stations, omnibus buses, check posts, retail and whole sale shops across the state. In Coimbatore Division, a fine of Rs.15.04 lakh have been collected from the dealers for selling tobacco products without proper invoices and keeping stocks in unregistered godown. Action was initiated against such evading dealers in Tiruchirapalli division, a fine of Rs.22.16 lakh has been collected. A fine of Rs.4.5 lakh from Vellore Division and a fine of Rs.45 lakh from Chennai Division were collected from such dealers for tax evasion.

Dealers who indulge in tax evasion are warned of strict action and penal consequences.

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