

## **COMMERCIAL TAXES DEPARTMENT**

### **DEMAND NO.10**

### **COMMERCIAL TAXES**

### **POLICY NOTE 2008-2009**

## **INTRODUCTION**

தாளாற்றித் தந்த பொருளெல்லாம் தக்கார்க்கு  
வேளாண்மை செய்தற் பொருட்டு.  
- திருக்குறள்

(பொருளுரை: தகுதி உடையோர் நலனுக்கு  
உதவிடும் பொருட்டே ஒருவன் முயன்று  
திரட்டிய பொருள் பயன்பட வேண்டும்.)

The Government of Tamil Nadu is in the forefront in implementing many innovative welfare schemes to uplift the standard of living of the people and for this purpose, resources have to be found.

The Commercial Taxes Department plays a major role in mobilizing financial resources by contributing nearly 70 percent of the State revenue collections. With the introduction of Value Added Tax system in our State with effect from 1.1.2007, the Commercial Taxes Department has achieved a revenue collection of Rs.19952.59 crores during the year 2007-2008. It was anticipated that the transition to the Value Added Tax system would affect revenue collection in the initial years. Hence, the Central Government has come forward to compensate the loss of revenue on introduction of Value Added Tax. This Government have received a provisional amount of Rs.2040 crores for the period

from January 2007 to September 2007 as compensation.

## **2. ACTS ADMINISTERED BY THE DEPARTMENT**

The Commercial Taxes Department is administering the following Acts and enforcing collection of taxes under the respective heads :

1. Tamil Nadu General Sales Tax Act, 1959 (upto 31.12.2006)
2. Tamil Nadu Additional Sales Tax Act, 1970 (upto 31.12.2006)
3. Tamil Nadu Value Added Tax Act, 2006 (with effect from 1.1.2007)
4. Central Sales Tax Act, 1956
5. Tamil Nadu Entertainment Tax Act, 1939
6. Tamil Nadu Betting Tax Act, 1935
7. Tamil Nadu Tax on Luxuries Act, 1981

8. Tamil Nadu Tax on Entry of Motor Vehicles into Local Areas Act, 1990
9. Tamil Nadu Tax on Entry of Goods into Local Areas Act, 2001 (This Act was struck down by the Madras High Court by its order dated 23.3.2007)
10. Tamil Nadu Advertisement Tax Act, 1983

## **3. TREND IN REVENUE COLLECTIONS**

The revenue collections under all Acts are tabulated below :

<b>Year</b>	<b>Revenue collections (Rs. in crore)</b>	<b>Growth rate %</b>
2002-2003	10200	14.55%
2003-2004	11757	15.27%
2004-2005	13908	18.29 %
2005-2006	16615	19.47%
2006-2007	19217	15.66%
2007-2008	19952	3.83%

#### **4. ACTWISE REVENUE FOR CURRENT YEAR COMPARED WITH PREVIOUS YEARS**

The Actwise revenue collection is as below :

(Rs. in crore)

	<b>Acts</b>	<b>2002-2003</b>	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>
1.	TNGST	8507	9790	11462	13658	13416	429
2.	TNVAT	-	-	-	-	2290	16472
3.	CST	982	1186	1495	1799	2033	1744
4.	Entertainment Tax	71	75	59	44	25	16
5.	Betting Tax	5	5	6	6	6	6
6.	Luxury Tax	82	63	78	92	128	160
7.	Entry Tax on Vehicles and Goods	553	638	808	1016	1319	1125
	<b>Total</b>	<b>10200</b>	<b>11757</b>	<b>13908</b>	<b>16615</b>	<b>19217</b>	<b>19952</b>

#### **5. RECEIPTS AND EXPENDITURE**

The details of revenue receipts and expenditure for the Commercial Taxes Department are indicated below :

(Rs. in crore)

<b>Minor Head</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>
1. Receipts	10200	11757	13908	16615	19217	19952
2. Expenditure	93.27	93.70	102.34	110.44	120.96	143.73
3. Percentage of expenditure to receipts	0.91%	0.80%	0.74%	0.66%	0.63%	0.72%

#### **6. VALUE ADDED TAX (VAT)**

In Tamil Nadu, the Value Added Tax system was introduced with effect from 1.1.2007 and the Government have announced that all the concessions like exemptions and reductions in rate of tax which were available under the

Tamil Nadu General Sales Tax regime will continue under the Tamil Nadu Value Added Tax Act also. The Government have constituted a Monitoring Committee on Value Added Tax with official and non-official members including representatives of trade, to examine and offer suggestions to the Government, to remove difficulties in initial implementation of Value Added Tax. For easy understanding of the Value Added Tax system by the dealers and educating them, Value Added Tax awareness meetings were conducted in all the Commercial Taxes Districts and the Hon'ble Ministers of those Districts, Members of Legislature, District Collectors and Department officials were present in those meetings and doubts of the dealers were cleared. Pamphlets were also printed both in Tamil and English on the following subjects - Registration of dealers, Input tax credit, closing stock input tax credit, capital goods input tax credit, instructions for filing returns refund to exporters, etc. and distributed to the dealers through the circle offices. Besides, Call Centres and Help Desks were formed in the offices of

the Assistant Commissioners in Chennai and other places and the doubts of the dealers are being cleared. Further, advertisements were given in the newspapers and other media from time to time regarding submission of application for registration, availing of input tax credit and filing of monthly returns. A new website for Value Added Tax [www.tnvat.gov.in](http://www.tnvat.gov.in) is functioning from December 2006, which is constantly updated providing all information required by the dealers. Recently, facility of e-filing of monthly returns has been provided.

## **7. TAX CONCESSIONS ANNOUNCED IN THE BUDGET 2008-2009**

The Government have presented a tax-free budget for the third time consecutively besides granting many concessions from the levy of Value Added Tax. The Government conducted a pre-budget meeting with the representatives of Trade and Industry on 26.2.2008 and also received their

representations. Considering the requests made by the representatives of the trading and manufacturing community and keeping in mind the interest of consumers, traders and manufacturers, the tax concessions are announced in the budget. Accordingly, the following goods are exempted from levy of Value Added Tax:

- ❖ Thali, Karukamani and Cross made of gold and used as symbol of wedlock without any condition in respect of weight
- ❖ Bun and Rusk
- ❖ Cloth lined paper envelope
- ❖ Siddha medicine
- ❖ Soya oil
- ❖ Turmeric powder, chilly powder and coriander powder
- ❖ Desiccated coconut, coconut milk and coconut milk powder
- ❖ Packaged tender coconut water
- ❖ Inter-State sale of jaggery
- ❖ Jatropha seeds and Jatropha oil
- ❖ Rubberised textile fabrics

Similarly, the rate of tax on the following commodities have been reduced to 4% from 12.5%:

- ❖ Arecanut raw seeval
- ❖ Mosaic chips
- ❖ Files and folders made of paper board
- ❖ Plastic photo frames
- ❖ Generators used for producing electricity
- ❖ Resale of used vehicles which have suffered tax either under Tamil Nadu General Sales Tax Act or Tamil Nadu Value Added Tax Act, without eligibility for availing input tax credit
- ❖ Lease of equipments used for construction purposes

Besides this, tax on sale of branded soft drinks and ice creams by other than star hotels has been reduced from 12.5% to 2% on the condition that they are not eligible for input tax credit on corresponding local purchases. Further, the levy of purchase tax under Section 12 of the Tamil Nadu Value Added Tax Act has been removed for the purchase of

goods such as vegetable oils, pulses and grams (including peas and peas dhal) turmeric, chilly and coriander by the hotels.

The above tax concessions have been made applicable with effect from 1.4.2008.

Further, Cable TV has been exempted from payment of Entertainment Tax with effect from 1.4.2008. In addition, the Entertainment Tax arrears relating to Cable TV outstanding as on 31.3.2008 will also be waived.

#### **8. COMPENSATION FOR REVENUE LOSS ON ACCOUNT OF INTRODUCTION OF VALUE ADDED TAX**

The Government of India in January, 2005 informed all the States that they would provide compensation for loss on account of introduction of Value Added Tax at the rate of 100%, 75% and 50% for the financial years 2005-06,

2006-07 and 2007-08 respectively. As Value Added Tax has been introduced in our State from 1.1.2007 i.e., the second financial year 2006-07, the State is eligible for compensation at the rate of 75% for January to March 2007 and 50% for the financial year 2007-08. However, Hon'ble Chief Minister wrote to the Hon'ble Prime Minister of India and the Union Finance Minister requesting to provide compensation at the rate of 100%, 75% and 50% for the calendar years 2007, 2008 and 2009 respectively. The Government of India have accepted the proposal to the extent that they will provide compensation at the rate of 75% and 50% for the calendar years 2007 and 2008 respectively. For the period from January 2007 to March 2007, Value Added Tax loss compensation was claimed to the extent of Rs.1386.20 crores and an amount of Rs.850 crores was sanctioned provisionally by the Government of India. For the period from April 2007 to December 2007, a sum of Rs.2983.43 crores was claimed as compensation and the Government of

India have provisionally sanctioned Rs.1190 crores so far, for the period from April 2007 to September 2007. Further compensation is due from the Government of India.

## **9. PHASING OUT OF CENTRAL SALES TAX**

Tamil Nadu is a major manufacturing State. The Government of India have decided to do away with Central Sales Tax in a phased manner. Accordingly the Central Sales Tax rate was reduced from 4% to 3% with effect from 1.4.2007. The Government of India have announced that to compensate the revenue loss on account of reduction of Central Sales Tax rate, steps would be taken to enable the States to levy Value Added Tax on tobacco products and also to provide compensation. Accordingly, the State Government has amended the Tamil Nadu Value Added Tax Act, 2006 levying Value Added Tax on tobacco products. Rs.743.03 crores was claimed as compensation for the period from April 2007 to December 2007, out of which,

the Government of India have sanctioned Rs.647.54 crores provisionally.

## **10. ORGANISATION OF THE DEPARTMENT AND ITS FUNCTIONS**

The administration of the Department is vested with the Commissioner of Commercial Taxes. The Commissioner is assisted at the Headquarters by 5 Joint Commissioners, 3 Deputy Commissioners, 1 Joint Director (Statistics & Research), 4 Assistant Commissioners and 6 Administrative Officers. There is functional distribution of work among different wings in the Department.

### **10.1 Assessment Wing**

The Assessment Wing consists of Assessing Officers in the cadre of Commercial Tax Officer, Deputy Commercial Tax Officer and Assistant Commercial Tax Officer. There are 323 Assessment Circles in the State, out of

which, 236 circles are headed by Commercial Tax Officers and 81 by Deputy Commercial Tax Officers. Six Fast Track Assessment Circles (four in Chennai and two in Coimbatore) are headed by Assistant Commissioners. The Assessing Officers are under the control and supervision of the Territorial Assistant Commissioners at district/ zonal level and the Deputy Commissioners at the Division level.

### **10.2 Audit Wing**

Each Commercial Taxes District has one internal audit party which consists of one Commercial Tax officer and one Deputy Commercial Tax Officer under the control of the Territorial Assistant Commissioner. It takes up audit of assessments, receipts and refunds on quarterly basis as per the programme charted by the Territorial Deputy Commissioner. Rectification of audit para is watched by the respective Territorial Assistant Commissioners and Deputy Commissioners .

Test audit of assessments and refunds is also undertaken by the Accountant General every year. Rectification/settlement of the objections is primarily attended to by the Assessing Officers. This important work is being supervised and monitored at the State level by the Joint Commissioner ( Audit ) in the office of the Commissioner of Commercial Taxes, Chennai.

### **10.3 Appellate Wing**

The Appellate Assistant Commissioner is the first Appellate Authority. There are 20 Appellate Assistant Commissioners and two Appellate Deputy Commissioners in the State. The Departmental Representatives in the cadre of Commercial Tax Officer are appointed to represent/defend the Department's case. Second Appeal lies with the Sales Tax Appellate Tribunal. The Main Bench of the Tribunal is at Chennai, with one Additional Bench each at Chennai, Madurai and Coimbatore.

#### **10.4 Enforcement Wing**

There are seven Enforcement Divisions in the State each headed by a Deputy Commissioner. There is a separate Interstate Investigation Cell (ISIC) headed by a Deputy Commissioner.

There are ten Assistant Commissioners in the Enforcement Wing with 14 Commercial Tax Officers. Under each Assistant Commissioner and Commercial Tax Officer, there are Groups consisting of Deputy Commercial Tax Officers and Assistant Commercial Tax Officers, besides Roving Squad, and officers at Rail Heads and Goods yards.

The Enforcement Wing conducts inspection of places of business to detect evasion of taxes. The Roving squads and Rail Head officers prevent evasion of tax by collecting invoices and other transport documents and cross verifying them. Interstate Investigation Cell gets details of business transactions from other States and verify the same with the accounts of dealers of our State.

#### **10.5. Check Posts**

Twenty six border Checkposts and three Internal Checkposts are functioning in the State. Border checkposts consist of ten major checkposts and sixteen minor checkposts. All the three internal checkposts are major checkposts. The Commercial Tax Officers are the Head of offices in five major checkposts. Assistant Commercial Tax Officers are manning the Checkposts, with complimentary staff like Upper Division Inspectors, Record Clerks, Office Assistants and Loadmen.

### **11. PREMATURE PAYMENT OF DEFERRED TAXES**

The Government have announced a scheme on 28.2.2007 for premature payment of deferred taxes, where the payment shall be agreed to the Net Present Value (N.P.V.) of the Deferred taxes calculated at a discount rate of 5% per annum for the benefit of Industrial units who have been allowed the benefit of deferment of tax. The discount rate of 5% per annum has been modified into

7.5% per annum for the financial year 2007-2008.

## **12. COMMERCIAL TAXES STAFF TRAINING INSTITUTE**

Commercial Taxes Staff Training Institute was started in the year 1982. The objective is to train the departmental personnel and equip them with current and upto date information in the matters of taxation under all the Acts administered by the Department. Since, computerization has been introduced in all important areas, this institute also provides training to departmental staff in all cadres in Computer operational methods, and guest lectures are also arranged.

The Institute functions under the control of Director in the cadre of Deputy Commissioner (Commercial Taxes). Two Senior Lecturers in the cadre of Assistant Commissioner, and One Lecturer in the cadre of Commercial Tax Officer and an Assistant Director (Statistics) are conducting training classes.

The Institute is organizing –

- Foundational Training on the concept of Taxation
- In service Training on Taxation
- Computer Training
- Value Added Tax Training for Ministerial Staff

Further, Commercial Taxes Staff Training Institute is to impart training to the departmental personnel and to equip them with current and upto date information in the matters of taxation under all the Acts administered by the Department. Since the new concept on taxation, namely, the Value Added Tax has been introduced in this State on 1.1.2007, this Institute provides training on Value Added Tax to all the Ministerial Staff of Chennai Divisions.

The training under Value Added Tax Act in other Divisions of this Department is given at the Division Offices under the supervision of the Deputy Commissioners concerned. This Institute also gives Computer training to the Ministerial Staff

on departmental packages, intranet, internet and e-mail for equipping them in computer operational methods.

During the year 2007-2008, refreshment course and in service training to the Officers and ministerial staff were given on the following:-

- Computer Training in Departmental Packages
- Basic Computer Training
- Value Added Tax Refresher Training
- In-service Training in Commercial Tax Acts

### **13. STATISTICS AND RESEARCH CELL**

The Statistics and Research Cell at the headquarters is headed by Joint Director of Statistics. Each Division has a Junior Research Officer and each Zone/Commercial Taxes District has a Statistical Inspector.

The Statistics and Research Cell brings out two annual publications regularly viz. '**Commercial Taxes Department - At a Glance**' and '**Commercial Taxes Department- Selected Indicators ( Folder )**'. This cell is also monitoring the prices of about 260 commodities to assess the impact of Value Added Tax on prices.

### **14. COMPUTERISATION OF THE DEPARTMENT**

Computerisation was first introduced in the Commercial Taxes Department in the year 1973 by utilizing the services of the Government Data Centre at Guindy, Chennai. This was solely for processing the returns and preparing a data base of the details of assessments in the State.

A swing in the computerisation of the Department started with the initiatives taken by the Eleventh Finance Commission for upgrading the infrastructure of the Departments involved in revenue administration and

revenue collection. During this period, Tvl.Pallavan Transport Consultancy Services was nominated as Consultant. The application software and related hardware were procured in addition to the establishment of connectivity among 464 sites at a cost of Rs.10.51 crores.

The Department launched its own website in the internet with the address [www.tnsalestax.com](http://www.tnsalestax.com) which offered useful and upto date information to the traders. The various statutory forms like Registration application, Monthly Returns etc. were available in the website with the facility for downloading those forms by the traders. The rates of tax applicable to all commodities were provided in that site in alphabetical order.

#### **14.1. Intranet site for the Department**

The Wide Area Network of the Department is crowned with a departmental web, which throws up information on the Offices of the Department, circulars, notifications,

important judgments, Acts and Rules and an e-mail facility.

#### **14.2. e-GOVERNANCE IN COMMERCIAL TAXES DEPARTMENT**

##### **Registration of dealers**

Registration package under Tamil Nadu Value Added Tax Act, 2006 and Central Sales Tax Act, 1956 has been developed in-house and installed in all the assessment offices. There is no manual allotment of Tax Payer's Identification Number and only computer generated Registration certificates are issued to dealers under the Value Added Tax and the Central Sales Tax Acts. Provision is also made in the website for online application for Registration.

##### **Return Processing**

Return posting module under the Value Added Tax and the Central Sales Tax Acts have been developed in-house and installed in all the assessment circles. The returns received in the

assessment circles are immediately fed into the computer and exported to the Central Server so that the higher level officers right from Assistant Commissioners to the Commissioner can supervise very well by viewing the "return filed status". Similarly, the data regarding purchases and sales is also fed into the computer and cross verification of input tax credit claim is being done by the assessing officers as well as higher officers. Further the manual house-keeping work of maintaining Cheque Register has been dispensed with from February 2008 onwards and collection activities like challan, scroll generation etc. are carried-out through computers. Besides, provision is also made in the module to generate Self -Assessment order.

### **Connectivity**

**LAN** (Local Area Network) connectivity is being done in all the assessment circles and internet broadband connectivity has been provided to all the assessment circles

and the supervisory officers in the Commercial Taxes Department.

### **e-Filing of Returns**

On-line facility to file the monthly returns under the Value Added Tax Act and the Central Sales Tax Act through internet website [www.tnvat.gov.in](http://www.tnvat.gov.in) has been mandated to the top 6000 dealers in the State from the month of January 2008. In the backdrop of successful implementation of e-filing, this facility has been extended to the top 20,000 dealers in the State from the month of April 2008.

### **e-Payment**

The facility of on-line payment/remittance of tax and the facility for on-line request for getting saleable forms through internet website [www.tnvat.gov.in](http://www.tnvat.gov.in) are to be rolled out shortly.

### **Other e-Services**

The following facilities / services are also made available for the mercantile public through the internet website [www.tnvat.gov.in](http://www.tnvat.gov.in):-

- The Acts and Rules, Forms, Circulars, Clarifications, Government Orders and Notifications issued are made available immediately after their issue.
- The facility to view Dealer payment History & Profile.
- On-line search facility to know the rate & schedule of a commodity.
- On-line search facility to know the details of a dealer by giving his Tax payer's Identification Number or Name.
- On-line facility to view the status of the refunds issued in the assessment circles.

- On-line facility to view the status of the availability of saleable forms in the assessment circles.
- The facility of On-line filing of Form-W (Export Refund claims) returns by the dealers and the processing of the same in the assessment circle.

### **14.3 e-Governance initiatives Infrastructure Fund**

For the year 2007-08, a sum of Rs.19.40 crores was sanctioned under "New instrument of Service" for the Commercial Taxes Department to implement e-Governance initiatives such as electronic services like e-filing of returns, e-remittance of tax and e-assessment thro' websites, online issue of statutory forms, Tamil Nadu State Wide Area Network (TNSWAN) connectivity and modernization of the offices and checkposts in the Commercial Taxes Department. With this fund, necessary hardware and software are being provided to the Department

for effective and efficient e-governance. It is also planned to impart the required training in e-governance to all the staff and officers of the Department through ELCOT.

#### **14.4 Mission Mode Project (MMP)**

Commercial Taxes Department is identified as one of the prioritized Department for Mission Mode Project under e-Bharat Scheme by the Government of India. The Detailed Project Report for the implementation of Mission Mode Project at an estimated cost of Rs. 40.92 Crores for three years has been drafted with the assistance of Tvl. WIPRO and submitted to the Government of India for approval. Out of Rs.40.92 crore 25% of the project cost is going to be funded by the Government of Tamil Nadu and the remaining 75% by the World Bank through the Department of Revenue, Government of India. The appraisal discussions on the Detailed Project Report with Government of India officials and the World Bank team have

been completed and the funds sanction is expected in the financial year 2008-2009.

#### **14.5. TAX INFORMATION EXCHANGE SYSTEM (TINXSYS)**

Tax Information Exchange system (TINXSYS) is a centralised solution, designed and developed by the Empowered Committee of State Finance Ministers to facilitate information exchange among the Commercial Taxes Department of all the States, which provide effective monitoring of the inter-State transactions such as inter-State sales, transfer etc. This website is developed and maintained with the funds contributed by the States. The mercantile public as well as Commercial tax officials can make use of this system to verify dealer and statutory forms details under the Central Sales Tax Act. All the officials up to the cadre of Commercial Tax Officers have already been trained on the usage of Tax Information Exchange system and suitable authorizations (like user name and password) for each official have already been provided. It is

worthwhile to claim that our State is leading ahead of all other States in uploading the data into Tax Information Exchange system Server and this process is carried out in-house without any outside agency and additional expenditure to the exchequer.

The following are the Tax Information Exchange system websites :

1. <http://www.statevat.gov.in>
2. <http://www.tinxsys.com>
3. <http://www.vinxsys.com>

Further, dealer details (only with reference to Tax payer's Identification Number) can also be verified through telephone over Interactive Voice Response System (IVRS) for which the user has to dial the toll free number 1800 2200 17.

## **15. WAIVER COMMITTEE**

In G.O.(D) No. 428, Commercial Taxes and Registration (D2) Department, dated 25.8.06, the Government have

constituted a Waiver Committee consisting of the following members :

1. The Secretary to Government, Commercial Taxes and Registration Department.
2. The Secretary to Government, Finance Department.
3. The Commissioner of Commercial Taxes.

This Committee has been formed to examine the waiver proposals received on the grounds that the dealers had not collected tax from the consumers due to judicial pronouncements and clarifications from the Department. The meetings of the Waiver Committee were held on 15.11.2006 and 13.8.2007. On the basis of the recommendations of the Waiver Committee, the Government have so far passed orders granting waiver of an amount of Rs.1.53 crore in 13 cases.

## **16. TRADERS WELFARE BOARD**

The Tamil Nadu Traders Welfare Board was constituted during 1989,

based on the announcement made by the Hon'ble Chief Minister of Tamil Nadu in the Floor of the Assembly.

The Tamil Nadu Traders Welfare Board is functioning with the following Members under the dynamic leadership of the Hon'ble Chief Minister of Tamil Nadu:-

1. Hon'ble Chief Minister - Chairman
2. Hon'ble Minister for Commercial Taxes - Vice-Chairman
3. Official Members:
  - i) Secretary to Government, Commercial Taxes and Registration Department.
  - ii) Commissioner of Commercial Taxes
  - iii) Special Secretary to Government, Finance Department.
  - iv) Secretary to Government, Labour and Employment Department.
  - v) Joint Commissioner (Commercial Taxes )/  
Chief Executive Officer,  
Tamil Nadu Traders Welfare Board. - Member Secretary
4. Non-Official Members - 20 Trade Members

At the time of formation of Tamil Nadu Traders Welfare Board, the Government have sanctioned a sum of Rs.2 Crores to meet out the expenditure towards the implementation of welfare schemes to the Traders and the Administrative expenses of the Board. This amount has been deposited in the Reserve Bank of India under the Permanent Deposit Account of the Tamil Nadu Traders Welfare Board and the interest accrued is also deposited in the Permanent Deposit Account. The Government is also sanctioning "Matching Grant" every year equivalent to the amount of life time Membership Fees of Rs.250/- collected from the traders. Out of the interest accrued in the Permanent Deposit Account maintained in the Reserve Bank of India and the "Matching Grant" sanctioned by the Government, the following welfare schemes are implemented for the welfare of the traders.

### **16.1. Family Assistance**

At present, Rs.50,000/- is being granted to the family members of the deceased Traders.

### **16.2. Medical Assistance**

The Board is granting Rs.50,000/- towards medical treatment for By-pass Surgery, Kidney transplantation and Cancer Surgery, Rs.15,000/- for Medical check-up like Dialysis, Chemotherapy, Radiation Therapy and Angioplasty and Rs.20,000/- to female members for Uterus Removal Surgery, on the basis of Medical Certificate.

### **16.3. Educational Assistance**

Rs.5,000/- is being granted as one time assistance to the member's son or daughter for College studies (except part-time course) and Rs.10,000/- for Post Graduate and Professional Courses for each Academic Year.

### **16.4. Assistance to Sports Persons**

Assistance of Rs.25,000/-, Rs.10,000/-Rs.5,000/-, and Rs.3,000/- are being granted to the Trader's children who have won prizes in the International, National, State and District level sports events.

### **16.5. Assistance for Fire Accident**

Rs.5,000/- is being granted to the member whose shop is destroyed in fire accident/natural calamities.

### **16.6. Assistance to Physically Disabled**

Rs.10,000/- is being given to the member who is disabled by accident in one hand, one leg or one eye and Rs.20,000/- is granted to those disabled in both hands or both legs or both eyes.

### **16.7. Tri-Cycle and Bunk Shop**

Under this scheme indigent traders are provided with Bunk shop manufactured by Co-operative Industries at the cost of Rs.10,000/- each.

### **16.7. Incentives to Students Securing Higher Marks**

Assistance of Rs.5,000/-, Rs.3,000/- and Rs.2,000/- are being given to Traders' children, who have secured higher marks in 10<sup>th</sup> and 12<sup>th</sup> Standard (i.e.) first 3 rank holders in the State.

### **16.9. Details of Welfare Schemes**

Details of welfare schemes implemented to the members and their families as on 31.3.2008 is furnished below:-

<b>S.No.</b>	<b>Welfare Scheme</b>	<b>No.of Members benefited</b>	<b>Amount ( Rs. in lakhs)</b>
1	Family Assistance	291	72.95
2	Medical Assistance	37	8.26
3	Educational Assistance	83	2.18
4	Fire Assistance	29	1.45
5	Sports Assistance	2	0.15
6	Higher Education Assistance	6	0.20
7	Physically disabled Assistance	2	0.15
8	Marriage Assistance (At present dispensed)	2	0.10
	<b>TOTAL</b>	<b>452</b>	<b>85.44</b>

There are 45,210 members at present. The members are being issued with Certificate of Membership and Identity Cards.

### **16.10 Internet Website**

A website " [www.tntwb.gov.in](http://www.tntwb.gov.in) " of the Tamil Nadu Traders' Welfare Board has been launched to enable the members of the board and other public to avail the services of the Board effectively.

## **17. GRIEVANCE REDRESSAL MECHANISM**

### **17.1 Grievance Cell**

A grievance cell is functioning from the year 1999 in the Office of the Commissioner of Commercial Taxes to provide a forum for traders to represent their grievances. The cell is headed by Joint Commissioner(Administration) as Chairman and Joint Commissioner(Suo Motu Revision) and Joint Commissioner (Public Relations) as members.

### **17.2 Interactive Voice Recording System**

To receive suggestions, grievances and complaints for better administration of the Department and to receive details of tax evasion, an Interactive Voice Recording System is functioning in the Office of the Commissioner of Commercial Taxes. A separate direct telephone line with No.044-28520535 has been provided for this purpose.

## **18. STEPS TAKEN FOR EFFICIENT FUNCTIONING OF THE DEPARTMENT**

### **18.1 Cash Reward**

A scheme to reward private citizen coming up with valuable information on tax evasion and tax fraud has been evolved with a corpus fund of Rupees One lakh operated by the Commissioner of Commercial Taxes. The information received under the scheme are processed by the Enforcement Wing for using it in the assessments. The identify of the informer is kept confidential.

### **18.2. Right to Information Act, 2005**

From 1.1.2007 to 31.12.2007, 293 applications under the Right to Information Act, 2005 have been received and action has been taken in all the cases.

**19. PART-II SCHEMES 2008-2009**

The following new schemes are approved as Part-II Scheme for the year 2008-2009:-

- i) Construction of Conference Hall and Training Centre at Madurai at a cost of Rs.40 lakhs.
- ii) Provision of functional furniture and other allied works including LAN connectivity in the Commercial Taxes and Registration Department at the Secretariat, Chennai at a cost of Rs.33.60 lakhs.

**S.N.M. UBAYADULLAH**

Minister for Commercial Taxes