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**La Gazette de L'État de Poudouchéry**  
**The Gazette of Puducherry**

**PART - II**

**சிறப்பு வெளியீடு EXTRAORDINAIRE EXTRAORDINARY**

அதிகாரம் பெற்ற  
வெளியீடு

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**GOVERNMENT OF PUDUCHERRY  
LEGISLATIVE ASSEMBLY SECRETARIAT**

No. 104-1/2017-LA(Legn.).

Puducherry, the 29th May 2017.

Under rule 140 of Rules of Procedure and Conduct of Business  
of the Puducherry Legislative Assembly, the following Bill viz.,

The Puducherry Value Added Tax (Second Amendment)  
Bill, 2017 (Bill No. 11 of 2017)

which was introduced in the Legislative Assembly on May 26, 2017 is  
published for general information.

**A. VINCENT RAYAR,**  
Secretary.

**THE PUDUCHERRY VALUE ADDED TAX  
(SECOND AMENDMENT) BILL, 2017**

(Bill No. 11 of 2017)

A

BILL

**further to amend the Puducherry Value Added  
Tax Act, 2007.**

BE it enacted by the Legislative Assembly of  
Puducherry in the Sixty-eighth Year of the Republic of India  
as follows:—

Short title,  
and  
commencement.

1. (1) This Act may be called the Puducherry Value  
Added Tax (Second Amendment) Act, 2017.

(2) The provisions of clause (a) of section 2 of this  
Act shall be deemed to have come into force with effect  
from the 1st day of July, 2007 and the provisions of clauses  
(b) and (c) of section 2 of this Act shall be deemed to have  
come into force with effect from the 1st day of April, 2017.

Amendment of  
Appendix to  
Entry No. 68  
under Part-A  
of the Third  
Schedule.

2. In the Puducherry Value Added Tax Act, 2007,

Act.  
No. 9  
of  
2007.

(a) in the Appendix to Entry No. 68 under Part-A  
of the Third Schedule,—

(i) below the bracket, words, figures and  
symbols "(The Industrial Inputs and Packing  
materials to be taxed @ 5%)", the words "Table A"  
shall be inserted;

(ii) after the Table, titled as Table A and entries thereof, the following Table shall be inserted, namely,—

"Table B

Sl. No.	Description
1.	All kinds of Industrial inputs and packing materials sold to industries and not included in the table of items listed in Table A."

(b) in the Fifth Schedule, in Part-A, the entries against serial number 2 shall be omitted.

Amendment of Fifth Schedule.

(c) in the Sixth schedule, after serial number 1, the following entries shall be inserted, namely,—

Amendment of Sixth Schedule.

"2. Petrol

3. Diesel".

#### STATEMENT OF OBJECTS AND REASONS

In order to give impetus to the industrial growth in the Union territory of Puducherry, the rate of tax on all kinds of industrial inputs and packing materials sold to industries including the commodities not covered in Appendix to entry No. 68 under Part-A of Third Schedule of the Puducherry Value Added Tax Act, 2007 was reduced to 1% with effect from the 1st day of July, 2007, through a notification issued in exercise of powers conferred under section 31 of the Puducherry Value Added Tax Act, 2007. The rate of tax was subsequently revised to 3% with effect from 1st day of January, 2012.

2. The Principal Accountant General, Tamil Nadu has observed that extending the concessional rate to industrial inputs and packing materials sold to industries not covered under entry No. 68 under Part-A of Third Schedule of the said Act, through issue of notifications, in exercise of the powers delegated under section 31 of the Act, is not in order. Hence, to validate the benefit of concessional rate of tax already granted to the seller/purchaser of industrial inputs and packing materials, it is proposed to amend the Appendix to entry No. 68 under Part-A, Third Schedule of the said Act. The said amendment is proposed to be brought into effect from the date, the concessional rate of 1% was implemented *i.e.*, 1st day of July, 2007.

3. The Fifth and Sixth Schedules of the said Act were amended through a notification issued under sub-section (1) of section 75 of the said Act for the purpose of revising the rate of tax on petrol and diesel with effect from 1st day of April, 2017. As required under sub-section (2) of section 75 of the said Act, a Bill to replace the abovesaid notification has to be introduced in the Legislative Assembly of Puducherry.

4. For the aforesaid purposes, a Bill titled as "The Puducherry Value Added Tax (Second Amendment) Bill, 2017" is proposed to be enacted.

5. The Bill seeks to achieve the above objects.

**V. NARAYANASAMY,**  
CHIEF MINISTER.

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ADMINISTRATOR'S RECOMMENDATION UNDER SUB-SECTION (1)  
OF SECTION 23 OF THE GOVERNMENT OF  
UNION TERRITORIES ACT, 1963

(Copy of Letter No. 1-85/CM/2017, dated 23-5-2017 from the Hon'ble Chief Minister Thiru V. Narayanasamy to the Hon'ble Speaker, Legislative Assembly, Puducherry).

The Lieutenant-Governor, Puducherry having been informed of the subject matter of the proposed Puducherry Value Added Tax (Second Amendment) Bill, 2017 providing for levy of Value Added Tax in the Union territory, recommends under sub-section (1) of section 23 of the Government of Union Territories Act, 1963 (Central Act 20 of 1963), the introduction in and consideration by the Legislative Assembly of the said Bill.

**A. VINCENT RAYAR,**  
Secretary  
Legislative Assembly Secretariat.