

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the Tamil Nadu on 9th December, 2024 is published together with Statement of Objects and Reasons for general information:—

L.A Bill No. 40 of 2024

A Bill further to amend the Tamil Nadu Goods and Services Tax Act, 2017.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-fifth Year of the Republic of India as follows: —

1. (1) This Act may be called the Tamil Nadu Goods and Services Tax (Amendment) Act, 2024. Short title and commencement.

(2) It shall be deemed to have come into force on the 1st day of November, 2024.

Tamil Nadu Act 19 of 2017.

2. After section 128 of the Tamil Nadu Goods and Services Tax Act, 2017, the following section shall be inserted, namely:- Insertion of new section 128-A.

“128-A. Waiver of interest or penalty or both relating to demands raised under section 73, for certain tax periods.—

(1) Notwithstanding anything to the contrary contained in this Act, where any amount of tax is payable by a person chargeable with tax in accordance with,—

(a) a notice issued under sub-section (1) of section 73 or a statement issued under sub-section (3) of section 73, and where no order under sub-section (9) of section 73 has been issued; or

(b) an order passed under sub-section (9) of section 73, and where no order under sub-section (11) of section 107 or sub-section (1) of section 108 has been passed; or

(c) an order passed under sub-section (11) of section 107 or sub-section (1) of section 108, and where no order under sub-section (1) of section 113 has been passed,

pertaining to the period from 1st July, 2017 to 31st March, 2020, or a part thereof, and the said person pays the full amount of tax payable as per the notice or statement or the order referred to in clause (a), clause (b) or clause (c), as the case may be, on or before the date, as may be notified by the Government on the recommendations of the Council, no interest under section 50 and penalty under this Act, shall be payable and all the proceedings in respect of the said notice or order or statement, as the case may be, shall be deemed to be concluded, subject to such conditions as may be prescribed:

Provided that where a notice has been issued under sub-section (1) of section 74, and an order is passed or required to be passed by the proper officer in pursuance of the direction of the Appellate Authority or Appellate Tribunal or a court in accordance with the provisions of sub-section (2) of section 75, the said notice or order shall be considered to be a notice or order, as the case may be, referred to in clause (a) or clause (b) of this sub-section:

Provided further that the conclusion of the proceedings under this sub-section, in cases where an application is filed under sub-section (3) of section 107 or under sub-section (3) of section 112 or an appeal is filed by an officer of State tax under sub-section (1) of section 117 or under sub-section (1) of section 118 or where any proceedings are initiated under sub-section (1) of section 108, against an order referred to in clause (b) or clause (c) or against the directions of the Appellate Authority or the Appellate Tribunal or the court referred to in the first proviso, shall be subject to the condition that the said person pays the additional amount of tax payable, if any, in accordance with the order of the Appellate Authority or the Appellate Tribunal or the court or the Revisional Authority, as the case may be, within three months from the date of the said order:

Provided also that where such interest and penalty has already been paid, no refund of the same shall be available.

(2) Nothing contained in sub-section (1) shall be applicable in respect of any amount payable by the person on account of erroneous refund.

(3) Nothing contained in sub-section (1) shall be applicable in respect of cases where an appeal or writ petition filed by the said person is pending before Appellate Authority or Appellate Tribunal or a court, as the case may be, and has not been withdrawn by the said person on or before the date notified under sub-section (1).

(4) Notwithstanding anything contained in this Act, where any amount specified under sub-section (1) has been paid and the proceedings are deemed to be concluded under the said sub-section, no appeal under sub-section (1) of section 107 or sub-section (1) of section 112 shall lie against an order referred to in clause (b) or clause (c) of sub-section (1), as the case may be."

STATEMENT OF OBJECTS AND REASONS.

The Tamil Nadu Goods and Services Tax Act, 2017 (Tamil Nadu Act 19 of 2017) provides for levy and collection of tax on intra-state supply of goods or services or both by the State Government. The Goods and Services Tax Council in its 54th meeting held on 09th September, 2024, among others, recommended for conditional waiver of interest and penalty in respect of demand notices issued under the Central Goods and Services Tax Act, 2017 (Central Act 12 of 2017) and State Goods and Services Tax Acts for the Financial Years 2017-2018, 2018-2019 and 2019-2020, except the demand notices in respect of erroneous refund and to implement the said recommendation with effect from the 1st November, 2024.

2. To give effect to the said recommendation, the Central Goods and Services Tax Act, 2017 has been amended – *vide* section 146 of Finance (No.2) Act, 2024 (Central Act 15 of 2024). To carry out corresponding amendment, the Government have decided to amend the Tamil Nadu Goods and Services Tax Act, 2017 (Tamil Nadu Act 19 of 2017) suitably.

3. The Bill seeks to give effect to the above decision.

P.MOORTHY,

Minister for Commercial Taxes and Registration.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clauses 1(2) and 2 of the Bill authorise the Government to issue notifications or to make rules, as the case may be, for the purpose specified therein.

2. The powers delegated are normal and not of an exceptional character.

P. MOORTHY,

Minister for Commercial Taxes and Registration.

Secretariat,
Chennai-600 009,
9th December 2024.

K. SRINIVASAN,
Principal Secretary.