[Regd. No. TN/CCN/467/2009-11. [Price: Rs. 14.40 Paise.



TAMIL NADU GOVERNMENT GAZETTE

EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 179]

CHENNAI, MONDAY, JULY 20, 2009 Aadi 4, Thiruvalluvar Aandu–2040

Part IV—Section 1

Tamil Nadu Bills

CONTENTS

	Pages
BILLS:	
No. 25 of 2009—The Tamil Nadu Payment of Salaries (Amendment) Act, 2009	112-113
No. 26 of 2009—The Tamil Nadu Duty on Transfers of Property (in Municipal Areas) Act, 2009	115-120
No. 27 of 2009—The Tamil Nadu Business Facilitation Act, 2009	121-131
No. 28 of 2009—The Tamil Nadu Motor Vehicles Taxation (Amendment) Act, 2009	133-134
No. 29 of 2009—The Tamil Nadu Motor Vehicles Taxation (Second Amendment) Act, 2009	135-136
No. 30 of 2009—The Tamil Nadu Motor Vehicles Taxation (Third Amendment) Act, 2009	137-138
No. 31 of 2009—The Tamil Nadu Agricultural Laboures-Formers (Social Security and Welfare) Amendment Act, 2009	139-140
No. 32 of 2009—The Tamil Nadu Value Added Tax (Fourth Amendment) Act, 2009	141-144
No. 33 of 2009—The Tamil Nadu Value Added Tax (Fifth Amendment) Act, 2009	145-146

BILLS INTRODUCED IN THE LEGISLATIVE ASSEMBLY OF THE STATE OF TAMIL NADU

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 20th July 2009 is published together with Statement of Objects and Reasons for general information:—

L.A. BILL No. 25 OF 2009

A Bill further to amend the Tamil Nadu Payment of Salaries Act, 1951.

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

Short title and commencement.

- 1. (1) This Act may be called the Tamil Nadu Payment of Salaries (Amendment) Act. 2009.
 - (2) It shall be deemed to have come into force on the 29th May 2009.

Amendment of section 3.

2. In section 3 of the Tamil Nadu Payment of Salaries Act, 1951, for the expression "the Chief Minister", in three places where it occurs, the expression "the Chief Minister, Deputy Chief Minister" shall be substituted.

Tamil Nadu Act XX of 1951.

In G.O.Ms.No.467, Public (Special.B) Department, dated 29-05-2009, His Excellency the Governor has appointed Thiru M.K.Stalin, Minister for Rural Development and Local Administration as Deputy Chief Minister with immediate effect. Consequent on the appointment of Deputy Chief Minister in the said Government Order, it is proposed to amend section 3 of the Tamil Nadu Payment of Salaries Act, 1951 (Tamil Nadu Act XX of 1951) so as to include the term "Deputy Chief Minister" therein.

2. The Bill seeks to give effect to the above proposal.

M. KARUNANIDHI, Chief Minister.

L.A. BILL No. 26 OF 2009

A Bill to provide for the levy and collection of duty on transfers of property in the municipal areas in the State of Tamil Nadu.

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

- 1. (1) This Act may be called the Tamil Nadu Duty on Transfers of Property (in Municipal Areas) Act, 2009.
- (2) It shall come into force on such date as the State Government may, by notification, appoint.
 - 2. In this Act, unless the context otherwise requires,-

Definitions.

Short title and

commencement.

- (1) "Government" means the State Government;
- (2) "Municipal area" means the territorial area of a municipality;
- (3) "Municipality" means—
- (a) the Municipal Corporations of Chennai, Madurai, Coimbatore, Tiruchirappalli, Tirunelveli, Salem, Tiruppur, Erode, Vellore, Thoothukudi or any other Municipal Corporation that may be constituted under any law for the time being in force; or

(b) "a municipal council" constituted under the Tamil Nadu District Municipalities Act, 1920.

1920.3. There shall be levied a duty on transfers of property in every municipal area,—

Levy of duty on transfers of property.

Central Act

II of 1899.

Tamil Nadu

Act V of 1920.

- (a) in the form of a surcharge on the duty imposed by the Indian Stamp Act,1899 (hereinafter referred to as the Stamp Act) as in force for the time being in the State of Tamil Nadu, on every instrument of the description specified below, which relates to immovable property situated within the limits of the municipal area; and
- (b) at such rate as may be fixed by the Government, not exceeding five per centum, on the amount specified below against such instrument:—

Description of instrument.

Amount on which duty should be levied.

(1)

(2)

authority.

- (i) Sale of immovable property.
- The market value of the property as set forth in the instrument, and in a case where the market value is finally determined by any authority under section 47-A of the Stamp Act, the market value as so determined by such

(ii) Exchange of immovable property.

The market value of the property of the greater value as set forth in the instrument, and in a case where the market value is finally determined by any authority under section 47-A of the Stamp Act, the market value as so determined by such authority.

(iii) Gift of immovable property.

The market value of the property as set forth in the instrument, and in a case where the market value is finally determined by any authority under section 47-A of the Stamp Act, the market value as so determined by such authority.

(iv) Mortgage with possession of immovable property.

The amount secured by the mortgage, as set forth in the instrument.

(v) Lease in perpetuity of immovable property. An amount equal to one-sixth of the whole amount or value of the rents which would be paid or delivered in respect of the first fifty years of the lease, as set forth in the instrument.

Application of certain provisions of Stamp Act.

- **4.** (a) Section 27 of the Stamp Act shall be read as if it specifically required the particulars to be set forth separately in respect of property situated within the limits of a municipal area and outside such limits;
- (b) Section 64 of the Stamp Act shall be read as if it referred to the municipality concerned as well as the Government.

Apportionment of duty on transfers of property.

5. Fifty percent of the duty on transfers of property collected under this Act in respect of any property situated in a municipal area shall be credited to the municipal fund within whose territorial area such property is situated and the balance of fifty percent shall be credited to the Tamil Nadu Urban Road Infrastructure Fund (hereinafter referred to as the Fund), in such manner as may be prescribed:

Provided that the duty on transfers of property collected under this Act in respect of any property situated in a panchayat town shall be credited to the fund of the town panchayat within whose territorial area such property is situated.

Power to remove difficulties.

6. If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order, published in the *Tamil Nadu Government Gazette*, make such provisions not inconsistent with the provisions of this Act, as appear to them to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the date of commencement of this Act.

Power to give directions.

7. The Government may, from time to time, issue such directions to the municipalities or any other authorities as it may deem fit, for giving effect to the provisions of this Act, and it shall be the duty of the municipalities or the other authorities to comply with such directions.

Power to make rules.

- 8. (1) The Government may make rules to carryout the purposes of this Act.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for,—
 - (a) regulating the collection of duty on transfers of property;
- (b) deduction of the expenses incurred by the Government in the collection of duty on transfers of property;
 - (c) the distribution of the Fund among the municipalities;
 - (d) any other matter which has to be or may be prescribed.
- (3) All rules made under this Act shall be published in the *Tamil Nadu Government Gazette* and unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.
 - (4) Every rule made or order or notification issued under this Act shall, as soon

as possible after it is so made or issued, be placed on the table of the Legislative Assembly, and if, before the expiry of the session in which it is so placed or the next session, the Legislative Assembly makes any modification in any such rule or order or notification or the Legislative Assembly decides that the rule or order or notification should not be made or issued, the rule, order or notification shall, thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification or order.

9. On and from the date of commencement of this Act, the relevant provisions in the enactments mentioned in the Schedule to this Act shall stand repealed.

Repeal of certain enactments.

SCHEDULE.

(See section 9).

PART I.

THE CHENNAI CITY MUNICIPAL CORPORATION ACT, 1919.

Repeal of	Sections 135, 136 and 137 of the Chennai City Municipal Corporation Act, 1919	Tamil Nadu
sections 135,	are hereby repealed.	Act
136 and 137.	are neresy repeated.	IV of 1919.

PART II.

THE MADURAI CITY MUNICIPAL CORPORATION ACT, 1971.

Repeal of sections	۸ - 4		,			of	the	Madurai	City	Municipal	Corporation	Tamil Nadu Act
	ACt,	1971 are	nereb	y rep	eaiea.							45 -(4074
164, 165	,			' '								15 of 1971.
and 166.												

PART III.

THE COIMBATORE CITY MUNICIPAL CORPORATION ACT, 1981.

Repeal of	Sections 164, 165 and 166 of the Coimbatore City Municipal Corporation Act, 1981	Tamil Nadu
sections 164,	are hereby repealed.	Act
165 and 166.		25 of 1981.

PART IV.

THE TAMIL NADU DISTRICT MUNICIPALITIES ACT, 1920.

Repeal of sections 116-A.	Sections 116-A, 116-B and 116-C of the Tamil Nadu District Municipalities Act, 1920 are hereby repealed.	Tamil Nadu Act V of 1920.
116-B and 116-C.		

The Government have decided to implement the "Tamil Nadu Urban Road Infrastructure Project" in the Municipalities and Municipal Corporations of the State, at an estimated cost of Rs.1000 Crores per annum. The project will have multiple sources of financing which includes a portion from the assigned revenue payable to Municipalities and Municipal Corporations on account of surcharge on stamp duty. To give effect to the above decision, it has been decided to enact a separate Legislation for levy and collection of a duty on transfer of property in the form of a surcharge on stamp duty in municipal areas and for crediting fifty percent of the amount so collected in the Tamil Nadu Urban Road Infrastructure Fund for execution of specific infrastructure scheme, project, programme or plan in any Municipality or Municipal Corporation or in a group of Municipalities or Municipal Corporations.

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

M.K. STALIN,
Deputy Chief Minister.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clauses 1 (2), 3 (b), 5, 6, 7, 8, (1) and (2) of the Bill authorise the Government to issue notification or order or direction or to make rules, as the case may be, for the purposes specified therein.

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

M.K. STALIN,
Deputy Chief Minister.

L.A. BILL No. 27 OF 2009

A Bill to provide for the promotion of industrial development and facilitation of new investments, to simplify the regulatory frame work by reducing the procedural requirements and to provide for an investor friendly environment in the State of Tamil Nadu and matters connected therewith and incidental thereto.

Whereas, it is expedient to provide for speedy implementation of industrial projects in the State by providing single point clearance and assistance to the entrepreneurs, reducing the procedural requirements, and to ensure smooth operation;

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixtieth Year of the Republic of India as follows:—

- 1. (1) This Act may be called the Tamil Nadu Business Facilitation Act, 2009.
- (2) It shall come into force on such date as the Government may, by notification, appoint.

Short title, and commencement.

2. In this Act, unless the context otherwise requires,-

Definition

- (a) "Authority" means State Level Authority or District Level Authority;
- (b) "company" means any body corporate and includes a Trust, a firm, a society or other association of individuals;
- (c) "competent authority" includes a local authority or any statutory Board, Corporation or other authority established by the State Government and which are entrusted with the powers or responsibility to grant or issue clearances;
- (d) "clearance" means grant or issue of no-objection certificate, approval, permission, registration, licence and the like, by any competent authority in connection with setting up of an industrial project in the State;
 - (e) "District Level Authority" means the authority constituted under section 6;
- (f) "entrepreneur" means a person or the body of persons or a company having majority investment or controlling interest in an industrial project;
 - (g) "Government" means the State Government;
- (h) "industrial project" means all manufacturing projects, power related projects, Information Technology and Information Technology enabled services, financial services, infrastructural projects relating to power, roads, railways, water supply and sewerage systems, sea ports, airports, telecommunications, mining, hospital industry and tourism projects;
- (i) "local authority" means—(i) the Municipal Corporations of Chennai, Madurai, Coimbatore, Salem, Tiruchirappalli, Tirunelveli, Erode, Tiruppur, Vellore, Thoothukudi or any other Municipal Corporation that may be constituted under any law for the time being in force: or

Tamil Nadu Act V of 1920. (ii) a Municipal Council constituted under the Tamil Nadu District Municipalities Act, 1920; or

Tamil Nadu Act 21 of 1994.

(iii) a Panchayat Union Council or a Village Panchayat constituted under the Tamil Nadu Panchayats Act, 1994;

- (j) "major industrial project" means an industrial project where the investment in plant and machinery is more than ten crore rupees;
- (k) "medium industrial project" means an industrial project where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees:
 - (I) "prescribed" means prescribed by rules or regulations made under this Act;
- (m) "small industrial project" means an industrial project where the investment in plant and machinery is more than twenty five lakh rupees but does not exceed five crore rupees;
 - (n) "State Level Authority" means the Authority constituted under section 3.

State Level Authority.

3. (1) The Government shall constitute a State Level Authority consisting of the following Members, namely:—

(a) Chief Secretary to Government	Chairperson;
(b) Secretary to Government, Industries Department	Member;
(c) Commissioner or Director of Land Reforms	Member;
(d) Member Secretary, Chennai Metropolitan Development Authority	Member;
(e) Commissioner or Director of Town and Country Planning	Member;
(f) Commissioner or Director of Municipal Administration	Member;
(g) Commissioner or Director of Rural Development	Member;
(h) Commissioner or Director of Town Panchayat	Member;
(i) Member, Distribution, Tamil Nadu Electricity Board	Member;
(j) Chief Inspector of Factories	Member;
(k) Chief Electrical Inspector	Member;
(I) Director of Boilers	Member;
(m) Director of Fire and Rescue Services	Member;
(n) Director, Guidance Bureau	Member Secretary.

- (2) The State Level Authority shall meet at such times and such places as may be decided by the Chairperson and shall adopt such procedure to transact its business as may be prescribed.
- (3) A Member of the State Level Authority shall personally attend the meeting and in case he is unable to attend the meeting, he may depute a senior level officer of his department to attend the meeting with a written authorization to take appropriate decision in the meeting.

Procedure for clearing industrial projects.

- **4.** (1) Every entrepreneur who desires to set up a major industrial project shall make an application in this behalf complete in all respects to the State Level Authority for the following in such Forms along with such fee as may be prescribed, namely:—
- (i) permission under the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961;
- (ii) change in land use classification and permission under the Tamil Nadu Town and Country Planning Act, 1971;

Tamil Nadu Act 58 of 1961.

Tamil Nadu Act 35 of 1972.

- (iii) approval of site plan and building plan by the local authorities;
- (iv) permission, approval, licensing and registration of factory under the Tamil Nadu Factories Rules, 1950;
 - (v) approval under the Indian Electricity Rules, 1956;

Central Act 5 of 1923.

- (vi) registration under the Indian Boilers Act, 1923;
- (vii) no objection certificate from the Director of Fire and Rescue Service.
- (2) On receipt of the application, such application shall be forwarded to the competent authorities concerned within such time as may be prescribed to issue orders within the time limit specified in section 10.
- (3) If the competent authority concerned has rejected the application or has not passed any orders within the time limit specified in section 10 or has sought for further information from the applicant, which the State Level Authority considers unnecessary, the State Level Authority itself may process the application in respect of the following matters and pass orders within such period as may be prescribed, in accordance with law.—

Tamil Nadu Act 58 of 1961.

(a) permission under the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961;

Tamil Nadu Act 35 of 1972.

- (b) change in land use classification and permission under the Tamil Nadu Town and Country Planning Act, 1971;
 - (c) approval of site plan and building plan by the local authorities.

Explanation:—For the purpose of this clause, competent authority means the appellate authority referred to in section 10.

- (d) permission, approval, licensing and registration of factory under the Tamil Nadu Factories Rules, 1950.
- ${f 5.}$ The State Level Authority shall exercise the following powers and perform the following functions:—

Powers and functions of the State Level Authority.

- (a) to promote and assist in the rapid and orderly establishment, growth and development of industrial projects in the State;
- (b) to act as a single point contact for clearance required from different authorities or departments;
 - (c) to monitor the processing of application by the authorities concerned;
 - (d) to carryout investment promotional activities;
 - (e) to render necessary assistance in policy formulation in industrial progress;
 - (f) to guide and assist entrepreneurs to set up industries in the State;
- (g) to issue combined application Form to the entrepreneurs and also to receive the Forms from them and to arrange required clearances from the authorities concerned within the stipulated time;
 - (h) to perform any other functions as may be prescribed.
- **6.** (1) The Government shall constitute a District Level Authority in each District consisting of the following Members, namely:—

District Level Authority.

(a) The Collector of the District

Chairperson;

(b) Assistant Director of Land Reforms

Member;

(c) Member-Secretary of Local Planning Authority or Regional Deputy Director of Town and Country Planning as the case may be.

Member;

(d) Regional Director of Municipal Administration Member;
 (e) Assistant Director of Panchayat Member;
 (f) Executive Engineer, Tamil Nadu Electricity
 Board of the District Member;
 (g) Deputy Chief Inspector of Factories Member;
 (h) Electrical Inspector Member;
 (i) Assistant Director of Boilers Member;
 (ii) District Fire Officer Member;

(k) General Manager, District Industries Centre

Member-Secretary.

- (2) The District Level Authority shall meet at such times and such places as may be decided by the Chairperson and shall adopt such procedure to transact its business as may be prescribed.
- (3) A Member of the District Level Authority shall personally attend the meeting and in case he is unable to attend the meeting, he may depute a senior level officer under his control to attend the meeting with a written authorisation to take appropriate decision in the meeting.

Procedure for clearing industrial projects.

- **7.** (1) Every person who desires to setup a small or medium industrial project in a district may make an application in this behalf, complete in all respects, to the District Level Authority concerned for the matters mentioned in sub-section (1) of section 4 in such Forms and such fee as may be prescribed.
- (2) On receipt of the application, such application shall be forwarded to the competent authorities concerned within such time as may be prescribed to issue orders within the time limit specified in section 10.
- (3) If the competent authority concerned has rejected the application or has not passed any orders within the time limit specified in section 10 or has sought for further information from the applicant, which the District Level Authority considers unnecessary,—
- (i) the District Level Authority shall remit the matter to the State Level Authority to process the application in respect of the following matters and pass orders within such period as may be prescribed, in accordance with law.
- (a) permission under the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961;

Tamil Nadu Act 58 of 1961

- (b) change in land use classification and permission under the Tamil Nadu Town and Country Planning Act, 1971;
- Tamil Nadu Act 35 of 1972.
- (c) permission, approval, licensing and registration of factory under the Tamil Nadu Factories Rules, 1950;
- (ii) the District Level Authority itself may pass orders in respect of approval of site plan and building plan in accordance with law.

Explanation.— For the purpose of this clause, competent authority means the appellate authority referred to in section 10.

- 8. (1) Subject to the provisions of this Act, the District Level Authority shall exercise
- the following powers and perform the following functions:—

 (a) to promote and assist in the rapid and orderly establishment, growth

and development of industrial projects in the district;

(b) to act as a single point contact for clearance required from different authorities or departments;

Powers and functions of the District Level Authority.

- (c) to monitor the processing of application by the authorities concerned;
- (d) to carryout investment promotional activities in the district;
- (e) to guide and assist entrepreneurs to setup industries in the district;
- (f) to issue combined application Form to the entrepreneur and also to receive the Forms from them and to arrange required clearances from the authorities concerned within the stipulated time;
 - (g) to perform any other functions as may be prescribed.
- **9.** The Government may prescribe a combined application Form for the use of entrepreneur whose industrial projects are submitted either to the State Level Authority or District Level Authority in lieu of the Forms prescribed under any State Acts and the rules framed thereunder.

Combined application Form.

Time limit for clearance.

10. (1) Notwithstanding anything contained in any other law for the time being in force, the time limit for clearance by the competent authorities concerned shall be as follows, namely:—

	SI.No	Clearances	Time Limit
Tamil Nadu Act 58 of 1961.	1.	permission under the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961	60 days
Tamil Nadu Act 35 of 1972.	2.	change in land use classification and permission under the Tamil Nadu Town and Country Planning Act, 1971	45 days
	3.	approval of site plan and building plan by,-	
		(a) the local authorities.—	
		(i) for Multi Storey Building	45 days
		(ii) for other buildings	30 days
		(b) the appellate authorities.—	
		(i) for Multi Storey Building	30 days
		(ii) for other buildings	30 days
	4.	permission, approval, licensing and registration of factory under the Tamil Nadu Factories Rules, 1950	90 days
	5.	approval under the Indian Electricity Rules, 1956	30 days
			oo days
Central Act 5 of 1923.	6.	registration under the Indian Boilers Act, 1923	30 days
	7.	no objection certificate from the Director of Fire and Rescue Services	30 days.

of Fire and Rescue Services 30 days.

Explanation.—The time limit shall be reckoned from the date of receipt of the

application by the competent authorities concerned

11. Every entrepreneur shall furnish a 'Self Certification' at the time of submitting the duly completed combined application Form to the State Level Authority or District Level Authority, as the case may be, undertaking that he shall comply with the applicable provisions of the relevant Acts and the rules made thereunder. The undertaking shall be furnished in such Form as may be prescribed.

Self certification.

(2) The self certification furnished by the entrepreneur shall be accepted by the competent authority concerned for the purpose of issuing the required clearance.

Constitution of Fund and its application.

- 12. (1) There shall be established by every Authority a Fund and there shall be credited thereto—
- (a) all money received by the Authority from the Government by way of grants, loans, advances, or otherwise;
- (b) all fees received by the Authority under this Act or under any provision of law made applicable to the industrial project.
- (2) The Fund shall be applied towards meeting the expenses incurred by the Authority in the administration of the Authority and for no other purpose.

Accounts and audit.

- **13.** (1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the balance sheet in such Form as may be prescribed.
- (2) The accounts of the Authority shall be subjected to audit annually by such authority as may be prescribed.
- (3) A copy of the audited accounts together with the report shall be sent to the Government.

Annual report.

14. The Authority shall prepare for every year a report of its activities during that year and submit the report to the Government in such Form on or before such date as may be prescribed.

Returns.

15. The Authority shall furnish to the Government such reports, returns and other information as the Government may, from time to time, require.

Control by Government.

- **16.** (1) The Government may, from time to time, issue to the Authority such general or special directions as they deem necessary or expedient for the purpose of carrying out the purposes of this Act and the Authority shall be bound to follow and act upon such directions.
- (2) The Government may, at any time, either on its own motion or on application made to it in this behalf, call for the records of any case disposed of or order passed by the Authority for the purpose of satisfying itself as to the legality or propriety of any order passed or direction issued and may pass such order or issue such direction in relation thereto as it may think fit:

Provided that the Government shall not pass an order prejudicial to any person without affording such person a reasonable opportunity of being heard.

(3) Every order of the Government made in exercise of the powers conferred under this section shall be final.

Members, Officers and employees of Authority to be public servants. **17.** The Chairpersons, Members, Officers and other employees of the Authority shall, when acting or purporting to act in pursuance of any of the provisions of this Act or the rules made thereunder, be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

Central Act XLV of 1860.

- Act to override other laws.
- **18.** The provisions of this Act shall have overriding effect notwithstanding anything inconsistent therewith contained in any other State Law for the time being in force.

Application of other State Acts.

19. The Government may, by notification, direct that any of the provisions of the State Act or any rules made thereunder shall apply to the industrial projects to such extent and subject to such modifications, additions and restrictions as may be specified in the notification.

Open Space Reservation.

20. Notwithstanding anything contained in a regional plan, master plan or new town development plan approved under section 28 of the Tamil Nadu Town and Country Planning Act, 1971, the Open Space reserved under the regional plan, master plan or new town development plan shall be under the control of, and maintained by, the entrepreneur subject to such terms and conditions as may be prescribed:

Tamil Nadu Act 35 of 1972.

Provided that this section is not applicable to the entrepreneur who desires to set up industrial project relating to financial services, hospital or tourism.

21. Any entrepreneur who fails to comply with the undertaking in the self certification furnished under section 11, on conviction, be punishable with fine which may extend to one lakh rupees for the first offence and for the second or subsequent offence with fine which may extend to two lakh rupees.

Penalty.

22. (1) Where an offence against any of the provisions of this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Offences by companies.

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he has exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any such offence has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

- (a) "director" in relation to ---
 - (i) a firm, means a partner in the firm;
- (ii) a society, a Trust or other association of individuals, means the person who is entrusted under the rules of the society, Trust or other association with the management of the affairs of the society, Trust or other association, as the case may be.
- 23. The Government shall provide the State Level Authority and the District Level Authorities with such officers and employees as may be necessary for the efficient performance of their functions under this Act, and the salaries and allowances payable to, and the terms and conditions of service of, the officers and other employees appointed for the purpose of this Act, shall be such as may be prescribed.

Officers and employees of Authority.

24. No suit, prosecution or other legal proceeding shall be instituted against the Authority or its members, Government or any officer or person empowered to exercise the powers or perform the functions by or under this Act for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

Protection of action taken in good faith.

25. (1) The Government may make rules for carrying out all or any of the purposes of this Act.

Power to make rules.

- (2) Every rule made or notification issued under this Act shall, as soon as possible after it is made or issued, be placed on the Table of the Legislative Assembly and if, before the expiry of the session in which it is so placed or the next session, the Assembly makes any modification in any such rule or notification, or the Assembly decides that the rule or notification should not be made or issued, the rule or notification shall, thereafter, have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.
- **26.** The Authority may, with the previous approval of the Government, by notification make regulations, not inconsistent with the provisions of this Act and the rules made thereunder to perform its functions under this Act.

Power to make regulations.

Power to remove difficulties.

27. If any difficulty arises in giving effect to the provisions of this Act, the Government may, by notification, make such provision, not inconsistent with the provisions of this Act, as may appear to them to be necessary or expedient for removing the difficulty:

Provided that no such notification shall be issued after the expiry of three years from the date of commencement of this Act.

Amendment to section 37-A.

28. In section 37-A of the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961, in the Explanation to sub-section (1), the following shall be added at the end, namely:—

Tamil Nadu Act 58 of 1961.

"or which has applied to the State Level Authority or District Level Authority to set up industrial project under the Tamil Nadu Business Facilitation Act, 2009".

It is considered necessary to provide for the promotion of Industrial Development and Facilitation of new investments, to simplify the regulatory framework by reducing the procedural requirements and rationalizing documents and to provide for an investor friendly environment in the state of Tamil Nadu. Accordingly, it has been decided to enact a separate law for the following purposes:—

- (i) to constitute two Authorities; one at the State Level and the other at the District Level for the purpose of speedy issue of various clearances required for setting up of Industrial Projects in this state.
- (ii) to facilitate entrepreneurs by furnishing self certification at the time of submitting the Application form to the Authority.
 - 2. The Bill seeks to give effect to the above decision.

M.K. STALIN,
Deputy Chief Minister.

FINANCIAL MEMORANDUM.

Clause 23 of the Bill enables the Government to provide the State Level Authority and District Level Authorities with such officers and employees as may be necessary for the efficient performance of their functions under this Act.

2. The legislation, therefore, involves expenditure from the Consolidated Fund of the State. It is not, however, possible to estimate at this stage with any degree of accuracy the expenditure connected with the administration of the legislation.

M.K. STALIN,
Deputy Chief Minister.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clauses 1(2), 3(2), 4, 5(h), 6(2), 8(g), 9, 11(1), 13(1), 13(2), 14, 20, 23, 25 and 27 of the Bill authorise the Government to make rules and to issue notifications and orders and clause 26 authorises the State Level Authority and District Level Authorities to make regulations.

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

M.K. STALIN,
Deputy Chief Minister.

L.A. BILL No. 28 OF 2009

A Bill further to amend the Tamil Nadu Motor Vehicles Taxation Act, 1974.

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

1. (1) This Act may be called the Tamil Nadu Motor Vehicles Taxation (Amendment) Act, 2009.

Short title and commencement.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

Tamil Nadu Act 13 of 1974.

2. In section 2 of the Tamil Nadu Motor Vehicles Taxation Act, 1974 (hereinafter referred to as the principal Act), for clause (1-A), the following clauses shall be substituted, namely:—

Amendment of section 2.

"(1-A) "floor area" means total floor area inside the body of the vehicle (measuring length into breath) less ten per cent standard deduction of the total floor area:

Provided that the fraction of a square metre beyond the first decimal point of the net floor area arrived at after standard deduction shall be rounded off to the next higher decimal point;

- (1-B) "Government" means the State Government;".
- **3.** In the First Schedule to the principal Act, in class 2, for paragraph II, the following paragraph shall be substituted, namely:—

Amendment of First Schedule.

Rs. 4,900.00

- "II. Vehicles permitted to ply solely as contract carriage, whether classified as "Tourist Vehicle" or not, which the vehicle is permitted to carry,—
- (a) not more than thirty-five persons (other than driver), for every square metre of floor area of the vehicle;
- (b) more than thirty-five persons (other than driver), .. Rs. 3,000.00". for every person (other than the driver).

At present, as per class 2 (II) of the First Schedule to the Tamil Nadu Motor Vehicles Taxation Act, 1974 (Tamil Nadu Act 13 of 1974), in respect of Motor Vehicles plying soley as contract carriages and permitted to carry more than five persons (other than the driver), a quarterly tax of Rs.3,000/- is being levied. As there is no provision in the Tamil Nadu Motor Vehicles Rules, 1989 to flx the number of seats to be accommodated in a contract carriage, the contract carriage operators. are fixing lesser number of seats than the maximum number of seats possible and pay tax only for every person which the vehicle is permitted to carry. This leads to loss of revenue. Hence, in order to safeguard the tax revenue, the Government have decided to levy tax on floor area basis in respect of contract carriages permitted to carry not more than 35 persons and for other contract carriages on seat basis. The Government have, therefore, decided to amend the said Act for the above purpose.

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

K.N. NEHRU, Minister for Transport.

L.A. BILL No. 29 OF 2009

A Bill further to amend the Tamil Nadu Motor Vehicles Taxation Act, 1974.

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

1. (1) This Act may be called the Tamil Nadu Motor Vehicles Taxation (Second Amendment) Act, 2009.

Short title and commencement.

(2) It shall come into force on such date as the Government may, by notification, appoint.

Tamil Nadu Act 13 of 1974. 2. In section 20-B of the Tamil Nadu Motor Vehicles Taxation Act, 1974 the following proviso shall be added, namely:—

Amendment of section 20-B.

"Provided that, no appeal against the direction of the licensing officer under section 15-A shall be entertained unless it is accompanied by satisfactory proof of the payment of fifty per cent of the tax as so directed to be paid by the licensing officer.".

At present, there is no provision in the Tamil Nadu Motor Vehicles Taxation Act, (Tamil Nadu Act 13 of 1974) for payment of part of the tax to be paid as specified in the direction of the Licensing Officer under Section 15-A of the said Act by the registered owner or the person having possession or control of the motor vehicle while preferring an appeal. It is, therefore, proposed to amend the said Act suitably for payment of fifty per cent of the tax directed to be paid under Section 15-A while preferring an appeal. Accordingly, the Government have decided to amend the said Act for the purpose in view.

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

K.N. NEHRU, Minister for Transport.

L.A. BILL No. 30 OF 2009

A Bill further to amend the Tamil Nadu Motor Vehicles Taxation Act, 1974.

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

 ${f 1.}$ (1) This Act may be called the Tamil Nadu Motor Vehicles Taxation (Third Amendment) Act, 2009.

Short title and commencement.

(2) It shall come into force on the first day of August 2009.

Tamil Nadu

13 of 1974.

Act

2. After section 3-A of the Tamil Nadu Motor Vehicles Taxation Act, 1974 (hereinafter referred to as the principal Act), the following section shall be inserted, namely:—

Insertion of section 3-B.

- "3-B. Levy of Road Safety Tax.—(1) There shall be levied and collected an additional tax called "road safety tax", at the time of registration of motor vehicle, at the rates specified in the Sixth Schedule for the purpose of implementation of various road safety measures.
- (2) The tax levied under sub-section (1) shall be paid in such manner as may be prescribed.
- (3) Subject to the provisions of sub-section (2), the provisions of the Act and the rules made thereunder excluding those relating to refund of tax shall, so far as may be apply in relation to the levy and collection of the tax payable under sub-section (1), as they apply in relation to the levy and collection of motor vehicles tax under this Act.".
- ${\bf 3.}$ After the Fifth Schedule to the principal Act, the following Schedule shall be added, namely:—

Insertion of new Schedule.

"SIXTH SCHEDULE.

(See section 3-B)

	Class of Motor Vehicles.	Tax Rs.
	(1)	(2)
1.	Motor Cycles	250/-
2.	Light Motor Vehicles	1,500/-
3.	Other Motor Vehicles.	2,000/-".

In the Budget for the year 2009-2010, it has been announced that in order to implement the Road Safety Policy and to give relief to the families of victims of road accidents, the Government have proposed to levy Road Safety Tax on the new motor vehicles at the time of registration. Accordingly, the Government have decided to amend the Tamil Nadu Motor Vehicles Taxation Act, 1974 (Tamil Nadu Act 13 of 1974) for the purpose.

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

K.N. NEHRU, Minister for Transport.

L.A. BILL No. 31 OF 2009

A Bill to amend the Tamil Nadu Agricultural Labourers - Farmers (Social Security and Welfare) Act, 2006.

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

1. (1) This Act may be called the Tamil Nadu Agricultural Labourers - Farmers (Social Security and Welfare) Amendment Act, 2009.

Short title and commencement.

(2) It shall be deemed to have come into force on the 3rd day of June 2009.

Tamil Nadu Act 29 of 2006. **2.** In section 5 of the Tamil Nadu Agricultural Labourers - Farmers (Social Security and Welfare) Act, 2006, for sub-section (4), the following sub-section shall be substituted, namely:—

Amendment of section 5.

"(4) The Chairman of the Board shall be appointed from amongst the members nominated to represent the Government and a Joint Chairman of the Board may be appointed from amongst the members.".

At present, Section 5 of the Tamil Nadu Agricultural Labourers - Farmers (Social Security and Welfare) Act, 2006 (Tamil Nadu Act 29 of 2006) provides for the appointment of a Chairman to the Tamil Nadu Agricultural Labourers Welfare Board from amongst the members nominated to represent the Government. In G.O. Ms. No. 186, Revenue, dated 03-06-2009, the Government have appointed a Joint Chairman also to the said Board from amongst the members of the Board. In order to give statutory backing to the said appointment of the Joint Chairman to the said Board, the Government have decided to amend the said Tamil Nadu Act 29 of 2006 suitably, for the purpose.

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

I. PERIYASAMY,
Minister for Revenue and Housing.

L.A. BILL No. 32 OF 2009

A Bill further to amend the Tamil Nadu Value Added Tax Act, 2006.

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

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Fourth Amendment) Act, 2009.

Short title and commencement.

- (2) It shall come into force on such date as the State Government may, by notification, appoint.
- **2.** After section 6 of the Tamil Nadu Value Added Tax Act, 2006 (hereinafter referred to as the principal Act), the following section shall be inserted, namely:—

Insertion of new section 6-A.

"6-A. Payment of tax at compounded rate by brick manufacturers.-

- (1) Notwithstanding anything contained in this Act, every dealer manufacturing bricks may, at his option, instead of payment of tax in accordance with the provisions of sub-section (2) of section 3, pay tax, for each year, by way of composition, the lumpsum linked with production capacity of each kiln as specified in the Seventh Schedule.
- (2) Every dealer, who opts for payment of tax under sub-section (1), shall apply to the assessing authority on or before the 30th day of April of the year or within thirty days of commencement of business, as the case may be and shall pay tax in advance during the year in monthly instalments and for this purpose, he shall furnish such returns, within such period and in such manner, as may be prescribed:

Provided that for the year 2009-2010, every dealer who opts for payment of tax under sub-section (1) shall apply to the assessing authority within two months from the date of commencement of the Tamil Nadu Value Added Tax (Fourth Amendment) Act, 2009:

Provided further that in respect of dealers referred to in the first proviso, the total turnover for the period prior to the date of opting for payment of tax under sub-section (1), shall be treated as the total turnover for that year and the excess input tax credit, if any, on that date shall lapse to the Government.

- (3) The option so exercised under sub-section (2) shall be final for that year and shall continue for subsequent years until the dealer becomes ineligible or withdraws his option in writing.
- (4) The dealer who pays tax under this section shall not collect any amount by way of tax or purporting to be by way of tax and shall not be entitled to input tax credit on goods purchased by him.
- (5) The dealer who purchases goods from such dealer shall not be entitled to input tax credit on the goods purchased by him.
- (6) Notwithstanding the operation of a brick kiln for a part of the year, the dealer owning the kiln and opted for payment of lumpsum shall be liable to make payment of lumpsum for the whole year, except when the dealer opts for payment of lumpsum for the first time after the commencement of the business, he shall be liable to pay lumpsum from the beginning of the month in which he exercises his option.

Explanation.—For the purpose of this section, "brick manufacturer" means the manufacturer of brick specified in sub-item (a) or (b) of item (22) in Part-B of the First Schedule.".

3. After the Sixth Schedule to the principal Act, the following Schedule shall be added, namely:—

Insertion of Seventh Schedule.

Tamil Nadu Act 32 of

"THE SEVENTH SCHEDULE.

(See section 6-A)

Compounded rate for Brick kilns.

Serial No.	Brick Kiln capacity.	Lumpsum tax per annum in lieu of tax payable.
1.	Kiln upto 16 chambers	Rs. 90,000
2.	Kiln with more than 16 chambers but not exceeding 26 chambers	Rs. 1,20,000
3.	Kiln with more than 26 chambers but not exceeding 32 chambers	Rs. 1,80,000
4.	Kiln with more than 32 chambers	Rs. 1,80,000 plus Rs. 6,000 per additional chamber above 32 chambers.

Explanation:—If a kiln is designed to be fired at two places, the rate of lumpsum payable by the dealer owning such kiln shall be double of the aforesaid rates.".

In the Budget Speech for the year 2009-2010, it has been announced that to enable Brick manufacturers to pay tax in a simple manner, tax will be levied on the basis of number of kilns, at the option of the dealers. To give effect to the above announcement, the Government have decided to amend the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006) suitably.

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

S.N.M. UBAYADULLAH, *Minister for Commercial Taxes.*

MEMORANDUM REGARDING DELEGATED LEGISLATION

New Section 6-A of the Tamil Nadu Value Added Tax Act, 2006 proposed in clause 2 of the Bill authorize the Government to make Rules to carry out the purposes specified therein.

2. The power delegated is normal and not of an exceptional character.

S.N.M. UBAYADULLAH,
Minister for Commercial Taxes.

L.A. BILL No. 33 OF 2009

A Bill further to amend the Tamil Nadu Value Added Tax Act, 2006.

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

1. (1) This Act may be called the Tamil Nadu Value Added Tax (Fifth Amendment) Act, 2009.

Short title and commencement.

(2) It shall come into force at once.

Tamil Nadu Act 32 of 2006. 2. After sub-section (1) of section 3 of the Tamil Nadu Value Added Tax Act, 2006, the following sub-section shall be inserted, namely:—

Amendment of section 3.

"(1-A) Notwithstanding anything contained in this Act, for the purpose of assessment of tax under this Act, for the period from the 1st day of January 2007 to the 31st day of March 2007 in respect of dealers referred to in clause (a) or (b) of sub-section (1), the total turnover for the period from the 1st day of April 2006 to the 31st day of December 2006 under the repealed Tamil Nadu General Sales Tax Act, 1959 and the total turnover for the period from the 1st day of January 2007 to the 31st day of March 2007 under this Act, shall be the total turnover for the year 2006-2007. In respect of such dealer whose total turnover for that year exceeds the total turnover referred to in the said clause (a) or (b) of sub-section (1) and if,—

- (a) such dealer has not collected the tax under this Act, he is not liable to pay tax under this Act,
- (b) such dealer has collected the tax under this Act, he is liable to pay tax under this Act and the other provisions of this Act shall apply to such dealer.".

Tamil Nadu Act 1 of 1959.

In the Budget Speech for the year 2009-2010, it has been announced that for the assessments for the period from 01-01-2007 to 31-03-2007 under the Tamil Nadu Value Added Tax Act, 2006 (Tamil Nadu Act 32 of 2006), the total turnover under the repealed Tamil' Nadu General Sales Tax Act, 1959 (Tamil Act 1 of 1959) for the period from 01-04-2006 to 31-12-2006 and the total turnover for the period from 01-01-2007 to 31-03-2007 under the said Tamil Nadu Act 32 of 2006 has to be taken into account and the assessment would be made only on dealers who have collected Value Added Tax during the period from 01.01.2007 to 31.03.2007. To give effect to the above announcement, the Government have decided to amend the said Tamil Nadu Act 32 of 2006 suitably.

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

S.N.M. UBAYADULLAH, *Minister for Commercial Taxes.*