



ABSTRACT

Commercial Taxes Department - Premature Payment of the amount of deferred taxes at Net Present Value (NPV) Scheme - Rate of discount for the financial year 2012-2013 – Orders – Issued.

Commercial Taxes and Registration (F1) Department

G.O.(Ms) No.24

**Dated: 13.03.2013
Maasi - 29
Thiruvalluvar Aandu 2044**

Read:

1. G.O.(Ms) No.60, Commercial Taxes and Registration (F1) Department, dated 28.2.2007.
2. Government letter No.6192/F1/2007-3, Commercial Taxes and Registration (F1) Department, dated 10.8.2007.
3. G.O.(Ms) No.137, Commercial Taxes and Registration (F1) Department, dated 8.9.2009.
4. G.O.(Ms) No.167, Commercial Taxes and Registration (F1) Department, dated 18.11.2009.
5. G.O.(Ms) No.27, Commercial Taxes and Registration (F1) Department, dated 24.2.2011.
6. G.O.(Ms) No.121, Commercial Taxes and Registration (F1) Department, dated 28.09.2011.
7. From Commissioner of Commercial Taxes Letter No.Q2/20110/2012, dated 26.06.2012.

ORDER:

In the G.O. first read above, the Government have formulated a scheme for premature payment of deferred taxes for benefit of industrial units who have been allowed the benefit of deferment, subject to certain conditions and restrictions, and ordered to calculate the premature payment of deferred taxes at a discount rate of 5% per annum. Subsequently, the Government in the letter second read above, modified the rate of discount from 5% per annum to 7.5% per annum and simultaneously decided to reset the rate every financial year based on the cost of borrowing of the Government in the respective year. The rate of payment of premature payment of the amount of deferred taxes as fixed from the year 2008-2009 to 2011-2012 is as follows:-

Sl. No.	Year	G.O.Number and Date	Rate fixed (%)
1.	2008-09	G.O.Ms.No.167, Commercial Taxes and Registration Department, dt.18.11.2009.	7.5
2.	2009-10	G.O.Ms.No.137, Commercial Taxes and Registration Department, dt.8.9.2009.	8
3.	2010-11	G.O.Ms.No.27, Commercial Taxes and Registration Department, dt.24.2.2011.	8
4.	2011-12	G.O.Ms.No.121, Commercial Taxes and Registration Department, dt.28.09.2011.	7.5

[PTO]

2. The Commissioner of Commercial Taxes in his letter seventh read above has stated that the rate could be fixed for the financial year 2012-2013 in consonance with the deposit rates offered by the banks. He has furnished the rates offered by the following banks for deposits up to Rs. 1 crore for a period of 5 years as detailed below :-

Name of the Bank	Interest	Tenure
IDBI	9.25%	5 years
SBI	8.75%	5 years
Canara Bank	9%	5 years
Indian Bank	9%	5 years
Punjab National Bank	8.75%	5 years
Axis Bank	8.75%	5 years
Bank of Baroda	8.5%	5 years

3. In view of the above, the Commissioner of Commercial Taxes has requested the Government to issue order regarding the rate under Net Present Value Scheme for the year 2012-2013.

4. The Government have carefully examined the proposal of the Commissioner of Commercial Taxes and order that the rate of discount on the premature payment of deferred taxes at Net Present Value (NPV) scheme be fixed at 7.5% per annum for the Financial Year 2012-2013.

5. This order issues with the concurrence of the Finance Department vide its U.O.No.2855/FS/P/Revenue/2012, Finance Department, dated 29.08.2012.

(BY ORDER OF THE GOVERNOR)

SUNIL PALIWAL
SECRETARY TO GOVERNMENT.

To

The Commissioner of Commercial Taxes, Chennai-5.

Copy to:

The Chief Minister's Office, Chennai-9.

The Senior PA to Minister (Commercial Taxes and Registration), Chennai-9.

The Commercial Taxes and Registration (B/C/D) Department, Chennai-9.

National Informatics Centre, Chennai-9. (with a request to publish the G.O. in the Tamil Nadu Government Website www.tn.gov.in)

The Finance Department, Chennai-9.

SF/ SC.

//Forwarded by Order//

Section Officer.