

From

Thiru Syed Munir Hoda, I.A.S.,
Secretary to Government

To

The Accountant General (Audit) Tamil Nadu
44, Greams Road, Chennai-6.

Sir,

Sub: Motor Vehicles -Taxation-Levy of Life Time Tax for four Wheeler non-transport vehicles
as per Tamil Nadu Act 27 of 1998-Construction equipment vehicles-levy of tax -
clarification-sent.

Ref:- (1) your Letter No.ISRV/MVT. 11/21-2012001-201212.Dated 18-10-2001 and 28-2-2003

(2) From the Transport Commissioner, Chennai. Letter No. 01/15533/2003
Dt: 7.11.2003

I am directed to refer to your letters 1 cited and clarify that the payment of life time tax system for vehicles such as Car, jeep. Van which is used for non-transport purpose was introduced in Tamil Nadu Act 27 of 1998 with effect of the Tamil Nadu Act 27 of 1998 with effect from 1.7.1998. The life time tax specified in III rd schedule of the Tamil Nadu Motor Vehicles Taxation Act is applicable only to vehicles such cars, jeeps van etc., which are used for non-transport purpose. Statement of objects and reasons reduced before Tamil Nadu Legislative Assembly at the time of legislation would corroborate this stand clearly. Payment of tax for this class of vehicles (new and old) will be as per section 4 (1- A)(a) and 4(1-A)(b) of the said Act. In respect of other non-transport vehicles which are not covered under reschedule to the Tamil Nadu Motor Vehicles Taxation Act, 1989.Payment of tax will be accordance of other classifications made in the 1st schedule of the Act. At present, the vehicles or tractors fitted with equipment like rigs or generators, compressor are classified as one of the kinds of non-transport vehicles category and the tax in respect of vehicles are levied at Rs.3500/- per annum as per Clause of 1-St schedule tot eh said Act. In the instant can since the Government of India, have clarified the Construction equipment vehicle defined under the Motor vehicles Rule as non-Transport vehicle and do not belong to class of vehicles such as cars Jeep they have to be treated on per with the vehicles covered under clause 6 B of 1-st schedule to the Tamil Nadu Motor Vehicles Taxation Act, 1974. for the purpose of taxation

Yours faithful
FOR SECRETARY TO GOVERNMENT