



## The Tamil Nadu Municipal Laws (Second Amendment) Act, 1998



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# TAMIL NADU ACT 059 OF 1998 : TAMIL NADU MUNICIPAL LAWS (SECOND AMENDMENT) ACT, 1998

• Text

Tamil Nadu Municipal Laws (Second Amendment) Act, 1998\*

[Tamil Nadu Act No. 59 of 1998]

[26th December, 1998]

*An Act Further to Amend the Laws Deleting to ??? Corporations and Municipalities in the State of Tamil Nadu*

Be it enacted by the Legislative Assembly of the State of Tamil Nadu ??? Year of the Republic of India as follows:-

\* Received the assent of the Governor on the 26th December, 1998 and published in the Tamil Nadu Government Gazette, Extraordinary.

Tamil Nadu Municipal Laws (Second Amendment) Act, 1998\*

[Tamil Nadu Act No. 34 of 1998]

[21st October, 1998]

*An Act to amend the Tamil Nadu Municipal Laws (Second Amendment) Act, 1997*

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Forty-ninth Year of the Republic of India as follows:-

\* Received the assent of the Governor on the 21st October, 1998 and published in the Tamil Nadu Government Gazette, Extraordinary.

## **PART-I**

### **PRELIMINARY**

**1. Short title and commencement.**- (1) This Act may be called the **Tamil Nadu Municipal Laws (Second Amendment) Act, 1998**.

(2) It shall be deemed to have come into fore: on the 1st day of October, 1998.

**2. Amendment of section 2.**- In section 2 of the Tamil Nadu Municipal Laws (Second Amendment) Act, 1997 (Tamil Nadu Act 65 of 1997) (hereinafter referred to as the 1997 Act).-

(1) in section proposed to be substituted in the Chennai City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919) (hereafter in this section referred to as the 1919 Act)-

after sub-section (5), the following sub-section shall be inserted, namely:-

"(5-A) In the case of failure to furnish a return under sub-section (2) or sub-section (3), the Commissioner shall, in addition to the tax determined under sub-section (5), direct the owner or occupier of any building or land to pay by way of penalty, a sum of rupees two hundred and fifty, or five per cent of the tax determined under sub-section (5), whichever is higher.

(2) in section 100 proposed to be substituted in the 1919 Act, for clause (b), the following clauses shall be substituted, namely:-

"(b) additional basic property tax for every building with reference to its location;

(bb) additional basic property tax for every building with reference to its type of construction;

(3) in section 102 proposed to be substituted in the 1919 Act,-

(a) in sub-section (1), the proviso shall be omitted;

(b) for sub-section (4), the following sub-sections shall be substituted, namely:-

"(4)(a) Where there is any land without any building situated within the City limit, the Commissioner shall determine the property tax payable for such land at the rate fixed by the council.

(b) Where there is any land with building situated within the City limit, and if the extent of the land left vacant is twice the plinth area of the building, the Commissioner shall determine the property tax on the vacant land which exceeds twice the plinth area of the building at the rate fixed by the council.

Provided that no property tax on any land shall be levied under this sub-section if the extent of such land with or without any building thereon, does not exceed two thousand and four hundred square feet.

(5) The Council may, subject to such rules as may be made by the Government by notification, in this behalf, exempt any building having a carpet area not exceeding one hundred square feet, constructed with mud walls and ??? roof, from the levy of property tax."

(4) after section 106 proposed to be substituted in the 1919 Act, the following section shall be inserted, namely:-

"106-A. Education tax.- The Council may levy education tax within its area, at such rate not exceeding five per cent of the property tax and in such manner as the council may determine."

(5) in section 107 proposed to be substituted in the 1919 Act, in sub-section (8), after the expression "by the Tribunal", the following shall be added, namely:-

"and the appellant shall continue to deposit the property tax with the corporation as decided by the Tribunal till the disposal of the appeal by the District Judge".

**3. Amendment of section 5.-** In section 5 of the 1997 Act,-

(1) in section 81 proposed to be substituted in the Tamil Nadu District Municipalities Act, 1920 (hereafter in this section referred to as the 1920 Act),-after sub-section (5), the following sub-section shall be inserted, namely:-

"(5-A) In the case of failure to furnish a return under sub-section (2) or sub-section (3), the executive authority shall, in addition to the tax determined under sub-section (5), direct the owner or occupier of any building or land to pay by way of penalty, a sum of rupees two hundred and fifty, or five per cent of the tax determined under sub-section (5), whichever is higher.

(2) in section 82 proposed to be substituted in the 1920 Act, for clause (b), the following clauses shall be substituted, namely:-

"(b) additional basic property tax for every building with reference to its location;

(bb) additional basic property tax for every building with reference to its type of construction;"

(3) in section 84 proposed to be substituted in the 1920 Act,-

(a) in sub-section (1), the proviso shall be omitted;

(b) for sub-section (4), the following sub-sections shall be substituted, namely:-

"(4)(a) Where there is any land without any building situated within the municipal limit, the executive authority shall determine the property tax payable for such land at the rule fixed by the municipal council.

(b) Where there is any land with building situated within the municipal limit, and if the extent of the land left vacant is twice the plinth area of the building, the executive authority shall determine the property tax on the vacant land which exceeds twice the plinth area of the building at the rate fixed by the municipal council:

Provided that no property tax on any land shall be levied under this sub-section if the extent of such land with or without any building thereon, does not exceed two thousand and four hundred square feet.

(5) The municipal council may, subject to such rules as may be made by the Government, by notification, in this behalf, exempt any building having a carpet area not exceeding one hundred square feet, constructed with mud walls and thatched roof, from the levy of property tax.

(4) after section 88 proposed to be substituted in the 1920 Act, the following section shall be inserted, namely:-

"88-A. Education tax.-The municipal council may levy education tax within its area, at such rate not exceeding five per cent of the property tax and in such manner as the municipal council may determine."

(5) in section 89 proposed to be substituted in the 1920 Act in sub-section (4), after the expression "by the Taxation Appeals Committee", the following shall be added, namely:-

"and the appellant shall continue to deposit the property tax with the town panchayat or municipality, as the case may be, as decided by the Taxation Appeal Committee till the disposal of the appeal by the District Judge".

**4. Amendment of section 7.-** In section 7 of the 1997 Act,-

(1) in section 120 proposed to be substituted in the Madurai City Municipal Corporation Act, 1971 (Tamil ??? Act, 1971) (hereafter in this section referred to as the 1971 Act), after sub-section (5), the following sub-section shall be inserted, namely:-

"(5-A) In the case of failure to furnish a return under sub-section (2) or sub-section (3), the Commissioner shall, in addition to the tax determined under sub-section (5), direct the owner or occupier of any building or land to pay by way of penalty, a sum of rupees two hundred and fifty, or five per cent of the tax determined under sub-section (5), whichever is higher.";

(2) in section 121 proposed to be substituted in the 1971 Act, for clause (b), the following clauses shall be substituted, namely:-

"(b) additional basic property tax for every building with reference to its location;

(bb) additional basic property tax for every building with reference to its type of construction";

(3) in section 123 proposed to be substituted in the 1971 Act,-

(a) in sub-section (1), the proviso shall be omitted;

(b) in sub-section (2), in clause (c), for the expression "not exceeding the maximum of guideline value", the expression "fixed by the Council" shall be substituted:

(c) in sub-section (4), the expression "not exceeding the maximum of ??? value" shall be omitted;

(d) for sub-section (4), the following sub-sections shall be substituted, namely:-

"(4)(a) Where there is any land without any building situated within the City limit, the Commissioner shall determine the property tax payable for such land at the rate fixed by the Council.

(b) Where there is any land with building situated within the City limit, and if the extent of the land left vacant is twice the plinth area of the building, the Commissioner shall determine the property tax on the vacant land which exceeds twice the plinth area of the building at the rate fixed by the council:

Provided that no property tax on any land shall be levied under this sub-section if the extent of such land with or without any building thereon, does not exceed two thousand and four hundred square feet.

(5) The council may, subject to such rules as may be made by the Government, by notification, in this behalf, exempt any building having a carpet area not exceeding one hundred square feet, constructed with mud walls and thatched roof, from the levy of property tax.";

(4) after section 127 proposed to be substituted in the 1971 Act, the following action shall be inserted, namely:-

"127-A. Education tax,-The council may levy education tax within its area, at such rate not exceeding five per cent of the property tax and in such manner as the council may determine.";

(5) in section 128 proposed to be substituted in the 1971 Act, in sub-section (8), after the expression "by the Tribunal", the following shall be added, namely:-

"and the appellant shall continue to deposit the property tax with the ??? as decided by the Tribunal till the disposal of the appeal by the District Judge."

**5. Amendment of section 9.-** In section 9 of the 1997 Act,-

(1) in section 121 proposed to be substituted in the Coimbatore City Municipal corporation Act, 1981 (hereafter in this section referred to as the 1981 Act),- after sub-section (5), the following sub-section shall be inserted, namely:-

"(5-A) In the case of failure to furnish a return under sub-section (2) or sub-section (3), the Commissioner shall, in addition to the tax determined under sub-section (5), direct the owner or occupier of any building or land to pay by way of penalty, a sura of rupees two hundred and fifty, or five per cent of the tax determined under sub-section (5), whichever is higher.";

(2) in section 122 proposed to be substituted in the 1981 Act, for clause (b), the following clauses shall be substituted, namely:-

"(b) additional basic property tax for every building with reference to its location;

(bb) additional basic property tax for every building with reference to its type of construction;"

(3) in section 124 proposed to be substituted in the 1981 Act,-

(a) in sub-section (1), the proviso shall be omitted;

(b) for sub-section (4), the following sub-sections shall be substituted, namely:-

(4)(a) Where there is any land without any building situated within the City limit, the Commissioner shall determine the property tax payable for such land at the rate fixed by the council.

(b) Where there is any land with building situated within the City limit, and if the extent of the land left vacant is twice the plinth area of the building, the Commissioner shall determine the

property tax on the vacant land which exceeds twice the plinth area of the building at the rate fixed by the council:

Provided that no property tax on any land shall be levied under this sub-section if the extent of such land with or without any building thereon, does not exceed two thousand and four hundred square feet.

(5) The Council may, subject to such rules as may be made by the Government, by notification, in this behalf, exempt any building having a carpet area not exceeding one hundred square feet, constructed with mod walls and thatched roof, from the levy of property tax.";

(4) after section 128 proposed to be substituted in the 1981 Act, the following section shall be inserted, namely,-

"128-A. Education tax.-The council may levy education tax within its area, at such rate not exceeding five per cent of the property tax and in such manner as the council may determine.";

(5) in section 129 proposed to be substituted in the 1981 Act, in sub-section (8), after the expression "by the Tribunal" the following shall be added, namely:-

"and the appellant shall continue to deposit the property tax with the corporation as decided by the Tribunal till the disposal of the appeal by the District Judge."

**1. Short title and commencement.-** (1) This Act may be called the **Tamil Nadu Municipal Laws (Second Amendment) Act, 1998.**

(2) It shall come into force at once.

## **PART-II**

### **AMENDMENTS TO THE CHENNAI CITY MUNICIPAL CORPORATION ACT, 1919**

**2. Insertion of new Chapter VA.-** After Chapter V of the Chennai City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919) the following Chapter shall be inserted, namely:-

#### **"CHAPTER-V-A**

Tax on profession, trade, calling and employment

138-A. *Definitions.*-For the purposes of this Chapter,-



- (a) "employee" means a person employed on salary and ???,-
- (i) a Government servant receiving pay from the revere of the ??? Government or any State Government;
- (ii) a person in the service of a body whether ??? owned or controlled by the Central Government or any State Government, where such body operates within the Corporation limit even though its head quarters may ??? outside the Corporation limit; and
- (iii) a person engaged in any employment by an employer, not covered by sub-clauses (i) and (ii);
- (b) "employer" in relation to an employee earning any salary on a regular basis under his means, the person or the officer who is responsible for disbursement of such salary and includes the head of the office or any establishment as well as the Manager or Agent of the employer;
- (c) "half-year" shall be from the 1st day of April to the 30th day of September and from the 1st day of October to the 31st day of March of a year;
- (d) "month" means a calendar month;
- (e) "person" means any person who is engaged actively or otherwise in any profession, trade, calling or employment in the State of Tamil Nadu and includes a Hindu undivided family, firm, company, corporation or other corporate body, any society, club, body of persons or association, so engaged, but does not include any person employee on a casual basis;
- (f) "tax" means the tax on profession, trade, calling and employment levied under this Chapter.

138-B. *Levy of profession tax.*- (1) There shall be levied by the Council a tax on profession, trade, calling and employment.

(2) Every company which transacts business and every person, who is engaged actively or otherwise in any profession, trade, calling or employment within the city on the first day of the half-year for which return is filed, shall pay half-yearly tax at the rates specified in the Table below in such manner as may be prescribed:-

THE TABLE

Serial number.	Average half-yearly income.	Half-yearly tax.
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(1)	(2)	(3)
	From	To
	Rs.	Rs.
1	Upto 21,000	..
2	21,001	30,000
3	30,001	45,000
4	45,001	60,000
5	60,001	75,000
6	75,001 and above	..

(3) The rate of tax payable under sub-section (2) shall be published by the Commissioner in such manner as may be prescribed.

(4) Where a company or person proves that it or he has paid the sum due on account of the tax levied under this Chapter or any tax of the name of a profession tax imposed under the Cantonments Act, 1924 (???) Act, 1924) for the same half-year to any local authority or cantonment authority in the State of Tamil Nadu, such company or person shall not be liable, by reason merely of change of place of business, exercise of profession, trade, calling or employment, or residence, to pay the tax to any other local authority or cantonment authority.

(5) The tax leviable from a firm, association or Hindu undivided family may be levied on any adult member of the firm, association or family.

(6) Where a person doing the same business in the same name in one or more places within the city, the income of such business in all places within the city shall be computed for the purpose of levy of tax and such person shall pay the tax in accordance with the provisions of this Chapter.

(7) Where any company, corporate body, society, firm, body of persons or association pays the tax under this Chapter, any director, partner or member, as the case may be, of such company, corporate body, society, firm, body of persons of association shall not be liable to pay tax under this Chapter for the income derived by such director, partner or member from such company, corporate body, society, firm, body of persons or association:

Provided that such director, partner or member shall be liable to pay tax under this Chapter for the income derived from other sources.

(8) Every person who is liable to pay tax, other than a person earning salary or wage shall furnish to the Commissioner ??? in such form, for such period and within such date and in such manner as may be prescribed:

Provided that subject to the provisions of sub-sections 10) and (11), such person may make a self assessment on the basis of average half-yearly income of the previous financial year and the return filed by him shall be accepted without calling for the accounts and without any inspection.

(9) Every such return shall accompany with the proof of payment of the full amount of tax due according to the return and a return without such proof of payment shall not be deemed to have been duly filed.

(10) Notwithstanding anything contained in the proviso to sub-section (8), the Commissioner may select ten per cent of the total number of such assessment in such manner as may be prescribed for the purpose of detailed scrutiny ??? the correctness of the return submitted by person in this connection and in such cases final assessment order shall be based in accordance with the provisions of this Chapter.

(11) If no return is submitted by any person under sub-section (8) within the prescribed period or if the return submitted by him appears to the Commission to be incomplete or incorrect, the Commissioner shall, after making such enquiry as he may consider necessary, assess such person to the best of his judgment:

Provided that before taking action under this sub-section, the person shall be given a reasonable opportunity of proving the correctness or completeness any return submitted by him.

(12) Every person who is liable to pay tax under this section, other than a person ??? salary or wage-

(a) shall be issued with a pass book containing such details relating to such payment of tax as may be prescribed and if the passbook is lost or accidentally destroyed, the Commissioner may, on an application made by the person accompanied by such fee as may be fixed by the Council, issue to such person a duplicate of the pass book,

(b) shall be allotted a permanent account number and such person shall

(i) quote such number in all his returns to, or correspondent with the Commissioner;

(ii) quote such number in all challans for the payment of any sum due under this Chapter.

(13) The rate of tax specified under sub-section (2) shall be revised by the Council once in every five years and such revision of tax shall be increased not less than twenty-five per cent and not more than thirty-five per cent of the tax levied immediately before the date of revision.

138-C. *Employers liability to deduct and pay tax on behalf of the employees.*- The tax payable by any person earning a salary or wage shall be deducted by his employer from the salary payable to such person, before such salary or wage is paid to him in such manner as may be prescribed and such employer shall, irrespective of whether such deduction has been made or not when the salary or wage is paid to such person be liable to pay tax on behalf of such person:

Provided that if the employer is an officer of the State or Central Government, the Government may, notwithstanding any thing contained in this Chapter, prescribe the manner in which such employer shall discharge the said liability.

138-D. *Filing of returns by employer.*- (1) Every employer liable to pay tax under this Chapter shall file a return to the Commissioner, in such form, for such period and by such date as may be prescribed, showing therein the salaries paid by him to the employees and the amount of tax deducted by him in respect of such employees.

(2) Every such return shall accompany with the proof of payment of the full amount of tax due according to the return and a return without such proof of payment shall not be deemed to have been duly filed.

138-E. *Assessment of the employer.*- (1) The Commissioner, if satisfied that any return filed by any employer under sub-section (1) of section 138-D is correct and complete, shall accept the return.

(2) Where an employer has failed to file any return under sub-section (1) of section 138-D within the time or if the return filed by him appears to the Commissioner to be incorrect or incomplete, the Commissioner shall, after making such enquiry as he considers necessary, determine the tax due

and assess the employer to the best of his judgment and issue a notice of ??? for the tax so assessed:

Provided that before assessing the tax cue, the Commissioner shall give the employer a reasonable opportunity of being heard.

138-F. *Penalty and interest.*- (1) In addition to the a assessed under sub-section (11) of section 138-B or sub-section (2) of section 138-E in the case of submission of incorrect or incomplete return, the Commissioner shall direct the person or employer to pay by way of penalty of one hundred per cent of the difference of the tax assessed and the tax paid as per return:

Provided that no penalty under this sub-section shall to imposed after the period of three years from the date of the order of the assessment under this Chapter and unless the person affected has had a reasonable opportunity of showing cause against such imposition.

(2) On any amount remaining unpaid after the dates specified for its payment, the person or employer shall pay, in addition to the amount due, interest at such rate not exceeding one per cent per menses of such amount for the entire period of default, as may be prescribed.

138-G. *Appeal.*- (1) Any person or employer aggrieved by any order or decision of the Commissioner in relation to the payment of tax (including penalty, fee and interest) may, within such time as may be prescribed, appeal to the Taxation Appeals Tribunal,

(2) The decision of the Taxation appeals Tribunal shall be final and shall not be questioned in any court of law:

Provided that no such decision shall be made except after giving the person affected a reasonable opportunity ??? being heard.

138-H. *Exemptions.*- Nothing contained in this Chapter shall apply to-

(a) the ??? of the Armed Forces of the Union serving in any part of this State, to whom the provisions of the Army Act, 1950 (Central Act XLV of 1950), the Air Force Act, 1950 (Central Act XLV of 1950) or the Navy Act, 1957 (Central Act 62 of 1957) applies;

(b) the members of the Central Reserve Police Force to when the Central Reserve Police Force Act, 1949 (Central Act XLVI of 1949) applies and serving in any part of this State;

(c) physically disabled persons with total disability in one or both hands or legs, spastics, totally dumb or deaf persons or totally blind persons;

Provided that such physical disability shall be duly certified by a Registered Medical Practitioner in the service of the Government not below the rank of Civil Surgeon.

138-1. *Repeal and savings.*- (1) The Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992 (Tamil Nadu Act 24 of 1992) (hereafter in this section referred to as the 1992 Act) in its application to the city, is hereby repealed.

(2) The repeal of the 1992 Act under sub-section (1) shall not affect,-

(i) the previous operation of the said Act or anything done or duly suffered thereunder; or

(ii) any right, privileges, obligations or liabilities acquired, accrued or incurred under the said Act; or

(iii) any penalty, forfeiture or punishment incurred in respect of any offence committed.

(3) Notwithstanding the repeal of the 1992 Act, the rates of tax on professions, trades, callings and employments specified in the Schedule to the said Act shall continue to apply for the period commencing on the 1st day of April, 1992 and ending with the 30th day of September, 1998 for the levy and collection of such tax for the said period, where the tax due under that Act has not been paid for the said period.

(4) The provisions of this Chapter, other than the rates of tax specified in sub-section (2) of section 138-B and the provisions relating to penalty and interest, shall *mutatis mutandis apply* to the levy and collection of tax for the period mentioned in sub-section (3).

(5) The arrears of tax under the 1992 Act shall be paid in six equal half-yearly installments in such manner and within such period as may be prescribed."

### **PART-III**

#### **AMENDMENTS TO THE TAMIL NADU DISTRICT MUNICIPALITIES ACT, 1920**

**3. Insertion of new Chapter VI-A.-** After Chapter VI of the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920), the following Chapter shall be inserted, namely:-

"Chapter-VI-A

*Tax on profession, trad, calling and employment*

124-C. *Definitions.*- For the purposes of this Chapter,-

(a) "employee" means a person employed on salary and includes,-

(i) a Government servant receiving pay from the revenue of the Crural Government or any State Government;

(ii) a person in the service of 3 body whether incorporated or not, which is owned or controlled by the Central Government or any State Government, where, such body operates within the municipal limit even though its headquarters may be outside the municipal limit; and

(iii) a person engaged in any employment by an employer not covered by sub-clauses (i) and (ii);

(b) "employer" in relation to an employee earning any salary on a regular basis under his means, the person or the officer who is responsible for disbursement, of such salary and includes the head of the office or any establishment as well as the Manager or Agent of the employer;

(c) "half-year" shall be from the 1st day of April to the 30th day of September and from the 1st day of October to the 31st day of March of a year;

(d) "month" means a calender month;

(e) "person" means any person who is engaged actively or otherwise in any profession, trade, calling or employment in the State of Tamil Nadu and includes a Hindu undivided family, firm, company, corporation or other corporate body, arty society club, body of persons or association, so engaged, but does not include any person employed on a casual basis;

(f) "tax" means the tax on profession, trade, calling and employment levied under this Charter.

124-D *Levy of profession tax.*- (1) There shall be levied by the Municipal Council a tax on professions trade calling and employment.

(2) Every company which transacts business and every person, who is engaged actively or otherwise in any profession, trade, calling or employment within the municipality on the first day

of the half-year for which return is filed, shall, pay half-yearly tax at the rates specified in the Table below in such manner as may be prescribed.

<i>Serial number.</i>	<i>Average half-yearly income.</i>	<i>Half-yearly tax.</i>
(1)	(2)	(3)
	From	To
1	Upto Rs. 21,000	..
2	Rs. 21,001	Rs. 30,000
3	Rs. 30,001	Rs. 45,000
4	Rs. 45,001	Rs. 60,000
5	Rs. 60,001	Rs. 75,000
6	Rs. 75,001 and above	....

(3) The rate of tax payable under sub-section (2) shall be published by me executive authority in such manner as may be prescribed.

(4) Where a company or person proves that it or he has paid the sum due on account of the tax levied under this Chapter or any tax of the nature of a profession tax imposed under the Cantonments Act, 1924 (Central Act II of 1924) for the same half-year to any local authority or cantonment authority in the State of Tamil Nadu such company or person shall not be liable by reason merely of change of place of business, exercise of profession, trade, calling or employment or residence, to pay the tax to any other local authority or cantonment authority.

(5) The tax leviable from a firm, association or Hindu undivided family may be levied on any adult member of the firm, association or family.

(6) Where a person doing the same business in the same name in one or more places within the municipality, the income of such business in all places within the municipality shall be computed for the purpose of levy of tax and such person shall pay the tax in accordance with the provisions of this Chapter.

(7) Where any company, corporate body, society, firm, body of persons of association, pays the tax under this Chapter, any director, partner or members as the case may be, of such company,



corporate body, sock by, firm, body of persons or association shall not be liable to pay tax under this Chapter for the income derived by such director partner or member from such company, corporate body, society, firm, body of persons of associations:

Provided that such director, partner or member shall be liable to pay tax under this Chapter for the income derived from other sources.

(8) Every person who is liable to pay tax, other than a person earning a salary or wage shall furnish to the executive authority a return in such form, for such period and within such date and in such manner as may be prescribed:

Provided that subject to the provisions of sub-sections (10) and (11), such person may make a self-assessment on the basis of average half-yearly income of the previous financial year and the return filed by him shall be accepted without calling for the accounts and without any inspection.

(9) Every such return shall accompany with the proof of payment of the full amount of tax due according to the return and a return without such proof of payment shall not be deemed to have been duly filed.

(10) Notwithstanding anything contained in the proviso to sub-section (8), the executive authority may select ten per cent of the total number of such assessment in such banner as may be prescribed for the purpose of detailed scrutiny regarding the correctness of the return submitted by a person in this connection and in such cases final assessment order shall be passed in accordance with provisions of this Chapter.

(11) If no return is submitted by any person under sub-section (8) within the prescribed period or if the return submitted by him appears to the executive authority to be incomplete or incorrect, the executive authority shall, after making such enquiry as he may consider necessary assess such person to the best of his judgment:

Provided that before taking action under this sub-section, the person shall be given a reasonable opportunity of proving the correctness or completeness of any return submitted by him.

(12) Every person who is liable to pay tax under this section, other than a person earning salary or wage-

(a) shall be issued with a pass book containing such details relating to such payment of tax as may be prescribed and if the pass book is lost or accidentally destroyed the executive authority may, on an application made by the person accompanied by such fee as may be fixed by the municipal council, issue to such person a duplicate of the pass book.

(b) shall be allotted a permanent account number and such person shall-

(i) quote such number in all his returns to, or correspondence with, the executive authority;

(ii) quote such number in all challans for the payment of any sum due under this Chapter.

(13) The rule of tax specified under sub-section (2) shall be revised by the municipal council once in every five years and such revision of tax shall be increased by not more than twenty-five per cent and not more than thirty-five per cent of the tax levied immediately before the date of revision.

124-E. *Employers liability to deduct and pay tax on behalf of the employees.*- The tax payable by any person earning a salary or wage shall be deducted by his employer from the salary payable to such person, before such salary, or wage is paid to him in such manner as may be prescribed and such employer shall irrespective of whether such deduction has been made or not when the salary or wage is paid to such person be liable to pay, tax on behalf of such person:

Provided that if the employer is an officer of the State or Central Government the Government may, notwithstanding anything contained in this Chapter prescribe the manner in which such employer shall discharge the said liability.

124-F. *Filing of returns by employer.*- (1) Every employer liable to pay tax under this Chapter shall file a return to the executive authority in such form, for such period and by such date as may be prescribed showing therein the salaries paid by him to the employees and the amount of tax deducted by him in respect of such employees.

(2) Every such return shall accompany with the proof of payment of the full amount of tax due according to the return and return without such proof of payment shall not be deemed to have been duly filed.

124-G. *Assessment of the employer.*- (1) The executive authority, if satisfied that the return filed by any employer under sub-section (1) of section 124-F is correct and complete shall accept the return.

(2) Where an employer has failed to file any return under sub-section (1) of Section 124-F within the time or if the return filed by him appears to the executive authority to be incorrect or incomplete, the executive authority shall, after making such enquiry as he considers necessary, determine the tax due and assess the employer to the best of his judgment and issue a notice of demand for the tax so assessed;

Provided that before assessing the tax due, the executive authority shall give the employer a reasonable opportunity of being heard.

124-H. *Penalty and interest.*- (1) In addition to the tax assessed under sub-section (11) of section 24-D or sub-section (2) of section 124-G in the case of submission of incorrect or incomplete return the executive authority shall direct the person or employer to pay by way of penalty of one hundred per cent of the difference of the tax assessed and the tax paid as per return:

Provided that no penalty under this sub-section shall be imposed after the period of three years from the date of the order of the assessment under this Chapter and unless the person affected has had a reasonable opportunity of showing cause against such imposition.

(2) On any amount remaining unpaid after the dates specified for its payment, the person or employer shall pay, in addition to the amount due, interest at such rate, not exceeding one per cent per menses of such amount for the entire period of default as may be prescribed.

124-I. *Appeal.*- (1) Any person or employer aggrieved by any order or decision of the executive authority in relation to the payment of tax (including penalty, fee and interest) may, within such time as may be prescribed appeal to the Taxation Appeals Committee.

(2) The decision of the Taxation Appeals Committee shall be final and not be questioned in any court of law:

Provided that no such decision shall be made except after giving the person affected a reasonable opportunity of being heard.

124-J. *Exemptions.*- Nothing contained in this Chapter shall apply to-

(a) the members of the Armed Forces of the Union serving in any part of this State to whom the provisions of the Army Act, 1950 (Central Act XLV of 1950) the Air Force Act, 1950 (Central Act XLV of 1950) or the Navy Act, 1957 (Central Act 62 of 1957) applies;

(b) the members of the Central Reserve Police Force to whom the Central Reserve Police Force Act, 1949 (Central Act XLVI of 1949) applies and serving in any part of this State;

(c) physically disabled persons with total disability in one or both the hands or legs, spastics, totally dumb or deaf persons of totally blind persons:

Provided that such physical disability shall be duly certified by a Registered Medical Practitioner in the service of the Government not below the rank of a Civil Surgeon.

124-K. *Repeal and savings.*- (1) The Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992 (Tamil Nadu Act 24 of 1992) (hereafter in this section referred to as the 1992 Act) in its application to the municipality is hereby repealed.

(2) The repeal of the 1992 Act under sub-section (1) shall not affect,-

(i) the previous operation of the said Act or anything done or duly suffered thereunder; or.

(ii) any right, privileges, obligations or liabilities acquired, accrued or incurred under the said Act;  
or

(iii) any penalty, forfeiture or punishment incurred in respect of any offence committed.

(3) Notwithstanding the repeal of the 1992 Act, the rates of tax on professions, trades, callings and employments specified in the Schedule to the said Act shall continue to apply for the period commencing on the 1st day of April, 1992 and ending with the 30th day of September, 1998 for the levy and collection of such tax for the said period where the tax due under that Act has not been paid for the said period.

(4) The provisions of this Chapter other than the rates of tax specified in sub-section (2) of section 124-D and the provisions relating to penalty and interest shall *mutatis mutandis* apply to the levy and collection of tax for the period mentioned in sub-section (3).

(5) The arrears of tax under the 1992 Act shall be paid in six equal half-yearly instalments in such manner and within such period as may be prescribed.

#### **PART IV**

#### **AMENDMENTS TO THE MADURAI CITY MUNICIPAL CORPORATION ACT, 1971**

**4. Insertion of new Chapter V-A.**- After Chapter V of the Madurai City Municipal Corporation Act, 1971 (Tamil Nadu Act 15 of 1971), the following Chapter shall be inserted, namely;-

"Chapter V-A

*Tax on profession, trade, calling and employment*

169-A. *Definitions.*- For the purposes of this Chapter,-

(a) "employee" means a person employed on salary and includes-

(i) a Government servant receiving pay from the revenue of the Central Government or any State Government;

(ii) a person in the service of a body whether incorporated or not, which is owned or controlled by the Central Government or any State Government, where such body operates within the Corporation limit even though its headquarters may be outside the Corporation limit; and

(iii) a person engaged in any employment by an employee, not covered by sub-clauses (i) and (ii);

(b) "employer" in relation to an employee earning any salary on a regular basis under his means, the person or the officer who is responsible for disbursement of such salary and includes the head of the office or any establishment as well as the Manager or Agent of the employer;

(c) "half-year" shall be from the 1st day of April to the 30th day of September and from the 1st day of October to the 31st day of March of a year.

(d) "month" means a calendar month;

(e) "person" means any person who is engaged actively or otherwise in any profession, trade, calling or employment in the State of Tamil Nadu and includes a Hindu undivided family, firm, company, corporation or other corporate body, any society, club, body of persons or association, so engaged, but does not include any person employed on a casual basis;

(f) "tax" means the tax on profession, trade, calling and employment levied under this Chapter.

169-B. *Levy of profession tax.*- (1) There shall be levied by the Council a tax on profession, trade, calling and employment.

(2) Every company which transact business and every person, who is engaged actively or otherwise in any profession, trade, calling or employment within the city on the first day of the half-year for which return is filed, shall pay half-yearly tax at the rates specified in the Table below in such manner as may be prescribed:-

THE TABLE

<i>Serial number.</i>	<i>Average half-yearly income.</i>	<i>Half-yearly tax.</i>
(1)	(2)	(3)
	From	To
	Rs.	Rs.
1	Upto Rs. 21,000	..
2	21,001	30,000
3	30,001	45,000
4	45,001	60,000
5	60,001	75,000
6	75,001 and above	....

(3) The rate of tax payable under sub-section (2) shall be published by the Commissioner in such manner as may be prescribed.

(4) Where a company person proves that it or he has paid the sum clue on account of the tax levied under this Chapter or any tax of the nature of a profession tax imposed under the Cantonments Act, 1924 (Central Act II of 1924) for the same half-year to any local authority or cantonment authority in the State of Tamil Nadu, such company or person shall not be liable by reason merely of change of place of business, exercise of profession, trade, calling or employment, or residence, to pay the tax to any other local authority or cantonment authority.

(5) The tax leviable from a firm, association or Hindu undivided family may be levied on any adult member of the firm, association or family.

(6) Where a person doing the same business in the same name in one or more places within the city, the income of such business in all places within the city shall be computed for the purpose of levy of tax and such person shall pay the tax in accordance with the provisions of this Chapter.

(7) Where any company, a corporate body, society, firm, body of persons or association pays the tax under this, Chapter, any director, partner or member, as the case may be, of such company, corporate body, society, firm, body of persons or association shall not be liable to pay tax under this Chapter for the income derived by such director, partner or member from such company, corporate body, society, firm, body of persons or association:

Provided that such director partner or member shall be liable to pay tax under this Chapter for the income derived from other sources.

(8) Every person who is liable to pay tax, other than a person earning salary or wage shall furnish to the Commissioner a return in such form, for such period and within such date and in such manner as may be prescribed:

Provided that subject to the provisions of sub-sections (10) and (11), such person may make a self-assessment on the basis of average half-yearly income for the previous financial year and the return filed by him shall be accepted without calling for the accounts and without any inspection.

(9) Every such return shall accompany with the proof of payment of the full amount of tax due according to the return and a return without such proof of payment shall not be deemed to have been duly filed.

(10) Notwithstanding anything contained in the proviso to sub-section (8), the Commissioner may select ten per cent of the total number of such assessments in such manner as may be prescribed for the purpose of detailed scrutiny regarding the correctness of the return submitted by a person in this connection and in such cases final assessment order shall be passed in accordance with the provisions of this Chapter.

(11) If no return is submitted by any person under sub-section (8) within the prescribed period or if the return submitted by him appears to the Commissioner to be incomplete or incorrect, the Commissioner shall, after making such inquiry as he may consider necessary, assess such person to the best of his judgment:

Provided that before taking action under this sub-section, the person shall be given a reasonable opportunity of proving the ??? or ??? any return submitted by him.

(12) Every person who is liable to pay tax under this section, other than a person earning salary or wage,-

(a) shall be issued with a pass book containing such details, relating to such payment of tax as may be prescribed and if the pass book is lost or accidentally destroyed, the Commissioner may, on an application made by the person accompanied by such fee as may be fixed by the Council, issue to such person a duplicate of the pass book,

(b) shall be allotted a permanent account number and such person shall,-

(i) quote such number in all his returns to, or correspondence with, the Commissioner;

(ii) quote such number in bill challans for the payment of any sum due under this Chapter.

(13) The rate of tax specified under Sub-section (2) shall be revised by the Council once in every five years and such revision of tax shall be increased not more than twenty-five per cent and not more than thirty-five per cent of the tax levied immediately before the date of revision.

169-C. *Employers liability to deduct and pay tax on behalf of the employees.*- The tax payable by any person earning a salary or wage shall be deducted by this employer from the Salary payable to such person, before such salary or wage is paid to him in such manner as may be prescribed and such employer shall, irrespective of whether such deduction has been made or not when the salary or wage is paid to such person, be liable to pay tax on behalf of such person:

Provided that if the employer is an officer of the State or Central Government, the Government may, notwithstanding anything contained in this Chapter, prescribe the manner in which such employer shall discharge the said liability.

169-D. *Filing of returns by employer.*- (1) Every employer liable to pay tax under this Chapter shall file a return to the Commissioner, in such form, for such period and by such date as may be prescribed, showing therein the salaries paid by him to the employees and the amount of tax deducted by him in respect of such employees.



(2) Every such return shall accompany with the proof of payment of the full amount of tax due according to the return and a return without such proof of payment shall not be deemed to have been duly filed.

169-E. *Assessment of the employer.*- (1) The Commissioner is satisfied that any return filed by any employer under sub-section (1) of section 169-D is correct and complete, shall accept the return.

(2) Where an employer has failed to file any return under sub-section (1) of section 169-D within the time or if the return filed by him appears to the Commissioner to be incorrect or incomplete, the Commissioner shall, after making such enquiry as he considers necessary, determine the tax due and assess the employer to the best of his judgment and issue a notice of demand for the tax so assessed:

Provided that before assessing the tax due, the Commissioner shall give the employer a reasonable opportunity of being heard.

169-F. *Penalty and interest.*- (1) In addition to the tax assessed under sub-section (1) of section 169-B or sub-section (2) of section 169-E in the case of submission of incorrect or incomplete return, the Commissioner shall direct the person or employer to pay by way of penalty of one hundred per cent of the difference of the tax assessed and the tax paid as per return:

Provided that no penalty under this sub-section shall be imposed after the period of three years from the date of the order of the assessment under this Chapter and unless the person affected has had a reasonable opportunity of showing cause against such imposition.

(2) On any amount remaining unpaid after the dates specified for its payment the person or employer shall pay, in addition to the amount due, interest at such rate not exceeding one per cent per mensem of such amount for the entire period of default, as may be prescribed.

169-G. *Appeal.*- (1) Any person or employer aggrieved by any order or decision of the Commissioner in relation to the payment of tax (including penalty, fee and interest) may, within such time as may be prescribed, appeal to the Taxation Appeals Tribunal,

(2) The decision of the Taxation Appeal Tribunal shall be final and shall not be questioned in any court of law:

Provided that no such decision shall be made except after giving the person affected a reasonable opportunity of being heard.

169-H. *Exemptions.*- Nothing contained in this Chapter shall apply to,-

(a) the members of the Armed Forces of the Union serving in any part of this State, to whom the provisions of the Army Act, 1950 (Central Act XLVI of 1950), the Air Force Act, 1950 (Central Act XLV of 1950) or the Navy Act, 1957 (Central Act 62 of 1957) applies;

(b) the members of the Central Reserve Police Force to whom the Central Reserve Police. Force Act, 1949 (Central Act XLVI of 1949) applies and serving in any part of this State;

(c) physically disabled persons with total disability in one or both the hands or legs, spastics, totally dumb or deaf persons or totally blind persons:

Provided that such physical disability shall be duly ??? by a Registered Medical ??? in the ??? of the Government ??? below the rank of a ???.

169-I. *??? savings.*- (1) The Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992 (Tamil Nadu Act 24 of 1992) (hereafter in this section refined to as the 1992 Act), in its application to the City, is hereby repealed.

(2) The repeal of the 1992 Act under sub-section (1) shall not affect,-

(i) the previous operation of the said Act or anything done or duly suffered thereunder; or

(ii) any right, privileges, obligations or liabilities acquired, accrued or incurred under the said Act;  
or

(iii) any penalty, forfeiture or punishment incurred in respect of any offence committed.

(3) Notwithstanding the repeal of the 1992 Act, the rates of tax on professions, trades, callings and employments specified in the Schedule to the said Act shall continue to apply for the period commencing on the 1st day of April, 1992 and ending with the 30th day of September, 1998 for the levy and collection of such tax for the said period where the tax due under that Act has not been paid for the said period.

(4) The provisions of this Chapter, other than the rates of tax specified in sub-section (2) of section 169-B and the provisions relating to penalty and interest, shall *mutatis mutandis* apply to the levy and collection of tax for the period mentioned in sub-section (3).

(5) The arrears of tax under the 1992 Act shall be paid in six equal half yearly instalments in such manner and within such period as may be prescribed".

## **PART-V**

### **AMENDMENTS TO THE COIMBATORE CITY MUNICIPAL CORPORATION ACT, 1981**

**5. Insertion of new Chapter V-A.-** After Chapter V of the Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981), the following Chapter shall be inserted, namely:-

#### Chapter V-A

Tax on profession, trade, calling and employment

169-A. *Definitions.-* For the purposes of this Chapter,-

(a) "employee" means a person employed on salary and includes,-

(i) a Government servant receiving pay from the revenue of the Central Government or any State Government;

(ii) a person in the service of a body whether incorporated or not, which is owned or controlled by the Central Government or any State Government, where such body operates within the Corporation limit even though its headquarters may be outside the Corporation limit; and.

(iii) a person engaged in any employment by an employer, not covered by sub-clauses (i) and (ii);

(b) "employer" in relation to an employee earning any salary on a regular basis under his means, the person or the officers who is responsible for disbursement of such salary and includes the head of the office or any establishment as well as the Manager or Agent of the employer;

(c) "half-year" shall be from the 1st day of April to the 30th day of September and from the 1st day of October to the 31st day of March of a year;

(d) "month" means a calendar month;

(e) "person" means any person who is engaged actively or otherwise in any profession, trade, calling or employment in the State of Tamil Nadu and includes a Hindu undivided family, firm, company, corporation or other corporate body, any society, club, body of persons or association, so engaged, but does not include any person employed on a casual basis;

(f) "tax" means the tax on profession, trade, calling and employment levied under this Chapter.

169-B. *Levy of profession tax-* (1) There shall be levied by the Council a tax on profession, trade, calling and employment.

(2) Every company which transacts business and every person, who is engaged actively or otherwise in any profession, trade, calling or employment within the city on the first day of the half-year for which return is filed, shall pay half-yearly tax at the rates specified in the Table below in such manner as may be prescribed:-

THE TABLE

Serial number.	Average half-yearly income.	Half-yearly tax.
(1)	(2)	(3)
	From	To
1.	Upto Rs. 21,000	..
2.	Rs. 21,001	Rs. 30,000
3.	Rs. 30,001	Rs. 45,000
4.	Rs. 45,001	Rs. 60,000
5.	Rs. 60,001	Rs. 75,000
6.	Rs. 75,001 and above	..

(3) The rates of tax payable under sub-section (2) shall be published by the Commissioner in such manner as may be, prescribed.

(4) Where a company or person proves that it or he has paid the sum due on account of the tax levied under this Chapter or any tax of the nature of a profession tax imposed under the Cantonments Act, 1924 (Central Act II of 1924) for the same half-year to any local authority or

cantonment authority in the State of Tamil Nadu such company or person shall not be liable by reason merely of change of place of business, exercise of profession, trade, calling or employment or residence, to pay the tax to any other local authority or cantonment authority.

(5) The tax leviable from a firm, association or Hindu undivided family may be levied on any adult member of the firm, association or family.

(6) Where a person doing the same business in the same name in one or more places within the city the income of such business in all places within the city shall be computed for the purpose of levy of tax and such person shall pay the tax in accordance with the provisions of this Chapter.

(7) Where any company, corporate body, society, firm, body of persons or association pays the tax under this Chapter any director, partner or member, as the case may be, of such company, corporate body, society, firm, body of persons or association shall not be liable to pay tax under this Chapter for the income derived by such director, partner or member from such company, corporate body, society, firm, body of persons or associations:

Provided that such director, partner or member shall be liable to pay tax under this Chapter for the income derived from other sources.

(8) Every person who is liable to pay tax, other than a person earning salary or wage shall furnish to the Commissioner a return in such form, for such period and within such date and in such manner as may be prescribed:

Provided that subject to the provisions of sub-sections (10) and (11) such person may make a self-assessment on the basis of average half-yearly income of the previous financial year and the return filed by him shall be accepted without calling for the accounts and without any inspection.

(9) Every such return shall accompany with the proof of payment of the full amount of tax due according to the return and a return without such proof of payment shall not be deemed to have been duly filed.

(10) Notwithstanding anything contained in the proviso to sub-section (8), the Commissioner may select ten per cent of the total number of such assessment in such manner as may be prescribed for the purpose of detailed scrutiny regarding the correctness of the return submitted by a person in

this connection and in such cases final assessment order shall be passed in accordance with the provisions of this Chapter.

(11) If no return is submitted by any person under sub-section (8) within the prescribed period or if the return submitted by him appears to the Commissioner to be incomplete or incorrect, the Commissioner shall, after making such enquiry as he may consider necessary, assess such person to the best of his judgement;

Provided that before taking action under this sub-section the person shall be given a reasonable opportunity of proving the correctness or completeness of any return submitted by him.

(12) Every person who is liable to pay tax under this section, other than a person earning salary or wage,-

(a) shall be issued with a pass book containing such details relating to such payment of tax as may be prescribed and if the pass book is lost or accidentally destroyed the Commissioner may on an application made by the person accompanied by such fee as may be fixed by the Councils issue to such person a duplicate of this pass book.

(b) shall be allotted a permanent account number and such person shall-

(i) quote such number in all his returns to, or correspondence with, the Commissioner;

(ii) quote such number in all challans for the payment of any sum due under this Chapter.

(13) The rate of tax specified under sub-section (2) shall be revised by the Council once in every five years and such revision of tax shall be increased not less than twenty-five per cent and not more than thirty-five per cent of the tax levied immediately before the date of revision.

169-C. *Employer's liability to deduct and pay tax on behalf of the employees.*- The tax payable by any person earning a salary or wage shall be deducted by his employer from the salary payable to such person, before such salary or wage is paid to him in such manner as may be prescribed and such employer shall irrespective of whether such deduction has been made or not when the salary or wage is paid, to such person, be liable to pay tax on behalf of such person:

Provided that if the employer is an officer of the State or Central Government, the Government may notwithstanding anything contained in this Chapter, prescribe the manner in which such employer shall discharge the sale Liability.

169-D. *Filing of returns by employer.*- (1) Every employer liable to pay tax Under this Chapter shall file a return to the Commissioner, in such form for such period and by such date as may be prescribed, showing therein the salaries paid by him to the employees and the amount of tax deducted by him in respect of such employees.

(2) Every such return shall accompany with the proof of payment of the full amount of tax due according to the return and a retain without such proof of payment shall not be deemed to have been duly filed.

169-E. *Assessment of the employer.*- (1) The Commissioner, if satisfied that any return filed by any employer under sub-section (1) of section 169-D is correct and complete, shall accept the return.

(2) Where an employer has failed to file any return under sub-section (1) of section 169-D within the time or if the return filed by him appears to the Commissioner to be incorrect or incomplete, the Commissioner shall, after making such inquiry as he considers necessary, determine the tax due and assess the employer to the best of his judgement and issue a notice of demand for the tax so assessed:

Provided that before assessing the tax due the Commissioner shall give the employer a reasonable opportunity of being heard.

169-F. *Penalty and interest.*- (1) In addition to the tax assessed under subsection (1) of section 169-B or sub-section (2) of section 169-E. in the case of submission of incorrect or incomplete return, the Commissioner shall direct the person or employer to pay by way of penalty of one hundred per cent of the difference of the tax assessed and the tax paid as per return:

Provided that no penalty under this sub-section shall be imposed after the period of three years from the date of the order of the assessment under this Chapter and unless the person affected has had a reasonable opportunity of showing cause against such imposition.

(2) On any amount remaining unpaid after the dates specified for its payment the person or employer shall pay in addition to the amount due, interest at such rate not exceeding one per cent per mensem of such amount for the entire period of default, as may be prescribed.

169-G. *Appeal*.- (1) Any person or employer aggrieved by any order or decision of the Commissioner in relation to the payment of tax (including penalty, fee and interest) may, within such time as may be prescribed, appeal to the Taxation Appeals Tribunal.

(2) The decision of the Taxation Appeals Tribunal shall be final and shall not be questioned in any court of law:

Provided that no such decision shall be made except after giving the person affected a reasonable opportunity of being heard.

169-H. *Exemptions*.- Nothing contained in this Chapter shall ???,-

(a) the members of the Armed Forces of the Union serving in any part of this State, to whom the provisions of the Army Act, 1950 (Central Act XLVI of 1950), the Air Force Act, 1950 (Central Act XLV of 1950) or the Navy Act, 1957 (Central Act 62 of 1957) applies;

(b) the members of the Central Reserve Police Force to whom the Central Reserve Police Force Act, 1949 (Central Act XLVI of 1949) applies and serving in any part of this State:

(c) physically disabled persons with total disability in one or both the hands or legs, spastics, totally dumb or deaf persons or totally blind persons:

Provided that such physical disability shall be duly certified by a Registered Medical Practitioner in the service of the Government not below the rank of a Civil Surgeon.

169-1. *Repeal and Savings*.- (1) The Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992 (hereafter in this section referred to as the 1992 (Tamil Nadu Act 24 of 1992) Act), in its application to the City, is hereby repealed.

(2) The repeal of the 1992 Act under sub-section (1) shall not affect,-

(i) the ??? operation of the said Act or anything done or duly suffered thereunder; or

(ii) any right, privileges, obligations or liabilities acquired accrued or incurred under the said Act;

or



(iii) any penalty, forfeiture or punishment incurred in respect of any offence committed.

(3) Notwithstanding the repeal of the 1992 Act, the rates of tax on professions, trades, callings and employments specified in the Schedule to the said Act shall continue to apply for the period commencing on the 1st day of April, 1992 and ending with the 30th day of September, 1998 for the levy and collection of such tax for the said period where the tax due under that Act has not been paid for the said period.

(4) The provisions of this Chapter, other than the rates of tax specified in sub-section (2) of section 169-B and the provisions relating to penalty and interest, shall *mutatis mutandis* apply to the levy and collection of tax for the period mentioned in sub-section (3).

(5) The arrears of tax under the 1992 Act shall be paid in six equal half-yearly installments in such manner and within such period as may be prescribed".