

From
Thiru G. Prakash, I.A.S.,
Commissioner of Municipal
Administration,
Ezhilagam Annexer,
Chepauk,
Chennai-600 005.

To
All the Commissioners of Corporations
(except Chennai)
and Municipalities.

Roc.No.17934 /2017/ R1

Dated.09.10.2017.

Sir,

Sub: Entertainment Tax – Remission of Entertainments tax on cinematograph under Section 11(2)(i) of the Tamil Nadu Local Authorities Entertainments Tax Act, 2017 – Orders Issued – Regarding.

Ref: G.O.(Ms) No.102, Municipal Administration and Water Supply (Election) Department, dated.26.09.2017.

In the Government Order cited; Government have issued Orders for Remission of Entertainments Tax on cinematograph under Section 11(2)(i) of the Tamill Nadu Local Authorities Entertainments Tax Act 2017. The copy of the same is enclosed for necessary action.

All Commissioners of Corporation and Municipalities are requested to take necessary action to levy and collect the entertainments tax on cinematograph as ordered in the above G.O. and to make suitable amendments to the by laws framed under the said Act to carryout the purposes of the order and purpose of carrying out inspection as per the provisions of the Tamil Nadu Act 20 of 2017 as amended.

The receipt of this letter and Government Order should be acknowledged by return of post.

Encl: 1.

sd/= S.Shanthi
for Commissioner of Municipal
Administration.

// Forwarded by order//

Copy to: All RDMA's

S. Shanthy
Superintendent

02/10/17
9/10/17



ABSTRACT

Entertainment Tax – Remission of Entertainments Tax on cinematograph under Section 11(2)(i) of the Tamil Nadu Local Authorities Entertainments Tax Act, 2017– Orders - Issued.

Municipal Administration and Water Supply (Election) Department

G.O. (Ms) No.102

Dated: 26.09.2017

Read :

1. From the President, Tamil Film Chamber of Commerce, letter dated: 5.6.2017, 26.6.2017 and 7.7.2017.
2. Tamil Film Producers Council, letter dated: 6.7.2017.
3. G.O.(D)No.274, Municipal Administration and Water Supply (Elec.) Department, Dated:10.07.2017.

ORDER :

Pursuant to the Constitution (One Hundred and First Amendment) Act, 2016, the Tamil Nadu Local Authorities Entertainments Tax Act, 2017 (Tamil Nadu Act 20 of 2017) was enacted for enabling the local bodies to levy and collect the Entertainment Tax and the same has been brought into force on 1.7.2017.

2. Consequent on the enactment of the said Tamil Nadu Act 20 of 2017, the representatives of the Tamil Film Industry have represented the Government to resolve the following issues:-

- (i) Revision of rate of Cinema Tickets;
- (ii) Withdrawal of Entertainment Tax;
- (iii) To revise the rate of tickets by themselves during the special shows and holidays within the ceiling fixed by the Government.

3. Pursuant to that, in the Government order third read above, the Government have constituted a Committee with the Secretaries of the various departments and the representatives of the Tamil Film Industry as its members to resolve the issues raised by the representatives of the Tamil Film Industry.

4. The above said Committee has submitted its recommendations among others, regarding the remission of Entertainment Tax to be levied on the Cinematograph exhibition as follows:-

"Considering the representations made by various Film Associations and welfare of general public, the Entertainments Tax may be reduced by way of remission from 30% to,-

- (a) in urban areas (Municipal Corporations, Municipalities and Town Panchayats), 20% for other language and 10% for Tamil language movies.
- (b) in rural areas (village Panchayat) 14% for other language and 7% for Tamil Language movies."

5. In the Meanwhile, all the councils of the Local Bodies in the State have resolved and recommended to the Government under section 11(2)(i) of the Tamil Nadu Local Authorities Entertainments Tax Act, 2017, that,-

- (i) subject to such conditions as the Government may deem fit, to exempt any entertainment or class of entertainments from the liability to the Entertainment tax payable;
- (ii) to remit, prospectively or retrospectively, the whole or any part of entertainments tax payable under this Act in respect of any entertainment or class of entertainments or by any proprietor or class of proprietors or any person or class of persons liable to pay such tax; and
- (iii) to take appropriate decision on such other similar issues as the Government may deem fit.

6. As per section 3(2) of the said Act as amended, Entertainment Tax on cinematograph shall be levied as below:-

"(2) The Entertainments Tax on cinematograph exhibition shall be calculated at the following rates on each payment for admission to any cinematograph exhibition in the theatres located,-

(i) within the limits of the Municipal Corporations, Municipalities, Special Grade and in the theatres; whether permanent or semi-permanent, within five kilometers from the outer peripheral limits of such areas of the Municipal Corporations and Municipalities, Special Grade,-

(A) at the rate of thirty per cent of the gross payment for admission exclusive of the amount of the tax for new film; and

(B) at the rate of twenty per cent of the gross payment for admission exclusive of the amount of the tax for old film;

(ii) in the areas other than those specified in clause (i), at the rate of twenty per cent of the gross payment for admission exclusive of the amount of the tax for new or old film."

7. The Government, after careful examination of the recommendations of the Committee and taking into account the resolutions passed by the local

...dies, have decided to reduce the Entertainment Tax by way of remission under section 11(2) of the Tamil Nadu Local Authorities Entertainments Tax Act, 2017. The Entertainment tax on the exhibition of cinematograph in theatres located,-

(i) within the limits of the Corporations, Municipalities, Special Grade and the theatres, whether permanent or semi-permanent within five kilometers from the outer peripheral limits of such Corporations and Municipalities, Special Grade shall be reduced as follows:-

- (a) for new film under sub-clause (A) of clause (i) from the rate of thirty per cent to ten per cent for Tamil language film and twenty per cent for other than Tamil language film;
- (b) for old film under sub-clause(B)of clause(i) from the rate of twenty per cent to seven per cent for Tamil language film and fourteen per cent for other than Tamil language film;

(ii) in the areas other than the areas specified under clause (i) above shall be reduced from twenty per cent to seven per cent for Tamil language film and fourteen per cent for other than Tamil language film.

8. In exercise of the powers conferred under clause (i) of sub-section (2) of section 11 of the Tamil Nadu Local Authorities Entertainments Tax Act, 2017 (Tamil Nadu Act 20 of 2017), the Governor of Tamil Nadu hereby remits,-

(1) the entertainments tax on cinematograph exhibition payable under sub-section (2) of section 3 of the said Act for the period from the 1st July 2017 to the 26th September 2017;

(2) from the 27th September 2017,-

(a) 66.66 per cent of the tax payable for new Tamil films and 33.33 per cent of the tax payable for new other language films, under sub-clause (A) of clause (i) of sub-section (2) of section 3 of the said Act, exhibited in the theaters located within the limits specified in clause (i) of sub-section (2) of section 3 of the said Act;

(b) 65 per cent of the tax payable for old Tamil films and 30 per cent of the tax payable for old other language films, under sub-clause (B) of clause (i) of sub-section (2) of section 3 of the said Act, exhibited in the theaters located within the limits specified in clause (i) of sub-section (2) of section 3 of the said Act;

(c) 65 per cent of the tax payable for Tamil films and 30 per cent of the tax payable for other language films, under sub-clause (ii) of sub-section (2) of section 3 of the said Act, exhibited in the theaters located outside the limits specified in clause (i) of sub-section (2) of section 3 of the said Act.

9. The local authorities are hereby directed to take steps to levy and collect the entertainments tax on cinematograph and to make suitable amendments to the by laws framed under the said Act to carry out the purposes of this order and for the purpose of carrying out inspection as per the provisions of the said Tamil Nadu Act 20 of 2017, as amended by the Tamil Nadu Local Authorities Entertainments Tax (Amendment) Ordinance, 2017 (Tamil Nadu Ordinance 5 of 2017).

(BY ORDER OF THE GOVERNOR)

HARMANDER SINGH
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner, Greater Chennai Corporation, Chennai -3.
The Commissioner of Municipal Administration, Chepauk, Chennai -5.
The Director of Town Panchayats, Kuralagam, Chennai -108.
The Director of Rural Development and Panchayat Raj, Chennai -15.
The Director, Local Fund Audit, Kuralagam, Chennai -108.

Copy to:-

The Tamil Film Chamber of Commerce, Kellys, Chennai -10.
The Tamil Film Producers Council, Chennai.
The South Indian Film Chamber of Commerce, Chennai.
The Film Federation of India, Chennai.
O/o the Hon'ble Chief Minister Chennai - 9.
O/o the Hon'ble Deputy Chief Minister, Chennai -9.
O/o the Hon'ble Minister (MA&RD., Impn.Spl.Prog), Chennai - 9.
O/of the Minister (Law, Courts and Prisons), Chennai -9.
O/o the Hon'ble Minister (Commercial Taxes), Chennai - 9.
The Rural Development and Panchayat Raj Department, Chennai -9.
The Commercial Tax and Registration Department, Chennai -9.
The Home Department, Chennai - 600 009.
The Finance (MA&WS) Department, Chennai - 9.
The Law Department, Chennai - 600 009.
The Senior Principal Private Secretary to Principal Secretary to Government,
Municipal Administration and Water Supply Department, Chennai -9.

// FORWARDED BY ORDER //

SECTION OFFICER

26/9/17
26/9/2017