

Directorate of  
Municipal Administration,  
Chepauk, Chennai-5

**K.Dis. 50408/2009/R-4**

**Dated: 27. 10.2009.**

Sub: Professional Tax on Central Government Employees – Thanjavur District – Regarding.

Ref: Your petition dated on 04.09.2009 addressed to the Hon'ble Deputy Chief Minister, Chennai – 28 received from Special Officer, Chief Minister Cell Petition No.183025/2009 dated 25.09.2009.

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With reference to the letter cited, I furnish herewith the details as follows:

1. As ordered in G.O. Ms. No.11, MA & WS (Elec.) Department, dated 12.01.1999, In the case of employees working in Central or State Government Departments/Udertakings and in the case of those employees working in Private Companies and organizations including quasi-Government organizations, the drawing and disbursing officer of the offices concerned shall recover the half-yearly tax as fixed by the council of Municipality / Corporation in the pay bill of the employees for the months of August and January of every year.
2. As per G.O, the Council shall revise the rate of Tax on Profession Tax once in five years from the period commencing from the 1st October,1998, by increasing the rate not less than twenty five percent and not more than

thirty five percent of the rate of the Tax fixed in the Act. The Council shall not change or revise the slabs of average half-yearly income fixed in the Act. Hence, the percentage will differ from one Mplty, to another Mplty.

- 3 & 4. As per the Tamil Nadu Tax on professions, Trades, calling and Employment Act, 1992 chapter VI-A 124-C a(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 Municipal limit even though its headquarters may be outside the Municipal limit has to pay profession tax.
5. Income tax is collected by the Income Tax Department under the Income Tax Act and Rule but the Professional tax is levied by the urban local bodies based on the amendment issued to the Tamil Nadu District Municipalities Act 1920 Under Section 124.C
6. When a person fails to pay the half-yearly tax within the period prescribed in rule, the Commissioner shall levy a penalty at the rate of one rupee per mensem or part of a month for the tax amount of every Rs.100/- or part thereof due to be paid.
7. You are requested to furnish the particulars for non-levy of professional tax particularly for employees working in the Department of post in other states. After that, details will be submitted to Government for consideration.

Hence, your plea of exempting the postal Departmental employees from the levy and collection of Profession Tax was examined in detail and it cannot be accepted as per the Professional Tax Act and Rule.

Sd/- D. Chandrasekaran  
for Director of Municipal Administration.

To  
Thiru A. Sowrirajan,  
R/o. Plot No.60,  
Jayasuryapuram,  
Vayalur, Ramapuram Post,  
Thanjavur Disitriect.

Copy to

1. The Special Officer, Chief Minister is Special Cell Secretariat, Chennai - 600 009.
2. All Commissioners and Executive Officers of Municipalities and Regional Directors of Municipal Administration. (By E-Mail).
3. OP-4 Assistant & stock file.
4. IT of this office (for hosting the same in the official website).

//Forwarded By Order//

  
Superintendent.

  
21/10/09