



Government of Tamilnadu ABSTRACT

TOURISM- Tourism declared as an Industry – Grant of subsidies for Tourism Promotion Projects – Delegation of powers to the Director of Tourism – Orders – Issued.

INFORMATION & TOURISM (T.III) DEPARTMENT

G.O.Ms.No.40,

Dated: 5.3.1996

Read:

1. G.O.Ms.No.563, Information and Tourism, dated 28.12.86
2. G.O.Ms.No.306, Industries (MIG.2) Department, dated 22.5.89.
3. G.O.Ms.No.635, Industries (MIG.II) Department, dated 20.6.90.
4. G.O.Ms.No.14, Information and Tourism, dated 20.1.1992.

ORDER:-

In the G.O. first read above, and in view of the important role played by Tourism in improving socio economic conditions of the society, "Tourism" has been declared as an "Industry" in Tamil Nadu and in the same G.O. a Committee was appointed to examine and recommend to the Government tourism project scheme and activities which can be recommended for the various incentives, concessions and subsidies as available to other industries.

2. In the G.O. fourth read above, the Government have declared the following projects as Tourism Projects for the purpose of extending various concessions, incentives and subsidies as applicable, to other industries.

- (1) One Star, Two Star and Three Star / Hotels with investment less than Rs.100 Lakhs to be set up in Tamil Nadu excluding the Corporation Limits of Madras, Coimbatore and Madurai.
- (2) Amusement Parks
- (3) Approved Tour Operators (for A.C Coaches)
- (4) Golf Courses
- (5) Restaurants approved by Government of India/Government of Tamil Nadu.

3. In the G.O. fourth read above, orders were also issued regarding various concessions as given below:

- a) Loan will be given to Tourism Projects at 14% interest or as fixed by the Government from time to time by TIIC and SIPCOT.
- b) Capital subsidy for new Tourism Projects as 10% of total investment subject to a maximum of 10 Lakhs per project.
- c) Deferral of Sales Tax for a period of 5 years on restaurant sale in eligible Hotels and Restaurants.
- d) Waiver of 50% of luxury tax for a period of 5 years on rooms in respect of new Hotel Projects.
- e) Electricity tariff concessions for new Tourism Projects on par with industries.
- f) Capital subsidy at the rate of 15% for the purchase of generators to be installed in new Tourism Projects/ with a separate ceiling of Rs.5.00 Lakhs which is exclusive of the ceiling of Rs.10 Lakhs given as capital subsidy on the total investment in the Project.

4. Subsidy for new Tourism Projects at 10% of total investment excluding the cost of land per project with investment cost not more than Rs.100.00 Lakhs, and capital subsidy at the rate of 15% for the purchase of generator vide item (b) and (f) of Para 3 above have been sanctioned by the Government during 1992-93 and 1993-94. The proposal of delegating the powers for sanction and disburse these two subsidies (vide item (b) and (f) to the Director of Tourism has been examined.

5. The Government after careful consideration empower the Director of Tourism to decide, select the eligible Tourism Projects, and disburse the capital subsidy and Generator subsidy to the Tourism Projects costing less than Rs.100.00 Lakhs as detailed below:

- i) Capital subsidy for new Tourism Projects as 10% of total investment including cost of land subject to maximum of Rs.10.00 Lakhs per Project subject to availability of budget provision.
- ii) Capital subsidy at the rate of 15% for purchase of generators to be installed in new Tourism Projects with a separate ceiling of Rs.5.00 Lakhs which is exclusive of the ceiling of Rs.10.00 Lakhs given as Capital subsidy on the total investment in the project subject to availability of budget provision.

6. The conditions stipulated in G.O.Ms.No.14 Information and Tourism (T.6) Department, dated 20.1.92, will also be adhered to scrupulously.

7. This order issues with the concurrence of the Finance Department vide its U.O.No.28637/I&T/95, Dated: 3.5.1995

(BY ORDER OF THE GOVERNOR)

N.ATHIMOOLAM,
SECRETARY TO GOVERNMENT i/c.

To

The Director of Tourism, Madras- 15 .

All Collectors

All Tourism Officers.

The Managing Director, Tamil Nadu Tourism Development Corporation, Madras-4.

The Director of Industries and Commerce, Madras-5.

The Managing Director, SIPCOT, Madras.

The Managing Director, TIIC, Madras.

The Industries Department, Madras-9.

The Small Industries Department, Madras-9.

The Finance Department, Madras-9.

The Accountant-General, Madras-9/ Madras-18.

copy to: The Private Secretary to the secretary to Government, Information and
Tourism Department, Madras-9.

The Senior P.A. to the Hon'ble Minister for Tourism, Madras-9.

The Senior P.A. to the Hon'ble Minister for Finance, Madras-9.

//forwarded by order//

SECTION OFFICER