



GOVERNMENT OF TAMIL NADU

INFORMATION AND TOURISM (TOURISM VI) DEPARTMENT

(G.O.MS.NO.14, 20TH JANUARY 1992)

Tourism declared as an Industry – Incentives, concessions and subsidies for Tourism Promotions Projects and Activities – Orders – Issued.

Read the following papers:-

1. 1. G.O.Ms.No.563, Information and Tourism (T.VI) Department, dated 28th December 1986.
2. 2. G.O.Ms.No.306, Industries (MIG. 2) Department, dated 22nd May 1989.
3. 3. G.O.Ms.No.635, Industries (MIG. II) Department, dated 20th June 1990.

ORDER - No.14, Information and Tourism (Tourism-V) dated 20th January 1992.

1. Tourism is an industry with great employment potential. One of the significant features of Tourism is that it paves the way for transfer of vast sums of money from 'Generating to the receiving Economics'. Tourist expenditure stimulates domestic flow of rupees income through several streams. It generates additional income at each level of spending which has a multiplier effect.
2. In view of the important role played by tourism in improving the Socio-economic conditions of the society. "Tourism" has been declared as an "Industry" - in Tamil Nadu in the Government order first read above. In the same Government Order a Committee was appointed to examine and recommend to the Government Tourism project schemes and activities which can be recommended for the various incentives, concessions and subsidies as available to other industries.
3. The Committee has recommended certain projects, schemes and activities as eligible for extending concessions incentives and subsidies as applicable to other industries.
4. The Government after careful consideration of the proposal submitted by the Committee and other agencies declare the following projects as Tourism projects for purpose of extending various concessions, incentives and subsidies as applicable to other industries.

1. (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. (2) Amusement Parks.
3. (3) Approved Tour Operators (for A.C. Coaches)
4. (4) Golf Courses.
5. (5) Restaurants approved by Government of India/Government of Tamil Nadu.

5. In partial modification of the Government Order second and third read above the Government direct that the following concessions, incentives and subsidies shall be made available to the Tourism projects mentioned in paragraph 4 above:-

1. (1) Loans will be given to Tourism Projects at 14 percent interest or as fixed by Government from time to time by Tamil Nadu Industrial Investment corporation and SIPCOT.
2. (2) Capital subsidy for new tourism Projects at 10 percent of total investment excluding cost of land, subject to a maximum of Rs.10 lakhs per project.
3. (3) Deferral of Sales Tax for a period of 5 years on restaurant sales ineligible hotels and restaurants.
4. (4) Waiver of 50 per cent luxury tax for a period of 5 years on rooms in respect of new hotels projects.
- (5) Electricity tariff concession for new tourism projects on para with new industries.
- (6) Capital subsidy at the rate of 15 percent 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 lakhs given as capital subsidy on the total investment in the project.
6. The Industries Department will issue necessary amendments to existing orders wherever necessary. The detailed guidelines for the grant of subsidies and the procedure of operating them will be issued separately.
7. This order issues with the concurrence of Industries, Commercial Taxes and Religious Endowments, Public Works and Finance Department vide their Departments U.O. Nos. 62550A / MIG / 2 / 91-1, Dated 20TH November 1991, 55643 / F8 / 91-1, dated 2nd December 1991, 202/S (P.W.D) / 91-1, dated 19th November 1991 and 5900 / F.B / 8 / 91, dated 17th December 1991 respectively.

(By Order of the Governor)

C.K. GARIYALI,
SECRETARY TO GOVERNMENT.

To

The Director of Tourism, Information and Tourism Department, Madras-600 009.

The Managing Director, Tamil Nadu Tourism Development Corporation Ltd., No.25, Dr. Radhakrishnan Salai, Mylapore, Madras-600 004.

The Secretary to Government, Transport Department, Madras-600 009.

The Secretary to Government, Industries Department, Madras-600 009.

The Secretary to Government, Public Works Department, Madras-600 009.

The Secretary to Government, Finance Department, Madras-600 009.

All Departments of Secretariat, Madras-600 009.

All Heads of Departments.

All District Collectors.

All Tourist Officers

The Accountant General, Madras-600 009.

The Accountant General, Madras-600 018/35.

The Pay and Accounts Officer (North), Mint, Madras-600 079.

The Pay and Accounts Officer (South), Nandanam, Madras-600 035.

The Pay and Accounts Officer (East), Chepauk, Madras-600 005.

The Pay and Accounts Officer Madurai.

All District Treasury Officers.

The Director for Information and Public Relations, Madras-600 009.

The Secretary, Government of India, Department of Tourism, New Delhi
(with covering letter).

The Director-General of Tourism, Department of Tourism, Government of India, New Delhi
(with covering letter).

The Regional Director, Government of India, Tourist Office, 154, Anna Salai, Madras-600 002
(with covering letter).

The Joint Secretary to Chief Minister, Madras-600 009.

The Industries Department, Madras-600 009.

The Commercial Taxes and Religious Endowment Department, Madras-600 009.

The Public Works Department, Madras-600 009.

The Finance Department, Madras-600 009.

The Transport Department, Madras-600 009.

The President, South India Hotels and Restaurants Association , 769, Anna Salai
(Spencer's Building), Madras-600 002.

The Chairman, The Travel Agents Association of India, Southern Regions, Madras-600 018.

The President, Travel Agents Association Travel Express Private Limited, Wellington Estate, 24,
Commander-in-Chief Road, Madras-600 105.

The Chairman, Tamil Nadu Electricity Board, Annasalai, Madras – 600 002.

The Commissioner of Commercial Taxes, Chepauk, Madras-600 005.

The Industries Commissioner and Director of Industries and Commerce, Chepauk, Madras-600 005.

The Chairman and Managing Director, State Industries Promotion Corporation of Tamil Nadu, 19-
A, Rukmani Lakshmi pathy Road, Egmore, Madras-600 008.

The Chairman and Managing Director, Tamil Nadu Industrial Investment Corporation Limited,
'Arulmanai', 27, Whites Road, Madras-600 014.

//Forwarded by order//

Section Officer.