**Tamil Nadu Tax on Consumption or Sale of Electricity (Amended) Act, 2007**

As per Section 3 of the Tamil Nadu Tax on Consumption or Sale of Electricity (Amended) Act, 2007, a tax at a rate of 5% of the consumption charges is leviable for the electricity sold by the licensee.

In case of High Tension consumers, Electricity Tax is payable on

1) Recorded demand Charges
2) Energy charges
3) Low power factor penalty charges

In respect of Industrial consumers under HT tariff IA, the peak hour penalty charges will be added to Energy Charges.