

Press Release

The Government of Tamil Nadu enacted a new Act called “the Tamil Nadu Mineral Bearing Land Tax Act, 2024” for levy and collection of tax on mineral bearing land and was also published vide Government Gazette No. 79 dated 20.02.2025. Subsequently, the Government of Tamil Nadu under section 10 of the above said Act, has framed “the Tamil Nadu Mineral Bearing Land Tax Rules, 2025” and published in Government Gazette No.155, dated 04.04.2025. As per the above said Act and Rules, rate of mineral bearing land tax has been fixed for 32 minerals.

At present, the leaseholders of Major minerals are remitting statutory payments to the Government such as Royalty, DMFT, NMET etc, for mining and transporting minerals. The leaseholders of minor minerals are also remitting statutory payments to the Government such as Seigniorage fee, DMFT, Green fund, etc, for quarrying and transportation of minerals. In addition to this, the leaseholders of both major and minor minerals shall pay the mineral bearing land tax from 04.04.2025 as per the new Tamil Nadu Mineral Bearing Land Tax Rules, 2025. The highest mineral bearing land tax amount is Rs.7000 per metric ton for Sillimanite and lowest tax is Rs.40 per metric ton for Clay minerals.

In this regard, it is informed that the Exchequer of the State Government will fetch an additional revenue of approximately Rs.2400 Crore per annum by way of levy and collection of mineral bearing land tax.

Commissioner of Geology and Mining

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