

Finance Act 1974

Section 14 - Amendment of Act 27 of 1957

In the Wealth-tax Act, 1957, with effect from the 1st day of April, 1975, -

(1) in clause (e) of section 2, -

(a) in item (ii) of sub-clause (2), for the words "any annuity", the words and brackets "any annuity (not being an annuity purchased by the assessee or purchased by any other person in pursuance of a contract with the assessee)" shall be substituted;

(b) in the proviso, for the words, brackets and figures "items (i) to (iii)", the word, brackets and figures "item (i)" and for the words, brackets and figures "items (i) to (v)", the words, brackets and figures "items (i) to (iii)" shall be substituted;

(2) in section 5, -

(a) in sub-section (1), -

(i) for clause (iva), the following clause shall be substituted, namely :-

"(iva) agricultural land belonging to the assessee;"

(ii) in clause (ivb), in the proviso, for the words "as dwelling house, store house or outhouse", the words "as store house or for keeping livestock" shall be substituted;

(iii) in clause (vi), the following proviso shall be inserted at the end, namely :-

"Provided that in the case of a policy of insurance the premium or other payment whereon is payable during a period of less than ten years, the amount that shall not be included in the net wealth of the assessee under this clause shall be a sum that bears to the value of the right or interest of the assessee in the policy the same proportion as the number of years during which the premium or other payment on the policy is payable bears to ten;"

(b) in sub-section (1A), for the word, brackets and figures "clauses (xv),", the word, brackets, figures and letter "clauses (iva), (xv)," shall be substituted;

(3) in the Schedule, in Paragraph A of Part I, for items (1) and (1A), the following items shall be substituted, namely :-

"(1) In the case of every individual or Hindu undivided family, not being a Hindu undivided family to which item (1A) of this Paragraph applies -

Rates of Tax

(a) where the net wealth does not exceed Rs. 5,00,000	1 per cent. of the net wealth;
(b) where the net wealth exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 5,000 plus 3 per cent. of the amount by which the net wealth exceeds Rs. 5,00,000;
(c) where the net wealth exceeds Rs. 10,00,000 but does not exceed Rs. 15,00,000	Rs. 20,000 plus 4 per cent. of the amount by which the net wealth exceeds Rs. 10,00,000;
(d) where the net wealth exceeds Rs. 15,00,000	Rs. 40,000 plus 8 per cent. of amount by which the net wealth exceeds Rs. 15,00,000 :

Provided that for the purposes of this item, -

(i) no wealth-tax shall be payable where the net wealth does not exceed the following limit, namely :-

(A) Rs. 1,00,000, in the case of an individual;

(B) Rs. 2,00,000, in the case of a Hindu undivided family;

(ii) the wealth-tax payable shall, in no case, exceed 10 per cent. of the amount by which the net wealth exceeds the limit specified in sub-clause (A) or, as the case may be, sub-clause (B) of clause (i) of this proviso.

(1A) In the case of every Hindu undivided family which has at least one member whose net wealth assessable for the assessment year exceeds Rs. 1,00,000 -

Rates of Tax

(a) where the net wealth does not exceed Rs. 5,00,000	3 per cent. of the net wealth;
(b) where the net wealth exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 15,000 plus 4 per cent. of the amount by which the net wealth exceeds Rs. 5,00,000;
(c) where the net wealth exceeds Rs. 10,00,000	Rs. 35,000 plus 8 per cent. of the amount by which the net wealth exceeds Rs. 10,00,000 :

Provided that for the purposes of this item, -

(i) no wealth-tax shall be payable where the net wealth does not exceed Rs. 2,00,000;

(ii) the wealth-tax payable shall, in no case, exceed 10 per cent. of the amount by which the net wealth exceeds Rs. 2,00,000.".

SooperKanoon - India's Premier Online Legal Search - sooperkanoon.com