

Finance Act 1974

Section 15 - Amendment of Act 7 of 1964

In the Companies (Profits) Surtax Act, 1964, in the Third Schedule, with effect from the 1st day of April, 1975, -

(a) for the figures and words "30 per cent.", the figures and words "40 per cent." shall be substituted;

(b) the following proviso shall be inserted at the end, namely :-

"Provided that where in the case of an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India

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(i) which is such a company as is referred to in section 108 of the Income-tax Act, and

(ii) whose paid-up share capital (subscribed and paid for in cash) as on the last day of the previous year, is not less than twenty-five per cent. of the amount of the capital as computed under the Second Schedule to this Act,

the aggregate of -

(a) the amount of income-tax payable by the company in respect of its total income of the previous year under the provisions of the Income-tax Act after making allowance for any relief, rebate or deduction in respect of income-tax to which the company is entitled under the provisions of the said Act or the annual Finance Act; and

(b) the amount of surtax computed in accordance with the foregoing provisions of this Schedule,

exceeds the amount calculated at seventy per cent. of the total income of the company, the amount of such excess shall be deducted from the amount of surtax referred to in clause (b) above and the balance shall be the amount of the surtax payable by the company."