Finance Act 2005

Section 95 - Charge of Banking Cash Transaction Tax

(1) On and from the commencement of this Chapter, there shall be charged a banking cash transaction tax, in respect of every taxable banking transaction entered into on or after the 1st day of June, 2005, at the rate of 0.1 per cent. of the value of every such taxable banking transaction.

(2) The banking cash transaction tax referred to in sub-section (1) shall be payable,-

(i) in respect of taxable banking transaction referred to in sub-clause (a) of clause (8) of section 94, by the individual or Hindu undivided family referred to in sub-clause (i) or a person referred to in sub-clause (ii) of said clause (a), from whose account the cash is withdrawn from any scheduled bank;

(ii) in respect of taxable banking transaction referred to in sub-clause (b) of clause (8) of section 94, by the person who receiver the cash on encashment of term deposit or deposits:

Provided that no banking cash transaction tax shall be payable if the amount of the term deposit or deposits is credited to any account with the bank.

1[(3) Notwithstanding anything contained in sub-section (1), no banking cash transaction tax shall be

charged in respect of any taxable banking transaction entered into on or after the 1st day of April, 2009.]

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1. Inserted by the Finance Act, 2008 w.e.f. 1st day of April, 2009.