

Finance Act, 1992

Section 4 - Amendment of Section 10

In section 10 of the Income-tax Act, -

(a) after clause (2), the following clause shall be inserted with effect from the 1st day of April, 1993, namely :-

"(2A) in the case of a person being a partner of a firm which is separately assessed as such, his share in the total income of the firm.

Explanation : For the purposes of this clause, the share of a partner in the total income of a firm separately assessed as such shall, notwithstanding anything contained in any other law, be an amount which bears to the total income of the firm the same proportion as the amount of his share in the profits of the firm in accordance with the partnership deed bears to such profits;"

(b) in clause (3), in the proviso, -

(i) for the words "Provided that", the following shall be substituted, namely :-

'Provided that where such receipts relate to winnings from races including horse races, the provisions of this clause shall have effect as if for the words "five thousand rupees", the words "two thousand five hundred rupees" had been substituted :

Provided further that';

(ii) in clause (iii), the words "or", occurring at the end, shall be omitted;

(iii) clause (iv) shall be omitted;

(c) in clause (6), in sub-clause (viia), with effect from the 1st day of June, 1992, -

(a) for the portion beginning with the words "the following conditions are fulfilled, namely, that -" and ending with the words "six months of such commencement", the following shall be substituted, namely :-

"the individual was not resident in India in any of the four financial years immediately preceding the financial year in which he arrived in India,";

(b) the first proviso shall be omitted;

(c) in the second proviso, -

(i) the word "further" shall be omitted;

(ii) for the words, brackets and figure "condition specified in item (1) of", the words "condition relating to non-residence in India as specified in" shall be substituted;

(d) in clause (6A), for the words "and approved by the Central Government, the tax on such income is payable, under the terms of such agreement, by Government or the Indian concern to the Central Government, the tax so paid", the following shall be substituted with effect from the

1st day of June, 1992, namely :-

"and, -

(a) where the agreement relates to a matter included in the industrial policy, for the time being in force, of the Government of India, such agreement is in accordance with that policy; and

(b) in any other case, the agreement is approved by the Central Government,

the tax on such income is payable, under the terms of the agreement, by Government or the Indian concern to the Central Government, the tax so paid";

(e) after clause (10B), the following clause shall be inserted, namely :-

"(10BB) any payments made under the Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985 (21 of 1985) and any scheme framed thereunder except payment made to any assessee in connection with the Bhopal gas leak disaster to the extent such assessee has been allowed a deduction under this Act on account of any loss or damage caused to him by such disaster";

(f) for clause (10C), the following clause shall be substituted, with effect from the 1st day of April, 1993, namely :-

"(10C) any amount received by an employee of a public sector company or of any other company at the time of his voluntary retirement in accordance with any scheme or schemes of voluntary retirement :

Provided that the schemes of the said companies governing the payment of such amount are framed in accordance with such guidelines as may be prescribed for the public sector companies or for other companies and such guidelines may, inter alia, include criteria of economic viability and such schemes in relation to companies (other than public sector companies) are approved by the Chief Commissioner or, as the case may be, Director-General in this behalf";

(g) in clause (15), in sub-clause (iv), in item (d), after the words and figures "National Housing Bank Act, 1987 (53 of 1987)," , the words and figures "or the Small Industries Development Bank of India established under section 3 of the Small Industries Development Bank of India Act, 1989 (39 of 1989)," shall be inserted;

(h) in clause (21), for clause (b) of the first proviso, the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1990, namely :-

"(b) does not invest or deposit its funds, other than -

(i) any assets held by the scientific research association where such assets form part of the corpus of the fund of the association as on the 1st day of June, 1973;

(ii) any assets (being debentures issued by, or on behalf of, any company or corporation), acquired by the scientific research association before the 1st day of March, 1983;

(iii) any accretion to the shares, forming part of the corpus of the fund mentioned in sub-clause (i), by way of bonus shares allotted to the scientific research association;

(iv) voluntary contributions received and maintained in the form of jewellery, furniture or any other article as the Board may, by notification in the Official Gazette, specify,

for any period during the previous year otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11 .";

(i) in clause (23), -

(1) for clause (b) of the third proviso, the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1990, namely :-

"(b) does not invest or deposit its funds, other than -

(i) any assets held by the association or institution where such assets form part of the corpus of the fund of the association or institution as on the 1st day of June, 1973;

(ii) any assets (being debentures issued by, or on behalf of, any company or corporation), acquired by the association or institution before the 1st day of March, 1983;

(iii) any accretion to the shares, forming part of the corpus of the fund mentioned in sub-clause (i), by way of bonus shares allotted to the association or institution;

(iv) voluntary contributions received and maintained in the form of jewellery, furniture or any other article as the Board may, by notification in the Official Gazette, specify,

for any period during the previous year otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11; and";

(2) in the fourth proviso, for the figures "1992", the figures "1993" shall be substituted;

(j) in clause (23C), -

(1) for clause (b) of the third proviso, the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1990, namely :-

"(b) does not invest or deposit its funds, other than -

(i) any assets held by the fund, trust or institution where such assets form part of the corpus of the fund, trust or institution as on the 1st day of June, 1973;

(ii) any assets (being debentures issued by, or on behalf of, any company or corporation), acquired by the fund, trust or institution before the 1st day of March, 1983;

(iii) any accretion to the shares, forming part of the corpus mentioned in sub-clause (i), by way of bonus shares allotted to the fund, trust or institution;

(iv) voluntary contributions received and maintained in the form of jewellery, furniture or any other article as the Board may, by notification in the Official Gazette, specify,

for any period during the previous year otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11;";

(2) in the fourth proviso, for the figures "1992", the figures "1993" shall be substituted;

(k) in clause (23D), with effect from the 1st day of April, 1993, -

(i) after the words "public financial institution", the words "or authorised by the Securities and Exchange Board of India or the Reserve Bank of India" shall be inserted;

(ii) in the Explanation, after clause (b), the following clause shall be inserted, namely :-

'(c) the expression "Securities and Exchange Board of India" shall have the meaning assigned to it in clause (a) of sub-section (1) of section 2 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);';

(l) after clause (26B), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1989, namely :-

"(27) any income of a co-operative society formed for promoting the interests of the members of either the Scheduled Castes or Scheduled Tribes or both referred to in clause (26B) :

Provided that the membership of the co-operative society consists of only other co-operative societies formed for similar purposes and the finances of the society are provided by the Government and such other societies;"

(m) after clause (31), the following clause shall be inserted with effect from the 1st day of April, 1993, namely :-

"(32) in the case of an assessee referred to in sub-section (1A) of section 64, any income includible in his total income under that sub-section, to the extent such income does not exceed one thousand five hundred rupees in respect of each minor child whose income is so includible.".