

Finance Act, 1993

Section 3 - Amendment of Section 10

In section 10 of the Income-tax Act, -

(a) after clause (5A), the following clause shall be inserted with effect from the 1st day of April, 1994, namely :-

'(5B) in the case of an individual who renders services as a technician in the employment (commencing from a date after the 31st day of March, 1993) of the Government or of a local authority or of any corporation set up under any special law or of any such institution or body established in India for carrying on scientific research as is approved for the purposes of this clause or sub-clause (viia) of clause (6) by the prescribed authority or in any business carried on in India and 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 and the tax on his income for such services chargeable under the head "Salaries" is paid to the Central Government by the employer [which tax, in the case of an employer, being a company, may be paid notwithstanding anything contained in section 200 of the Companies Act, 1956 (1 of 1956)], the tax so paid by the employer for a period not exceeding forty-eight month commencing from the date of his arrival in India :

Provided that the Central Government may, if it considers it necessary or expedient in the public interest so to do, waive the condition relating to non-residence in India as specified in this clause in the case of any individual who is employed in India for designing, erection or commissioning of machinery or plant or supervising activities connected with such designing, erection or commissioning.

Explanation : For the purposes of this clause, "technician" means a person having specialised knowledge and experience in -

- (i) constructional or manufacturing operations, or in mining or in the generation of electricity or any other form of power, or
- (ii) agriculture, animal husbandry, dairy farming, deep sea fishing or ship building, or
- (iii) such other field as the Central Government may, having regard to availability of Indians having specialised knowledge and experience therein, the needs of the country and other relevant circumstances, by notification in the Official Gazette, specify,

who is employed in India in a capacity in which such specialised knowledge and experience are actually utilised;'

(b) in clause (6), -

(i) sub-clause (vii) shall be omitted;

(ii) in sub-clause (viia), in item (ii), after the figures, letters and words "31st day of March, 1988", the words, figures and letters "but before the 1st day of April, 1993", shall be inserted;

(c) for clause (10C) [as substituted by section 4 of the Finance Act, 1992 (18 of 1992)], the following clause shall be substituted, namely :-

"(10C) any amount received by an employee of -

- (i) a public sector company; or
- (ii) any other company; or
- (iii) an authority established under a Central, State or Provincial Act; or
- (iv) a local authority,

at the time of his voluntary retirement in accordance with any scheme or schemes of voluntary retirement, to the extent such amount does not exceed five lakh rupees :

Provided that the schemes of the said companies or authorities, as the case may be, governing the payment of such amount are framed in accordance with such guidelines (including inter alia criteria of economic viability)

as may be prescribed and such schemes in relation to companies referred to in sub-clause (ii) are approved by the Chief Commissioner or, as the case may be, Director-General in this behalf :

Provided further that where exemption has been allowed to an employee under this clause for any assessment year, no exemption thereunder shall be allowed to him in relation to any other assessment year;;

(d) in clause (15), -

(i) in sub-clause (iv), in item (fa), after the words "a scheduled bank", the words, brackets and figures "to a non-resident or to a person who is not ordinarily resident within the meaning of sub-section (6) of section 6" shall be inserted;

(ii) in sub-clause (v), for the words "Registrar, Supreme Court", the words "Welfare Commissioner, Bhopal Gas Victims, Bhopal" shall be substituted and shall be deemed to have been substituted with effect from the 2nd day of November, 1992;

(e) after clause (23BBA), the following clause shall be inserted with effect from the 1st day of April, 1994, namely :-

'(23BBB) any income of the European Economic Community derived in India by way of interest, dividends or capital gains from investments made out of its funds under such scheme as the Central Government may, by notification in the Official Gazette, specify in this behalf.

Explanation : For the purposes of this clause, "European Economic Community" means the European Economic Community established by the Treaty of Rome of 25th March, 1957;;

(f) in clause (23C), after sub-clause (iii), the following sub-clause shall be inserted, namely :-

"(iiia) the National Foundation for Communal Harmony; or".
