Finance Act, 1986

Section 40 - Amendment of Act 27 of 1957

WEALTH-TAX

In section 5 of the Wealth-tax Act, 1957, -

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

(i) after clause (xvid), the following clause shall be inserted, namely :-

'(xvie) in the case of an individual or a Hindu undivided family, such debentures issued by a public sector company, as the Central Government may, by notification in the Official Gazette, specify in this behalf.

Explanation : For the purposes of this clause, "public sector company" means any corporation established by or under any Central, State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956 (1 of 1956);';

(ii) in clause (xxxiii), -

(A) in the opening paragraph, after the words "out of such moneys", the words "within one year immediately preceding the date of his return and at any time thereafter" shall be inserted with effect from the 1st day of April, 1987;

(B) the Explanation shall be numbered as Explanation 1 and after Explanation 1 as so numbered, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1977, namely :-

"Explanation 2 : For the removal of doubts, it is hereby declared that moneys standing to the credit of such person in a Non-resident (External) Account in any bank in India in accordance with the Foreign Exchange Regulation Act, 1973 (46 of 1973) and any rules made thereunder, on the date of his return to India, shall be deemed to be moneys brought by him into India on that date.";

(b) in sub-section (3), -

(i) after the brackets, figures and letter "(xvid),", the brackets, figures and letter "(xvie)," shall be inserted;

(ii) for clause (aa), the following clause shall be substituted, namely :-

"(aa) in the case of Capital Investment Bonds referred to in clause (xvid), or debentures referred to in clause (xvie), of sub-section (1), from the date on which the Bonds or debentures, as the case may be, were subscribed to by the assessee, or for a period of at least six months ending with the relevant valuation date, whichever is shorter; and"
