Finance Act, 1971

Section 2 - INCOME-TAX -The provisions of Section 2of, and the First Schedule to, the Finance Act. 1970, shall apply in relation to

a) in Section 2, - (i) for the figures "1970" wherever they occur, the figures "1971" shall be substituted; (ii) for sub-section (3), the following sub-section shall be substituted, namely :- "(3) In cases to which Chapter 12-orSection 164 of the Income-tax Act, 1961-(hereinafter referred to as the Income-tax Act) applies, the tax chargeable shall be determined as provided in that chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be,"; (iii) in sub-section (5), the following proviso shall be inserted at the end, namely :- Provided that in respect of any income chargeable to tax under Section 164 of the Income-tax Act-at the rate of sixty-five per cent., " advance tax" shall be computed at that rate; (b) in the First Schedule,- (i) in Part I, - (1) for Paragraph A, the following Paragraph shall be substituted, namely :- Paragraph A In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-el, (vii) of clause (31) of Section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies, - Provided that for the purposes of this Paragraph, in the case of a Hindu undivided family which at any time during the previous year satisfies either of the following two conditions, namely :-- (a) that it has at least two members entitled to claim partition who are not less than eighteen years of age, or (b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family :-- (i) no income-tax shall be payable on a total income not exceeding Rs. 7,000; (ii) where the total income exceeds Rupees 7,000 but does not exceed Rs. 7,660, the income-tax payable thereon shall not exceed forty per cent. of the amount by which the total income exceeds Rs. 7.000. Rates of Income-tax (1) where the total income does not exceed Nil, Rupees. 5,000 (2) where the total income exceeds Rupees 10 per cent. of the amount by which the total income 5,000 hut (Joes not exceed Rs. 10.000 exceeds Rs. 5.000: (3) where the total income exceeds Rupees Rs. 500 plus 17 per cent. of the amount by which 10.000 hut docs not exceed Rs. 15.000 the total income exceeds Rupees 10.000: (4) where the total income exceeds Rupees Rs. 1.350 plus 23 per cent. of the amount by which 15.000 but does not exceed Rs. 20.000 the total income exceeds Rupees 15.000: (5) where the total income exceeds Rupees Rs. 2.500 plus 30 per cent. of the amount by which 20.000 hut does not exceed Rs. 25.000 the total income exceeds Rupees 20,000: (6) where the total income exceeds Rupees Rs. 4.000 plus 40 per cent. of the amount by which 25,000 but does not exceed Rs. 30.000 the total income exceeds Rupees 25.000: (7) where the total income exceeds Rupees Rs. 6,000 plus 50 per cent. of the amount by which 30.000 hut does not exceed Rs. 40.000 the total income exceeds Rupees 30.000: (8) where the total income exceeds Rupees Rs. 11.000 plus 60 per cent. of the amount hy which 40.000 but does not exceed Rs. 60.000 the total income exceeds Rupees 40.000: (9) where the total income exceeds Rupees Rs. 23.000 plus 70 per cent. of the amount hy which 60.000 but does not exceed Rs. 80.000 the total income exceeds Rupees 60,000: (10) where the total income exceeds Rupees Rs. 37.000 plus 75 per cent. of the amount by which 80,000 hut docs not exceed Rs. 1.00.000 the total income exceeds Rupees 80.000: (11) where the total income exceeds Rupees Rs. 52.000 plus 80 per cent. of the amount by which 1,00.000 but does not exceed Rs. 2.00.000 the total income exceeds Rupees 1.00.000: (12) where the total income exceeds Rupees Rs. 1.32,000 plus 85 per cent. of the amount by which 2.00,000 the total income exceeds Rupees 2.00.000. Surcharge on Income-tax The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.": (2) in Paragraph C, the following Explanation shall be inserted at the end, namely :- 'Explanation.-" For the purposes of this Paragraph, "registered firm" includes an unregistered Firm assessed as a registered Firm under clause (b) of Sec. 183 of the Income-tax Act-.'; (ii) in Pan III, - (1) in the opening portion, after the words 'as the case may be. "advance tax",' the brackets, words and figures '(not being "advance tax" in respect of any income chargeable to tax under Section 164 of the Income-tax Act-at the rate of sixty-five per cent.)' shall be inserted. (2) in Paragraph A, for the figures "1971" occurring in the proviso, the Figures "1972" shall be substituted; (3) in Paragraph C, the following Explanation shall be inserted at the end, namely :- 'Explanation.- For the purposes of the Paragraph, "registered firm" includes an unregistered firm assessed as a registered firm under clause (b) of Section 183 of the Income-tax Act'-.