Finance Act, 1988

Section 88 - AMENDMENT OF ACT 4 OF 1988 - In the Direct Tax Laws

Amendments Act, 1987:- (a) insection 36-, clause (a) shall be omitted; (b) insection 37-,- (i) in clause (a), after the words, brackets and figure "in sub-section (1)", the words, figures and letters "with effect from the 1st day of April, 1988", shall be inserted; (ii) in clause (b), the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; (c) insection 38-, the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; (d)section 92-shall be omitted; (e) insection 128-,- (i) in clause (i), the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; (ii) in clause (ii) after the words "shall be inserted", the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted; (iii) in clause (iii), the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; (iv) in clause (vii), after the words "shall be substituted", the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted; (f) insection 153-, clause (a) shall be omitted; (g) insection 154-,- (i) -in clause (1),- (A) in sub-clause (b), the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; (B) in sub-clause (f), the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; (ii) in clause (2), in sub-clause (b), the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; (h) insection 155-, in clause (a), in sub-clause (ii), the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; . (i) insection 158-, after the words "shall be inserted", the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted; (j) insection 162-,- (i) in clause (a), the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted at the end; (ii) in clause (b), after the words "shall be inserted", the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted; (iii) for clause (c), the following clause shall be substituted, namely :- "(c) (i) clauses (vi), (via), (viia), (xiii), (xv), (xvi) and (xvia) shall be omitted with effect from the 1st day of April, 1988; (ii) clause (xvii) shall be omitted;"; (iv) in clause (g), after the words "shall be inserted", the words, figures and letters "with effect from the 1st day of April, 1988" shall be inserted; (k) inSection 182-, clause (a) shall be omitted. SCHEDULE FIRST SCHEDULE (Seesection 2-)PART I Income-tax Paragraph A Sub-Paragraph I 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-clause (vii) of clause (31) ofsection 2 of the Income-tax Act-, not being a case to which Sub- Paragraph II of this Paragraph or any other Paragraph of this Part applies,- Rates of Income-tax (1) where the total income does not exceed Rs. 18,000 Nil; (2) where the total income exceeds Rs. 18,000 but does not exceed Rs. 25,000 25 per cent. of the amount by which the total income exceeds Rs. 18,000; (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 Rs. 1,750 plus 30 per cent. of the amount by which the total income exceeds Rs. 25,000; (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 Rs. 9,250 plus 40 per cent. of the amount by which the total income exceeds Rs. 50,000; (5) where the total income exceeds Rs. 1,00,000 Rs. 29,250 plus 50 per cent. of the amount by which the total income exceeds Rs. 1,00,000. Surcharge on Income-tax The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall, in the case of every person having a total income exceeding fifty thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of five per cent. of such income-tax : Provided that no such surcharge shall be payable by a non-resident. Sub-Paragraph II In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1988 exceeds Rs. 18,000,"- Rates of Income-tax (1) where the total income does not exceed Nil; Rs. 12,000 (2) where the total income exceeds Rs. 12,000 25 per cent. of the amount by which the total income but does not exceed Rs. 20,000 exceeds Rs. 12,000; (3) where the total income exceeds Rs. 20,000 Rs. 2,000 plus 30 per cent. of the amount bysection 183 of the Income-tax Act-. Paragraph D In the case of every local authority,-

Rate of Income-tax On the whole of the total income 50 per cent. Surcharge on Income-tax the amount of income-tax computed at the rate hereinbefore 'specified shall, in the case of every person having a total income exceeding fifty thousand rupees, be increased by a surcharge for purposes of the Union, calculated at the rate of five per cent. of such income-tax. In the case of a company, --- Paragraph E Rates of income-tax 1. In the case of a domestic company,- (1) where the company is a company in which 50 per cent of the total income; the public are substantially interested (2) where the company is not a company in which the public are substantially interested- (i) in the case of a trading company or 60 per cent of the total income; an investment company (ii) in any other case 55 per cent of the total income; II. In the case of a company other than a domestic company,--- (i) on so much of the total income as consists of- (a) royalties received from government or an Indian concern in pursuance of an agreement made by it with the Gov- ernment or the Indian concern after the 31 day of March, 1961 but before the 1st day of: April, 1976, or (b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Gov- ernment or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976, and where such agreement has, in either 50 per cent.; case, been approved by the Central Government (ii) in the balance, if any, of the total income 65 per cent.; Surcharge on income-tax The amount of income-tax computed in accordance with the provisions of item I of this Paragraph shall, in the case of every person having a total income exceeding fifty thousand rupees, be increased by a surcharge calculated at the rate of five per cent. of such income tax