

Finance Act, 1989

Section 2 - In the case of a company

Seesection 2-) PART 1 INCOME-TAXParagraph 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) of section 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 Nil; Rs. 18,000 (2) where the total income exceeds Rs. 18,000 25 per cent. of the amount by which the total income but does not exceed Rs. 25,000 exceeds Rs. 18,000; (3) where the total income exceeds Rs. 25,000 Rs.1,750 plus 30 per cent. of the amount by which but does not exceed Rs. 50,000 the total income exceeds Rupees 25,000; (4) where the total income exceeds Rs. 50,000 Rs. 9,250 plus 40 per cent. of the amount by which but does not exceed Rs. 1,00,000 the total income exceeds Rupees 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 Rupees 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, 1989 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 total income exceeds Rs. 12,000; (3) where the total income exceeds Rs. 20,000 Rs. 2,000 plus 30 per cent. of the amount by which but does not exceed Rs. 40,000 the total income exceeds Rupees 20,000; (4) where the total income exceeds Rs. 40,000 Rs. 8,000 plus 40 per cent. of the amount by which but does not exceed Rs. 60,000 the total income exceeds Rupees 40,000; (5) where the total income exceeds Rs. 60,000 Rs. 16,000 plus 50 per cent. of the amount by which but does not exceed Rs. 1,00,000 the total income exceeds Rupees 60,000; (6) where the total income exceeds Rs. 1,00,000 Rs. 36,000 plus 55 per cent. of the amount by which the total income exceeds Rupees 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. Paragraph B In the case of every co-operative society, --- Rates of Income-tax (1) where the total income does not exceeds 15 per cent. of the total income; Rs. 10,000 (2) where the total income exceeds Rs. 10,000 Rs. 1,500 plus 25 per cent. of the amount by which but does not exceed Rs. 20,000 the total income exceeds Rupees 10,000; (3) where the total income exceeds Rs. 20,000 Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rupees 20,000. Surcharge on income-tax The amount of income-tax computed in accordance with the preceding provisions of this 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. Paragraph C Sub-Paragraph I In the case of every registered firm, not being a case to which Sub-Paragraph II of this Paragraph applies,--- Rates of income-tax (1) where the total income does not exceed Nil; Rs. 10,000 (2) where the total income exceeds Rs. 10,000 5 per cent. of the amount by which the total income but does not exceed Rs. 25,000 exceeds Rs. 10,000; (3) where the total income exceeds Rs. 25,000 Rs. 750 plus? per cent. of the amount by which but does not exceed Rs. 50,000 the total income exceeds Rupees 25,000; (4) where the total income exceeds Rs. 50,000 Rs. 2,500 plus 15 per cent. of the amount by which but does not exceed Rs. 1,00,000 the total income exceeds Rupees 50,000; (5) where the total income exceeds Rs. 1,00,000 Rs. 10,000 plus 24 per cent. of the amount by which the total income exceeds Rupees 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.

Sub-Paragraph II In the case of every registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income,--- Rates of income-tax (1) where the total income does not exceed Nil; Rs. 10,000 (2) where the total income exceeds Rs. 10,000 4 per cent. of the amount by which the total income but does not exceed Rs. 25,000 exceeds Rs. 10,000; (3) where the total income exceeds Rs. 25,000 Rs. 600 plus 7 per cent. of the amount by which but does not exceed Rs. 50,000 the total income exceeds Rupees 25,000; (4) where the total income exceeds Rs. 50,000 Rs. 2,350 plus 13 per cent. of the amount by which but does not exceed Rs. 1,00,000 the total income exceeds Rupees 50,000; (5) where the total income exceeds Rs. 1,00,000 Rs. 8,850 plus 22 per cent. of the amount by which the total income exceeds Rupees 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.

Explanation.--- For the purposes of this Paragraph, "registered firm" includes an unregistered firm assessed as a registered firm under clause (b) of section 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 I. 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 Government or the Indian concern after the 31st 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 agreement made by it with the Government 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) on 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