

Finance Act 1979

Chapter III - Direct Taxes

In section 10 of the Income-tax Act, -

(a) in clause (6), in the Explanation to sub-clause (viia), with effect from the 1st day of June, 1979, -

(i) in clause (ii), the word "or" shall be inserted at the end;

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

"(iii) such other field as the Central Government may, having regard to the 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,";

(b) in clause (15), in sub-clause (ii), the following proviso shall be inserted with effect from the 1st day of April, 1980, namely :-

"Provided that where in the case of an assessee the interest on deposits in a Public Account of the nature referred to in item (3) in the Table below rule 3 of the Post Office Savings Banks Rules, 1965 exceeds two thousand two hundred and fifty rupees, the amount of interest on such deposits that shall not be included in the total income of the assessee under this sub-clause shall be two thousand two hundred and fifty rupees;"

(c) after clause (23B), the following clauses shall be inserted and shall be deemed always to have been inserted, namely :-

(23BB) any income of an authority (whether known as the Khadi and Village Industries Board or by any other name) established in a State by or under a State or Provincial Act for the development of khadi or village industries in the State.

Explanation : For the purposes of this clause, "khadi" and "village industries" have the meanings respectively assigned to them in the Khadi and Village Industries Commission Act, 1956 (61 of 1956);

(23BBA) any income of any body or authority (whether or not a body corporate or corporation sole) established, constituted or appointed by or under any Central, State or Provincial Act which provides for the administration of any one or more of the following, that is to say, public religious or charitable trusts or endowments (including maths, temples, gurdwaras, wakfs, churches, synagogues, agiaries or other places of

public religious worship) or societies for religious or charitable purposes registered as such under the Societies Registration Act, 1860 (21 of 1860), or any other law for the time being in force :

Provided that nothing in this clause shall be construed to exempt from tax the income of any trust, endowment or society referred to therein;

Section 4 - Amendment of Section 35B

In section 35B of the Income-tax Act, with effect from the 1st day of April, 1980, -

(a) in sub-section (1), in clause (b), in sub-clause (i), the words, figures and letters, ", where expenditure is incurred before the 1st day of April, 1978" shall be omitted;

(b) sub-section (1A) shall be omitted.

Section 5 - Amendment of Section 35CCA

In section 35CCA of the Income-tax Act, with effect from the 1st day of June, 1979, -

(a) for sub-section (1), the following sub-section shall be substituted, namely :-

"(1) Where an assessee incurs any expenditure by way of payment of any sum -

(a) to an association or institution, which has as its object the undertaking of any programme of rural development, to be used for carrying out any programme of rural development approved by the prescribed authority; or

(b) to an association or institution, which has as its object the training of persons for implementing programmes of rural development,

the assessee shall, subject to the provisions of sub-section (2), be allowed a deduction of the amount of such expenditure incurred during the previous year.";

(b) in sub-section (2), for the portion beginning with the words "This section applies" and ending with the words "in this behalf by the prescribed authority :", the following shall be substituted, namely :-

"The deduction under sub-section (1) shall not be allowed with respect to expenditure by way of payment of any sum to any association or institution, unless such association or institution is for the time being approved in this behalf by the prescribed authority :".

Section 6 - Amendment of Section 36

In section 36 of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 1980, -

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

"(ia) the amount of any premium paid by a federal milk co-operative society to effect or to keep in force an insurance on the life of the cattle owned by a member of a co-operative society, being a primary society engaged in supplying milk raised by its members to such federal milk co-operative society;"

(b) after clause (vii), the following clause shall be inserted namely :-

(viiia) in respect of any provision for bad and doubtful debts made by a scheduled bank in relation to advances made by its rural branches, an amount not exceeding one and a half per cent. of the aggregate average advances made by such branches, computed in the prescribed manner.

Explanation : For the purposes of this clause, -

(i) "rural branch" means a branch of a schedule bank situated in a place which has a population of not more than ten thousand according to the last preceding census of which the relevant figures have been published before the first day of the previous year;

(ii) "scheduled bank" has the same meaning as in the Explanation at the end of clause (b) of sub-section (2) of section 11, but does not include a co-operative bank;;

(c) in clause (viii), -

(i) for the portion beginning with the words "agricultural development in India" and ending with the words "carried to such reserve account :", the following shall be substituted, namely :-

"agricultural development in India or by a public company formed and registered in India with the main object of carrying on the business of providing long-term finance for construction or purchase of houses in India for residential purposes, an amount not exceeding forty per cent. of the total income (computed before making any deduction under Chapter VIA) carried to such reserve account :";

(ii) in the first and second provisos, for the word "corporation", the words "corporation or, as the case may be, the company" shall be substituted;

(iii) the following Explanation shall be inserted at the end, namely :-

Explanation : In this clause, "public company" shall have the meaning assigned to it in section 3 of the Companies Act, 1956 (1 of 1956);.

In section 37 of the Income-tax Act, in Explanation 1 below sub-section (3B), for the words "is certified by the prescribed authority as not exceeding", the words "does not exceed" shall be substituted.

Section 8 - Amendment of Section 54E

In section 54E of the Income-tax Act, -

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

(a) for the words "full value of the consideration or any part thereof received or accruing as a result of such transfer", the words "whole or any part of the net consideration" shall be substituted;

(b) in clause (a), for the words "full value of the consideration received or accruing", the words "net consideration" shall be substituted;

(c) in clause (b), -

(i) for the words "full value of the consideration received or accruing", the words "net consideration" shall be substituted;

(ii) for the words "full value of such consideration", the words "net consideration" shall be substituted;

(d) in Explanation 1, -

(i) for the words, brackets and figure For the purposes of this sub-section and sub-section (3), "specified asset" means any of the following assets, namely :-, the following shall be substituted, namely :-

For the purposes of this sub-section, "specified asset" means -

(a) in a case where the original asset is transferred before the 1st day of March, 1979, any of the following assets, namely :-;

(ii) after clause (vi), the following clause shall be inserted, namely :-

"(b) in a case where the original assets is transferred after the 28th day of February, 1979, such National Rural Development Bonds as the Central Government may notify in this behalf in the Official Gazette.";

(e) in Explanation 3, for the words, brackets, figure and letter "the full value of the consideration or any part thereof in any equity shares referred to in clause (va)", the words, brackets, figure and letters "the whole or any part of the net consideration in any equity shares referred to in sub-clause (va) of clause (a)" shall be substituted;

(f) in Explanation 4, for the word, brackets and figures "clause (vi)", the words, brackets, figures and letter "sub-clause (vi) of clause (a)" shall be substituted;

(g) after Explanation 4, the following Explanation shall be inserted, namely :-

Explanation 5 : "net consideration", in relation to the transfer of a capital asset, means the full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.;

(2) in sub-section (1A), -

(a) for the words "full value of the consideration or any part thereof received or accruing as a result of the transfer", the words "whole or any part of the net consideration in respect" shall be substituted;

(b) for the words, brackets and figures "referred to in clause (vi)", the words, brackets, figures and letter "referred to in sub-clause (vi) of clause (a)" shall be substituted;

(c) in clause (a), for the words, brackets and figures "said clause (vi)", the words, brackets and figures "said sub-clause (vi)" shall be substituted;

(3) in sub-section (2), in the Explanation, -

(a) for the words "full value of the consideration or any part thereof received or accruing as a result of the transfer", the words "whole or any part of the net consideration in respect" shall be substituted;

(b) for the word, brackets and figures "clause (vi)", the words, brackets, figures and letter "sub-clause (vi) of clause (a)" shall be substituted;

(4) in sub-section (3), in the Explanation, -

(a) in clause (iii), for the word, brackets and figures "clause (vi)", the words, brackets, figures and letter "sub-clause (vi) of clause (a)" shall be substituted;

(b) after clause (iii), the following clause shall be inserted, namely :-

(iiia) "specified asset" means -

(a) in relation to any additional compensation or additional consideration received before the 1st day of March, 1979, any of the assets referred to in clause (a) of Explanation 1 below sub-section (1);

(b) in relation to any additional compensation or additional consideration received after the 28th day of February, 1979, the National Rural Development Bonds referred to in clause (b) of Explanation 1 below sub-section (1);;

(5) in sub-section (4), in the Explanation, for the word, brackets and figures "clause (vi)" the words, brackets, figures and letter "sub-clause (vi) of clause (a)" shall be substituted;

(6) in sub-section (5), for the word, brackets and figures "clause (vi)", the words, brackets, figures and letter "sub-clause (vi) of clause (a)" shall be substituted;

(7) in sub-section (6), for the word, brackets, figure and letter "clause (va)", the words, brackets, figure and letters "sub-clause (va) of clause (a)" shall be substituted.

Section 9 - Amendment of Section 64

In section 64 of the Income-tax Act, with effect from the 1st day of April, 1980, -

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

(i) in Explanation 1, for the words, brackets and figure "For the purposes of clause (i)", the words, brackets and figures "For the purposes of clause (i) and clause (ii)" shall be substituted;

(ii) after Explanation 1, the following Explanation shall be inserted, namely :-

"Explanation 1A : For the purposes of clause (i), where the spouse of an individual is a beneficiary under a trust, the income arising to the trustee from the membership of the trustee in a firm carrying on a business in which such individual is a partner shall, to the extent such income is for the immediate or deferred benefit of the spouse of such individual, be deemed to be income arising indirectly to the spouse of such individual from the membership of the spouse in a firm carrying on a business in which such individual is a partner.";

(iii) after Explanation 2, the following Explanation shall be inserted, namely :-

"Explanation 2A : For the purposes of clause (iii), where the minor child of an individual is a beneficiary under a trust, the income arising to the trustee from the membership of the trustee in a firm shall, to the extent such income is for the benefit of the minor child, be deemed to be income arising indirectly to the minor child from the admission of the minor to the benefits of partnership in a firm.";

(b) in sub-section (2) -

(i) for the words and brackets "into the common stock of the family (such property being hereinafter referred to as the converted property)", the words and brackets "into the common stock of the family or been transferred by the individual, directly or indirectly, to the family otherwise than for adequate consideration (the property so converted property)" shall be substituted;

(ii) the Explanation shall be numbered as Explanation 1 and after Explanation 1 as so numbered, the following Explanation shall be inserted, namely :-

Explanation 2 : For the purposes of this section, "income" includes loss..

Section 10 - Amendment of Section 80C

In section 80C of the Income-tax Act, for sub-section (1), the following sub-section shall be substituted with effect from the 1st day of April, 1980, namely :-

"(1) In computing the total income of an assessee, there shall be deducted, in accordance with and subject to the provisions of this section, an amount calculated, with reference to the aggregate of the sums specified in sub-section (2), at the following rates, namely :-

(a) where such aggregate does ; not exceed Rs. 5,000	The whole of such aggregate
(b) where such aggregate exceeds Rs. 5,000 but does not exceed Rs. 10,000	Rs. 5,000 plus 35 per cent. of the amount by which such aggregate exceeds Rs. 5,000;
(c) where such aggregate exceeds Rs. 10,000	Rs. 6,750 plus 20 per cent. of the amount by which such aggregate exceeds Rs. 10,000."

Section 11 - Insertion of New Section 80GGA

In Chapter VIA of the Income-tax Act, under the heading "B. - Deductions in respect of certain payments", after section 80GG, the following section shall be inserted with effect from the 1st day of April, 1980, namely :-

80GGA. Deduction in respect of certain donations for scientific research or rural development.

- (1) In computing the total income of an assessee, there shall be deducted, in accordance with and subject to the provisions of this section, the sums specified in sub-section (2).

(2) The sums referred to in sub-section (1) shall be the following, namely :-

(a) any sum paid by the assessee in the previous year to a scientific research association which has as its object the undertaking of scientific research or to a University, college or other institution to be used for scientific research :

Provided that such association, University, college or institution is for the time being approved for the purposes of clause (ii) of sub-section (1) of section 35;

(b) any sum paid by the assessee in the previous year -

(i) to an association or institution, which has its object the undertaking of any programme of rural development, to be used for carrying out any programme of rural development approved for the purposes of section 35CCA; or

(ii) to an association or institution which has as its object the training of persons for implementing programmes of rural development :

Provided that the association or institution is for the time being approved for the purposes of sub-section (2) of section 35CCA.

(3) Notwithstanding anything contained in sub-section (1), no deduction under this section shall be allowed in the case of an assessee whose gross total income includes income which is chargeable under the head "Profits and gains of business or profession".

(4) Where a deduction under this section is claimed and allowed for any assessment year in respect of any payments of the nature specified in sub-section (2), deduction shall not be allowed in respect of such payments under any other provision of this Act for the same or any other assessment year..

Section 12 - Amendment of Section 80J

In section 80J of the Income-tax Act, in sub-section (4), after the second proviso and before Explanation 1, the following proviso shall be inserted, namely :-

Provided also that in the case of an industrial undertaking which manufactures or produces any article specified in the list in the Eleventh Schedule, the provisions of clause (iii) shall have effect as if for the words "thirty-three years", the words "thirty-one years" had been substituted..

Section 13 - Insertion of New Section 80JJA

In the Income-tax Act, after section 80JJ, the following section shall be inserted with effect from the 1st day of April, 1980, namely :-

"80JJA. Deduction in respect of profits and gains from business of growing mushrooms. - Where the gross total income of an assessee includes any profits and gains derived from a business of growing mushrooms, not being profits and gains that are in the nature of agricultural income, there shall be allowed, in computing the total income of the assessee, a deduction from such profits and gains of an amount equal to one-third of such profits and gains or ten thousand rupees, whichever is less."

Section 14 - Amendment of Section 80P

In section 80P of the Income-tax Act, in sub-section (2), in clause (c), for the words "so much of its profits and gains attributable to such activities as does not exceed twenty thousand rupees;", the following shall be substituted with effect from the 1st day of April, 1980, namely :-

so much of its profits and gains attributable to such activities as does not exceed, -

(i) where such co-operative society is a consumers co-operative society, forty thousand rupees; and

(ii) in any other case, twenty thousand rupees.

Explanation : In this clause, "consumers co-operative society" means a society for the benefit of the consumers;.

Section 15 - Insertion of New Section 80QQA

In the Income-tax Act, after section 80QQ, the following section shall be inserted with effect from the 1st day of April, 1980, namely :-

80QQA. Deduction in respect of professional income of authors of text books in Indian languages. - (1) Where, in the case of an individual resident in India, being an author, the gross total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1980, or to any one of the four assessment years next following that assessment year, includes any income derived by him in the exercise of his profession on account of any lump sum consideration for the assignment or grant of any of his interests in the copyright of any book, or of royalties or copyright fees (whether receivable in lump sum or otherwise) in respect of such book, there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction from such income of an amount equal to twenty-five per cent. thereof.

(2) No deduction under sub-section (1) shall be allowed unless -

(a) the book is either in the nature of a dictionary, thesaurus or encyclopaedia or is one that has been prescribed or recommended as a text book, or included in the curriculum, by any University, for a degree or post-graduate course of that University; and

(b) the book is written in any language specified in the Eighth Schedule to the Constitution or in any such other language as the Central Government may, by notification in the Official Gazette, specify in this behalf having regard to the need for promotion of publication of books of the nature referred to in clause (a) in that language and other relevant factors.

Explanation : For the purposes of this section, -

(i) "author" includes a joint author;

(ii) "lump sum", in regard to royalties or copyright fees, includes an advance payment on account of such royalties or copyright fees which is not returnable;

(iii) "University" shall have the same meaning as in the Explanation to clause (ix) of section 47..

Section 16 - Amendment of Section 208

In section 208 of the Income-tax Act, in sub-section (2), in clause (b), for the letters and figures "Rs. 30,000", the letters and figures "Rs. 20,000" shall be substituted.

Section 17 - Amendment of Section 209A

In section 209A of the Income-tax Act, -

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

(i) in the opening portion, for the words "before the date", at both the places where they occur, the words "on or before the date" shall be substituted;

(ii) for the portion beginning with the words "and shall pay such amount" and ending with the words and figures "under section 211.", the following shall be substituted, namely :-

"and shall pay such amount of advance tax, -

(i) in a case falling under clause (a), as accords with the statement in equal instalments on the dates applicable in his case under section 211; and

(ii) in a case falling under clause (b), as accords with the estimate in equal instalments on such of the dates applicable in his case as have not expired, or in one sum if only the last of such dates has not expired.";

(b) in sub-section (2), for the words "at any time before the date", the words "on or before the date" shall be substituted;

(c) in sub-section (3), for the words "at any time before the last instalment", the words "on or before the date on which the last instalment" shall be substituted;

(d) in sub-section (4), -

(i) for the words "at any time before the date", the words "on or before the date" shall be substituted;

(ii) in the proviso, for the words "before the date on which the last instalment", the words "on or before the date on which the last instalment" shall be substituted, and for the words, "before such date", the words "on or before such date" shall be substituted;

(e) in sub-section (5), for the words "before any one of the dates", the words "on or before any one of the dates" shall be substituted.

Section 18 - Amendment of Section 212

In section 212 of the Income-tax Act, -

(a) in sub-section (1), in the opening portion, for the words "at any time before the last instalment", the words "on or before the date on which the last instalment" shall be substituted;

(b) in sub-section (2), for the words "before any one of the dates", the words "on or before any one of the dates" shall be substituted;

(c) in sub-section (3A), -

(i) for the words "at any time before the date", the words "on or before the date" shall be substituted;

(ii) in the proviso, for the words "before the date on which the last instalment", the words "on or before the date on which the last instalment" shall be substituted.

Section 19 - Amendment of Section 218

In section 218 of the Income-tax Act, in sub-section (2), for the words "before the date", the words "on or before the date" shall be substituted.

Section 20 - Amendment of Section 245D

In section 245D of the Income-tax Act, -

(a) in sub-section (1), the second proviso shall be omitted;

(b) after sub-section (1), the following sub-section shall be inserted, namely :-

"(1A) Notwithstanding anything contained in sub-section (1), an application shall not be proceeded with under that sub-section if the Commissioner objects to the application being proceeded with on the ground that concealment of particulars of income on the part of the applicant or perpetration of fraud by him for evading any tax or other sum chargeable or imposable under the Indian Income-tax Act, 1922 (11 of 1922), or under this Act, has been established or is likely to be established by any income-tax authority, in relation to the case :

Provided that where the Settlement Commission is not satisfied with the correctness of the objection raised by the Commissioner, the Settlement Commission may, after giving the Commissioner an opportunity of being heard, by order, allow the application to be proceeded with under sub-section (1) and send a copy of its order to the Commissioner."

Section 21 - Amendment of Section 246

In section 246 of the Income-tax Act, with effect from the 1st day of June, 1979, -

(a) in sub-section (2), -

(i) for clause (a), the following clause shall be substituted, namely :-

"(a) an order specified in clauses (b) to (h) (both inclusive) and clauses (l) to (o) (both inclusive) of sub-section (1) or an order under section 104, made against the assessee, being a company;"

(ii) clauses (d) and (e) shall be omitted;

(b) after sub-section (3) and before the Explanation, the following sub-sections shall be inserted, namely :-

"(4) Every appeal against an order specified in clauses (b) to (h) (both inclusive) and clauses (l) to (o) (both inclusive) of sub-section (1) made against the assessee, being a company, which is pending immediately before the 1st day of June, 1979 before an Appellate Assistant Commissioner and any matter arising out of or connected with such appeal and which is so pending shall stand transferred on that day to the Commissioner (Appeals) and the Commissioner (Appeals) may proceed with such appeal or matter from the stage at which it was on that day :

Provided that the appellant may demand that before proceeding further with the appeal or matter, the previous proceeding or any part thereof be reopened or that he be reheard.

(5) Notwithstanding anything contained in sub-section (1), the Board may, by order in writing, transfer any appeal which is pending before an Appellate Assistant Commissioner and any matter arising out of or connected with such appeal and which is so pending to the Commissioner (Appeals) if the Board is satisfied that it is necessary or expedient so to do having regard to the nature of the case, the complexities involved and other relevant considerations and the Commissioner (Appeals) may proceed with such appeal or matter from the stage at which it was before it was so transferred :

Provided that the appellant may demand that before proceeding further with the appeal or matter, the previous proceeding or any part thereof be reopened or that he be reheard.";

(c) in the Explanation, clause (b) shall be omitted.

Section 22 - Consequential amendments to certain sections

(1) The following amendment (being an amendment of a consequential nature) shall be made in the Income-tax Act, namely :-

In the Eleventh Schedule, for the brackets, words, figures and letter "(See section 32A)", the brackets, words, figures and letters "[See section 32A and section 80J(4)]" shall be substituted.

(2) The following amendments (being amendments of a consequential nature) shall be made in the Income-tax Act with effect from the 1st day of April, 1980, namely :-

(a) in sub-section (1) of section 20, in clause (i), for the words, brackets and figures "clauses (iii), (vi) and (vii)", the words, brackets, figures and letter "clauses (iii), (vi), (vii) and (viii)" shall be substituted;

(b) in sub-section (3) of section 80A, -

(i) after the word, figures and letter "section 80G", the words, figures and letters "or section 80GGA" shall be inserted;

(ii) after the word, figures and letters "section 80JJ", the words, figures and letters "or section 80JJA" shall be inserted;

(c) in sub-section (3) of section 80P, -

(i) after the words, figures and letters "or section 80JJ", the words, figures and letters "or section 80JJA" shall be inserted;

(ii) for the words, figures and letters "section 80J and section 80JJ", the words, figures and letters "section 80J, section 80JJ and section 80JJA" shall be substituted.

Section 23 - Amendment of Section 4

In the Wealth-tax, 1957 (27 of 1957) (hereinafter referred to as the Wealth-tax Act), in section 4, with effect from the 1st day of April, 1980, -

(a) in sub-section (1A), for the words and brackets "into common stock of the family (such property being hereinafter referred to as the converted property)", the words and brackets "into the common stock of the family or been transferred by the individual, directly or indirectly, to the family otherwise than for adequate consideration (the property so converted or transferred being hereinafter referred to as the converted property)" shall be substituted;

(b) in sub-section (3), after the words, brackets, letter and figure "clause (a) of sub-section (1)", the words, brackets, figure and letter "or sub-section (1A)" shall be inserted.

Section 24 - Amendment of Section 22D

In section 22D of the Wealth-tax Act, -

(a) in sub-section (1), the second proviso shall be omitted;

(b) after sub-section (1), the following sub-section shall be inserted, namely :-

"(1A) Notwithstanding anything contained in sub-section (1), an application shall not be proceeded with under that sub-section if the Commissioner objects to the application being proceeded with on the ground that concealment of particulars of the

net wealth on the part of the applicant or perpetration of fraud by him for evading any tax or other sum chargeable or impossible under this Act has been established or is likely to be established by any wealth-tax authority, in relation to the case :

Provided that where the Settlement Commission is not satisfied with the correctness of the objection raised by the Commissioner, the Settlement Commission may, after giving the Commissioner an opportunity of being heard, by order, allow the application to be proceeded with under sub-section (1) and send a copy of its order to the Commissioner."

Section 25 - Amendment of Section 23

In section 23 of the Wealth-tax Act, after sub-section (1B), the following sub-section shall be inserted with effect from the 1st day of June, 1979, namely :-

"(1C) Notwithstanding anything contained in sub-section (1), the Board may, by order in writing, transfer any appeal which is pending before an Appellate Assistant Commissioner and any matter arising out of or connected with such appeal and which is so pending to the Commissioner (Appeals) if the Board is satisfied that it is necessary or expedient so to do having regard to the nature of the case, the complexities involved and other relevant considerations and the Commissioner (Appeals) may proceed with such appeal or matter from the stage at which it was before it was so transferred :

Provided that the appellant may demand that before proceeding further with the appeal or matter, the previous proceeding or any part thereof be re-opened or that he be re-heard."

Section 26 - Amendment of Schedule I

In the Wealth-tax Act, for Part I of Schedule I, the following Part shall be substituted with effect from the 1st day of April, 1980, namely :-

"PART I

(1) In the case of every individual or Hindu undivided family, not being a Hindu undivided family to which item (2) of this Part applies, -

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(a) where the net wealth does not exceed Rs. 2,50,000	1/2 per cent. of the net wealth;
(b) where the net wealth exceeds Rs. 2,50,000 but does not exceeds Rs. 5,00,000	Rs. 1,250 plus 1 per cent. of the amount by which the net exceed wealth Rs. 2,50,000;

(c) where the net wealth exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 3,750 plus 2 per cent. of the amount by which the net wealth exceeds Rs. 5,00,000;
(d) where the net wealth exceeds Rs. 10,00,000 but does not exceed Rs. 15,00,000	Rs. 13,750 plus 3 per cent. of the amount by which the net wealth exceeds Rs. 10,00,000;
(e) where the net wealth exceeds Rs. 15,00,000	Rs. 28,750 plus 5 per cent. of the amount by which the net wealth exceeds Rs. 15,00,000 :

Provided that for the purposes of this item, -

(i) no wealth-tax shall be payable where the net wealth does not exceed Rs. 1,00,000;

(ii) the wealth-tax payable shall, in no case, exceed 5 per cent. of the amount by which the net wealth exceeds Rs. 1,00,000.

(2) In the case of every Hindu undivided family which has at least one member whose net wealth assessable for the assessment year exceeds Rs. 1,00,000, -

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(a) where the net wealth does not exceed Rs. 2,50,000	1 1/2 per cent. of the net wealth;
(b) where the net wealth exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	Rs. 3,750 plus 2 per cent. of the amount by which the net wealth exceeds Rs. 2,50,000;
(c) where the net wealth exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 8,750 plus 3 per cent. of the amount by which the net wealth exceeds Rs. 5,00,000;
(d) where the net wealth exceeds Rs. 10,00,000	Rs. 23,750 plus 5 per cent. of the amount by which the net wealth exceeds Rs. 10,00,000 :

Provided that for the purposes of this item, -

(i) no wealth-tax shall be payable where the net wealth does not exceed Rs. 1,00,000;

(ii) the wealth-tax payable shall, in no case, exceed 5 per cent. of the amount by which the net wealth exceeds Rs. 1,00,000."

In section 22 of the Gift-tax Act, 1958, after sub-section (1B), the following sub-section shall be inserted with effect from the 1st day of June, 1979, namely :-

"(1C) Notwithstanding anything contained in sub-section (1), the Board may, by order in writing, transfer any appeal which is pending before an Appellate Assistant Commissioner and any matter arising out of or connected with such appeal and which is so pending, to the Commissioner (Appeals) if the Board is satisfied that it is necessary or expedient so to do having regard to the nature of the case, the complexities involved and other relevant considerations and the Commissioner (Appeals) may proceed with such appeal or matter from the stage at which it was before it was so transferred :

Provided that the appellant may demand that before proceeding further with the appeal or matter, the previous proceeding or any part thereof be reopened or that he be reheard."

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