

Finance (No. 2) Act, 2004

Section 50 - Amendment of Section 206c

In section 206C of the Income-tax Act,--

(a) after sub-section (1B), the following sub-section shall be inserted with effect from the 1st day of October, 2004, namely:--

'(1C) Every person, who grants a lease or a licence or enters into a contract or otherwise transfers any right or interest either in whole or in part in any parking lot or toll plaza or mine or quarry, to another person, other than a public sector company (hereafter in this section referred to as "licensee or lessee") for the use of such parking lot or toll plaza or mine or quarry for the purpose of business shall, at the time of debiting of the amount payable by the licensee or lessee to the account of the licensee or lessee or at the time of receipt of such amount from the licensee or lessee in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier, collect from the licensee or lessee of any such licence, contract or lease of the nature specified in column (2) of the Table below, a sum equal to the percentage, specified in the corresponding entry in column (3) of the said Table, of such amount as income-tax:

Table

Sl. No.	Nature of contract or licence or lease, etc.	Percentage
(1)	(2)	(3)
(i)	Parking lot	Two per cent.
(ii)	Toll plaza	Two per cent.
(iii)	Mining and quarrying	Two per cent.;

(b) in sub-section (2), after the word, brackets and figure "sub-section (1)", the words, brackets, figure and letter "or sub-section (1C)" shall be inserted with effect from the 1st day of October, 2004;

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

(i) after the word, brackets and figure "sub-section (1)", the words, brackets, figure and letter "or sub-section (1C)" shall be inserted with effect from the 1st day of October, 2004;

(ii) the following proviso shall be inserted with effect from the 1st day of April, 2005, namely:--

"Provided that the person collecting tax on or after the 1st day of April, 2005 in accordance with the foregoing provisions of this section shall, after paying the tax collected to the credit of the Central Government within the prescribed time, prepare quarterly statements for the period ending on the 30th June, the 30th September, the 31st December and the 31st March in each financial year and deliver or cause to be delivered to the prescribed income-tax authority, or the person authorised by such authority, such statement in such form and verified in such manner and setting forth such particulars and within such time as may be prescribed";

(d) in sub-section (4), the following proviso shall be inserted with effect from the 1st day of April, 2005, namely:--

"Provided that where any amount is collected in accordance with the provisions of this section on or after the 1st day of April, 2005 and paid under sub-section (3) to the credit of the Central Government, the amount of tax collected and specified in the statement referred to in the second proviso to sub-section (5) shall be deemed as payment of tax on behalf of the person from whom the amount has been collected and credit shall be given to him for the amount so collected in the assessment made under this Act for the assessment year for which such income is assessable without the production of certificate.";

(e) in sub-section (5),--

(i) for the word "buyer", the words "buyer or licensee or lessee" shall be substituted with effect from the 1st day of October, 2004;

(ii) the following provisos shall be inserted with effect from the 1st day of April, 2005, namely:--

"Provided that no certificate may be furnished in a case where tax has been collected in accordance with the foregoing provisions of this section on or after the 1st day of April, 2005:

Provided further that the prescribed income-tax authority or the person authorised by such authority referred to in sub-section (3) shall, within the prescribed time after the end of each financial year, prepare and deliver to the buyer referred to in sub-section (1) or, as the case may be, to the licensee or lessee referred to in sub-section (1C), a statement in the prescribed form specifying the amount of tax collected and such other particulars as may be prescribed.";

(f) in sub-section (5A), with effect from the 1st day of October, 2004,--

(i) for the words, figures and letters "prepare half-yearly returns for the period ending on the 30th September and 31st March in each financial year", the words "prepare within the prescribed time after the end of each financial year" shall be substituted;

(ii) for the words "prescribed income-tax authority", the words "prescribed income-tax authority or such other authority or agency as may be prescribed" shall be substituted;

(iii) the following proviso shall be inserted, namely:--

"Provided that the Board may, if it considers necessary or expedient so to do, frame a scheme for the purposes of filing such returns with such other authority or agency referred to in this sub-section.";

(g) for sub-sections (5B) and (5C), the following sub-sections shall be substituted with effect from the 1st day of April, 2005, namely:--

"(5B) Without prejudice to the provisions of sub-section (5A), any person collecting tax, other than in a case where the seller is a company, the Central Government or a State Government, may at his option, deliver or cause to be delivered such return to the prescribed income-tax authority in accordance with such scheme as may be specified by the Board in this behalf, by notification in the Official Gazette, and subject to such conditions as may be specified therein, on or before the prescribed time after the end of each financial year, on a floppy, diskette, magnetic cartridge tape, CD-ROM or any other computer readable media (hereinafter referred to as the computer media) and in the manner as may be specified in that scheme:

Provided that where the person collecting tax is a company or the Central Government or a State Government, such person shall, in accordance with the provisions of this section, deliver or cause to be delivered, within the prescribed time after the end of each financial year, such returns on computer media under the said scheme.

(5C) Notwithstanding anything contained in any other law for the time being in force, a return filed on computer media shall be deemed to be a return for the purposes of sub-section (5A) and the rules made thereunder and shall be admissible in any proceedings made thereunder, without further proof of production of the original, as evidence of any contents of the original or of any facts stated therein.

(5D) Where the Assessing Officer considers that the return delivered or caused to be delivered under sub-section (5B) is defective, he may intimate the defect to the person collecting tax and give him an opportunity of rectifying the defect within a period of fifteen days from the date of such intimation or within , such further period which, on an application made in this behalf, the Assessing Officer may, in his discretion, allow; and if the defect is not rectified within the said period of fifteen days or, as the case may be, the further period so allowed, then, notwithstanding anything contained in any other provision of this Act, such return shall be treated as an invalid return and the provisions of this Act shall apply as if such person had failed to deliver the return.";

(h) in sub-section (9), with effect from the 1st day of October, 2004,--

(i) for the word "buyer", the words "buyer or licensee or lessee" shall be substituted;

(ii) after the word, brackets and figure "sub-section (1)", at both the places where they occur, the words, brackets, figure and letter "or sub-section (1C)" shall be inserted.