Finance (No. 2) Act 1965

Section 17 - Amendment of Section 280zc

In section 280ZC of the Income-tax Act, -

(i) in sub-section (1), the following Explanations shall be, and shall be deemed to have been, inserted with effect from the 1st day of April, 1965, namely :-

Explanation 1 : For the removal of doubts it is hereby declared that the expression "sale proceeds" in this sub-section does not include freight or insurance attributable to the transport of the goods or merchandise beyond the customs station as defined in the Customs Act, 1962 (52 of 1962).

Explanation 2 : For the purposes of this sub-section, a person who exports any goods or merchandise in respect of which the declaration in pursuance of rule 3 of the Foreign Exchange Regulation Rules, 1952, is required to be in Form E.P., or Form E.P. I in the First Schedule to the said rules, shall not in respect of such goods or merchandise be deemed to have received the sale proceeds in India in accordance with the Foreign Exchange Regulation Act, 1947 (7 of 1947), and the rules made thereunder unless he receives the same in India through an authorised dealer as defined in the said Act.;

(ii) for sub-section (4), the following sub-section shall be substituted, namely :-

"(4) The amount shown on a tax credit certificate granted to any person under this section shall, on the certificate being produced before the Income-tax Officer, be adjusted against any liability of that person under the Indian Income-tax Act, 1922 (11 of 1922), or this Act, existing on the date on which the certificate was produced before the Income-tax Officer and where the amount of such certificate exceeds such liability, or where there is no such liability, the excess or the whole of such amount, as the case may be, shall, notwithstanding anything contained in Chapter XIX, be deemed, on the said date, to be refund due to such person under that Chapter and the provisions of this Act shall apply accordingly.".
