

“बिजनेस पोस्ट के अन्तर्गत डाक शुल्क के नगद भुगतान (बिना डाक टिकट) के प्रेषण हेतु अनुमत. क्रमांक जी.2-22-छत्तीसगढ़ गजट / 38 सि. से. भिलाई, दिनांक 30-05-2001.”



पंजीयन क्रमांक
“छत्तीसगढ़/दुर्ग/09/2013-2015.”

छत्तीसगढ़ राजपत्र

(असाधारण)

प्राधिकार से प्रकाशित

क्रमांक 212]

रायपुर, गुरुवार, दिनांक 14 जून 2018 — ज्येष्ठ 24, शक 1940

विधि और विधायी कार्य विभाग

मंत्रालय, महानदी भवन, नया रायपुर

नया रायपुर, दिनांक 14 जून 2018

क्रमांक 5993/डी. 96/21-अ/प्रा./छ. ग./18. — भारत सरकार, विधि और न्याय मंत्रालय, विधायी विभाग के पत्र क्रमांक F. No. 1(32)/2017-L. एवं F. No. 1(3)/2018-L. I, नई दिल्ली, दिनांक 17-04-2018 के अनुसरण में दि पेमेंट ऑफ ग्रच्युटी (अमेंडमेन्ट) एक्ट, 2018 (क्रमांक 12 सन् 2018) एतद्द्वारा सर्वसाधारण की जानकारी हेतु पुनः प्रकाशित की जाती है.

छत्तीसगढ़ के राज्यपाल के नाम से तथा आदेशानुसार,
मनीष कुमार ठाकुर, अतिरिक्त सचिव.

THE PAYMENT OF GRATUITY (AMENDMENT) ACT, 2018

AN
ACT

further to amend the Payment of Gratuity Act 1972.

BE it enacted by Parliament in the Sixty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Payment of Gratuity (Amendment) Act, 2018.

Short title and
commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

39 of 1972.

2. In the Payment of Gratuity Act, 1972 (hereinafter referred to as the principal Act), in section 2, for clause (k), the following clause shall be substituted, namely:—

Amendment of
section 2.

'(k) "notification" means a notification published in the Official Gazette and the expression "notified" shall be construed accordingly;'

3. In section 2A of the principal Act, in sub-section (2), in the *Explanation*, in clause (iv), for the words "twelve weeks", the words "such period as may be notified by the Central Government from time to time" shall be substituted.

Amendment of
section 2A.

Amendment of
section 4.

4. In section 4 of the principal Act, in sub-section (3), for the words "ten lakh rupees", the words "such amount as may be notified by the Central Government from time to time" shall be substituted.

“बिजनेस पोस्ट के अन्तर्गत डाक शुल्क के नगद भुगतान (बिना डाक टिकट) के प्रेषण हेतु अनुमत. क्रमांक जी.2-22-छत्तीसगढ़ गजट / 38 सि. से. भिलाई, दिनांक 30-05-2001.”



पंजीयन क्रमांक
“छत्तीसगढ़/दुर्ग/09/2013-2015.”

छत्तीसगढ़ राजपत्र

(असाधारण)

प्राधिकार से प्रकाशित

क्रमांक 212-A]

रायपुर, गुरुवार, दिनांक 14 जून 2018 — ज्येष्ठ 24, शक 1940

विधि और विधायी कार्य विभाग
मंत्रालय, महानदी भवन, नया रायपुर

नया रायपुर, दिनांक 14 जून 2018

क्रमांक 5993/डी. 96/21-अ/प्रा./छ. ग./18.— भारत सरकार, विधि और न्याय मंत्रालय, विधायी विभाग के पत्र क्रमांक F. No. 1(32)/2017-L. I एवं F. No. 1(3)/2018-L. I, नई दिल्ली, दिनांक 17-04-2018 के अनुसरण में दि फाईनैस एक्ट, 2018 (क्रमांक 13 सन् 2018) एतद्वारा सर्वसाधारण की जानकारी हेतु पुनः प्रकाशित की जाती है.

छत्तीसगढ़ के राज्यपाल के नाम से तथा आदेशानुसार,
मनीष कुमार ठाकुर, अतिरिक्त सचिव.

THE FINANCE ACT, 2018

ARRANGEMENT OF

CLAUSES

CHAPTER I
PRELIMINARY

1. SHORT TITLE AND COMMENCEMENT.

CHAPTER II
RATES OF INCOME-TAX

2. Income-tax.

CHAPTER III
DIRECT TAXES
Income-tax

3. Amendment of section 2.

4. Amendment of section 9.
5. Amendment of section 10.
6. Amendment of section 11.
7. Amendment of section 16.
8. Amendment of section 17.
9. Amendment of section 28.
10. Amendment of section 36.
11. Amendment of section 40A.
12. Amendment of section 43.
13. Insertion of new section 43AA.
14. Amendment of section 43CA.
15. Insertion of new section 43CB.
16. Amendment of section 44AE.
17. Amendment of section 47.
18. Amendment of section 48.
19. Amendment of section 49.
20. Amendment of section 50C.
21. Amendment of section 54EC.
22. Amendment of section 55.
23. Amendment of section 56.
24. Amendment of section 79.
25. Substitution of new section for 80AC.
26. Amendment of section 80D.
27. Amendment of section 80DDB.
28. Amendment of section 80-IAC.
29. Amendment of section 80JJAA.
30. Insertion of new section 80PA.
31. Amendment of section 80TTA.
32. Insertion of new section 80TTB.
33. Insertion of new section 112A.
34. Amendment of section 115AD.
35. Amendment of section 115BA.
36. Amendment of section 115BBE.
37. Amendment of section 115JB.
38. Amendment of section 115JC.
39. Amendment of section 115JF.
40. Amendment of section 115-O.
41. Omission of Explanation occurring after section 115Q.
42. Amendment of section 115R.
43. Amendment of section 115T.
44. Amendment of section 139A.
45. Amendment of section 140.
46. Amendment of section 143.
47. Substitution of new sections 145A and 145B for section 145A.
48. Amendment of section 193.
49. Amendment of section 194A.
50. Amendment of section 245-O.
51. Amendment of section 245Q.
52. Amendment of section 253.
53. Amendment of section 271FA.
54. Amendment of section 276CC.
55. Amendment of section 286.

CHAPTER IV
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Customs

56. Substitution of references to certain expressions by certain other expressions.
57. Amendment of section 1.
58. Amendment of section 2.

59. Amendment of section 11.
60. Amendment of section 17.
61. Amendment of section 18.
62. Insertion of new sections 25A and 25B.
63. Amendment of section 28.
64. Amendment of section 28E.
65. Insertion of new section 28EA.
66. Amendment of section 28F.
67. Amendment of section 28H.
68. Amendment of section 28-I.
69. Amendment of section 28K.
70. Insertion of new section 28KA.
71. Amendment of section 28L.
72. Substitution of new section for section 28M.
73. Amendment of section 30.
74. Amendment of section 41.
75. Amendment of section 45.
76. Amendment of section 46.
77. Amendment of section 47.
78. Amendment of section 50.
79. Amendment of section 51.
80. Insertion of new Chapter VIIA.
81. Amendment of section 54.
82. Amendment of section 60.
83. Amendment of section 68.
84. Amendment of section 69.
85. Amendment of section 74.
86. Amendment of section 75.
87. Amendment of Chapter heading.
88. Amendment of section 83.
89. Amendment of section 84.
90. Insertion of new Chapter XIIA.
91. Insertion of new section 109A.
92. Amendment of section 110.
93. Amendment of section 122.
94. Amendment of section 124.
95. Amendment of section 125.
96. Amendment of section 128A.
97. Insertion of new section 143AA.
98. Insertion of new section 151B.
99. Substitution of new section for section 153.
100. Amendment of section 157.
101. Amendment of notification issued under sub-section (1) of section 25 of Customs Act and sub-section (12) of section 3 of Customs Tariff Act, retrospectively.

Customs Tariff

102. Amendment of Customs Tariff Act, 1975.
103. Amendment of First Schedule.
104. Amendment of Second Schedule.

Service tax

105. Special provision for exemption from service tax in certain cases relating to life insurance services provided by Naval Group Insurance Fund to personnel of Coast Guard, retrospectively.
106. Special provision for exemption from service tax in certain cases relating to services provided or agreed to be provided by Goods and Services Tax Network, retrospectively.
107. Special provision for retrospective exemption from service tax on Government's share of profit petroleum.

CHAPTER V

REPEAL AND SAVINGS OF CERTAIN ENACTMENTS

- 108. Repeal and savings of certain enactments.
- 109. Collection and payment of arrears of duties.

CHAPTER VI

SOCIAL WELFARE SURCHARGE

- 110. Social Welfare Surcharge on imported goods.

CHAPTER VII

ROAD AND INFRASTRUCTURE CESS

- 111. Road and Infrastructure Cess on imported goods.
- 112. Road and Infrastructure Cess on excisable goods.

CHAPTER VIII

MISCELLANEOUS

PART I

AMENDMENTS TO THE GOVERNMENT SAVINGS BANKS ACT, 1873

- 113. Commencement of this Part.
- 114. Substitution of long title to Act 5 of 1873.
- 115. Amendment of short title.
- 116. Substitution of words "Authorised Officer" for the word "Secretary" throughout Act.
- 117. Omission of section 2.
- 118. Substitution of new sections 3, 3A and 3B for section 3.
- 119. Amendment of section 4.
- 120. Amendment of section 4A.
- 121. Amendment of section 5.
- 122. Amendment of section 6.
- 123. Amendment of section 7.
- 124. Insertion of new section 7A.
- 125. Amendment of section 8.
- 126. Amendment of section 10.
- 127. Amendment of section 12.
- 128. Insertion of new section 12A.
- 129. Omission of heading.
- 130. Omission of section 13.
- 131. Amendment of section 14.
- 132. Insertion of new section 14A.
- 133. Amendment of section 15.
- 134. Insertion of new section and Schedule.

PART II

AMENDMENT TO THE RESERVE BANK OF INDIA ACT, 1934

- 135. Amendment of section 17 of Act 2 of 1934.

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PART III

AMENDMENTS TO THE PRESIDENT'S EMOLUMENTS AND PENSION ACT, 1951

- 136. Commencement of this Part.
- 137. Amendment of section 1A.
- 138. Amendment of section 2.
- 139. Amendment of section 3A.

PART IV

AMENDMENT TO THE SALARIES AND ALLOWANCES OF OFFICERS OF PARLIAMENT ACT, 1953

- 140. Amendment of section 3 of Act 20 of 1953.

PART V

AMENDMENTS TO THE SALARY, ALLOWANCES AND PENSION OF MEMBERS OF PARLIAMENT ACT, 1954

- 141. Commencement of this Part.
- 142. Amendment of section 3.
- 143. Amendment of section 4.
- 144. Amendment of section 8A.
- 145. Amendment of section 8AC.

PART VI

AMENDMENTS TO THE SECURITIES CONTRACTS (REGULATION) ACT, 1956

- 146. Commencement of this Part.
- 147. Amendment of section 12A.
- 148. Amendment of section 23.
- 149. Amendment of section 23A.
- 150. Amendment of section 23E.
- 151. Amendment of section 23G.
- 152. Insertion of new section 23GA.
- 153. Amendment of section 23-I.
- 154. Amendment of section 23J.
- 155. Amendment of section 23JA.
- 156. Amendment of section 23JB.
- 157. Insertion of new section 23JC.
- 158. Amendment of section 23M.
- 159. Amendment of section 24.

PART VII

AMENDMENT TO THE CENTRAL BOARDS OF REVENUE ACT, 1963

- 160. Amendment of Act 54 of 1963.

PART VIII

AMENDMENT TO THE GOVERNORS (EMOLUMENTS, ALLOWANCES AND PRIVILEGES) ACT, 1982

- 161. Amendment of section 3 of Act 43 of 1982.

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PART IX

AMENDMENTS TO THE NATIONAL HOUSING BANK ACT, 1987

162. Commencement of this Part.
163. Amendment of section 3.
164. Amendment of section 4.
165. Amendment of section 5.
166. Amendment of section 6.
167. Amendment of section 7.
168. Amendment of section 16.
169. Amendment of section 29A.
170. Amendment of section 33.
171. Amendment of section 33B.
172. Amendment of section 37.
173. Amendment of section 39.
174. Amendment of section 40.
175. Amendment of section 43.
176. Amendment of section 45A.
177. Amendment of section 55.

PART X

AMENDMENTS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992

178. Commencement of this Part.
179. Amendment of section 11.
180. Amendment of section 11B.
181. Amendment of section 15A.
182. Insertion of new sections 15EA and 15EB.
183. Amendment of section 15F.
184. Amendment of section 15-I.
185. Amendment of section 15J.
186. Amendment of section 15JB.
187. Amendment of section 24.
188. Amendment of section 27.
189. Amendment of section 28A.
190. Insertion of new section 28B.

PART XI

AMENDMENTS TO THE DEPOSITORIES ACT, 1996

191. Commencement of this Part.
192. Amendment of section 19.
193. Amendment of section 19A.
194. Insertion of new section 19FA.

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195. Amendment of section 19H.
196. Amendment of section 19-I.
197. Amendment of section 19-IA.
198. Amendment of section 19-IB.
199. Insertion of new section 19-IC.
200. Amendment of Chapter V.
201. Amendment of section 20.
202. Amendment of section 21.
203. Omission of heading.

PART XII

AMENDMENT TO THE VICE-PRESIDENT'S PENSION ACT, 1997

204. Amendment of section 2 of Act 30 of 1997.

PART XIII

AMENDMENTS TO THE CENTRAL ROAD FUND ACT, 2000

205. Commencement of this Part.
206. Amendment of Act 54 of 2000.

PART XIV

AMENDMENTS TO THE PREVENTION OF MONEY-LAUNDERING ACT, 2002

207. Commencement of this Part.
208. Amendments of Act 15 of 2003.

PART XV

AMENDMENTS TO THE FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT, 2003

209. Commencement of this Part.
210. Amendment of long title.
211. Amendment of section 2.
212. Amendment of section 3.
213. Amendment of section 4.
214. Amendment of section 5.
215. Amendment of section 7.
216. Amendment of section 8.

PART XVI

AMENDMENT TO THE FINANCE (No. 2) ACT, 2004

217. Amendment of Act 23 of 2004.

PART XVII

AMENDMENTS TO THE FINANCE ACT, 2013

218. Amendment of Act 17 of 2013.

PART XVIII

AMENDMENTS TO THE BLACK MONEY (UNDISCLOSED FOREIGN INCOME AND ASSETS) AND IMPOSITION OF TAX ACT, 2015

219. Amendment of Act 22 of 2015.

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PART XIX

AMENDMENT TO THE FINANCE ACT, 2016

220. Amendment of Act 28 of 2016.

PART XX

AMENDMENT TO THE CENTRAL GOODS AND SERVICES TAX ACT, 2017

221. Amendment of section 2 of Act 12 of 2017.

THE FIRST SCHEDULE.

THE SECOND SCHEDULE.

THE THIRD SCHEDULE.

THE FOURTH SCHEDULE.

THE FIFTH SCHEDULE.

THE SIXTH SCHEDULE.

THE FINANCE ACT, 2018

AN
ACT

*to give effect to the financial proposals of the Central Government for the
financial year 2018-2019.*

BE it enacted by Parliament in the Sixty-ninth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Finance Act, 2018. Short title
and
commencement.
(2) Save as otherwise provided in this Act, sections 2 to 55 shall come into force on
the 1st day of April, 2018.

CHAPTER II

RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year Income-tax.
commencing on the 1st day of April, 2018, income-tax shall be charged at the rates specified

in Part I of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in each case in the manner provided therein.

(2) In the cases to which Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding five thousand rupees, in addition to total income, and the total income exceeds two lakh fifty thousand rupees, then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income as so increased were the total income;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (II) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words “two lakh fifty thousand rupees”, the words “three lakh rupees” had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words “two lakh fifty thousand rupees”, the words “five lakh rupees” had been substituted.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be: 43 of 1961.

Provided that the amount of income-tax computed in accordance with the provisions of section 111A or section 112 of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part I of the First Schedule:

Provided further that in respect of any income chargeable to tax under section 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBD, 115BBDA, 115BBF, 115BBG, 115E, 115JB or 115JC of the Income-tax Act, the amount of income-tax

computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated,—

(a) in the case of every individual or Hindu undivided family or 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,—

(i) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax; and

(ii) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax;

(b) in the case of every co-operative society or firm or local authority, at the rate of twelve per cent. of such income-tax, where the total income exceeds one crore rupees;

(c) in the case of every domestic company,—

(i) at the rate of seven per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of twelve per cent. of such income-tax, where the total income exceeds ten crore rupees;

(d) in the case of every company, other than a domestic company,—

(i) at the rate of two per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such income-tax, where the total income exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (a) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(i) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(ii) one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of persons mentioned in (b) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as income-tax on such income and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax and surcharge on a total

income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in respect of any income chargeable to tax under clause (i) of sub-section (1) of section 115BBE of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such income-tax.

(4) In cases in which tax has to be charged and paid under section 115-O or section 115QA or sub-section (2) of section 115R or section 115TA or section 115TD of the Income-tax Act, the tax shall be charged and paid at the rates as specified in those sections and shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twelve per cent. of such tax.

(5) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, at the rates in force, the deductions shall be made at the rates specified in Part II of the First Schedule and shall be increased by a surcharge, for the purposes of the Union, calculated in cases wherever prescribed, in the manner provided therein.

(6) In cases in which tax has to be deducted under sections 192A, 194C, 194DA, 194E, 194EE, 194F, 194G, 194H, 194-I, 194-IA, 194-IB, 194-IC, 194J, 194LA, 194LB, 194LBA, 194LBB, 194LBC, 194LC, 194LD, 196B, 196C and 196D of the Income-tax Act, the deductions shall be made at the rates specified in those sections and shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or 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, being a non-resident, calculated,—

(i) at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(c) in the case of every company, other than a domestic company, calculated,—

(i) at the rate of two per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

(7) In cases in which tax has to be collected under the proviso to section 194B of the Income-tax Act, the collection shall be made at the rates specified in Part II of the First Schedule, and shall be increased by a surcharge, for the purposes of the Union, calculated, in cases wherever prescribed, in the manner provided therein.

(8) In cases in which tax has to be collected under section 206C of the Income-tax Act,

the collection shall be made at the rates specified in that section and shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or 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, being a non-resident, calculated,—

(i) at the rate of ten per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees;

(c) in the case of every company, other than a domestic company, calculated,—

(i) at the rate of two per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds ten crore rupees.

(9) Subject to the provisions of sub-section (10), in cases in which income-tax has to be charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the Income-tax Act or deducted from, or paid on, income chargeable under the head “Salaries” under section 192 of the said Act or in which the “advance tax” payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, “advance tax” shall be charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in such cases and in such manner as provided therein:

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, “advance tax” shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be:

Provided further that the amount of “advance tax” computed in accordance with the provisions of section 111A or section 112 or section 112A of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part III of the First Schedule:

Provided also that in respect of any income chargeable to tax under section 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBD, 115BBDA, 115BBF, 115BBG, 115E, 115JB or 115JC of the Income-tax Act, “advance tax” computed under the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated,—

(a) in the case of every individual or Hindu undivided family or 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,—

(i) at the rate of ten per cent. of such “advance tax”, where the total income exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such "advance tax", where the total income exceeds one crore rupees;

(b) in the case of every co-operative society or firm or local authority at the rate of twelve per cent. of such "advance tax", where the total income exceeds one crore rupees;

(c) in the case of every domestic company,—

(i) at the rate of seven per cent. of such "advance tax", where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of twelve per cent. of such "advance tax", where the total income exceeds ten crore rupees;

(d) in the case of every company, other than a domestic company,—

(i) at the rate of two per cent. of such "advance tax", where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such "advance tax", where the total income exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (a) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(a) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of persons mentioned in (b) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in respect of any income chargeable to tax under clause (i) of sub-section (1) of section 115BBE of the Income-tax Act, the "advance tax" computed under the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such "advance tax".

(10) In cases to which Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year,

in such other period, any net agricultural income exceeding five thousand rupees, in addition to total income and the total income exceeds two lakh fifty thousand rupees, then, in charging income-tax under sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income-tax or, as the case may be, "advance tax" shall be so charged or computed as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income were the total income;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (II) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "three lakh rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "five lakh rupees" had been substituted:

Provided also that the amount of income-tax or "advance tax" so arrived at, shall be increased by a surcharge for the purposes of the Union, calculated in each case, in the manner provided therein.

(11) The amount of income-tax as specified in sub-sections (1) to (3) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the "Education Cess on income-tax", calculated at the rate of two per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance universalised quality basic education.

(12) The amount of income-tax as specified in sub-sections (1) to (3) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall also be increased by an additional surcharge, for the purposes of the Union, to be called the "Secondary and Higher Education Cess on income-tax", calculated at the rate of one per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance secondary and higher education.

(13) The amount of income-tax as specified in sub-sections (4) to (10) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the "Health and Education Cess on income-tax", calculated at the rate of four per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance quality health services and universalised quality basic education and secondary and higher education:

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in sub-sections (5), (6), (7) and (8), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India.

(14) For the purposes of this section and the First Schedule,—

(a) "domestic company" means an Indian company or any other company which, in respect of its income liable to income-tax under the Income-tax Act, for the assessment year commencing on the 1st day of April, 2018, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income;

(b) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(c) "net agricultural income" in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(d) all other words and expressions used in this section and the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

Amendment
of section 2.

3. In section 2 of the Income-tax Act,—

(a) in clause (22), after *Explanation 2*, the following *Explanation* shall be inserted, namely:—

"*Explanation 2A*.—In the case of an amalgamated company, the accumulated profits, whether capitalised or not, or loss, as the case may be, shall be increased by the accumulated profits, whether capitalised or not, of the amalgamating company on the date of amalgamation.";

(b) with effect from the 1st day of April, 2019,—

(i) in clause (24),—

(A) after sub-clause (xii), the following sub-clause shall be inserted, namely:—

"(xiiia) the fair market value of inventory referred to in clause (via) of section 28;"

(B) after sub-clause (xviiia), the following sub-clause shall be inserted, namely:—

"(xviiib) any compensation or other payment referred to in clause (xi) of sub-section (2) of section 56;"

(ii) in clause (42A),—

(A) in *Explanation 1*, in clause (i), after sub-clause (b), the following sub-clause shall be inserted namely:—

“(ba) in the case of a capital asset referred to in clause (via) of section 28, the period shall be reckoned from the date of its conversion or treatment;”;

(B) in *Explanation 4*, for the words, brackets and figures “the *Explanation* to clause (38) of section 10”, the words, brackets, letters and figures “clause (a) of the *Explanation* to section 112A” shall be substituted.

4. In section 9 of the Income-tax Act, in sub-section (1), in clause (i), with effect from the 1st day of April, 2019,—

Amendment
of section 9.

(I) in *Explanation 2*, for clause (a), the following clause shall be substituted, namely:—

“(a) has and habitually exercises in India, an authority to conclude contracts on behalf of the non-resident or habitually concludes contracts or habitually plays the principal role leading to conclusion of contracts by that non-resident and the contracts are—

(i) in the name of the non-resident; or

(ii) for the transfer of the ownership of, or for the granting of the right to use, property owned by that non-resident or that non-resident has the right to use; or

(iii) for the provision of services by the non-resident; or”;

(II) after *Explanation 2*, the following *Explanation* shall be inserted, namely:—

‘*Explanation 2A*.—For the removal of doubts, it is hereby clarified that the significant economic presence of a non-resident in India shall constitute “business connection” in India and “significant economic presence” for this purpose, shall mean—

(a) transaction in respect of any goods, services or property carried out by a non-resident in India including provision of download of data or software in India, if the aggregate of payments arising from such transaction or transactions during the previous year exceeds such amount as may be prescribed; or

(b) systematic and continuous soliciting of business activities or engaging in interaction with such number of users as may be prescribed, in India through digital means:

Provided that the transactions or activities shall constitute significant economic presence in India, whether or not,—

(i) the agreement for such transactions or activities is entered in India;

(ii) the non-resident has a residence or place of business in India; or

(iii) the non-resident renders services in India:

Provided further that only so much of income as is attributable to the transactions or activities referred to in clause (a) or clause (b) shall be deemed to accrue or arise in India.’

5. In section 10 of the Income-tax Act,—

Amendment
of section 10.

(a) after clause (6C), the following clause shall be inserted, namely:—

“(6D) any income arising to a non-resident, not being a company, or a foreign company, by way of royalty from, or fees for technical services rendered in or outside India to, the National Technical Research Organisation;”;

(b) with effect from the 1st day of April, 2019,—

(i) in clause (12A), for the word “employee”, the word “assessee” shall be substituted;

(ii) in clause (23C), after the twelfth proviso [as inserted by section 6 of the Finance Act, 2017], the following proviso shall be inserted, namely:— 7 of 2017.

‘Provided also that for the purposes of determining the amount of application under item (a) of the third proviso, the provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A, shall, *mutatis mutandis*, apply as they apply in computing the income chargeable under the head “Profits and gains of business or profession”.’;

(iii) in clause (38), after the third proviso, the following proviso shall be inserted, namely:—

“Provided also that nothing contained in this clause shall apply to any income arising from the transfer of long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, made on or after the 1st day of April, 2018.”;

(c) in clause (46), after the brackets and words “(by whatever name called)” at both the places where they occur, the words “, or a class thereof” shall be inserted;

(d) in clause (48B) [as inserted by section 6 of the Finance Act, 2017], after the word, brackets, figures and letter “clause (48A)”, the words “or on termination of the said agreement or the arrangement, in accordance with the terms mentioned therein, as the case may be,” shall be inserted with effect from the 1st day of April, 2019. 7 of 2017.

Amendment of section 11. 6. In section 11 of the Income-tax Act, in sub-section (1), after *Explanation 2* [as inserted by section 11 of the Finance Act, 2017], the following *Explanation* shall be inserted with effect from the 1st day of April, 2019, namely:— 7 of 2017.

‘*Explanation 3*.—For the purposes of determining the amount of application under clause (a) or clause (b), the provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A, shall, *mutatis mutandis*, apply as they apply in computing the income chargeable under the head “Profits and gains of business or profession”.’.

Amendment of section 16. 7. In section 16 of the Income-tax Act, after clause (i) [as omitted by section 6 of the Finance Act, 2005], the following clause shall be inserted with effect from the 1st day of April, 2019, namely:— 18 of 2005.

“(ia) a deduction of forty thousand rupees or the amount of the salary, whichever is less;”.

Amendment of section 17. 8. In section 17 of the Income-tax Act, in clause (2), in the proviso occurring after sub-clause (viii), clause (v) shall be omitted with effect from the 1st day of April, 2019.

Amendment of section 28. 9. In section 28 of the Income-tax Act, with effect from the 1st day of April, 2019,—
(I) in clause (ii), after sub-clause (d), the following sub-clause shall be inserted, namely:—

“(e) any person, by whatever name called, at or in connection with the termination or the modification of the terms and conditions, of any contract relating to his business;”;

(II) after clause (vi), the following clause shall be inserted, namely:—

“(via) the fair market value of inventory as on the date on which it is converted into, or treated as, a capital asset determined in the prescribed manner;”.

Amendment of section 36. 10. In section 36 of the Income-tax Act, in sub-section (1), after clause (xvii), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:—

“(xviii) marked to market loss or other expected loss as computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145.”.

18 of 1992.	11. In section 40A of the Income-tax Act, after sub-section (12) [as omitted by section 17 of the Finance Act, 1992], the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:— “(13) No deduction or allowance shall be allowed in respect of any marked to market loss or other expected loss, except as allowable under clause (xviii) of sub-section (1) of section 36.”	Amendment of section 40A.
	12. In section 43 of Income-tax Act, with effect from the 1st day of April, 2019,— (i) in clause (1), after <i>Explanation 1</i>, the following <i>Explanation</i> shall be inserted, namely:— “<i>Explanation 1A.</i>—Where a capital asset referred to in clause (via) of section 28 is used for the purposes of business or profession, the actual cost of such asset to the assessee shall be the fair market value which has been taken into account for the purposes of the said clause.”; (ii) in clause (5), after the proviso and before <i>Explanation 1</i>, the following proviso shall be inserted, namely:— “Provided further that for the purposes of clause (e) of the first proviso, in respect of trading in agricultural commodity derivatives, the requirement of chargeability of commodity transaction tax under Chapter VII of the Finance Act, 2013 shall not apply.”.	Amendment of section 43.
17 of 2013	13. After section 43A of the Income-tax Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:— “43AA. (1) Subject to the provisions of section 43A, any gain or loss arising on account of any change in foreign exchange rates shall be treated as income or loss, as the case may be, and such gain or loss shall be computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145. (2) For the purposes of sub-section (1), gain or loss arising on account of the effects of change in foreign exchange rates shall be in respect of all foreign currency transactions, including those relating to— (i) monetary items and non-monetary items; (ii) translation of financial statements of foreign operations; (iii) forward exchange contracts; (iv) foreign currency translation reserves.”.	Insertion of new section 43AA. Taxation of foreign exchange fluctuation.
	14. In section 43CA of the Income-tax Act, with effect from the 1st day of April, 2019,— (a) in sub-section (1), the following proviso shall be inserted, namely:— “Provided that where the value adopted or assessed or assessable by the authority for the purpose of payment of stamp duty does not exceed one hundred and five per cent. of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration.”; (b) in sub-section (4), for the words “by any mode other than cash”, the words “by way of an account payee cheque or an account payee bank draft or by use of electronic clearing system through a bank account” shall be substituted.	Amendment of section 43CA.
	15. After section 43CA of the Income-tax Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:— “43CB. (1) The profits and gains arising from a construction contract or a contract for providing services shall be determined on the basis of percentage of completion method in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145:	Insertion of new section 43CB. Computation of income from construction and service contracts.

Provided that profits and gains arising from a contract for providing services,—

(i) with duration of not more than ninety days shall be determined on the basis of project completion method;

(ii) involving indeterminate number of acts over a specific period of time shall be determined on the basis of straight line method.

(2) For the purposes of percentage of completion method, project completion method or straight line method referred to in sub-section (1)—

(i) the contract revenue shall include retention money;

(ii) the contract costs shall not be reduced by any incidental income in the nature of interest, dividends or capital gains.”

Amendment of
section 44AE.

16. In section 44AE of the Income-tax Act, with effect from the 1st day of April, 2019,—

(a) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) For the purposes of sub-section (1), the profits and gains from each goods carriage,—

(i) being a heavy goods vehicle, shall be an amount equal to one thousand rupees per ton of gross vehicle weight or unladen weight, as the case may be, for every month or part of a month during which the heavy goods vehicle is owned by the assessee in the previous year or an amount claimed to have been actually earned from such vehicle, whichever is higher;

(ii) other than heavy goods vehicle, shall be an amount equal to seven thousand five hundred rupees for every month or part of a month during which the goods carriage is owned by the assessee in the previous year or an amount claimed to have been actually earned from such goods carriage, whichever is higher.”;

(b) in the *Explanation*, for clause (a), the following clauses shall be substituted, namely:—

“(a) the expressions “goods carriage”, “gross vehicle weight” and “unladen weight” shall have the respective meanings assigned to them in section 2 of the Motor Vehicles Act, 1988;

59 of 1988.

(aa) the expression “heavy goods vehicle” means any goods carriage, the gross vehicle weight of which exceeds 12000 kilograms;”.

Amendment
of section 47.

17. In section 47 of the Income-tax Act, after clause (viiia) [as inserted by section 23 of the Finance Act, 2017], the following clause shall be inserted with effect from the 1st day of April, 2019, namely:—

7 of 2017.

“(viiab) any transfer of a capital asset, being—

(a) bond or Global Depository Receipt referred to in sub-section (1) of section 115AC; or

(b) rupee denominated bond of an Indian company; or

(c) derivative,

made by a non-resident on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency.

Explanation.— For the purposes of this clause,—

(a) “International Financial Services Centre” shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005;

28 of 2005.

(b) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43;

42 of 1956.

(c) "derivative" shall have the meaning assigned to it in clause (ac) of section 2 of the Securities Contracts (Regulation) Act, 1956.

18. In section 48 of the Income-tax Act, after the second proviso, the following proviso shall be inserted, namely:— Amendment of section 48.

"Provided also that nothing contained in the first and second provisos shall apply to the capital gains arising from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust referred to in section 112A:".

19. In section 49 of the Income-tax Act, after sub-section (8), the following sub-section shall be inserted with effect from the 1st day of April, 2019, namely:— Amendment of section 49.

"(9) Where the capital gain arises from the transfer of a capital asset referred to in clause (via) of section 28, the cost of acquisition of such asset shall be deemed to be the fair market value which has been taken into account for the purposes of the said clause."

20. In section 50C of the Income-tax Act, in sub-section (1), after the second proviso, the following proviso shall be inserted with effect from the 1st day of April, 2019, namely:— Amendment of section 50C.

"Provided also that where the value adopted or assessed or assessable by the stamp valuation authority does not exceed one hundred and five per cent. of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of section 48, be deemed to be the full value of the consideration."

21. In section 54EC of the Income-tax Act, with effect from the 1st day of April, 2019,— Amendment of section 54EC.

(a) in sub-section (1), after the words "long-term capital asset", the words "being land or building or both," shall be inserted;

(b) in sub-section (2), before the *Explanation*, the following proviso shall be inserted, namely:—

'Provided that in case of long-term specified asset referred to in sub-clause (ii) of clause (ba) of the *Explanation* occurring after sub-section (3), this sub-section shall have effect as if for the words "three years", the words "five years" had been substituted.'

(c) in the *Explanation* occurring after sub-section (3), for clause (ba), the following clause shall be substituted, namely:—

'(ba) "long-term specified asset" for making any investment under this section,—

(i) on or after the 1st day of April, 2007 but before the 1st day of April, 2018, means any bond, redeemable after three years and issued on or after the 1st day of April, 2007 but before the 1st day of April, 2018;

(ii) on or after the 1st day of April, 2018, means any bond, redeemable after five years and issued on or after the 1st day of April, 2018,

by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988 or by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956 or any other bond notified in the Official Gazette by the Central Government in this behalf.'

68 of 1988
1 of 1956.

22. In section 55 of the Income-tax Act, in sub-section (2), after clause (ab), the following clause shall be inserted, namely:— Amendment of section 55.

'(ac) subject to the provisions of sub-clauses (i) and (ii) of clause (b), in relation to a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust referred to in section 112A, acquired before the 1st day of February, 2018, shall be higher of—

(i) the cost of acquisition of such asset; and

(ii) lower of—

(A) the fair market value of such asset; and

(B) the full value of consideration received or accruing as a result of the transfer of the capital asset.

Explanation.—For the purposes of this clause,—

(a) "fair market value" means,—

(i) in a case where the capital asset is listed on any recognised stock exchange as on the 31st day of January, 2018, the highest price of the capital asset quoted on such exchange on the said date:

Provided that where there is no trading in such asset on such exchange on the 31st day of January, 2018, the highest price of such asset on such exchange on a date immediately preceding the 31st day of January, 2018 when such asset was traded on such exchange shall be the fair market value;

(ii) in a case where the capital asset is a unit which is not listed on a recognised stock exchange as on the 31st day of January, 2018, the net asset value of such unit as on the said date;

(iii) in a case where the capital asset is an equity share in a company which is—

(A) not listed on a recognised stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer;

(B) listed on a recognised stock exchange on the date of transfer and which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31st day of January, 2018 by way of transaction not regarded as transfer under section 47,

an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the financial year 2017-2018 bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the year beginning on the first day of April, 2001, whichever is later;

(b) "Cost Inflation Index" shall have the meaning assigned to it in clause (v) of the *Explanation* to section 48;

(c) "recognised stock exchange" shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43.

Amendment
of section 56.

23. In section 56 of the Income-tax Act, in sub-section (2),—

(A) in clause (x),—

(I) in sub-clause (b), for item (B), the following item shall be substituted with effect from the 1st day of April, 2019, namely:—

“(B) for a consideration, the stamp duty value of such property as exceeds such consideration, if the amount of such excess is more than the higher of the following amounts, namely:—

(i) the amount of fifty thousand rupees; and

(ii) the amount equal to five per cent. of the consideration.”;

(II) in the fourth proviso, in clause (IX), after the words, brackets and figure “clause (i) or”, the words, brackets and figures “clause (iv) or clause (v) or” shall be inserted;

(B) after clause (x), the following clause shall be inserted with effect from the 1st day of April, 2019, namely:—

“(xi) any compensation or other payment, due to or received by any person, by whatever name called, in connection with the termination of his employment or the modification of the terms and conditions relating thereto.”.

- 7 of 2017. 24. In section 79 of the Income-tax Act [as substituted by section 32 of the Finance Act, 2017], after the second proviso, the following proviso shall be inserted, namely:— Amendment of section 79.
- 31 of 2016. “Provided also that nothing contained in this section shall apply to a company where a change in the shareholding takes place in a previous year pursuant to a resolution plan approved under the Insolvency and Bankruptcy Code, 2016, after affording a reasonable opportunity of being heard to the jurisdictional Principal Commissioner or Commissioner.”.
25. For section 80AC of the Income-tax Act, the following section shall be substituted, namely:— Substitution of new section for section 80AC.
- ‘80AC. Where in computing the total income of an assessee of any previous year relevant to the assessment year commencing on or after—
- (i) the 1st day of April, 2006 but before the 1st day of April, 2018, any deduction is admissible under section 80-IA or section 80-IAB or section 80-IB or section 80-IC or section 80-ID or section 80-IE;
- (ii) the 1st day of April, 2018, any deduction is admissible under any provision of this Chapter under the heading “C.—Deductions in respect of certain incomes”,
- no such deduction shall be allowed to him unless he furnishes a return of his income for such assessment year on or before the due date specified under sub-section (1) of section 139.’ Deduction not to be allowed unless return furnished.
26. In section 80D of the Income-tax Act, with effect from the 1st day of April, 2019,— Amendment of section 80D.
- (A) in sub-section (2),—
- (i) for the words “thirty thousand rupees” wherever they occur, the words “fifty thousand rupees” shall be substituted;
- (ii) in the first proviso occurring after clause (d), the word “very” shall be omitted;
- (B) in sub-section (3),—
- (i) for the words “thirty thousand rupees” at both the places where they occur, the words “fifty thousand rupees” shall be substituted;
- (ii) the word “very” shall be omitted;
- (C) in sub-section (4),—
- (i) the words “or a very senior citizen” shall be omitted;
- (ii) for the words “thirty thousand rupees”, the words “fifty thousand rupees” shall be substituted;
- (D) after sub-section (4), the following sub-section shall be inserted, namely:—
- ‘(4A) Where the amount specified in clause (a) or clause (b) of sub-section (2) or clause (a) of sub-section (3) is paid in lump sum in the previous year to effect or to keep in force an insurance on the health of any person specified therein for more than a year, then, subject to the provisions of this section, there shall be allowed for each of the relevant previous year, a deduction equal to the appropriate fraction of the amount.
- Explanation.*—For the purposes of this sub-section,—
- (i) “appropriate fraction” means the fraction, the numerator of which is one and the denominator of which is the total number of relevant previous years;
- (ii) “relevant previous year” means the previous year beginning with the previous year in which such amount is paid and the subsequent previous year or years during which the insurance shall have effect or be in force.’.

(E) in the *Explanation* occurring after sub-section (5), clause (ii) shall be omitted.

Amendment
of section
80DDB.

27. In section 80DDB of the Income-tax Act, with effect from the 1st day of April, 2019,—

(a) in the third proviso, for the words “sixty thousand rupees”, the words “one hundred thousand rupees” shall be substituted;

(b) the fourth proviso shall be omitted;

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

Amendment
of section
80-IAC.

28. In section 80-IAC of the Income-tax Act, in the *Explanation* below sub-section (4),—

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

‘(i) “eligible business” means a business carried out by an eligible start up engaged in innovation, development or improvement of products or processes or services or a scalable business model with a high potential of employment generation or wealth creation;’;

(b) in clause (ii),—

(i) in sub-clause (a), for the figures “2019”, the figures “2021” shall be substituted;

(ii) in sub-clause (b), for the words, figures and letters “in any of the previous years beginning on or after the 1st day of April, 2016 and ending on the 31st day of March, 2021”, the words, brackets and figure “in the previous year relevant to the assessment year for which deduction under sub-section (1) is claimed” shall be substituted.

Amendment
of section
80JJAA.

29. In section 80JJAA of the Income-tax Act, in the *Explanation* occurring after sub-section (2), in clause (ii), with effect from the 1st day of April, 2019,—

(a) in the proviso, after the words “manufacturing of apparel”, the words “or footwear or leather products” shall be inserted;

(b) after the proviso, the following proviso shall be inserted, namely:—

“Provided further that where an employee is employed during the previous year for a period of less than two hundred and forty days or one hundred and fifty days, as the case may be, but is employed for a period of two hundred and forty days or one hundred and fifty days, as the case may be, in the immediately succeeding year, he shall be deemed to have been employed in the succeeding year and the provisions of this section shall apply accordingly;”.

Insertion of
new section
80PA.

30. After section 80P of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely:—

Deduction in
respect of
certain income
of Producer
Companies.

‘80PA. (1) Where the gross total income of an assessee, being a Producer Company having a total turnover of less than one hundred crore rupees in any previous year, includes any profits and gains derived from eligible business, 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 of an amount equal to one hundred per cent. of the profits and gains attributable to such business for the previous year relevant to an assessment year commencing on or after the 1st day of April, 2019, but before the 1st day of April, 2025.

(2) In a case where the assessee is entitled also to deduction under any other provision of this Chapter, the deduction under this section shall be allowed with reference to the income, if any, as referred to in this section included in the gross total income as reduced by the deductions under such other provision of this Chapter.

Explanation.—For the purposes of this section,—

(i) “eligible business” means—

(a) the marketing of agricultural produce grown by the members; or

(b) the purchase of agricultural implements, seeds, livestock or other articles intended for agriculture for the purpose of supplying them to the members; or

(c) the processing of the agricultural produce of the members;

1 of 1956.

(ii) "member" shall have the meaning assigned to it in clause (d) of section 581A of the Companies Act, 1956;

1 of 1956.

(iii) "Producer Company" shall have the meaning assigned to it in clause (l) of section 581A of the Companies Act, 1956.

31. In section 80TTA of the Income-tax Act, in sub-section (1), in the opening portion, after the word "assessee", the brackets, words, figures and letters "(other than the assessee referred to in section 80TTB)" shall be inserted with effect from the 1st day of April, 2019.

Amendment of section 80TTA.

32. After section 80TTA of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely:—

Insertion of new section 80TTB.

80TTB. (1) Where the gross total income of an assessee, being a senior citizen, includes any income by way of interest on deposits with—

10 of 1949.

(a) a banking company to which the Banking Regulation Act, 1949, applies (including any bank or banking institution referred to in section 51 of that Act);

Deduction in respect of interest on deposits in case of senior citizens.

(b) a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank); or

6 of 1898.

(c) a Post Office as defined in clause (k) of section 2 of the Indian Post Office Act, 1898,

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—

(i) in a case where the amount of such income does not exceed in the aggregate fifty thousand rupees, the whole of such amount; and

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

(2) Where the income referred to in sub-section (1) is derived from any deposit held by, or on behalf of, a firm, an association of persons or a body of individuals, no deduction shall be allowed under this section in respect of such income in computing the total income of any partner of the firm or any member of the association or any individual of the body.

Explanation.—For the purposes of this section, "senior citizen" means an individual resident in India who is of the age of sixty years or more at any time during the relevant previous year.

33. After section 112 of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely:—

Insertion of new section 112A.

112A. (1) Notwithstanding anything contained in section 112, the tax payable by an assessee on his total income shall be determined in accordance with the provisions of sub-section (2), if—

Tax on long-term capital gains in certain cases.

(i) the total income includes any income chargeable under the head "Capital gains";

(ii) the capital gains arise from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust;

23 of 2004.

(iii) securities transaction tax under Chapter VII of the Finance (No.2) Act, 2004 has,—

(a) in a case where the long-term capital asset is in the nature of an equity share in a company, been paid on acquisition and transfer of such capital asset; or

(b) in a case where the long-term capital asset is in the nature of a unit of an equity oriented fund or a unit of a business trust, been paid on transfer of such capital asset.

(2) The tax payable by the assessee on the total income referred to in sub-section (1) shall be the aggregate of—

(i) the amount of income-tax calculated on such long-term capital gains exceeding one lakh rupees at the rate of ten per cent.; and

(ii) the amount of income-tax payable on the total income as reduced by the amount of long-term capital gains referred to in sub-section (1) as if the total income so reduced were the total income of the assessee:

Provided that in the case of an individual or a Hindu undivided family, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, the long-term capital gains, for the purposes of clause (i), shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax.

(3) The condition specified in clause (iii) of sub-section (1) shall not apply to a transfer undertaken on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transfer is received or receivable in foreign currency.

(4) The Central Government may, by notification in the Official Gazette, specify the nature of acquisition in respect of which the provisions of sub-clause (a) of clause (iii) of sub-section (1) shall not apply.

(5) Where the gross total income of an assessee includes any long-term capital gains referred to in sub-section (1), the deduction under Chapter VI-A shall be allowed from the gross total income as reduced by such capital gains.

(6) Where the total income of an assessee includes any long-term capital gains referred to in sub-section (1), the rebate under section 87A shall be allowed from the income-tax on the total income as reduced by tax payable on such capital gains.

Explanation.—For the purposes of this section,—

(a) “equity oriented fund” means a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and,—

(i) in a case where the fund invests in the units of another fund which is traded on a recognised stock exchange,—

(A) a minimum of ninety per cent. of the total proceeds of such fund is invested in the units of such other fund; and

(B) such other fund also invests a minimum of ninety per cent. of its total proceeds in the equity shares of domestic companies listed on a recognised stock exchange; and

(ii) in any other case, a minimum of sixty-five per cent. of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognised stock exchange:

Provided that the percentage of equity shareholding or unit held in respect of the fund, as the case may be, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures;

(b) “International Financial Services Centre” shall have the meaning assigned to it in clause (g) of section 2 of the Special Economic Zones Act, 2005;

(c) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43.’

34. In section 115AD of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 2019,—
- Amendment of section 115AD.
- (a) in clause (iii), the word “and” occurring at the end shall be omitted;
- (b) after clause (iii), the following proviso shall be inserted, namely:—
- “Provided that in case of income arising from the transfer of a long-term capital asset referred to in section 112A, income-tax at the rate of ten per cent. shall be calculated on such income exceeding one lakh rupees; and”.
35. In section 115BA of the Income-tax Act, in sub-section (1), for the words, figures and letter “provisions of section 111A and section 112”, the words “other provisions of this Chapter” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017.
- Amendment of section 115BA.
36. In section 115BBE of the Income-tax Act, in sub-section (2), after the word, brackets and letter “clause (a)”, the words, brackets and letter “and clause (b)” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017.
- Amendment of section 115BBE.
37. In section 115JB of the Income-tax Act,—
- Amendment of section 115JB.
- (a) in *Explanation 1*,—
- (A) after clause (iig), the following clause shall be inserted, namely:—
- “(iih) the aggregate amount of unabsorbed depreciation and loss brought forward in case of a company against whom an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under section 7 or section 9 or section 10 of the Insolvency and Bankruptcy Code, 2016.
- Explanation.*—For the purposes of this clause, the expression “Adjudicating Authority” shall have the meaning assigned to it in clause (1) of section 5 of the Insolvency and Bankruptcy Code, 2016 and the loss shall not include depreciation; or”;
- (B) in clause (iii), after the words “books of account”, the words, brackets, figures and letter “in case of a company other than the company referred to in clause (iih)” shall be inserted;
- (b) after *Explanation 4*, the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2001, namely:—
- “*Explanation 4A.*—For the removal of doubts, it is hereby clarified that the provisions of this section shall not be applicable and shall be deemed never to have been applicable to an assessee, being a foreign company, where its total income comprises solely of profits and gains from business referred to in section 44B or section 44BB or section 44BBA or section 44BBB and such income has been offered to tax at the rates specified in those sections.”.
38. In section 115JC of the Income-tax Act, after sub-section (3), the following sub-section shall be inserted with effect from the 1st day of April, 2019, namely:—
- Amendment of section 115JC.
- “(4) Notwithstanding anything contained in sub-section (1), where the person referred to therein, is a unit located in an International Financial Services Centre and derives its income solely in convertible foreign exchange, the provisions of sub-section (1) shall have effect as if for the words “eighteen and one-half per cent.”, the words “nine per cent.” had been substituted.”.
39. In section 115JF of the Income-tax Act, with effect from the 1st day of April, 2019,—
- Amendment of section 115JF.
- (i) for clause (b), the following clause shall be substituted, namely:—
- “(b) “alternate minimum tax” means the amount of tax computed on adjusted total income,—

31 of 2016.

31 of 2016.

(i) in case of an assessee being a unit referred to in sub-section (4) of section 115JC, at a rate of nine per cent.;

(ii) in any other case, at a rate of eighteen and one-half per cent.;

(ii) after clause (b), the following clauses shall be inserted, namely:—

‘(ba) “convertible foreign exchange” means a foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purpose of the Foreign Exchange Management Act, 1999 and the rules made thereunder; 42 of 1999.

(bb) “International Financial Services Centre” shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005; 28 of 2005.

(iii) after clause (d), the following clause shall be inserted, namely:—

‘(e) “unit” means a unit established in an International Financial Services Centre.’.

Amendment
of section
115-O.

40. In section 115-O of the Income-tax Act,—

(a) in sub-section (1), the following proviso shall be inserted, namely:—

“Provided that in respect of dividend referred to in sub-clause (e) of clause (22) of section 2, this sub-section shall have effect as if for the words “fifteen per cent.”, the words “thirty per cent.” had been substituted;”

(b) in sub-section (1B), the following proviso shall be inserted, namely:—

“Provided that this sub-section shall not apply in respect of dividend referred to in sub-clause (e) of clause (22) of section 2.”.

Omission of
Explanation
occurring after
section 115Q.

41. After section 115Q of the Income-tax Act, the *Explanation* shall be omitted.

Amendment
of section
115R.

42. In section 115R of the Income-tax Act, in sub-section (2),—

(A) for clause (i) to clause (iii), the following clauses shall be substituted, namely:—

“(i) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family by a money market mutual fund or a liquid fund;

(ii) thirty per cent. on income distributed to any other person by a money market mutual fund or a liquid fund;

(iii) ten per cent. on income distributed to any person by an equity oriented fund;

(iv) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family by a fund other than a money market mutual fund or a liquid fund or an equity oriented fund; and

(v) thirty per cent. on income distributed to any other person by a fund other than a money market mutual fund or a liquid fund or an equity oriented fund.”;

(B) in the second proviso, clause (b) shall be omitted.

Amendment
of section
115T.

43. In the *Explanation* occurring after section 115T of the Income-tax Act, for clause (b), the following clause shall be substituted, namely:—

‘(b) “equity oriented fund” means a fund referred to in clause (a) of the *Explanation* to section 112A and the Unit Scheme, 1964 made by the Unit Trust of India;’.

44. In section 139A of the Income-tax Act,—

Amendment of
section 139A.

(A) in sub-section (1),—

(a) in clause (iv), the word “or” shall be inserted at the end;

(b) after clause (iv), the following clauses shall be inserted, namely:—

“(v) being a resident, other than an individual, which enters into a financial transaction of an amount aggregating to two lakh fifty thousand rupees or more in a financial year; or

(vi) who is the managing director, director, partner, trustee, author, founder, *karta*, chief executive officer, principal officer or office bearer of the person referred to in clause (v) or any person competent to act on behalf of the person referred to in clause (v),”;

(B) in the *Explanation* occurring after sub-section (8), in clause (c), the words “and issued in the form of a laminated card” shall be omitted.

45. In section 140 of the Income-tax Act, in clause (c), in the second proviso,—

Amendment of
section 140.

(A) in clause (b), after the words “principal officer thereof,” occurring at the end, the word “or” shall be inserted;

(B) after clause (b), the following shall be inserted, namely:—

“(c) where in respect of a company, an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under section 7 or section 9 or section 10 of the Insolvency and Bankruptcy Code, 2016, the return shall be verified by the insolvency professional appointed by such Adjudicating Authority.

Explanation.—For the purposes of this clause the expressions “insolvency professional” and “Adjudicating Authority” shall have the respective meanings assigned to them in clause (18) of section 3 and clause (1) of section 5 of the Insolvency and Bankruptcy Code, 2016;”.

46. In section 143 of the Income-tax Act,—

Amendment of
section 143.

(a) in sub-section (1), in clause (a), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that no adjustment shall be made under sub-clause (vi) in relation to a return furnished for the assessment year commencing on or after the 1st day of April, 2018;”;

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

“(3A) The Central Government may make a scheme, by notification in the Official Gazette, for the purposes of making assessment of total income or loss of the assessee under sub-section (3) so as to impart greater efficiency, transparency and accountability by—

(a) eliminating the interface between the Assessing Officer and the assessee in the course of proceedings to the extent technologically feasible;

(b) optimising utilisation of the resources through economies of scale and functional specialisation;

(c) introducing a team-based assessment with dynamic jurisdiction.

(3B) The Central Government may, for the purpose of giving effect to the scheme made under sub-section (3A), by notification in the Official Gazette, direct that any of the provisions of this Act relating to assessment of total income or loss shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified in the notification:

Provided that no direction shall be issued after the 31st day of March, 2020.

31 of 2016.

31 of 2016.

(3C) Every notification issued under sub-section (3A) and sub-section (3B) shall, as soon as may be after the notification is issued, be laid before each House of Parliament.”

Substitution of new sections 145A and 145B for section 145A.

Method of accounting in certain cases.

47. For section 145A of the Income-tax Act, the following sections shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017, namely:—

*145A. For the purpose of determining the income chargeable under the head “Profits and gains of business or profession”,—

(i) the valuation of inventory shall be made at lower of actual cost or net realisable value computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145;

(ii) the valuation of purchase and sale of goods or services and of inventory shall be adjusted to include the amount of any tax, duty, cess or fee (by whatever name called) actually paid or incurred by the assessee to bring the goods or services to the place of its location and condition as on the date of valuation;

(iii) the inventory being securities not listed on a recognised stock exchange, or listed but not quoted on a recognised stock exchange with regularity from time to time, shall be valued at actual cost initially recognised in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145;

(iv) the inventory being securities other than those referred to in clause (iii), shall be valued at lower of actual cost or net realisable value in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145:

Provided that the inventory being securities held by a scheduled bank or public financial institution shall be valued in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145 after taking into account the extant guidelines issued by the Reserve Bank of India in this regard:

Provided further that the comparison of actual cost and net realisable value of securities shall be made category-wise.

Explanation 1.—For the purposes of this section, any tax, duty, cess or fee (by whatever name called) under any law for the time being in force, shall include all such payment notwithstanding any right arising as a consequence to such payment.

Explanation 2.—For the purposes of this section,—

(a) “public financial institution” shall have the meaning assigned to it in clause (72) of section 2 of the Companies Act, 2013;

18 of 2013.

(b) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43;

(c) “scheduled bank” shall have the meaning assigned to it in clause (ii) of the *Explanation* to clause (vii) of sub-section (1) of section 36.

Taxability of certain income.

145B. (1) Notwithstanding anything to the contrary contained in section 145, the interest received by an assessee on any compensation or on enhanced compensation, as the case may be, shall be deemed to be the income of the previous year in which it is received.

(2) Any claim for escalation of price in a contract or export incentives shall be deemed to be the income of the previous year in which reasonable certainty of its realisation is achieved.

(3) The income referred to in sub-clause (xviii) of clause (24) of section 2 shall be deemed to be the income of the previous year in which it is received, if not charged to income-tax in any earlier previous year.’

48. In section 193 of the Income-tax Act, in the proviso, in clause (iv), in the proviso, after the figures, words and brackets “8% Savings (Taxable) Bonds, 2003”, the words, figures and brackets “or 7.75% Savings (Taxable) Bonds, 2018” shall be inserted. Amendment of section 193.

49. In section 194A of the Income-tax Act, in sub-section (3), in clause (i), after the second proviso, the following shall be inserted, namely:— Amendment of section 194A.

‘Provided also that in case of payee being a senior citizen, the provisions of sub-clause (a), sub-clause (b), and sub-clause (c) shall have effect as if for the words “ten thousand rupees”, the words “fifty thousand rupees” had been substituted.

Explanation.—For the purposes of this clause, “senior citizen” means an individual resident in India who is of the age of sixty years or more at any time during the relevant previous year;’

50. In section 245-O of the Income-tax Act,—

Amendment of section 245-O.

(i) in sub-section (1), the following proviso shall be inserted, namely:—

“Provided that the Authority shall cease to act as an Authority for Advance Rulings for the purposes of Chapter V of the Customs Act, 1962 on and from the date of appointment of the Customs Authority for Advance Rulings under section 28EA of that Act.”;

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

“(1A) On and from the date of appointment of the Customs Authority for Advance Rulings referred to in the proviso to sub-section (1), the Authority shall act as an Appellate Authority, for the purpose of Chapter V of the Customs Act, 1962:

Provided that the Authority shall not admit any appeal against any ruling or order passed earlier by it in the capacity of the Authority for Advance Rulings in relation to any matter under Chapter V of the Customs Act, 1962 after the date of such appointment of the Customs Authority for Advance Rulings.”;

(iii) after sub-section (7), the following proviso shall be inserted, namely:—

“Provided that where the Authority is dealing with an application seeking advance ruling in any matter relating to this Act, the revenue Member of the Bench shall be such Member as referred to in sub-clause (i) of clause (c) of sub-section (3).”.

51. In section 245Q of the Income-tax Act, in sub-section (1), the words, letter and figures “or under Chapter V of the Customs Act, 1962” shall be omitted with effect from the date of appointment of the Customs Authority for Advance Rulings under section 28EA of the Customs Act, 1962. Amendment of section 245Q.

52. In section 253 of the Income-tax Act, in sub-section (1), in clause (a), after the word, figures and letter “section 271A”, the word, figures and letter “, section 271J” shall be inserted. Amendment of section 253.

53. In section 271FA of the Income-tax Act,—

Amendment of section 271FA.

(a) for the words “one hundred rupees”, the words “five hundred rupees” shall be substituted;

(b) for the words “five hundred rupees”, the words “one thousand rupees” shall be substituted.

54. In section 276CC of the Income-tax Act, in the proviso, in clause (ii), in sub-clause (b), for the words “tax payable by him”, the words “tax payable by such person, not being a company,” shall be substituted. Amendment of section 276CC.

52 of 1962.

52 of 1962.

52 of 1962.

52 of 1962.

Amendment
of section
286.

55. In section 286 of the Income-tax Act,—

(a) in sub-section (2), for the words, brackets and figures “on or before the due date specified under sub-section (1) of section 139, for furnishing the return of income for the relevant accounting year”, the words “within a period of twelve months from the end of the said reporting accounting year” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(b) in sub-section (3), after the word, brackets and figure “sub-section (2)”, the words, brackets and figure “and sub-section (4)” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017;

(c) in sub-section (4),—

(i) after the words “reporting accounting year”, the words “within the period as may be prescribed” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017;

(ii) clause (a) shall be relettered as clause (aa) thereof and before clause (aa) as so relettered, the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:—

“(a) where the parent entity is not obligated to file the report of the nature referred to in sub-section (2);”;

(d) in sub-section (5),—

(i) in the opening portion, for the words “in the said sub-section”, the words “by that country or territory” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(ii) in clause (e), for the word “entities”, the word “entity” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(e) in sub-section (9),—

(A) for clause (b), the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017, namely:—

“(b) “agreement” means a combination of all of the following agreements, namely:—

(i) an agreement entered into under sub-section (1) of section 90 or sub-section (1) of section 90A; and

(ii) an agreement for exchange of the report referred to in sub-section (2) and notified by the Central Government;”;

(B) in clause (d), in sub-clause (iii), for the words, brackets and figures “clause (i) or clause (ii)”, the words, brackets and figures “sub-clause (i) or sub-clause (ii)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(C) in clause (h), in the long line, for the words, brackets and figures “clause (i) or clause (ii)”, the words, brackets and figures “sub-clause (i) or sub-clause (ii)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(D) in clause (j), for the word, brackets and figure “sub-section (2)”, the words, brackets and figures “sub-sections (2) and (4)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017.