

THE ASSAM FINANCE ACT, 1981

Enacted by the President in the Thirty-second Year of the Republic of India.

An

Act

to fix the rates of agricultural income-tax and purchase tax for the financial year 1981-82, in the State of Assam.

In exercise of the powers conferred by Section 3 of the Assam State Legislature (Delegation of Powers) Act, 1981, the President is pleased to enact as follows:—

Short title,
extent and
commence-
ment.

1. (1) This Act may be called the Assam Finance Act, 1981.

(2) It extends to the whole of the State of Assam.

(3) It shall be deemed to have come into force on the first day of April, 1981.

Rates of
agricultural
income-tax.

2. The rates of agricultural income tax for the year beginning on the 1st day of April, 1981, shall, for the purposes of Sections 3 and 6 of the Assam Agricultural Income-tax Act, 1939, be the rates given below:—

Assam Act
IX of 1939.

A. In the case of every individual, Hindu undivided or joint family, firm and other association of persons (other than companies)—

Rates

- | | |
|---|-----------------------------------|
| (a) On the first Rs. 1,000 of the total income. | Nil ; |
| (b) On the next Rs. 5,000 of the total income. | Ten paise in the rupee ; |
| (c) On the next Rs. 5,000 of the total income. | Fifteen paise in the rupee ; |
| (d) On the next Rs. 10,000 of the total income. | Thirty paise in the rupee ; |
| (e) On the next Rs. 25,000 of the total income. | Forty-five paise in the rupee ; |
| (d) On the next Rs. 50,000 of the total income. | Sixty paise in the rupee ; |
| (g) On the next Rs. 1,00,000 of the total income. | Seventy paise in the rupee ; |
| (h) On the balance of the total income. | Seventy-five paise in the rupee ; |

B. In the case of every company—

- (a) The total income of which does not exceed Rs.1,00,000 on the whole of the total income. Sixty paise in the rupee ;
- (b) The total income of which exceeds Rs. 1,00,000 but does not exceed Rs.2,00,000 on the whole of total income. Seventy paise in the rupee ;
- (c) The total income of which exceeds Rs. 2,00,000 on the whole of total income. Seventy-five paise in the rupee ;

Provided that for the purposes of this section :—

- (i) no agricultural income-tax shall be payable on a total agricultural income which does not exceeds Rs. 12,000 ;
- (ii) in respect of paragraph A, the agricultural income-tax payable shall not exceed half the amount by which the total agricultural income exceeds Rs. 12,000 in cases where the total agricultural income does not exceed Rs. 17,000 ; and
- (iii) in respect of paragraph B, the agricultural income-tax payable shall not exceed the difference between the total agricultural income and the following limits :—
- (a) rupees forty thousand increased by one per cent of the excess of the total agricultural income over Rs. 1,00,000 in the case of every company the total agricultural income of which exceeds Rs.1,00,000 but does not exceed Rs. 2,00,000 ;
- (b) rupees sixty thousand increased by two and half per cent of the excess of the total agricultural income over Rs. 2,00,000 in the case of every company the total agricultural income of which exceeds Rs. 2,00,000.

Rate of purchase-tax. 3. The rates at which the tax shall be levied and collected on the purchase of the items of the Schedule under the Assam Purchase Tax Act, 1967, shall be as follows :—

Assam Act
IX of 1967

- (a) in respect of item 1. four paise per rupee value of the price at which the taxable goods are purchased ;

- (b) in respect of items 2 and 3 three paise per rupee value of the price at which the taxable goods are purchased ;
- (c) in respect of item 4 two paise per rupee value of the price at which the taxable goods are purchased .

Repeal and Saving. 4. (1) The Assam Finance (No.II) Ordinance, 1981, is hereby repealed. Assam Ordinance IV of 1981.

- (2) Notwithstanding such repeal, anything done or any action taken under the Ordinance so repealed shall be deemed to have been done or taken under the corresponding provisions of this Act.

N. SANJIVA REDDY,
President.

R. V. S. PERI SASTRI,
Secretary to the Government of India.

MD. SAADULLAH,
Joint Secretary to the Govt. of Assam,
Legislative (Law) Department.

Reasons for the enactment

The Assam Agricultural Income-tax Act, 1939 and the Assam Purchase Tax Act, 1967 require that the rates of agricultural income-tax and purchase tax to be charged in any particular year shall be specified in the Assam Finance Act for the year. No revision of rates of tax under the Assam Purchase Tax Act is contemplated. In case of agricultural income-tax the exemption limit is proposed to be enhanced from the existing Rs. 10,000 to Rs. 12,000 of income and as a consequential measure to extend the marginal relief to income not exceeding Rs. 17,000 instead of the existing Rs. 12,000 in order to give relief to less well-to-do sections.

2. In view of the urgency of the matter, it is not practicable to consult the Consultative Committee of Parliament on Assam Legislation to be constituted under the proviso to sub-section (2) of section 3 of the Assam State Legislature (Delegation of Powers) Act, 1981. The measure is accordingly being enacted without reference to the Consultative Committee.

M. V. N. RAO,
Addl. Secy. to the Govt. of India.
(Ministry of Finance).