

## ACT No. XVI OF 1862.

PASSED BY THE GOVERNOR-GENERAL OF INDIA IN COUNCIL.

(Received the assent of the Governor-General on the 1st May 1862).

*An Act to limit in certain cases the amount of assessment to the Duties chargeable after the 31st day of July 1862 under Act XXXII of 1860 (for imposing Duties on profits arising from Property, Professions, Trades, and Offices) and Act XXXIX of 1860 (to amend Act XXXII of 1860), and otherwise to modify the said Acts.*

WHEREAS, by Act XXI of 1861, power is given to limit in certain cases for the year commencing from the 31st day of July 1861, the amount of assessment to the Duties chargeable under Act XXXII of 1860 (*for imposing Duties on Profits arising from Property, Professions, Trades, and Offices*) and Act XXXIX of 1860 (*to amend Act XXXII of 1860*); and whereas it is expedient to give similar powers in respect of the said assessment for the whole or any of the remaining three years during which the said Acts XXXII and XXXIX of 1860 are to continue in force, to raise the limit of exemption contained in Section CXVII of the said Act XXXII of 1860, and otherwise to modify the said Acts XXXII and XXXIX of 1860; It is enacted as follows:—

I. It shall be lawful for the Governor-General of India in Council, by an order to be published in the Government Gazette, to direct that within the Territories or any part of the Territories subject to the local Government of any Presidency or place, the general or special notices required by Sections XXXVII and XXXVIII of the said Act XXXII of 1860 shall not be issued for the year commencing from the 31st day of July 1862 in respect to the Duties contained in Schedules 1 and 2 of the said Act, and that in such Territories or part of such Territories the Returns of profits or income chargeable with Duties under the said Schedules, as prescribed by Section XXXIX of the said Act, for the year commencing as above, shall not

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be required ; but that in the place of such notices a general notice shall be issued in such Territories or part of such Territories to the effect that, except as hereinafter provided, the assessment of the Duties contained in the said Schedules for the year commencing as above upon the several persons liable thereto, either on their own behalf or on behalf of any other person, shall be at the same rate and on the same amount at and on which such persons were or shall be assessed for the year ending on the 31st day of July 1862.

II. The general notice to be issued under the last preceding Section shall Form and publication of general notice. be in the form appended to this Act or to the like effect, and shall fix a period of two months after which the assessments under this Act shall be made. Such notice shall be published in the Official Gazette of the Presidency or place within which it is issued, and in such other manner as the local Government shall direct, and copies of such notice shall be affixed at the several places within such Territories or part of such Territories as are mentioned in Section XXXVII of the said Act XXXII of 1860.

III. After the expiration of the period specified in such notice, the Officers Assessments to be made and recovered without requiring Returns of profits or income. within such Territories or part of such Territories whose duty it is to make assessments under the said Acts XXXII and XXXIX of 1860, shall proceed, except as hereinafter provided, without requiring the Returns prescribed by Section XXXIX of the said Act XXXII of 1860 for the year commencing from the 31st day of July 1862 in respect to the Duties contained in Schedules 1 and 2 of the said Act, to assess the several persons in their respective jurisdictions liable to the said Duties, either on their own behalf or on behalf of any other person, for the year commencing as above, at the same rate and on the same amount at and on which such persons were or shall be assessed to the said Duties for the year ending on the date above-mentioned, and shall proceed to collect and recover the amount of such assessments for the year in which the same are payable under the provisions contained in the said Act XXXII of 1860 which are hereby declared applicable to the assessments so made.

IV. The assessment ordered to be the assessment for the year commencing Payment of Duties. from the 31st day of July 1862, under the last preceding Section, shall, in the case of every person as aforesaid, who shall not claim in any such year to be assessed for such year under Act

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XXXII of 1860 as hereinafter provided, be the assessment on every such person under Schedules 1 and 2 of the said Act XXXII of 1860 for the year commencing as above, and the Duties imposed by the said Acts XXXII and XXXIX of 1860 under such Schedules shall be payable on such assessment in the same manner as if it had been made on a fresh Return made under Section XXXIX of the said Act XXXII of 1860 ; and all the provisions of the said Act XXXII of 1860 for the collection and enforcement of payment of Duties assessed and payable under the said Act, shall be applicable to the collection and enforcement of payment of the Duties under the assessments herein provided for.

V. If any person within such Territories or part of such Territories chargeable with the Duties contained in Schedules 1 and 2 of the said Act XXXII of 1860 or either of them, for the year commencing from the 31st day of July 1862, shall object to the assessment provided by this Act, and shall claim to be assessed under the said Act XXXII of 1860, he shall apply to the Commissioners, Collector, or Assessor within whose jurisdiction he resides, for forms of Returns of profits or income chargeable under the said Schedules or either of them, and such person shall, within the period mentioned in such general notice, deliver the Return for the year commencing as above, filled up in the manner and containing the declaration prescribed by the said Act XXXII of 1860, at the Office of such Assessor, Commissioners, or Collector, and claim to be assessed thereon in the same manner as if this Act had not passed. No such claim to be assessed under the said Act XXXII of 1860 shall be received unless made within the period aforesaid.

VI. When any claim shall be made under the provisions of the last preceding Section within the time therein allowed, it shall be the duty of the Assessor, Commissioners, Special Commissioner, or Collector, as the case may be, to whom such claim is made, to assess the person making it on his profits or income chargeable under the said Schedules for the year commencing from the 31st day of July 1862, in accordance with the provisions of the said Act XXXII of 1860, and all the provisions of the said Act shall be applicable to the Return and Declaration made by such person and to the assessment made upon him.

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VII. Nothing in this Act shall be held to debar the Commissioners of any Presidency Town or any Collector, from issuing or causing the issue of a special notice according to the form and in the manner provided by Section XXXVIII of the said Act XXXII of 1860, to any person residing within the jurisdiction of such Commissioners or Collector whom they or he shall consider liable to the Duties chargeable under the said Schedules 1 and 2, or either of them, for the year commencing from the 31st day of July 1862, but to whom a special notice requiring such person to make a Return of his profits or income under the said Schedules for the year ending on the 31st day of July 1861 shall not have been issued within such jurisdiction; or to any person to whom such special notice shall have been issued but who shall not have been assessed to the said Duties for the said year by reason of the amount of his profits or income not rendering him liable to the said Duties or for any other cause; or to any person who, such Commissioners or Collector shall have reason to believe, made a fraudulent or obviously inadequate Return of his profits or income under the said Schedules or either of them for the said year, or for the year ending on the 31st day of July 1862, and who shall not have been surcharged upon such Return; or to any person who shall have been assessed to the Duties under the said Schedules or either of them on a Return of profits or income calculated upon any period less than a whole year. Provided that no notice shall be issued under this Section after the expiration of three months from the date of the general notice mentioned in Section I of this Act.

VIII. When a special notice shall be issued to any person under the provisions of the last preceding Section, all the provisions of the said Act XXXII of 1860 as to special notices shall apply thereto and to any Return and Declaration made by such person and to the assessment of such person.

IX. When any transfer of any immoveable property, which shall have been or shall be assessed to the Duties contained in the said Schedule 1 of the said Act XXXII of 1860 for the year ending upon the 31st day of July 1862, shall have taken place subsequently to the date at which such assessment shall have been or shall be made, the person in the enjoyment of the profits or income arising from such property,  
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at the time that the assessment of Duties thereupon for the year commencing from the 31st day of July 1862 is made, shall be liable to be assessed on the profits of such property under the rules contained in the said Act XXXII of 1860, in the same manner as if this Act had not passed.

Act not to apply to Duties under Schedules 3 and 4.

X. This Act shall not apply to the Duties contained in Schedules 3 and 4 of the said Act XXXII of 1860, or to the assessment, collection, and recovery of such Duties.

Governor-General in Council may extend this Act to the year commencing 31st July 1863, or the year commencing 31st July 1864, or both.

XI. The Governor-General of India in Council may extend the provisions of this Act to the year commencing from the 31st day of July 1863, or the year commencing from the 31st day of July 1864, or to both of those years, and on such extension the several provisions of this Act shall *mutatis mutandis* apply to such year or years in the same manner as they apply to the year commencing from the 31st day of July 1862.

Composition for the whole period of three years from 31st July 1862.

XII. If any person shall be desirous of compounding for the Duties mentioned in Schedules 1 and 2 or either of the said Schedules of the said Act XXXII of 1860 for the entire period of three years from the 31st day of July 1862, and shall be willing to pay the whole amount of the Duties payable under the said Schedule or Schedules for such three years at one time, he may make an application to that effect, and it shall be lawful for the Commissioners of any Presidency Town, or any Collector beyond the limits of any such Town, with the sanction of the Commissioner of Land Revenue or other Revenue Authority to whom such Collector is immediately subordinate, to assess such person under the said Schedule or Schedules (as the case may be) for each of the three years aforesaid at the rate and amount assessed on him under the said Schedule or Schedules (as the case may be) for the year ending on the 31st day of July 1861, or if such person shall have been assessed on a fresh Return made for the year commencing from the 31st day of July 1861, then at the rate and on the amount assessed on him in the said Schedule or Schedules for such year without any such addition as is provided in Section LXIX or LXX of the said Act XXXII of 1860, and the payment by such person of the aggregate amount chargeable on him for the said three years on such assessment under the said Schedule or Schedules shall be received and taken by the said Commissioners or Collector in full satisfaction

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faction and discharge of the liability of such person to assessment under the said Schedule or Schedules during the said three years, and shall have the effect of a final settlement by such person with the Government of India in respect of all claims whatsoever in respect of such assessment. Provided that such payment be made on or before a date to be fixed by such Commissioners or Collector, and provided also that all the provisions of Section LXXV of the said Act relating to fraud shall apply to a composition under this Section.

XIII. From and after the 31st day of July 1862, Sections CXVI, CXVII, CXVIII, and CXIX of the said Act XXXII of 1860 shall cease to have effect, except in respect of any Duty chargeable upon any person under the said Acts XXXII and XXXIX of 1860 for either of the years commencing from the 31st July 1860, and the 31st July 1861, or for both of such years, or in respect of any assessment made under the said Acts upon any person for either or both of the said years.

Repeal of Sections CXVI to CXIX of Act XXXII of 1860.

XIV. From the 31st July 1862, with the exception contained in the last preceding Section, the two following Sections shall stand in the place of the said Sections CXVI, CXVII, CXVIII, and CXIX of the said Act XXXII of 1860, and shall be read and construed as if they formed part of the said Act, namely:—

The two following Sections to be in lieu of the Sections above repealed.

(1). No person shall be chargeable to any Duty under the said Acts XXXII and XXXIX of 1860, whose annual profits or income, from whatever source derived, estimated as in the said Act XXXII of 1860, do not amount to 500 Rupees.

Exemption of persons whose annual profits or income do not amount to 500 Rupees.

(2). Every person assessed under the said Acts XXXII and XXXIX of 1860, for the year commencing from the 1st August 1862 on an income or profits amounting to 500 Rupees, who shall claim to be exempted from payment of Duty on the ground that his income and profits do not amount to 500 Rupees, shall, within the time limited by the said Act XXXII of 1860 for delivering in the Returns and Declarations required by the said Act or within such further time as the Collector or Commissioners respectively shall, for special cause assigned, allow, deliver or cause to be delivered to the Assessor of the place where such claimant shall reside, a notice of his claim to such exemption, together with a declaration signed

Procedure in the case of persons claiming exemption under preceding Section.



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signed by such claimant and in such form as shall be prescribed as aforesaid, declaring and setting forth therein all the particular sources from whence the income of such claimant shall arise, and the particular amount arising from each source, and also every sum of annual interest or other annual payment reserved or charged thereon, whereby the income shall or may be diminished, and also every sum which such claimant may have charged, or may be entitled to charge against any other person, on account of the Duties made payable by this Act, or which he may have deducted or may be entitled to deduct under the authority of this Act, from any payment to which he may be liable.

XV. Sections CXCI, CXCII, CXCIII, and CXCIV of the said Act  
Repeal of Sections  
CXCI to CXCIV of  
Act XXXII of 1860. XXXII of 1860, which provide that separate accounts shall be kept of the one per cent. Duty under Section III of the said Act, and that the amount thereof shall be appropriated in the manner therein directed, are hereby repealed. Provided that a sum being not less than 20 per cent. of the gross sum collected on account of the Duties of 3 and 1 per cent. prescribed by Sections I and III of the said Act shall be appropriated to each Presidency, Lieutenant-Governorship, and Province under a Chief Commissioner, in the proportion which shall be determined by the Governor-General in Council, having regard to the proportion in which every such Presidency or Lieutenant-Governorship or Province under a Chief Commissioner shall contribute to the whole amount of the Duty raised under the said Act XXXII of 1860, and shall be expended by the local Governments and Chief Commissioners thereof in Roads, Canals, and other reproductive public works which have been duly sanctioned in the various Districts under them, as they may think fit, having regard to the respective contribution of such Districts.

XVI. It shall be lawful for the Governor-General of India in Council, in  
Governor-General in  
Council to prescribe  
forms. the exercise of the powers specified in Section CCXLVI of the said Act XXXII of 1860, from time to time to prescribe particular forms of Returns of profits and income for any part or parts of the British Territories in India. The forms so prescribed shall be published at least three times in the Government Gazette of such part or parts of such Territories, and when so published, and until they shall be altered, varied, or annulled by any subsequent order of the Governor-General of India in Council, such forms shall be observed by all persons in such part or parts of such

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such Territories who, by the said Act, are required to do the matters referred to in such forms, and all Notices given and Returns or Declarations made, and all oaths and affirmations taken or made, and all proceedings had according to such forms respectively by such persons shall, if otherwise valid, be deemed valid and effectual.

NOTICE.

*Income Tax Act, Schedules 1 and 2.*

Under the orders of the Governor-General of India in Council, Notice is hereby given that, except in the case of any person or persons to whom a special notice is issued, the assessment for the Income Tax for the year commencing from the 31st July 1862, under Schedules 1 and 2, Act XXXII of 1860 (Income Tax Act), will be the same as for the year ending on the said 31st day of July 1862; provided that if any person object to such assessment, he may apply to the Commissioners, Collector of his District, or to the Assessor of his Division, for forms of Returns of profits or income under the said Schedules, and send in his Return thereof within two months from the 31st July in that year, and he will then be assessed on such Return under the said Act XXXII of 1860.

Dated

Collector or (Commissioner).