

## ACT NO. XIV OF 1921.

[PASSED BY THE INDIAN LEGISLATURE.]

*(Received the assent of the Governor General on the 29th  
September, 1921.)*

An Act to provide for the levy of customs-  
duty on lac exported from British India.

**W**HEREAS it is expedient to provide for the creation of a Fund to be expended for the promotion of the improvement of methods of cultivation and manufacture of lac in India ;

**AND WHEREAS** for this purpose it is expedient to levy customs-duty on lac produced in India and exported from British India ;

It is hereby enacted as follows :—

Short title  
and extent.

1. (1) This Act may be called the Indian Lac Cess Act, 1921.

(2) It extends to the whole of British India, except Aden.

Definitions.

2. In this Act—

(a) "The Lac Association" means the Indian Lac Association for Research, registered as a society on the twelfth day of September, 1921, under the provisions of the Societies Registration Act, 1860 ;

XXI of 1860

(b) "Collector" means, in reference to lac exported by sea, a Customs-collector as defined in clause (c) of section 3 of the Sea Customs Act, 1878, and, in reference to lac passing out of British India by land, the Collector of the district ;

VIII of 1877

(c) "lac"

(c) "lac" includes any form of manufactured or unmanufactured lac other than refuse lac;

(d) "lac cess" means the customs-duty imposed by section 3 of this Act and by section 5 of the Indian Tariff Act, 1894.

VIII of 1894.

3. On and from the 1st January, 1922, a customs-duty shall be levied and collected on all lac and refuse lac produced in India and exported from any customs-port to any port beyond the limits of British India or to Aden at the rate of 4 annas per maund in the case of lac, and 2 annas per maund in the case of refuse lac, or at such lower rate as the Governor General in Council may, on the recommendation of the Lac Association by notification in the Gazette of India, prescribe.

Imposition of duty on exports of lac and refuse lac.

4. (1) At the close of each month, or as soon thereafter as may be convenient, the Collector shall pay the proceeds of the lac cess, after deducting the expenses of collection (if any), to the Lac Association.

Application of proceeds of lac cess.

(2) The said proceeds and any other monies received by the Lac Association in this behalf shall be applied by the Association towards meeting the cost of such measures as the Association may consider it advisable to take for the promotion of improved methods of cultivation and manufacture of lac by means of scientific research, experimental cultivation and the dissemination of knowledge, or by such other means, as it may be expedient to employ, for testing the value of the results obtained by such research.

5. (1) The Lac Association shall keep accounts of all monies received and expended under section 4.

Keeping and auditing of accounts.

(2) Such accounts shall be examined and audited annually by auditors appointed in this behalf by the Governor General in Council; and such auditors may disallow any item which has, in their opinion, been expended out of any money so received otherwise than as directed by or under this Act.

(3) I.

(3) If any item is disallowed, an appeal shall lie to the Governor General in Council, whose decision shall be final.

Power to  
make rules.

6. (1) The Governor General in Council may, after previous publication, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power such rules may provide for—

- (a) the levy and payment of the lac cess; and
- (b) the form of accounts to be kept and the publication of an abstract of such accounts with the reports of the auditors thereon.

(3) All such rules shall be published in the Gazette of India.

Time during  
which sections  
2 to 6 are to  
remain in  
force.

7. Sections 2 to 6 shall remain in force only until the 31st day of December, 1926:

Provided that the Governor General in Council may, on the recommendation of the Lac Association, and with the previous consent of the Indian Legislature, declare, by notification in the Gazette of India, that the said sections shall continue in force for any further period specified in such notification:

Provided also that, if at any time the Lac Association is dissolved, the said sections shall cease to be in force from the date of such dissolution.

Disposal of  
surplus  
proceeds of  
lac cess.

8. If any proceeds of the lac cess or any monies, so received as aforesaid, remain unexpended, when sections 2 to 6 cease to be in force, they shall, notwithstanding anything contained in any law for the time being in force, vest in His Majesty.