

THE INDIAN FINANCE ACT, 1931.

(Made by the Governor General on the 30th March, 1931.)

An Act to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to vary the excise duty on motor spirit leviable under the Motor Spirit (Duties) Act, 1917, to fix rates of income-tax and super-tax, to vary the excise duty on kerosene leviable under the Indian Finance Act, 1922, further to amend the Indian Paper Currency Act, 1923, and to vary the excise duty on silver leviable under the Silver (Excise Duty) Act, 1930.

WHEREAS it is expedient to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to vary the excise duty on motor spirit leviable under the Motor Spirit (Duties) Act, 1917, to fix rates of income-tax and super-tax, to vary the excise duty on kerosene leviable under the Indian Finance Act, 1922, further to amend the Indian Paper Currency Act, 1923, and to vary the excise duty on silver leviable under the Silver (Excise Duty) Act, 1930; It is hereby enacted as follows:—

1. (1) This Act may be called the Indian Finance Act, 1931. Short title and extent.

(2) It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas.

2. The provisions of section 7 of the Indian Salt Act, 1882, shall, in so far as they enable the Governor General in Council to impose by rule made under that section a duty on salt manufactured in, or imported into, any part of British India other than Burma and Aden, be construed as if, for the year beginning on the 1st day of April, 1931, they imposed such duty at the rate of one rupee and four annas per maund of eighty-two and two-sevenths pounds avoirdupois of salt Fixation of salt duty.

Price 1 anna or 1½d.]

salt manufactured in, or imported by land into, any such part, and such duty shall, for all the purposes of the said Act, be deemed to have been imposed by rule made under that section.

Amendment of Schedule II to Act VIII of 1894.

¹3. The amendments specified in the First Schedule to this Act shall be made in Schedule II to the Indian Tariff Act, 1894.

VIII of 1894

Additional customs duties.

¹4. In addition to the duties payable under the Indian Tariff Act, 1894, and any other Act for the time being in force, there shall be levied and collected in every port to which that Act applies additional duties on the importation of articles specified in the first and second columns of the Second Schedule at the rates or obtained by the method shown against them in the third column thereof.

VIII of 1894

Inland postage rates.

5. For the year beginning on the 1st day of April, 1931, the schedule contained in the Third Schedule to this Act shall be inserted in the Indian Post Office Act, 1898, as the First Schedule to that Act.

VI of 1898

Excise duty on motor spirit.

¹6. In sub-section (1) of section 3 of the Motor Spirit (Duties) Act, 1917, for the words "six annas" the words "eight annas" shall be substituted.

II of 1917

Income-tax and super-tax.

7. (1) Income-tax for the year beginning on the 1st day of April, 1931, shall be charged at the rates specified in Part I of the Fourth Schedule.

(2) The rates of super-tax for the year beginning on the 1st day of April, 1931, shall, for the purposes of section 55 of the Indian Income-tax Act, 1922, be those specified in Part II of the Fourth Schedule.

XI of 1922

(3) For the purposes of the Fourth Schedule, "total income" means total income as determined, for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the Indian Income-tax Act, 1922.

XI of 1922

Excise duty on kerosene.

¹8. In the proviso to section 5 of the Indian Finance Act, 1922, for the words "one anna and six pies" the words "two annas and three pies" shall be substituted.

XII of 1922

Amendment of section 19, Act X of 1923.

9. In sub-section (7) of section 19 of the Indian Paper Currency Act, 1923, for the figures "1931" the figures "1932" shall be substituted.

X of 1923

¹10. In

¹ This section came into effect on 1st March, 1931, by virtue of a declaration inserted in the Bill under the Provisional Collection of Taxes Act, 1918 (XVI of 1918).

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10. In sub-section (1) of section 3 of the Silver (Excise ^{Excise duty} _{on silver.} Duty) Act, 1930, for the words "four annas" the words "six annas" shall be substituted.

SCHEDULE I.

Amendments to be made in Schedule II to the Indian Tariff Act, 1894.

[See section 3.]

1. For Items Nos. 28 to 33 inclusive the following Items shall be substituted, namely:—

		Rs.	A.	
" 28	ALE, beer, porter, cider and other fermented liquors.	In barrels or other containers containing 27 oz. or more, per imperial gallon.	0	12
		In bottles containing less than 27 oz. but not less than 20 oz., per bottle.	0	2
		In bottles containing less than 13½ oz. but not less than 10 oz., per bottle.	0	1
		In bottles containing less than 6½ oz. but not less than 5 oz., per bottle.	0	½
		In other containers, per imperial gallon.	1	0
29	DENATURED SPIRIT . . .	Ad valorem . . .	7½ per cent.	
30	SPIRITS (other than denatured spirit)—			
	(1) Brandy, gin, rum, whisky, and other sorts of spirits not otherwise specified, including wines containing more than 42 per cent. of proof spirit.	Imperial gallon of the strength of London proof.	30 0	
	(2) Liqueurs, cordials, mixtures and other preparations containing spirit (other than drugs and medicines)—			
	(i) entered in such a manner as to indicate that the strength is not to be tested:	Imperial gallon . . .	40 0	
	(ii) not so entered . . .	Imperial gallon of the strength of London proof.	30 0	

(3) Drugs

¹ This section came into effect on 1st March, 1931, by virtue of a declaration inserted in the Bill under the Provisional Collection of Taxes Act, 1918 (XVI of 1918).

SCHEDULE I—*contd.*

		Rs. A.
30	SPIRITS (other than denatured spirit)— <i>contd.</i>	
	(3) Drugs and medicines containing spirit—	
	(i) entered in such a manner as to indicate that the strength is not to be tested :	Imperial gallon 30 0
	(ii) not so entered	Imperial gallon of the strength of London proof. 21 14
	(4) Perfumed spirits	Imperial gallon 48 0
	Provided that—	
	(a) the duty on any article included in this Item shall in no case be less than the duty which would be charged if the article were included in Part V of this Schedule :	
	(b) where the unit of assessment is the imperial gallon of the strength of London proof, the duty shall be increased or reduced in proportion as the strength is greater or less than London proof.	
31	WINES, not containing more than 42 per cent. of proof spirit—	
	(1) champagne and other sparkling wines.	Imperial gallon 10 8
	(2) other sorts	Imperial gallon 6 0

2. For Item No. 34 the following shall be substituted, namely:—

		Rs. A.
" 34	SUGAR, excluding confectionery (see No. 124)—	
	(1) Sugar, crystallised or soft 23 Dutch Standard and above.	Owt. 7 4
	(2) Sugar, crystallised or soft inferior to 23 Dutch Standard but not inferior to 8 Dutch Standard.	Owt. 6 12
	(3) Sugar, below 8 Dutch Standard and sugar candy.	<i>Ad valorem</i> 25 per cent. plus two rupees and twelve annas per cwt.
	(4) Molasses	<i>Ad valorem</i> 25 per cent."

3. In Item No. 37A, in the Note thereto, for the words " amount to be deducted on account of duties payable on importation to determine the real value in accordance with the provisions

SCHEDULE I—*concl'd.*

provisions of clause (a) of the said section shall be Rs. 7 per thousand", the words "deduction allowed under clause (a) of that section shall be calculated in all cases as if the cigarettes were classified under sub-item (a)" shall be substituted.

4. In Item No. 43BB, relating to silver bullion and coin, for the words "Four annas" in the fourth column, the words "Six annas" shall be substituted.

5. In Part V, the heading "SPICES" and Item No. 70 shall be omitted.

6. In Item No. 105, after the word "FILMS" the words "not exposed" shall be added.

7. After Item No. 124 and under the head "*I.—Food, Drink and Tobacco,*" the following item shall be inserted, namely:—

"124A	The following SPICES, namely:— Cardamoms, cassia, cinnamon, cloves, nutmegs and pepper."
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8. After Item No. 134, the following item shall be inserted, namely:—

"134A	CINEMATOGRAPH FILMS, exposed."
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9. In Part VI, after Item No. 141, the following heading and Item shall be inserted, namely:—

"*III.—Miscellaneous and unclassified.*

141A	BETELNUTS."
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SCHEDULE II.

SCHEDULE II.

Articles liable to an additional duty of customs, and additional duties leviable thereon.

[See section 4.]

References to Part and No. of Item in Schedule II to the Indian Tariff Act, 1894.	Description of articles liable to additional duty.	Rate of additional duty or method of obtaining it.
PART II.		
27 . . .	FISH, SALTED, wet or dry . . .	5 per cent. <i>ad valorem</i> .
37 . . .	CIGARS	15 per cent. <i>ad valorem</i> .
37A . . .	CIGARETTES	Re. 1 annas 8 per thousand.
38 . . .	All other sorts of TOBACCO manufactured.	Twelve annas per pound.
40 . . .	KEROSENE; also any other mineral oil included in Item No. 40.	9 pies per imperial gallon.
40A . . .	MOTOR SPIRIT	2 annas per imperial gallon.
41 . . .	MINERAL OIL—	
	(1) ordinarily used for the batching of jute or other fibre, as specified in sub-item (1) of Item No. 41;	Rs. 2 annas 8 per ton.
	(2) not ordinarily used for any other purpose than for lubrication, as specified in sub-item (2) of Item No. 41;	4 pies per gallon.
	(3) not ordinarily used except as fuel or for some sanitary or hygienic purposes, as specified in sub-item (3) of Item No. 41.	2½ per cent. <i>ad valorem</i> .
42 . . .	All ARMS, and other articles included in Item No. 42.	10 per cent. <i>ad valorem</i> .
42A . . .	MOTOR CARS, motor cycles and other articles included in Item No. 42A.	10 per cent. <i>ad valorem</i> .

SCHEDULE II—*contd.*

References to Part and No. of Item in Schedule II to the Indian Tariff Act, 1894.	Description of articles liable to additional duty.	Rate of additional duty or method of obtaining it.
PART II—<i>contd.</i>		
430 . . .	ARTIFICIAL SILK YARN and THREAD.	2½ per cent. <i>ad valorem</i> .
45A . . .	SILK MIXTURES, all sorts included in Item No. 45A.	7½ per cent. <i>ad valorem</i> .
46C . . .	PORTLAND CEMENT (excluding white portland cement).	Rs. 2 per ton.
PART IV.		
Nos. 53 to 64 inclusive	All articles for the time being included in Part IV of the Second Schedule.	2½ per cent. <i>ad valorem</i> .
PART V.		
Nos. 65 to 123 inclusive.	All articles for the time being included in Part V of the Second Schedule, excluding "raw hemp" comprised in Item No. 73.	5 per cent. <i>ad valorem</i> .
PART VI.		
Nos. 124 to 141, inclusive, except Nos. 124A and 134A.	<p>All articles for the time being included in Part VI of the Second Schedule, except—</p> <p>(1) the following SPICES, namely—</p> <p style="padding-left: 40px;">Cardamoms, cassia, cinnamon, cloves, nutmegs and pepper (<i>see</i> No. 124A);</p> <p>(2) CINEMATOGRAPH FILMS, exposed (<i>see</i> No. 134A); and</p> <p>(3) BETELNUTS (<i>see</i> No. 141A).</p>	10 per cent. <i>ad valorem</i> .
PART VII.		
156A . . .	COTTON PIECE-GOODS—all sorts included in Item No. 156A.	The figures for the rates of the <i>ad valorem</i> duties shall be deemed to be increased by 5 in each case.

SCHEDULE III.

SCHEDULE III.

Schedule to be inserted in the Indian Post Office Act, 1898.

[See section 5.]

“ THE FIRST SCHEDULE.

INLAND POSTAGE RATES.

[See section 7.]

Letters.

For a weight not exceeding two and a half tolas. One anna.
For every two and a half tolas, or fraction thereof, exceeding two and a half tolas. One anna.

Postcards.

Single Half an anna.
Reply One anna.

Book, Pattern and Sample Packets.

For every five tolas or fraction thereof . Half an anna.

Registered Newspapers.

For a weight not exceeding eight tolas . Quarter of an anna.
For a weight exceeding eight tolas and not exceeding twenty tolas. Half an anna.
For every twenty tolas, or fraction thereof, exceeding twenty tolas. Half an anna.

Parcels.

For a weight not exceeding twenty tolas . Two annas.
For a weight exceeding twenty tolas and not exceeding forty tolas. Four annas.
For every forty tolas, or fraction thereof, exceeding forty tolas. Four annas.”

SCHEDULE IV.

SCHEDULE IV.

[See section 7.]

PART I.

Rates of Income-tax.

	Rate.
A. In the case of every individual, Hindu undivided family, unregistered firm and other association of individuals not being a registered firm or a company—	
(1) When the total income is less than Rs. 2,000.	<i>Nil.</i>
(2) When the total income is Rs. 2,000 or upwards, but is less than Rs. 5,000.	Six pies in the rupee.
(3) When the total income is Rs. 5,000 or upwards, but is less than Rs. 10,000.	Nine pies in the rupee.
(4) When the total income is Rs. 10,000 or upwards, but is less than Rs. 15,000.	One anna in the rupee.
(5) When the total income is Rs. 15,000 or upwards, but is less than Rs. 20,000.	One anna and four pies in the rupee.
(6) When the total income is Rs. 20,000 or upwards, but is less than Rs. 30,000.	One anna and seven pies in the rupee.
(7) When the total income is Rs. 30,000 or upwards, but is less than Rs. 40,000.	One anna and eleven pies in the rupee.
(8) When the total income is Rs. 40,000 or upwards, but is less than Rs. 1,00,000.	Two annas and one pie in the rupee.
(9) When the total income is Rs. 1,00,000 or upwards.	Two annas and two pies in the rupee.
B. In the case of every company and registered firm, whatever its total income.	Two annas and two pies in the rupee.

PART II.

SCHEDULE IV—*contd.*

PART II.

Rates of Super-tax.

In respect of the excess over thirty thousand rupees of total income—

	Rate.
(1) In the case of every company—	
(a) in respect of the first twenty thousand rupees of such excess.	<i>Nil.</i>
(b) for every rupee of the remainder of such excess.	One anna in the rupee.
(2) (a) in the case of every Hindu undivided family—	
(i) in respect of the first forty-five thousand rupees of such excess.	<i>Nil.</i>
(ii) for every rupee of the next twenty-five thousand rupees of such excess.	One anna and three pies in the rupee.
(b) in the case of every individual, unregistered firm and other association of individuals not being a registered firm or a company—	
(i) for every rupee of the first twenty thousand rupees of such excess.	Nine pies in the rupee.
(ii) for every rupee of the next fifty thousand rupees of such excess.	One anna and three pies in the rupee.
(c) in the case of every individual, Hindu undivided family, unregistered firm and other association of individuals not being a registered firm or a company—	
(i) for every rupee of the next fifty thousand rupees of such excess.	One anna and nine pies in the rupee.
(ii) for every rupee of the next fifty thousand rupees of such excess.	Two annas and three pies in the rupee.
(iii) for every rupee of the next fifty thousand rupees of such excess.	Two annas and nine pies in the rupee.
(iv) for every rupee of the next fifty thousand rupees of such excess.	Three annas and three pies in the rupee.
(v) for every rupee of the next fifty thousand rupees of such excess.	Three annas and nine pies in the rupee.
(vi) for every rupee of the next fifty thousand rupees of such excess.	Four annas and three pies in the rupee.

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SCHEDULE IV—*concl.*

PART II—*cont.*

Rates of Super-tax—cont.

	Rate.
(vii) for every rupee of the next fifty thousand rupees of such excess.	Four annas and nine pies in the rupee.
(viii) for every rupee of the next fifty thousand rupees of such excess.	Five annas and three pies in the rupee.
(ix) for every rupee of the next fifty thousand rupees of such excess.	Five annas and nine pies in the rupee.
(x) for every rupee of the remainder of such excess.	Six annas and three pies in the rupee.