

ACT No. IV OF 1932.

[PASSED BY THE INDIAN LEGISLATURE.]

(Received the assent of the Governor General on the 5th March, 1932.)

An Act to amend the Indian Finance (Supplementary and Extending) Act, 1931, for a certain purpose.

WHEREAS it is expedient to amend the Indian Finance (Supplementary and Extending) Act, 1931, for the purpose hereinafter appearing; It is hereby enacted as follows:—

1. This Act may be called the Indian Finance (Supplementary and Extending) Amendment Act, 1932. Short title.

2. To section 7 of the Indian Finance (Supplementary and Extending) Act, 1931, the following sub-section shall be added, namely:— Amendment of section 7, Indian Finance (Supplementary and Extending) Act, 1931.

“(3) For the purpose of assessing and collecting the taxes imposed by sub-section (1), the Indian Income-tax Act, 1922, shall be deemed to be subject to the adaptations set out in Part IA of Schedule II to this Act.”

3. After Part I of Schedule II to the Indian Finance (Supplementary and Extending) Act, 1931, the following Part shall be inserted, namely:— Amendment of Part I, Schedule II to the Indian Finance (Supplementary and Extending) Act, 1931.

“ PART IA.

(See section 7.)

Adaptations to provide for the summary assessment of such incomes.

1. The Income-tax Officer may, save where he has served a notice under sub-section (2) of section 22 of the Indian Income-tax Act, 1922, make a summary assessment of the income

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*Indian Finance (Supplementary and [ACT IV OF 1932.]
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income of an assessee to the best of his judgment, and shall serve on the assessee a notice of demand in a form to be prescribed by the Central Board of Revenue; and such notice shall be deemed to be a notice of demand under section 29 of that Act.

2. Any assessee in respect of whom such summary assessment has been made may, within thirty days of receipt of the notice of demand, make an application to the Income-tax Officer for the cancellation or revision of the assessment, and the Income-tax Officer shall, after examining any accounts and documents and hearing any evidence which the assessee may produce, and such other evidence as the Income-tax Officer may require, determine, by order in writing, the amount of the tax, if any, payable by the assessee, and such determination shall be final:

Provided that, if any assessee making such application files therewith a return of his income under sub-section (2) of section 22 of the Indian Income-tax Act, 1922, the application shall be deemed to be a return under that sub-section and shall be dealt with accordingly.

3. A copy of an order under paragraph 2 shall be served on the assessee to whom it relates and shall be deemed to be a notice of demand under section 29 of the Indian Income-tax Act, 1922.

4. The above procedure shall apply also to the assessment and collection during the financial year 1932-33 of incomes of Rs. 1,000 and upward and less than Rs. 2,000 which have escaped assessment in the financial year 1931-32."