

THE ESTATE DUTY (DISTRIBUTION) ACT, 1962

No. 9 OF 1962

[30th March, 1962]

An Act to provide for the distribution of the net proceeds of the estate duty among the States in pursuance of the principles of distribution formulated and the recommendations made by the Finance Commission in its report dated the 14th day of December, 1961.

Enacted by Parliament in the Thirteenth Year of the Republic of India as follows :—

1. This Act may be called the Estate Duty (Distribution) Act, 1962. Short title.

2. In this Act,—

Definitions.

34 of 1953.

(a) "estate duty" means the estate duty levied under the Estate Duty Act, 1953 in respect of property other than agricultural land;

(b) "State" does not include a Union territory.

3. (1) During each financial year commencing on and after the 1st day of April, 1962, the net proceeds of estate duty levied and collected during that financial year shall, after deducting therefrom a sum equal to one per cent. of the said proceeds as being attributable to Union territories, be distributed among the States in accordance with the provisions of sub-section (2).

Distribution of net proceeds of estate duty assigned to the States.

(2) Out of the total amount falling to be distributed in any financial year under sub-section (1)—

(a) the amount attributable to immovable property shall be distributed among the States in proportion to the gross value of the immovable property situated in the respective States as determined in respect of that financial year;

(b) the balance shall be distributed among the States as follows :—

State	Percentage
Andhra Pradesh	8.34
Assam	2.75
Bihar	10.78
Gujarat	4.78
Jammu and Kashmir	0.83
Kerala	3.92
Madhya Pradesh	7.51
Madras	7.80
Maharashtra	9.16
Mysore	5.46
Orissa	4.08
Punjab	4.71
Rajasthan	4.67
Uttar Pradesh	17.10
West Bengal	8.11

(3) For the purposes of this section,—

(a) "amount attributable to immovable property" means an amount which bears to the total amount distributable in any financial year under sub-section (1) the same proportion which the gross value of all immovable property situated in the States bears to the gross value of all property, movable and immovable, so situated, as determined in respect of that financial year;

(b) "gross value", in relation to movable or immovable property, means the total value of all movable property or, as the case may be, of all immovable property, passing on the death of any person as determined by the Controller under the Estate Duty Act, 1953;

(c) "immovable property" does not include agricultural land.

34 of 1958.

Power to
make rules.

4. (1) The Central Government may, by notification in the Official Gazette, make rules providing for the manner in which the gross value of property is to be calculated, for the time at which, and the manner in which, any payments under this Act are to be made, for the making of adjustments between one financial year and another and for any other incidental or ancillary matters.

(2) Every rule made under this section shall be laid as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of

the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

57 of 1957. 5. The Estate Duty (Distribution) Act, 1957, shall, as from the 1st ~~Repeal~~ day of April, 1962, stand repealed.
