

THE ESTATE DUTY (AMENDMENT) ACT, 1982

No. 31 OF 1982

[10th August, 1982.]

An Act further to amend the Estate Duty Act, 1953.

BE it enacted by Parliament in the Thirty-third Year of the Republic of India as follows:—

1. This Act may be called the Estate Duty (Amendment) Act, 1982.

Short
title.

Amend-
ment of
section
5A.

2. In section 5A of the Estate Duty Act, 1953 (hereinafter referred to as the principal Act), after sub-section (2A), the following sub-section shall be inserted, namely:—

34 of 1953

“(2B) The amendments made to this Act by sections 3 to 6 of the Estate Duty (Amendment) Act, 1982, shall apply, and shall be deemed to have applied, on and from the 1st day of March, 1981, to estate duty in respect of agricultural lands situate in the territories comprised in—

(a) the States of Bihar, Gujarat, Haryana, Himachal Pradesh, Madhya Pradesh, Maharashtra, Orissa and Tamil Nadu; and

(b) any other States which the Central Government may, by notification in the Official Gazette, specify in this behalf after resolutions have been passed by the Legislatures of those States adopting the proposals with respect to such amendments or the said amendments, as the case may be, under clause (1) of article 252 of the Constitution.”

Insertion
of new
section
16A.

3. After section 16 of the principal Act and before the heading “*Special provisions relating to transfers to companies*”, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of March, 1981, namely:—

Interest
of the
deceased
in build-
ing
allotted or
leased to
him by a
co-opera-
tive
society.

‘16A. Where at the time of his death, the deceased was a member of a co-operative society, being a co-operative housing society, and a building or part thereof allotted or leased to him under a house building scheme of the society, continued to remain allotted or leased to him at the time of his death, he shall, notwithstanding anything contained in this Act or any other law for the time being in force, be deemed to be the owner of such building or part at the time of his death and such building or part shall be deemed to pass on his death and, in determining the value of such building or part,

the value of any outstanding instalments of the amount payable under such scheme by the deceased at the time of his death to the society towards the cost of such building or part and the land appurtenant thereto shall, whether the amount so payable is described as such or in any other manner in such scheme, be allowed as a debt owed by him in relation to such building or part.

2 of 1912.

Explanation.—For the purposes of this section and section 33, “co-operative society” means a co-operative society registered under the Co-operative Societies Act, 1912 or under any other law for the time being in force in any State for the registration of co-operative societies.

4. In section 33 of the principal Act, in sub-section (1), after clause (n), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of March, 1981, namely:—

Amendment of section 33.

“(nn) any deposits with a co-operative society, being a co-operative housing society, made by the deceased who was a member of the society to whom a building or part thereof was allotted or leased under a house building scheme of the society, where such deposits had been made under such scheme;”

5. In section 36 of the principal Act, after sub-section (2), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of March, 1981, namely:—

Amendment of section 36.

“(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), the principal value of one residential house or part thereof belonging to the deceased (which the accountable person may at his option specify in writing in this behalf) shall be,—

27 of 1957.

(a) where the value of such house or part is included in computing the net wealth of the deceased for the purposes of making an assessment under the Wealth-tax Act, 1957 (hereafter in this sub-section referred to as the Wealth-tax Act) in respect of his net wealth on the valuation date immediately preceding the date of his death, the value as taken by the Wealth-tax Officer for the purposes of such assessment; and

(b) in any other case, the value of such house or part,—

(i) on the said valuation date; or

(ii) where such house or part was constructed, acquired or otherwise became the property of the deceased after the said valuation date, on the date of his death,

as determined by the Controller in accordance with the provisions of the Wealth-tax Act and the rules made thereunder; and, for this purpose, in a case where the provisions of sub-section (4) of section 7 of that Act apply, the provisions of that sub-section shall have effect as if the words “throughout the period of twelve months immediately preceding the valuation date”, occurring therein, had been omitted and as if the references therein to the option of the assessee had been references to the option of the accountable person.

Explanation 1.—Where the value adopted to be the value of a house or part in accordance with the provisions of clause (a) of this sub-section is subsequently varied by an order in any proceeding under the Wealth-tax Act, the value as so adopted shall be deemed to be a mistake apparent from the record within the meaning of section 61 and the Controller shall rectify the order, if any, passed by him, by substituting for the value as so adopted the value as so varied and the provisions of the said section shall apply accordingly, the period of five years specified in that section being reckoned from the date of the order under the Wealth-tax Act varying the value of the house or part.

Explanation 2.—For the purposes of this sub-section, the expressions “net wealth”, “valuation date” and “Wealth-tax Officer” shall have the same meanings as in the Wealth-tax Act.

Amend-
ment of
Second
Schedule.

6. In the Second Schedule to the principal Act, for Part I, the following Part shall be substituted and shall be deemed to have been substituted with effect from the 1st day of March, 1981, namely:—

“Part I

In the case of any property which passes or is deemed to pass on the death of the deceased—

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|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| (1) where the principal value of the estate does not exceed Rs. 1,50,000 | Nil; |
| (2) where the principal value of the estate exceeds Rs. 1,50,000 but does not exceed Rs. 2,00,000 | 10 per cent. of the amount by which the principal value of the estate exceeds Rs. 1,50,000; |
| (3) where the principal value of the estate exceeds Rs. 2,00,000 but does not exceed Rs. 3,50,000 | Rs. 5,000 plus 15 per cent. of the amount by which the principal value of the estate exceeds Rs. 2,00,000; |
| (4) where the principal value of the estate exceeds Rs. 3,50,000 but does not exceed Rs. 5,00,000 | Rs. 27,500 plus 25 per cent. of the amount by which the principal value of the estate exceeds Rs. 3,50,000; |
| (5) where the principal value of the estate exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000 | Rs. 65,000 plus 30 per cent. of the amount by which the principal value of the estate exceeds Rs. 5,00,000; |
| (6) where the principal value of the estate exceeds Rs. 10,00,000 but does not exceed Rs. 15,00,000 | Rs. 2,15,000 plus 40 per cent. of the amount by which the principal value of the estate exceeds Rs. 10,00,000; |
| (7) where the principal value of the estate exceeds Rs. 15,00,000 but does not exceed Rs. 20,00,000 | Rs. 4,15,000 plus 50 per cent. of the amount by which the principal value of the estate exceeds Rs. 15,00,000; |
| (8) where the principal value of the estate exceeds Rs. 20,00,000 | Rs. 6,65,000 plus 85 per cent. of the amount by which the principal value of the estate exceeds Rs. 20,00,000.” |