

Wealth-tax

Clause 68 seeks to amend section 23 of the Wealth-tax Act relating to appeal to the Deputy Commissioner (Appeals) from orders of Assessing Officer.

It is proposed to amend sub-sections (1) and (1A) so as to provide that the appeals under these sub-sections can be filed before the Deputy Commissioner (Appeals) or the Commissioner (Appeals) only on or before 1st June, 2000.

It is proposed to insert a new sub-section (1AA) to provide that every appeal filed under sub-section (1) on or after 1st October, 1998 but before 1st June, 2000 before the Deputy Commissioner (Appeals) and pending before him shall stand transferred to the Commissioner (Appeals).

These amendments will take effect from 1st June, 2000.

Clause 69 seeks to amend section 24 of the Wealth-tax Act relating to appeal to the Appellate Tribunal from orders of the Deputy Commissioner (Appeals).

Under the existing provisions, the Appellate Tribunal, where it is possible, may hear and decide appeals within a period of four years from the end of the financial year in which such appeal is filed by an assessee under sub-section (1) of section 24 and the appeals filed by the Commissioner are not covered.

It is proposed to amend sub-section (5A) so as to include appeals filed by the Commissioner under sub-section (2) for which the time-limit as above shall be applicable.

This amendment will take effect from 1st June, 2000.

Clause 70 seeks to amend section 31 of the Wealth-tax Act relating to when tax etc., payable and when assessee deemed in default.

It is proposed to amend the first proviso to sub-section (2) so as to insert a reference of section 23A relating to appealable orders before the Commissioner (Appeals).

It is also proposed to amend sub-section (6) so as to insert a reference of section 23A relating to appealable orders before the Commissioner (Appeals). The proposed amendments are consequential in nature.

These amendments will take effect from 1st June, 2000.

Clause 71 seeks to amend section 34A of the Wealth-tax Act relating to refunds.

It is proposed to amend clause (c) of sub-section (4B) to insert a reference of section 23A relating to appealable orders before the Commissioner (Appeals). The proposed amendment is consequential in nature.

This amendment will take effect from 1st June, 2000.

Clause 72 seeks to amend section 35 of the Wealth-tax Act relating to rectification of mistakes.

Under the existing provisions contained in clause (c) of sub-section (1) of section 35, the Deputy Commissioner (Appeals) or the Commissioner (Appeals) is empowered to amend any order passed by him under section 23.

It is proposed to amend the said clause (c) to insert a reference of section 23A relating to appealable orders before the Commissioner (Appeals) in the said clause. The proposed amendment is of consequential nature.

This amendment will take effect from 1st June, 2000.

Interest-tax

Clause 73 seeks to amend section 4 of the Interest-tax Act, 1974 relating to charge of tax.

It is proposed to insert a new sub-section (3) in section 4 so as to provide that no interest-tax shall be charged in respect of any chargeable interest accruing or arising after 31st March, 2000.

This amendment will take effect from 1st April, 2001 and will, accordingly, apply in relation to the assessment year 2001-2002 and subsequent years.

Customs

Clause 74 seeks to amend section 27A of the Customs Act so as to vest the power to fix the rate of interest with the Central Government instead of the Board.

Clause 75 seeks to amend section 28 of the Customs Act so as to provide for prior approval of the Commissioner where the amount is one crore rupees or less or the Chief Commissioner of Customs before service of a notice demanding duty or interest in cases where there is non-levy, short levy or erroneous refund of duty and non-payment or part payment of interest.

Clause 76 seeks to amend section 28AA of the Customs Act so as to increase the minimum rate of interest payable on delayed payment of customs duty from ten per cent. to eighteen per cent. per annum and the maximum rate of interest from thirty per cent. to thirty-six per cent. per annum and also to vest the power to fix the rate of interest with the Central Government instead of the Board;

Clause 77 seeks to amend section 28AB of the Customs Act so as to increase the minimum rate of interest payable on delayed payment of customs duty in special cases such as on account of wilful mis-statement, suppression of facts, etc., from ten per cent. to eighteen per cent. per annum and the maximum rate of interest from thirty per cent. to thirty-six per cent. per annum and also to vest the power to fix the rate of interest with the Central Government instead of the Board.

Clause 78 seeks to amend section 28B of the Customs Act retrospectively with effect from 20th September 1991 so as to provide for machinery for recovery of sums required to be paid to the Central Government under the said section 28B and which are not so paid.

Clause 79 seeks to amend section 47 of the Customs Act so as to increase the minimum rate of interest payable when the customs duty is paid after two days, excluding holidays, of return of the bill of entry to the importer with an order permitting clearance of the imported goods for home consumption, from ten per cent. to eighteen per cent. per annum and the maximum rate of interest from thirty per cent. to thirty-six per cent. per annum and also to vest the power to fix the rate of interest with the Central Government instead of the Board.

Clause 80 seeks to amend section 59 of the Customs Act so

as to increase the rate of interest payable in respect of imported goods entered for warehousing, from six per cent. to a minimum of eighteen per cent. and a maximum of thirty-six per cent. per annum and also to vest the power to fix the rate of interest with the Central Government instead of the Board.

Clause 81 seeks to amend section 114A of the Customs Act so as to,-

(i) prescribe a reduced penalty of twenty-five per cent. of the duty evaded or interest thereon, when the duty and interest determined under section 28, and such reduced penalty, is paid within thirty days of the communication of the order made by the proper officer of customs;

(ii) provide that where any penalty has been levied under the said section, no penalty shall be leviable under section 112 or section 114.

Clause 82 seeks to amend clause (a) of first proviso to sub-section (1) of section 127B of the Customs Act to provide that issue of a show cause notice in relation to the bill of entry or the shipping bill would be mandatory for the purpose of making an application in relation to such bill of entry or shipping bill, as the case may be, for the purpose of settlement before the Customs and Central Excise Settlement Commission.

Clause 83 seeks to insert new section 127MA in the Customs Act to extend the benefit of settlement of cases to those persons who had filed an appeal before the Appellate Tribunal on or before the 29th day of February, 2000 and which is pending on the day of making an application for withdrawal of such appeal and apply for settlement of the case to the Customs and Central Excise Settlement Commission.

Clause 84 seeks to amend section 142 of the Customs Act so as to provide for recovery of any amount required to be paid to the credit of the Central Government under section 28B of the said Act and which is not so credited.

Clause 85 seeks to amend the Customs Tariff Act.

Sub-clause (a) seeks to amend section 9A of the Customs Tariff Act so as to extend the machinery provided under the Customs Act in respect of demands, refunds and appeals, to anti-dumping duties.

Sub-clause (b) seeks to insert section 9AA in the Customs Tariff Act so as to provide for refund of anti-dumping paid by an importer in excess of the actual margin of dumping ;

Sub-clause (c) seeks to amend the First Schedule to the Customs Tariff Act in the manner as specified in the Second Schedule:

Part I of the said Second Schedule seeks to-

reduce the customs duty in respect of articles falling under the following Chapters, heading and sub-heading Nos., namely:-

Chapters 1, 8 (except sub-heading Nos. 0801.31, 0802.12, 0804.10, 0805.10, 0805.30, 0806.10, 0808.10, 0809.40 and 0810.90), 12 (heading Nos. 12.01, 12.02, 12.03, 12.04, 12.05, 12.06, 12.07, 12.08, 12.10, 12.12, 12.13 and 12.14 and sub-heading Nos. 1211.10 and 1211.20), 13 (except sub-heading Nos. 1302.19 and 1302.20), 16, 17 (sub-heading Nos. 1702.20, 1702.30, 1702.40, 1702.50, 1702.60, 1702.90 and 1704.90), 18 (except heading No. 18.01), 19 (except sub-heading Nos. 1901.10 and 1905.30), 20, 21, 22 (heading Nos. 22.01, 22.02, 22.08 and 22.09 and sub-heading No. 2207.10), 23 (except sub-heading No. 2301.20), 24, 25 (heading Nos. 25.15, 25.16, 25.19 and 25.23), 27 (heading Nos. 27.09, 27.12 and 27.15 and sub-heading Nos. 2713.12, 2713.20 and 2713.90), 28 (heading No. 28.23), 29 (sub-heading No. 2918.14), 32 (sub-heading Nos. 3206.11 and 3206.19), 33, 34, 38 (heading No. 38.18), 40 (except sub-heading

Nos. 4001.10, 4001.21, 4001.22, 4001.29 and 4011.30), 42, 43 (heading Nos. 43.03 and 43.04), 44 (heading Nos. 44.10 and 44.11), 46, 48 (heading Nos. 48.12, 48.13, 48.14, 48.15, 48.16, 48.17, 48.18, 48.19, 48.20, 48.21 and 48.22 and sub-heading Nos. 4823.11, 4823.19, 4823.40, 4823.51, 4823.59, 4823.60, 4823.70 and 4823.90), 51 (heading Nos. 51.05, 51.06, 51.07, 51.08, 51.09 and 51.10), 52 (except heading Nos. 52.01 and 52.02 and sub-heading Nos. 5207.10, 5208.41, 5208.42, 5208.49, 5208.51, 5208.52, 5208.53, 5208.59, 5209.41, 5209.42, 5209.43, 5209.51, 5209.52, 5209.59, 5210.41, 5210.42, 5210.49, 5210.51, 5210.52, 5210.59, 5211.41, 5211.42, 5211.43, 5211.51, 5211.52, 5211.59, 5212.15, 5212.24 and 5212.25), 53 (heading Nos. 53.06, 53.07, 53.08, 53.09, 53.10 and 53.11), 54 (except sub-heading Nos. 5407.10, 5407.41, 5407.42, 5407.43, 5407.44, 5407.51, 5407.52, 5407.53, 5407.54, 5407.71, 5407.72, 5407.73, 5407.74, 5407.81, 5407.82, 5407.83, 5407.84, 5407.91, 5407.92, 5407.93, 5407.94, 5408.22, 5408.23, 5408.24, 5408.31, 5408.32, 5408.33 and 5408.34), 55 (except heading Nos. 55.05, 55.11 and 55.15 and sub-heading Nos. 5512.19, 5512.29, 5512.99, 5513.21, 5513.22, 5513.23, 5513.29, 5513.31, 5513.32, 5513.33, 5513.39, 5513.41, 5513.42, 5513.43, 5513.49, 5514.21, 5514.22, 5514.23, 5514.29, 5514.31, 5514.32, 5514.33, 5514.39, 5514.41, 5514.42, 5514.43, 5514.49, 5516.12, 5516.13, 5516.14, 5516.24, 5516.43, 5516.44, 5516.93 and 5516.94), 56, 57 (except sub-heading Nos. 5702.32, 5702.42, 5702.52, 5702.92, 5703.20, 5703.30 and 5704.90), 58 (except heading Nos. 58.01 and 58.04 and sub-heading Nos. 5802.11, 5802.19 and 5810.10), 59, 60 (except sub-heading No. 6001.92), 61 (except heading Nos. 61.05, 61.06, 61.09 and 61.10 and sub-heading Nos. 6101.10, 6101.20, 6101.30, 6102.10, 6102.20, 6102.30, 6104.19, 6104.41, 6104.43, 6104.44, 6104.49, 6104.51, 6104.52, 6104.53, 6104.59, 6104.62, 6104.63, 6107.11, 6107.12, 6108.21, 6108.22, 6108.91 and 6108.92), 62 (except heading Nos. 62.03, 62.05, 62.12 and 62.15 and sub-heading Nos. 6201.11, 6201.12, 6201.13, 6201.91, 6201.92, 6201.93, 6202.11, 6202.12, 6202.13, 6202.91, 6202.92, 6202.93, 6204.11, 6204.13, 6204.19, 6204.31, 6204.32, 6204.33, 6204.39, 6204.41, 6204.42, 6204.43, 6204.44, 6204.49, 6204.51, 6204.61, 6204.62, 6204.69, 6206.20, 6206.30, 6206.40, 6207.11, 6207.19, 6207.99, 6208.11, 6208.19, 6208.91, 6208.92, 6210.20, 6210.30, 6210.40, 6210.50, 6211.32, 6211.33, 6211.42, 6211.43, 6214.10, 6214.20 and 6214.90), 63 (except heading No. 63.10 and sub-heading Nos. 6301.20, 6302.21 and 6302.31), 64, 65, 66, 67, 68 (except heading No. 68.06), 69 (except heading Nos. 69.02 and 69.03), 70, 71, 72 (heading No. 72.01), 82 (heading Nos. 82.12, 82.13, 82.14 and 82.15), 83, 84 (heading Nos. 84.15, 84.69, 84.70, 84.71, 84.72 and 84.73 and sub-heading Nos. 8418.21, 8418.22, 8418.29, 8418.91, 8418.99, 8422.11, 8422.19, 8422.90, 8423.10, 8448.19, 8450.11, 8450.12, 8450.19, 8450.90, 8452.10, 8452.30, 8452.40 and 8452.90), 85 (heading Nos. 85.06, 85.07, 85.09, 85.10, 85.11, 85.12, 85.13, 85.19, 85.20, 85.21, 85.26, 85.28, 85.31, 85.32, 85.35, 85.39 and 85.42 and sub-heading Nos. 8516.10, 8516.21, 8516.29, 8516.31, 8516.32, 8516.33, 8516.40, 8516.50, 8516.60, 8516.71, 8516.72, 8516.79, 8516.80, 8517.11, 8517.19, 8517.21, 8517.22, 8517.90, 8518.10, 8518.21, 8518.22, 8518.29, 8518.30, 8518.40, 8518.50, 8522.90, 8523.11, 8523.12, 8523.13, 8523.20, 8523.30, 8524.10, 8524.32, 8524.39, 8524.51, 8524.52, 8524.53, 8524.60, 8524.99, 8525.30, 8525.40, 8527.12, 8527.13, 8527.19, 8527.21, 8527.29, 8527.31, 8527.32, 8527.39, 8533.90, 8540.40, 8541.90, 8543.81, 8544.11, 8544.19, 8544.20, 8544.30, 8544.41, 8544.49, 8544.51, 8544.59 and 8544.60), 86 (except heading Nos. 86.07 and 86.08), 87 (except heading No. 87.10), 88 (heading Nos. 88.01, 88.04 and 88.05 and sub-heading Nos. 8802.11, 8802.12, 8802.60 and 8803.90), 89 (except heading No. 89.08), 90 (heading Nos. 90.01, 90.02, 90.03, 90.04 and 90.05 and sub-heading Nos. 9006.10, 9006.20, 9006.30, 9006.40, 9006.51, 9006.52, 9006.53, 9006.59, 9006.61, 9006.62, 9006.69, 9007.11, 9007.19, 9007.20, 9008.10, 9008.20, 9008.30, 9008.40, 9009.11, 9009.12, 9009.21, 9009.22, 9009.30, 9010.10, 9010.41, 9010.42, 9010.49, 9010.50, 9010.60,

9022.19, 9022.29, 9022.30, 9022.90, 9026.20, 9026.80, 9026.90, 9027.20, 9027.30, 9027.50, 9027.80, 9030.40 and 9030.82), 91 (heading Nos. 91.01, 91.02, 91.03, 91.04, 91.05, 91.06 and 91.07 and sub-heading Nos. 9111.10, 9111.90 and 9113.10), 93, 94, 96, 97 (except heading No. 97.04), 98 (heading No. 98.05 and sub-heading No. 9804.90);

increase the customs duty in respect of articles falling under the following Chapters, heading and sub-heading Nos., namely:—

Chapters 2, 3, 4 (sub-heading Nos. 0402.10, 0402.21, 0405.10 and 0406.90), 5, 6, 7, 8 (sub-heading Nos. 0801.31, 0806.10, 0808.10 and 0810.90), 10 (heading No. 10.01, 10.07 and sub-heading Nos. 1005.10, 1005.90, 1006.10, 1006.20, 1006.30, 1006.40 and 1008.20), 11 (sub-heading No. 1107.10), 12 (heading No. 12.09 and sub-heading No. 1211.90), 13 (sub-heading Nos. 1302.19 and 1302.20), 14, 15 (heading Nos. 15.05, 15.07, 15.08, 15.09, 15.10, 15.11, 15.12, 15.13, 15.14 and 15.15), 17 (heading Nos. 17.01 and 17.03 and sub-heading Nos. 1702.11, 1702.19 and 1704.10), 19 (sub-heading Nos. 1901.10 and 1905.30), 22 (sub-heading No. 2207.20), 23 (sub-heading No. 2301.20), 27 (heading No. 27.10 and sub-heading No. 2701.12), 37 (sub-heading Nos. 3702.32, 3702.39, 3702.42, 3702.43 and 3702.44), 38 (sub-heading No. 3823.70), 40 (sub-heading No. 4001.10), 47 (heading No. 47.07), 51 (sub-heading Nos. 5101.21 and 5101.30), 75 (heading No. 75.08), 76 (heading No. 76.15), 80 (heading No. 80.07), 82 (except heading Nos. 82.12, 82.13, 82.14 and 82.15), 84 (sub-heading Nos. 8414.51 and 8414.59), 85 (sub-heading No. 8504.10), 95 (except heading Nos. 95.06 and 95.07);

change the mode of levy from specific cum *ad valorem* to *ad valorem* in respect of goods falling under heading No. 84.82 and sub-heading No. 8483.20; and

change the mode of levy from *ad valorem* to *ad valorem* or specific, whichever is higher, in respect of goods falling under the following Chapters, heading and sub-heading Nos., namely:—

Chapters 51 (heading Nos. 51.11, 51.12 and 51.13), 52 (sub-heading Nos. 5208.41, 5208.42, 5208.49, 5208.51, 5208.52, 5208.53, 5208.59, 5209.41, 5209.42, 5209.43, 5209.51, 5209.52, 5209.59, 5210.41, 5210.42, 5210.49, 5210.51, 5210.52, 5210.59, 5211.41, 5211.42, 5211.43, 5211.51, 5211.52, 5211.59, 5212.15, 5212.24 and 5212.25), 54 (sub-heading Nos. 5407.10, 5407.41, 5407.42, 5407.43, 5407.44, 5407.51, 5407.52, 5407.53, 5407.54, 5407.71, 5407.72, 5407.73, 5407.74, 5407.81, 5407.82, 5407.83, 5407.84, 5407.91, 5407.92, 5407.93, 5407.94, 5408.22, 5408.23, 5408.24, 5408.31, 5408.32, 5408.33 and 5408.34), 55 (heading Nos. 55.11 and 55.15 and sub-heading Nos. 5512.19, 5512.29, 5512.99, 5513.21, 5513.22, 5513.23, 5513.29, 5513.31, 5513.32, 5513.33, 5513.39, 5513.41, 5513.42, 5513.43, 5513.49, 5514.21, 5514.22, 5514.23, 5514.29, 5514.31, 5514.32, 5514.33, 5514.39, 5514.41, 5514.42, 5514.43, 5514.49, 5516.12, 5516.13, 5516.14, 5516.24, 5516.43, 5516.44, 5516.93 and 5516.94), 57 (sub-heading Nos. 5702.32, 5702.42, 5702.52, 5702.92, 5703.20, 5703.30 and 5704.90), 58 (heading Nos. 58.01 and 58.04 and sub-heading Nos. 5802.19 and 5810.10), 60 (sub-heading No. 6001.92), 61 (heading Nos. 61.05, 61.06, 61.09 and 61.10 and sub-heading Nos. 6101.10, 6101.20, 6101.30, 6102.10, 6102.20, 6102.30, 6104.19, 6104.41, 6104.43, 6104.44, 6104.49, 6104.51, 6104.52, 6104.53, 6104.59, 6104.62, 6104.63, 6107.11, 6107.12, 6108.21, 6108.22, 6108.91 and 6108.92), 62 (heading Nos. 62.03, 62.05, 62.12 and 62.15 and sub-heading Nos. 6201.11, 6201.12, 6201.13, 6201.91, 6201.92, 6201.93, 6202.11, 6202.12, 6202.13, 6202.91, 6202.92, 6202.93, 6204.11, 6204.13, 6204.19, 6204.31, 6204.32, 6204.33, 6204.39, 6204.41, 6204.42, 6204.43, 6204.44, 6204.49, 6204.51, 6204.61, 6204.62, 6204.69, 6206.20, 6206.30, 6206.40, 6207.11, 6207.19, 6207.99, 6208.11, 6208.19, 6208.91, 6208.92, 6210.20, 6210.30, 6210.40, 6210.50, 6211.32, 6211.33, 6211.42, 6211.43, 6214.10, 6214.20 and 6214.90), 63 (sub-heading Nos. 6301.20, 6302.21 and 6302.31);

Clause 86 seeks to provide for a surcharge of customs on goods specified under the First Schedule to the Customs Tariff Act of an amount equal to ten per cent. of the duty chargeable on such goods at the rates specified under the First Schedule to that Act.

Excise

Clause 87 seeks to insert a new section 2A in the Central Excise Act so as to provide that the references to “duty”, “duties”, “duty of excise” and “duties of excise” shall be construed to include references to ‘Central Value Added Tax’.

Clause 88 seeks to-

(i) amend section 3 of the Central Excise Act so as to name the duty of excise leviable at the rates specified in the First Schedule to the Central Excise Tariff Act as Central Value Added Tax (CENVAT);

(ii) retrospectively amend the proviso to sub-section (1) of section 3 with effect from the 11th day of May, 1982, so as to substitute the references to the duty of customs leviable under section 12 of the Customs Act, 1962 with the duty of customs leviable under the Customs Act, 1962 or under any other law for the time being in force.

Clause 89 seeks to amend section 3A of the Central Excise Act so as to provide for determination of annual production and rate of excise duty on the basis of a factor relevant to production, increase the time period of closure of factory from a minimum of seven days to a minimum of fifteen days for grant of abatement and for certain delegation of powers. The provisions of this section shall be deemed to have come into force on the 1st April, 2000.

Clause 90 seeks to substitute section 4 of the Central Excise Act with a new section 4 providing for valuation of excisable goods on the basis of transaction value of such goods when they are chargeable to duty on *ad valorem* basis. At present, duty is chargeable on the basis of a deemed whole sale price. The proposed change in the method of valuation will make the same conform to the concept of value added taxation. The provisions of this section shall come into force with effect from 1st day of July, 2000.

Clause 91 seeks to substitute *Explanation 2* to section 4A of the Central Excise Act so as to specify the retail sale price to be taken for the purposes of levy of excise duty under the said section in cases where more than one retail sale price is declared on the packages and where different retail sale prices are declared for sale of excisable goods in different areas.

Clause 92 seeks to amend section 11 of the Central Excise Act so as to provide for recovery of any amount required to be paid to the credit of the Central Government under section 11D of the Act and which is not so credited.

Clause 93 seeks to amend section 11A of the Central Excise Act so as to extend the time limit for serving notice for recovery of duties from six months to one year of the relevant date as well as to provide for prior approval of the Commissioner or the Chief Commissioner of Central Excise before service of a notice.

Clause 94 seeks to amend section 11AA of the Central Excise Act so as to increase the minimum rate of interest payable on delayed payment of excise duty from ten per cent. to eighteen per cent. per annum and the maximum rate of interest from thirty per cent. to thirty-six per cent. per annum and also to vest the power to fix the rate of interest with the Central Government instead of the Board.

Clause 95 seeks to amend section 11AB of the Central Excise Act so as to increase the minimum rate of interest payable on delayed payment of excise duty in certain cases from ten per cent. to eighteen per cent. per annum and the maximum rate of interest

from thirty per cent. to thirty-six per cent. per annum and also to vest the power to fix the rate of interest with the Central Government instead of the Board.

Clause 96 seeks to amend section 11AC of the Central Excise Act so as to prescribe a reduced penalty of twenty-five per cent. of the duty evaded, when the duty determined under section 11A, interest, and such reduced penalty, is paid within thirty days of the communication of the order made by the Central Excise Officer.

Clause 97 seeks to amend section 11B of the Central Excise Act so as to extend the time limit for filing an application for claiming refund of excise duty from six months to one year of the relevant date.

Clause 98 seeks to amend section 11BB of the Central Excise Act so as to vest the power to fix the rate of interest with the Central Government instead of the Board.

Clause 99 seeks to amend section 11D of the Central Excise Act retrospectively with effect from 20th September, 1991 so as to provide for machinery for recovery of sums required to be paid to the Central Government under section 11D and which are not so paid.

Clause 100 seeks to omit sub-section (4) of section 14A of the Central Excise Act.

Clause 101 seeks to omit sub-section (4) of section 14AA of the Central Excise Act.

Clause 102 seeks to amend clause (a) of sub-section (1) of section 32E of the Central Excise Act, so as to include such persons, who are required to submit returns within such period as may be prescribed, within the scope of an applicant eligible to make an application for settlement of cases before the Customs and Central Excise Settlement Commission.

Clause 103 seeks to insert section 32PA of the Central Excise Act, so as to extend the benefit of settlement of cases to those persons, who had filed an appeal before the Appellate Tribunal on or before 29th day of February, 2000 and which is pending on the day of making an application for withdrawal of such appeal and to apply for settlement of the case to the Customs and Central Excise Settlement Commission.

Clause 104 seeks to amend section 37 of the Central Excise Act so as to rationalise the provisions regarding confiscation and penalty.

Clause 105 seeks to validate action taken under section 3 of the Central Excise Act with retrospective effect from 11th May, 1982, so as to provide that the excise duty chargeable on goods produced in hundred per cent. export oriented undertakings and free trade zones when sold in the domestic tariff area shall be the aggregate of the customs duties on like articles when imported into India. The clause also seeks to validate actions taken in the past on this basis in conformity with the legislative intention. This amendment has become necessary to overcome certain judicial pronouncements.

Clause 106 seeks to validate certain action taken under section 11A of the Central Excise Act with retrospective effect from 17th November, 1980, so as to prescribe that the notices issued under the said section for non-recovery or short-recovery or erroneous refund of duties for a period of six months or five years in certain situations will prevail notwithstanding any approval, acceptance or assessment of duty under the provisions of the Central Excise Rules. The clause also seeks to validate actions taken in the past on this basis in conformity with the legislative intention. This amendment has become necessary to overcome certain judicial pronouncements.

Clause 107 seeks to give retrospective effect from 11th May 1999, by notification of the Government of India in the Ministry of

Finance (Department of Revenue) No. GSR 829(E), dated the 29th December, 1999 which provides for exemption to goods supplied for the official use of foreign diplomatic or consular missions in India, and also for grant of consequential refunds.;

Clause 108 seeks to deny credit of the duty paid on high speed diesel oil when used in the manufacture of excisable goods with retrospective effect from the 16th day of March, 1995. It was never the legislative intention to permit credit of duty paid on high speed diesel oil. The clause also seeks to validate the action taken in the past on this basis. This amendment has become necessary to overcome certain judicial pronouncements.

Clause 109 seeks to amend the First and Second Schedules of the Central Excise Tariff Act, so as to-

(a) reduce the excise duty in respect of articles falling under the following Chapters, heading and sub-heading Nos, namely:-

Chapters 21(heading No. 21.06 and sub-heading Nos. 2101.30 and 2108.10), 22 (sub-heading Nos. 2201.20 and 2202.20), 24(sub-heading Nos. 2401.90, 2404.40, 2404.50 and 2404.99), 25(sub-heading Nos. 2502.21, 2502.30, 2502.40, 2502.50 , 2502.90, 2504.21 and 2504.31), 27(sub-heading Nos. 2710.11, 2710.12, 2710.13 and 2710.19), 28(sub-heading Nos. 2804.11 and 2847.11), 33 (heading No. 33.04 and sub-heading Nos. 3305.99, 3307.10, 3307.20, 3307.39, 3307.50 and 3307.90), 39 (except heading Nos. 39.10 and 39.14 and sub-heading Nos. 3903.20, 3903.30, 3905.10, 3905.20, 3905.90, 3906.10, 3906.20, 3906.90, 3907.10, 3907.20, 3907.30, 3907.40, 3907.50, 3907.60, 3907.70, 3907.80, 3907.91, 3907.99, 3908.10, 3908.90, 3909.10, 3909.20, 3909.30, 3909.40, 3909.51, 3909.52, 3909.59, 3909.60, 3911.10, 3911.20, 3911.90, 3912.11, 3912.12, 3912.20, 3912.31, 3912.39, 3912.90, 3913.10, 3913.20, 3913.30, 3913.90, 3916.10, 3923.10 and 3924.10), 40 (heading Nos. 40.10 and 40.12 and sub-heading Nos. 4006.10, 4008.19, 4008.22, 4011.90, 4013.90, 4016.11), 43 (heading No. 43.01), 48 (sub-heading Nos. 4811.31, 4818.10 and 4823.40), 53 (sub-heading Nos. 5307.11, 5307.12 and 5308.11), 54 (sub-heading Nos. 5402.10, 5402.20, 5402.31, 5402.32 , 5402.41, 5402.42, 5402.43, 5402.51, 5402.52 , 5402.61 and 5402.62), 55 (sub-heading No. 5505.10), 56 (sub-heading Nos. 5601.10 and 5607.10), 57(sub-heading Nos. 5702.19 and 5703.90), 59 (heading Nos. 59.04, 59.05 and 59.10 and sub-heading No. 5907.90), 63(sub- heading No. 6305.31and 6305.39), 66 (heading No. 66.01), 68 (sub-heading Nos. 6807.10 and 6807.20), 69(sub-heading No. 6906.10) , 82(heading No. 82.15), 84(heading No. 84.15 and sub-heading Nos. 8414.30, 8414.92, 8418.90, 8476.91, 8481.10 and 8481.91), 85 (sub-heading Nos. 8536.10 and 8539.10), 87(sub-heading Nos. 8702.10, 8703.90, 8704.90, 8706.21, 8706.39, 8706.49, 8711.20 and 8711.90), 89(except heading No. 89.08), 90 (heading Nos. 90.18 and 90.19 and sub-heading Nos. 9001.10, 9021.90, 9022.10, 9032.11 and 9032.91), 93(except heading No 93.01), 94 (heading Nos. 94.04 and 94.06), 96(sub-heading No.9605.10);

(b) increase the excise duty in respect of articles falling under the following Chapters, heading and sub-heading Nos, namely:-

Chapters 11(heading No. 11.03), 13 (sub-heading No 1301.10), 16 (sub-heading No. 1601.10) , 17(sub-heading Nos.1702.19, 1702.21, 1702.29, 1702.30 and 1704.90), 19(sub-heading Nos. 1905.11, 1905.20, and 1905.39), 20(sub-heading No. 2001.10), 21(sub-heading Nos. 2103.10 and 2104.10), 22 (sub-heading No. 2202.40) , 24 (sub-heading Nos. 2403.11, 2403.12, 2403.13, 2403.14, 2403.15 and 2403.19), 26, 27 (heading No. 27.08 and sub-heading Nos. 2711.11, 2711.12, 2711.19 and 2711.29), 28(sub-heading No. 2833.10), 30 (sub-heading Nos. 3003.20 and 3003.39), 32 (heading No. 32.01), 33 (sub heading No. 3306.10), 34 (sub-heading No. 3401.11), 38 (heading No. 38.23 and sub heading Nos. 3808.10 and 3808.20) , 44(heading Nos.44.06 and 44.07) 48(sub-heading Nos. 4804.20

and 4823.30), 51(heading No. 51.05 and sub-heading Nos. 5106.11, 5106.12, 5106.13, 5107.11 and 5107.12), 52 (heading Nos. 52.07, 52.08 and 52.09 and sub-heading No. 5204.10), 53(heading Nos. 53.09 and 53.10), 54(heading No.54.06 and 54.07) , 55(heading Nos. 55.11, 55.12, 55.13 and 55.14) , 58(heading Nos. 58.03 and sub-heading No. 5801.21, 5801.22, 5801.31, 5801.32, 5802.21, 5802.22, 5802.31, 5802.32, 5805.11, 5805.19, 5806.31 and 5806.32), 59(heading No. 59.01), 60(sub-heading Nos. 6001.11, 6001.12, 6001.21, 6001.22, 6001.91, 6001.92, 6002.30, 6002.42, 6002.43, 6002.92 and 6002.93), 63(heading Nos. 63.01, 63.02, 63.03, 63.04 and 63.06 and sub-heading Nos. 6305.10, 6305.20, 6305.90 and 6307.90), 70 (heading No. 70.15), 73(sub-heading No. 7323.10), 76(sub-heading No. 7615.20), 84(heading No.84.34 and sub-heading No. 8452.19), 85 (sub- heading No. 8527.10) , 87(sub-heading Nos. 8701.10 and 8706.11), 90 (heading No. 90.20 and sub-heading Nos. 9003.11 and 9003.19), 91(except heading Nos. 91.01 and 91.02), 92, 96(heading No 96.07);

(c) amend the Section Notes, Chapter Notes and the tariff descriptions so as to,-

(i) specify that certain processes amount to manufacture in Chapter Note 9 to Chapter 27;

(ii) insert sub-heading Nos. 6905.10, 6905.90 and 6906.20;

(iii) insert Chapter Note 6 to Chapter 87 so as to define station wagons;

(iv) amend the tariff description of heading Nos. 87.02 and 87.03 and sub-heading No. 8702.10 so as to make a specific mention of station wagons.

This clause also seeks to amend the Second Schedule to the Central Excise Tariff Act, so as to—

(a) increase the excise duty in respect of articles falling under the following Chapters, heading and sub-heading Nos. namely:-

Chapters 21 (heading No. 21.06 and sub-heading No. 2108.10), 22(sub-heading Nos. 2201.20 and 2202.20); 24(sub-heading Nos. 2401.90, 2404.40, 2404.50 and 2404.99), 27(sub-heading Nos. 2710.11, 2710.12, 2710.13 and 2710.19), 33 (heading Nos. 33.04 and 33.05 and sub-heading Nos.3307.10, 3307.20, 3307.39 and 3307.90), 40(heading No 40.12 and sub-heading Nos. 4011.90, and 4013.90), 54(sub-heading Nos. 5402.20, 5402.32, 5402.42, 5402.43, 5402.52 and 5402.62), 84(heading No. 84.15), 87(sub-heading Nos. 8702.10, 8703.90, 8704.90, 8706.21, 8706.39 and 8706.49), 96(sub-heading No. 9605.10)

(b) omit sub-heading Nos. 5505.10, 8414.30, 8414.92, 8418.90, 8476.91, 8481.10, 8481.91, 8536.10. 9032.11 and 9032.91;

(c) insert sub-heading Nos. 2502.21, 2502.30, 2502.40, 2502.50, 2502.90, 4301.00, 5702.19, 5703.90, 5904.10, 5904.91, 5904.92, 5905.00, 5907.90, 6905.10, 6906.10, 8711.20, 8711.90, 8903.00, 8907.00, 9302.00, 9303.00, 9304.00, 9305.00, 9306.00, 9307.00 and 9404.00;

(d) amend the tariff description of sub-heading No. 8702.10 so as to make a specific mention of station wagons.

Clause 110 seeks to amend the First Schedule to the Additional Duties of Excise (Goods of Special Importance) Act, 1957 so as to increase the duty on articles falling under heading Nos. 58.03 and 59.01 and sub-heading Nos. 2403.11, 2403.12, 2403.13, 2403.14, 2403.15, 2403.19, 5802.51, 5804.11 and 5804.12.

Clause 111 seeks to substitute the Schedule to the Medicinal and Toilet Preparations (Excise Duties) Act, 1955, with effect from the date to be notified by the Central Government.

Service tax

Clause 112 seeks to give retrospective effect from 16th July, 1997 to the 1st August, 1998 to specified provisions of sections 65, 66 and 67 of the Finance Act, 1994 relating to the levy and collection of Service tax on the services rendered by goods transport operators and clearing and forwarding agents from the users of such services.

Clause 113 seeks to give retrospective effect from 16th July, 1997 to sub-clauses (xii) and (xvii) of clause (d) of sub-rule (1) of rule 2, of the Service Tax Rules, 1994, so as to validate the levy and collection of service tax on services rendered by goods transport operators and clearing and forwarding agents from the users of such services. The section also seeks to deny refund of service tax to the users of such services consequent to overcome certain judicial pronouncements and for recovery of refunds already granted consequent thereto.

Miscellaneous

Clause 114 seeks to substitute section 8A of the Indian Stamp Act, 1899 relating to securities not liable to stamp duty.

Under the existing provisions, certain securities, shares or units specified in that section are not liable to stamp duty. It is proposed to substitute the existing provision so as to provide that transfer of registered ownership of securities from a person to a depository or from a depository to a beneficial owner and transfer of beneficial ownership of securities dealt with by a depository and transfer of beneficial ownership of units of mutual fund including units of the Unit Trust of India dealt with by a depository shall not be liable to any stamp duty under the Stamp Act, 1899 or any other law for the time being in force. It is also proposed to define the expression "securities" which shall have the meaning assigned to it in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956.

This amendment will take effect from the date on which the Finance Bill, 2000 receives the assent of the President.

Clause 115 seeks to amend section 9 of the Central Sales Tax Act, 1956 relating to levy and collection of tax and penalties.

Sub-clause (a) seeks to amend sub-section (2) as consequential to the amendment proposed in sub-clause (c).

Sub-clause (b) seeks to amend sub-section (2A) so as to provide for payment of interest on delayed payment of tax.

Sub-clause (c) seeks to insert a new sub-section (2B) in section 9. The proposed sub-section (2B) provides for levy and collection of interest in case the dealer fails to pay tax payable by him in time.

Sub-clause (d) seeks to provide for assignment of interest collected.

These amendments will take effect from the date on which the Finance Bill, 2000 receives the assent of the President.

Clause 116 seeks to provide for validation of the provisions of section 9 of the Central Sales Tax Act, 1956 as amended by clause 115.

Clause 117 seeks to amend Chapter IV of the Finance (No.2) Act, 1998 relating to Kar Vivad Samadhan Scheme, 1998.

It is proposed to amend sub-clause (ii) of clause (e) of section 88 so as to provide that the amount payable under Chapter IV shall be determined at the rate of two per cent. of the disputed chargeable interest instead of two per cent. of the tax arrear.

It is also proposed to amend sub-section (2) of section 90 so as to provide that the declarant shall pay the sum specified in that section within thirty days of receipt of an order made by the designated authority instead of within thirty days of passing of an order by such authority.

These amendments will take effect retrospectively from 1st September, 1998.

Clause 118 seeks to amend Part III of the First Schedule to the Finance Act, 1999 relating to rates for charging income-tax in certain cases, deducting income-tax from income chargeable under the head "Salaries" and computing "advance tax".

Part III of the First Schedule to the Act specifies the rates at which income-tax is to be deducted at source from "Salaries" and

also the rates at which "advance tax" is to be paid and income-tax is to be calculated or charged in special cases for the financial year 1999-2000.

It is proposed to amend Part III of the First Schedule to the Finance Act, 1999 so as to provide that surcharge shall be charged on the income computed under section 115ACA. The proposed amendment is of a clarificatory nature.

This amendment will take effect retrospectively from 1st April, 1999.