

THE PROVISIONAL COLLECTION OF TAXES ACT, 1931

¹ACT No. XVI of 1931

[28th September, 1931]

An Act to amend the law providing for the immediate effect for a limited period of provisions in Bills relating to the imposition or increase of duties of customs or excise ²[or sales tax].

WHEREAS it is expedient to amend the law providing for the immediate effect for a limited period of provisions in Bills relating to the imposition or increase of duties of customs or excise ²[or sales tax] ; It is hereby enacted as follows :-

1. Short title. This Act may be called the Provincial Collection of Taxes Act, 1931.

2. Definition. In this Act, a "declared provision" means a provision in a Bill in respect of which a declaration has been made under section 3.

3. Power to make declarations under this Act. Where a Bill to be introduced in the ³[Central Legislature] on behalf of Government provides for the imposition or increase of a duty of customs or excise ²[or sales tax] the ⁴[Federal Government] may cause to be inserted in the Bill a declaration that it is expedient in the public interest that any provision of the Bill relating to such imposition ⁹[increase or reduction] shall have immediate effect under this Act.

4. Effect of declarations under this Act, and duration thereof.⁵[(1) Subject to the provisions of sub-section (2), a declared provision shall have the force of law with immediate effect as if enacted on the day on which the Bill is introduced.]

(2) A declared provision shall cease to have the force of law under the provisions of this Act-

- (a) when it comes into operation as an enactment, with or without amendment, or
- (b) when the ⁶[Federal Government], in pursuance of a motion passed by ⁷* * * the ⁸[Central Legislature directs, by notification in the ¹⁰[official Gazette], that it shall cease to have the force of law, or
- (c) if it has not already ceased to have the force of law under clause (a) or clause (b), then on the expiry of the sixtieth day after the day on which the Bill containing it was introduced.

¹ For Statement of Objects and Reasons, see Gazette of India, 1931, Pt. V, p. 110.

² Ins. by the Finance Act, 1967 (12 of 1967), s. 13 and Sixth Sch.,

³ Subs. by A. O., 1937, for "Indian Legislature".

⁴ Subs. by F. A. O., 1975, Art 2 and Table, for "Central Government" which was previously amended by A. O., 1937, for "G. G. in C."

⁵ Subs. by Act 12 of 1967, s.13 and 6th Sch., for sub-section (1).

⁶ Subs. by F.A.O. 1975 Art. and Table for "Central Government" which was previously amended by A. O., 1937, for "G. G. in C.".

⁷ The words "either Chamber of" omitted by A.O., 1949.

⁸ Subs. by A. O., 1937, for "Indian Legislature".

¹⁰ Subs. by Act No VII of 1990, s.2.

³**[5. Certain refunds to be made, or demand to be raised, when declarations cease to have effect.]**—(1) Where a declared provision comes into operation as an enactment in an amended form before the expiry of the sixtieth day after the day on which the Bill containing it was introduced,—

- (a) refund shall be made of all duties ¹[or taxes] collected which would not have been collected if the provision adopted in the enactment had been the declared provision; or
- (b) demands shall be raised of all duties ²[or taxes] not collected which would have been collected if the provision adopted in the enactment had been the declared provision:

Provided that the rate, at which refunds of any duty ²[or tax] may be made, or demand may be raised, under this sub section shall not exceed the difference between the rate of such duty ²[or tax] proposed in the declared provision and the rate of such duty or tax in force when the Bill was introduced.

(2) Where a declared provision ceased to have the force of law under clause (b) or clause (c) of sub section (2) of sub-section 4,—

- (a) refunds shall be made of all duties or taxes which would have not been collected if the declared in respect thereof had not been made or;
- (b) demands shall be raised of all duties or taxes not collected which would have been collected if the declaration in respect thereof had not been made.]

6. [Repeal.] *Rep. by the Repealing Act, 1938 (I of 1938), s. 2 and Schedule.*

¹ Ins. by the Finance Act, 1967 (12 of 1967),s.13 and Sixth Sch.,

² Subs. by F. A. O., 1975, Art 2 and Table, for "Central Government" which was previously amended by A. O., 1937, for "G. G. in C."

³ Subs. By net VII of 1990, s. 2.