

# ACT No. V OF 1927.

[PASSED BY THE INDIAN LEGISLATURE.]

(Received the assent of the Governor General on the  
30th March, 1927.)

**An Act to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Tariff Act, 1894, the Indian Stamp Act, 1899, and the Indian Paper Currency Act, 1923, and to fix rates of income-tax.**

**W**HEREAS it is expedient to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Tariff Act, 1894, the Indian Stamp Act, 1899, and the Indian Paper Currency Act, 1923, and to fix rates of income-tax; It is hereby enacted as follows:—

1. (1) This Act may be called the Indian Finance Act, 1927.

Short title,  
extent and  
duration.

(2) It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas.

(3) Sections 2 and 3 shall remain in force only up to the 31st day of March, 1928.

2. The provisions of section 7 of the Indian Salt Act, 1882, shall, in so far as they enable the Governor General in Council to impose by rule made under that section a duty on salt manufactured in, or imported into, any part of British India other than Burma and Aden, be construed as if, with effect from the 1st day of April, 1927, they imposed such duty at the rate of one rupee and four annas per maund of eighty-two and two-sevenths pounds avoirdupois of salt manufactured in, or imported by land into, any such part, and such duty shall, for all the purposes of the said Act, be deemed to have been imposed by rule made under that section.

Fixation of  
salt duty.

3. With effect from the 1st day of April, 1927, the schedule contained in the First Schedule to this Act shall be inserted

Postal rates.

inserted in the Indian Post Office Act, 1898, as the First <sup>VI</sup> of Schedule to that Act.

Amendment of  
Act VIII of  
1894.

4. With effect from the 1st day of March, 1927, the following amendments shall be made in the Indian Tariff Act, 1894, <sup>VIII</sup> of namely:—

(1) In the Second Schedule to that Act there shall be made the amendments specified in Part I of the Second Schedule to this Act.

(2) In the Third Schedule to that Act there shall be made the amendment specified in Part II of the Second Schedule to this Act.

Amendment of  
Act II of 1899.

5. With effect from the 1st day of July, 1927, the following amendments shall be made in the Indian Stamp Act, 1899, <sup>II</sup> of namely:—

(1) In section 3—

(a) in clause (b), the word “cheque” shall be omitted, and after the words “bill of exchange” the words “payable otherwise than on demand” shall be inserted; and

(b) in clause (c), the word “cheque” shall be omitted.

(2) In clause (b) of section 11, the word “cheques” shall be omitted.

(3) In sub-section (1) of section 18, the word “cheque” shall be omitted.

(4) In section 19, after the words “bill of exchange”, where they first occur, the words “payable otherwise than on demand” shall be inserted, and the word “cheque”, in both places where it occurs, shall be omitted.

(5) In section 47, for the words “promissory note or cheque” the words “or promissory note” shall be substituted, and for the words “note or cheque”, wherever they occur thereafter, the words “or note” shall be substituted.

(6) In clause (c) of section 49,—

(a) the word “cheques” shall be omitted, and after the words “bills of exchange” the words “payable otherwise than on demand” shall be inserted;

(b) the words “or cheque”, wherever they occur, shall be omitted;

(c) the

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(c) the word "cheque", wherever it occurs elsewhere, shall be omitted; and

(d) for the words "any bill of exchange", where they occur for the first time in sub-clauses (1) and (3), the words "any such bill of exchange" shall be substituted.

(7) In clause (a) of sub-section (1) of section 62, the word "cheque" shall be omitted, and after the words "bill of exchange" the words "payable otherwise than on demand" shall be inserted.

(8) In section 67, after the words "bill of exchange" the words "payable otherwise than on demand" shall be inserted.

(9) In article No. 13 of Schedule I, the word, figure and brackets "and (3)" shall be omitted, and the letter, brackets and words "(a) where payable on demand", together with the entry "one anna" in the second column against those words, shall be omitted.

(10) Article No. 21 of Schedule I shall be omitted.

6. In sub-section (7) of section 19 of the Indian Paper Currency Act, 1923, for the figures "1927" the figures "1928" shall be substituted. Amendment of Act X of 1923.

7. (1) Income-tax for the year beginning on the 1st day of April, 1927, shall be charged at the rates specified in Part I of the Third Schedule. Income-tax and super-tax.

(2) The rates of super-tax for the year beginning on the 1st day of April, 1927, shall, for the purposes of section 55 of the Indian Income-tax Act, 1922, be those specified in Part II of the Third Schedule. of 1923.

(3) For the purposes of the Third Schedule, "total income" means total income as determined, for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the Indian Income-tax Act, 1922. of 1922.

SCHEDULE I.

SCHEDULE I.

Schedule to be inserted in the Indian Post Office Act, 1898.

[See section 3.]

“ THE FIRST SCHEDULE.

INLAND POSTAGE RATES.

[See section 7.]

Letters.

For a weight not exceeding two and a half tolas . . . . .	One anna.
For every two and a half tolas, or fraction thereof, exceeding two and a half tolas . . . . .	One anna.

Postcards.

Single . . . . .	Half an anna.
Reply . . . . .	One anna.

Book, Pattern and Sample Packets.

For every five tolas or fraction thereof . . . . .	Half an anna.
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Registered Newspapers.

For a weight not exceeding eight tolas . . . . .	Quarter of an anna.
For a weight exceeding eight tolas and not exceeding twenty tolas . . . . .	Half an anna.
For every twenty tolas, or fraction thereof, exceeding twenty tolas . . . . .	Half an anna.

Parcels.

For a weight not exceeding twenty tolas . . . . .	Two annas.
For a weight exceeding twenty tolas and not exceeding forty tolas . . . . .	Four annas.
For every forty tolas, or fraction thereof, exceeding forty tolas . . . . .	Four annas."

SCHEDULE II.

[See section 4.]

PART I.

Amendments to the Second Schedule to the Indian Tariff Act, 1894.

(1) (a) For Item No. 10-A, the following Item shall be substituted, namely:—

“10-A | RUBBER STUMPS, rubber seeds and raw rubber.”

(b) In

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(b) In Item No. 76, for the words "excluding oil-seeds imported into British India by sea from the territories of any Prince or Chief in India (see No. 6)" the words "not otherwise specified" shall be substituted.

(2) For Item No. 36 the following Item shall be substituted, namely:—

"36	TOBACCO, unmanufactured	Pound	Rs. A. 1 8
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(3) (a) After Item No. 42 the following heading and Item shall be inserted, namely:—

"CARRIAGES AND CARTS.

42-A	MOTOR CARS, motor cycles, and motor scooters, and articles (other than rubber tyres and tubes) adapted for use as parts and accessories thereof: provided that such articles as are ordinarily also used for other purposes than as parts and accessories of motor vehicles included in this item or in No. 87 shall be dutiable at the rate of duty specified for such articles.	Ad valorem.	20 per cent."
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(b) In Item No. 87, for the figures "127" the figures and letter "42-A" shall be substituted.

(c) In Item No. 115, for the words and figures "Nos. 53 and 139" the word and figures "No. 53" shall be substituted.

(d) Items Nos. 127 and 139 shall be omitted.

PART II.

*Amendment to the Third Schedule to the Indian Tariff Act, 1894.*

Item No. 5 and the heading thereto shall be omitted.

SCHEDULE III.

[See section 7.]

PART I.

*Rates of Income-tax.*

A. In the case of every individual, Hindu undivided family, unregistered firm and other association of individuals not being a registered firm or a company—	Rate.
(1) When the total income is less than Rs. 2,000	Nil.
(2) When the total income is Rs. 2,000 or upwards, but is less than Rs. 5,000	Five pies in the rupee.
(3) When	

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	Rate.
(3) When the total income is Rs. 5,000 or upwards, but is less than Rs. 10,000 . . . . .	Six pies in the rupee.
(4) When the total income is Rs. 10,000 or upwards, but is less than Rs. 20,000 . . . . .	Nine pies in the rupee.
(5) When the total income is Rs. 20,000 or upwards, but is less than Rs. 30,000 . . . . .	One anna in the rupee.
(6) When the total income is Rs. 30,000 or upwards, but is less than Rs. 40,000 . . . . .	One anna and three pies in the rupee.
(7) When the total income is Rs. 40,000 or upwards . . . . .	One anna and six pies in the rupee.
B. In the case of every company and registered firm, whatever its total income . . . . .	One anna and six pies in the rupee.

PART II.

*Rates of Super-tax.*

In respect of the excess over fifty thousand rupees of total income :-

	Rate.
(1) in the case of every company . . . . .	One anna in the rupee.
(2) (a) in the case of every Hindu undivided family—	
(i) in respect of the first twenty-five thousand rupees of the excess . . . . .	<i>Nil.</i>
(ii) for every rupee of the next twenty-five thousand rupees of such excess . . . . .	One anna in the rupee.
(b) in the case of every individual, unregistered firm and other association of individuals not being a registered firm or a company, for every rupee of the first fifty thousand rupees of such excess . . . . .	One anna in the rupee.
(c) in the case of every individual, Hindu undivided family, unregistered firm and other association of individuals not being a registered firm or a company—	
(i) for every rupee of the second fifty thousand rupees of such excess . . . . .	One and a half annas in the rupee.
(ii) for every rupee of the next fifty thousand rupees of such excess . . . . .	Two annas in the rupee.
(iii) for every rupee of the next fifty thousand rupees of such excess . . . . .	Two and a half annas in the rupee.
(iv) for every rupee of the next fifty thousand rupees of such excess . . . . .	Three annas in the rupee.

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	Rate.
(v) for every rupee of the next fifty thousand rupees of such excess .	Three and a half annas in the rupee.
(vi) for every rupee of the next fifty thousand rupees of such excess .	Four annas in the rupee.
(vii) for every rupee of the next fifty thousand rupees of such excess .	Four and a half annas in the rupee.
(viii) for every rupee of the next fifty thousand rupees of such excess .	Five annas in the rupee.
(ix) for every rupee of the next fifty thousand rupees of such excess .	Five and a half annas in the rupee.
(x) for every rupee of the remainder of the excess .	Six annas in the rupee.