

**Madras Plantations Agricultural Income-Tax (Amendment)
Act, 1958**

29 of 1958

[29 October 1958]

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PREAMBLE

An Act further to amend the Madras Plantations Agricultural Income-tax Act, 1955.

Whereas it is expedient further to amend the Madras Plantations Agricultural Income-tax Act, 1955 (Madras Act V of 1955), for the purposes hereinafter appearing:

Be it enacted in the Ninth Year of the Republic of India as follows:

1. For Statement of Objects and Reasons, see Fort St. George Gazette Extraordinary, dated the 8th April 1958, Part IV-A, page 198.

1. Short title and commencement :-

(1) This Act may be called the " Madras Plantations Agricultural Income-tax (Amendment) Act, 1958."

(2) It shall be deemed to have come into force on the 1st April 1958.

2. Amendment of the long title of and the preamble to and the short title of, Madras Act V of 1955 :-

In the Madras Plantations Agricultural Income-tax Act, 1955 (Madras Act V of 1955) (hereinafter referred to as the principal Act),--

(1) in the long title and in the preamble, for the words agricultural income from plantations ", the words " agricultural income from land " shall be substituted;

(2) in the short title, for the words " Madras Plantations Agricultural Income-tax Act " the words " Madras Agricultural Income-tax Act " shall be substituted.

3. Amendment of section 2 :-

In section 2 of the principal Act--

(1) in clause (a)--

(i) in sub-clause (1), for the words " a plantation ", the word land "

shall be substituted;

(ii) in sub-clauses (2) and (3), for the word "plantation", wherever it occurs, the word "land" shall be substituted;

(iii) for Explanations I and II, the following Explanation shall be substituted, namely:--

"Explanation-- Agricultural income derived from such land by the cultivation of any crop means that portion of the income derived from the cultivation, manufacture and sale of the produce of that crop as is defined to be agricultural income for the purposes of the enactments relating to Indian income-tax and if it has not been so defined, the whole of the income;"

(2) in clause (i), for the words, figures and brackets "in the Indian Companies Act, 1913 (Central Act VII of 1913)", the words, figures and brackets "in the Companies Act, 1956 (Central Act 1 of 1956)" shall be substituted;

(3) for clause (j), the following clause shall be substituted, namely:--

"(j) exempted extent of land means twelve and a half standard acres;";

(4) after clause (1), the following clause shall be inserted, namely:-

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"(ll) garden land means dry land irrigated from an artesian or other well or irrigated by lifting water from any other irrigation source;"

(5) after clause (n), the following clauses shall be inserted, namely:--

"(nn) to hold with its grammatical variations and cognate expressions means to possess and enjoy either as owner or tenant or mortgagee in possession or as a maintenance holder or in one or more of those capacities;

(nnn) land means agricultural land, that is to say, land which is used for agricultural purposes or purposes subservient thereto and is either assessed to land revenue in the State or is subject to a local rate assessed and collected by officers of the Government as such and includes horticultural lands forest land, garden land and plantations but does not include house-site, or land used exclusively for pasture;"

(6) in clause (o), for the word "plantation", the word "land" shall be substituted;

(7) in clause (r), for the word "tea", the words "areca-nut, tea" shall be substituted;

(8) after clause (v), the following clause shall be inserted, namely

:--

" (vv) standard acre means--

(i) one acre of wet land assessed to land revenue at the rate of Rs. 8 and above per acre, or

(ii) one-third of an acre of land used for growing arecanut, or

(iii) three fifths of an acre of land used for growing tea, or

(iv) one and one-fifth acres of land used for growing coffee, rubber, cinchona or cardamom, or

(v) one and three-fifths acres of--

(a) wet land assessed to land revenue at the rate of Rs. 4 and above but below Rs. 8 per acre, or

(b) garden land irrigated from a Government source of irrigation, or

(vi) two acres of--

(a) wet land assessed to land revenue at a rate below Rs. 4 per acre, or

(b) garden land irrigated from a well or a source of irrigation other than a Government source of irrigation, or

(c) tope, or

(vii) three acres of dry land which is not irrigated and which is assessed to land revenue at the rate of Re. 1-50 nP. and above per acre, or

(viii) four acres of dry land which is not irrigated and which is assessed to land revenue at any rate below Re. 1-50 nP. per acre.

Explanation I.--One acre of dry land irrigated from a first-class source of irrigation shall be deemed to be equivalent to one acre of wet land assessed to land revenue at the rate of Rs. 8 and above per acre. One acre of dry land which is irrigated from any source of irrigation other than a first-class source of irrigation shall be deemed to be equivalent to one acre of wet land assessed to land revenue at the rate of Rs. 4 and above but below Rs. 8 per acre:

Provided that the Government may, in respect of any particular area, by order direct that one acre of dry land irrigated from any source of irrigation shall, during any specified period, be deemed to be equivalent to any specified extent of any of the categories of land specified in clause(vv) of section 2 on the ground of inferiority of soil or on any other ground.

Explanation II.--Where the land held by a person consists of more than one kind of the lands specified above, all the lands held by him shall, for the purposes of this Act, be reduced to standard acres calculated according to the proportions specified above;"

(9) in clause (x), for the words and figures " specified in section 10 ", the words, figures and brackets " specified in sub-section (2) of

section 10 " shall be substituted;

(10) after clause (x), the following clause shall be added, namely:--

" (y) tope means any land containing large groups of fruit trees or valuable timber trees, whether growing spontaneously or grown artificially and includes orchards;".

4. Amendment of section 3 :-

To sub-section (1) of section 3 of the principal Act, the following proviso shall be added, namely:--

" Provided that the agricultural income or any part of it derived from land other than any land used for growing tea, coffee, rubber, cinchona or cardamom shall be subject to assessment of agricultural income-tax only from the financial year commencing from the 1st April 1958.".

5. Amendment of section 4 :-

In section 4 of the principal Act,--

(i) for the words " a plantation " wherever they occur, the word " land " shall be substituted;

(ii) for the words " and received by him ", the words " which is received by him or which accrues to him " shall be substituted; and

(iii) after clause (b), the following clause shall be added, namely:--

" (c) any agricultural income derived from property held by any co-operative society registered or deemed to be registered under the Madras Co-operative Societies Act, 1932 (Madras Act VI of 1932).".

6. Amendment of section 5 :-

In section 5 of the principal Act,--

(i) except in the expression " Plantations Labour Act " wherever it occurs and in the Explanation to clause (f) and in the first proviso to clause (1), for the word " plantation " or " plantations " wherever it occurs, the word " land " shall be substituted;

(ii) in the proviso to clause (g), for the words " if the crop is tea ", the words " if the crop is arecanut or tea " shall be substituted;

(iii) after the same proviso, the following proviso shall be inserted, namely:--

" Provided further that if the re-planting expenditure allowance under this section is not incurred in one year, the allowance for the year or years may be carried forward for a period of three years in the case of arecanut, tea, rubber and, coffee and one year in the

case of cinchona and cardamom beyond the assessment year.";

(iv) in the second proviso to clause (k), for the words " six per cent ", the words " nine per cent " shall be substituted;

(v) after clause (1), the following clauses shall be inserted, namely:--

" (m) subject to such restrictions and conditions as may be prescribed, any expenditure not being in the nature of capital expenditure laid out or expended on scientific research relating to agriculture from which agricultural income is derived;

(n) subject to such restrictions and conditions as may be prescribed, any sum paid to a scientific research association having as its object the undertaking of scientific research relating to agriculture and any sum paid to a University, college or other institution to be used for such scientific research:

Provided that such association, University, college or institution is, for the time being, approved for the purpose of this clause by the Government;

(o) subject to such restrictions and conditions as may be prescribed, any contribution made in the previous year in connection with Community Development, National Extension Service or Local Development Works or any charitable purpose recognised by the Government.".

7. Amendment of section 6 :-

In section 6 of the principal Act and in the marginal note thereto, for the word " plantations " wherever it occurs, the word " land " shall be substituted.

8. Insertion of new section 6-A :-

After section 6 of the principal Act, the following section shall be inserted, namely:--

" 6-A. Registration.--

(1) Every person who holds land in excess of the exempted extent at any time may get the crops cultivated by him or his tenant registered under this Act, and for that purpose, shall submit an application for registration to the Agricultural Income-tax Officer, within such period and accompanied by such fee not exceeding three rupees, as may be prescribed.

(2) The application shall contain particulars of cultivation of each of such crops by such person, or his tenant, and such other particulars as may be prescribed.".

9. Amendment of section 7 :-

In section 7 of the principal Act, for the words and figures " of sections 5 and 6 ", the words " of this Act " shall be substituted.

10. Amendment of section 8 :-

In sub-section (2) of section 8 of the principal Act, for the word " plantation " or " plantations " wherever it occurs, the word " land " shall be substituted.

11. Amendment of section 10 :-

(1) Section 10 of the principal Act shall be renumbered as sub-section (2) of that section, and before the sub-section as so renumbered, the following sub-section shall be inserted, namely:--

" (1) Nothing contained in this Act shall apply to a person who holds land not exceeding twelve and a half standard acres:

Provided that no person who held or holds land during any part of a financial year in excess of the exempted extent shall be entitled to the exemption under this sub-section even though the extent of land held by him during the rest of that financial year may not be in excess of the exempted extent."

(2) In sub-section (2) as so renumbered, for clause (b), the following clause shall be substituted, namely:--

" (b) any sum paid by such person to effect an insurance on the life of such person or on the life of a wife or husband or dependent son of such person or in respect of a contract for a deferred annuity on the life of such person or on the life of a wife or husband or dependent son of such person, as the case may be, provided that the aggregate of any sums exempted under this clause shall not exceed one sixth of the total agricultural income of the assessee or six thousand rupees, whichever is less:

Provided that nothing contained in this clause shall be deemed to entitle a person who is assessed to income-tax under the Indian Income-tax Act, 1922 (Central Act XI of 1922), to claim any exemption in respect of any sum referred to in this clause if it was exempted under section 15 of the said Act."

12. Amendment of section 11 :-

In sub-section (1) of section 11 of the principal Act, for the words " a plantation ", the word " land " shall be substituted.

13. Amendment of section 12 :-

In section 12 of the principal Act--

(i) after the words " sustains a loss ", the words " within the State " shall be inserted;

(ii) after the proviso, the following proviso shall be added, namely:-

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" Provided further that in the case of loss sustained from land other than any land used for growing tea, coffee, rubber, cinchona or cardamom before the 1st April 1958, this section shall apply only to such loss as was sustained in the previous year immediately before that date."

14. Omission of section 13 :-

Section 13 of the principal Act shall be omitted.

14A. Amendment of section 15 :-

In sub-section (2) of section 15 of the principal Act, for the words " the judicial officer ", the words " the judicial officer or the advocate as the case may be " shall be substituted.

15. Amendment of section 16 :-

For sub-sections (1) and (2) of section 16, the following sub-sections shall be substituted, namely:--

" (1) Every person who held land in excess of the exempted extent at any time during the previous year shall, unless he has been permitted to compound the tax under section 65, furnish to the Agricultural Income-tax Officer so as to reach him before the 1st June every year a return in the prescribed form and verified in the prescribed manner setting forth his total agricultural income during the previous year.

(2) In the case of any person whose holding is, in the opinion of the Agricultural Income-tax Officer, of such extent as to render such person liable to payment of agricultural income-tax in any financial year, he may serve in that year a notice in the prescribed form requiring such person to furnish within such period not being less than thirty days as may be specified in the notice a return in the prescribed form and verified in the prescribed manner setting forth along with such other particulars as may be provided for in the notice his total agricultural income during the previous year."

16. Amendment of section 22 :-

In sub-section (1) of section 22 of the principal Act, for the word "plantation", the word "land" shall be substituted.

17. Amendment of section 23 :-

In section 23 of the principal Act and in the marginal note thereto, for the word "plantation" wherever it occurs, the word "land" shall be substituted.

18. Amendment of section 29 :-

In sub-section (2) of section 29 of the principal Act, for the words and figures " of section 10 " the words, figures and brackets " of sub-section (2) of section 10 " shall be substituted.

19. Amendment of section 32 :-

In section 32 of the principal Act--

(i) in sub-section (4), for the words " subject to a minimum of twenty-five rupees and a maximum of one hundred rupees ", the words " subject to a minimum of five rupees " shall be substituted:

(ii) after sub-section (5), the following sub-section shall be inserted, namely:--

" (5-A) The Appellate Tribunal may, in such cases and to such extent as may be prescribed, order refund of the fee paid under sub-section (4). ".

20. Amendment of section 34 :-

In clause (c) of sub-section (2) of section 34 of the principal Act, for the words " one year ", the words " three years " shall be substituted.

21. Amendment of section 35 :-

In section 35 of the principal Act--

(i) after the words " assessed at too low a rate ", the words " or has been under-assessed " shall be inserted;

(ii) for the words " three years ", the words " five years " shall be substituted.

22. Amendment of section 38 :-

In clause (c) of section 38 of the principal Act, for the word "plantation", the word "land" shall be substituted.

Section 23 - Amendment of section 39

In section 39 of the principal Act,--

(i) after sub-section (2) and before the first proviso, insert the following proviso " Provided that if any such place is a dwelling house such officer shall not enter and inspect such place after 6 p.m. and before 6 a.m.";

(ii) in sub-section (3), after the words " Agricultural Income-tax Officer ", the words " apprehends resistance or " shall be inserted.

23A. Amendment of section 41 :-

Omit sub-sections (1) and (2) of section 41 of the principal Act and renumber sub-sections (3) and (4) as subsections (1) and (2).

24. Amendment of section 42 :-

In sub-section (2) of section 42 of the principal Act,--

(i) for the word "plantation" wherever it occurs, the word "land" shall be substituted;

(ii) for the words "the right, title and interest of such person", the words "the right, title and interest of the assessee and of such other persons" shall be substituted.

24A. Amendment of section 43 :-

The words and figures " or section 41 " in section 43 of the principal Act shall be omitted and the word " or " shall be inserted before the word and figures " section 25 ".

25. Amendment of section 50 :-

In section 50 of the principal Act,--

(i) the word and figures " section 13 " shall be omitted;

(ii) for the words " he shall be punishable ", the words " he shall, on conviction by a magistrate of the first class, be punishable " shall be substituted.

26. Amendment of section 53 :-

In section 53 of the principal Act for the word plantation " or " plantations " wherever it occurs, the word " land " shall be substituted.

27. Amendment of section 61 :-

In section 61 of the principal Act,--

(i) in sub-section (2), clause (j) shall be relettered as clause (k) and before that clause as so relettered the following clause shall be inserted, namely:--

" (j) as to the circumstances under which, and the manner in which, remission may be granted to persons permitted to compound the agricultural income-tax under section 65;"

(ii) for sub-section (3), the following sub-section shall be substituted, namely:--

" (3) All rules made under this Act shall, as soon as possible after they are made, be placed on the table of both the Houses of the Legislature and shall be subject to such modifications by way of amendments or repeal as the Legislative Assembly may make within fourteen days on which the House actually sits either in the same session or in more than one session."

28. Omission of, section 64 :-

Section 64 of the principal Act shall be omitted.

29. Amendment of section 65 :-

In section 65 of the principal Act--

(i) for sub-section (1), the following sub-section shall be substituted, namely:--

" (1) Any person who holds land not exceeding four times the exempted extent may apply to the prescribed officer for permission to compound the agricultural income-tax payable by him and to pay in lieu thereof a lump sum at the rate or rates specified in Part II of the Schedule.";

(ii) in sub-section (4), for the words " shall be in force for the year for which it is granted ", the words " shall, subject to the provisions of sub-section (1), be in force for a period of three years commencing from the financial year for which such permission is granted " shall be substituted;

(iii) to the same sub-section, the following proviso shall be added, namely:--

" Provided that the provisions of sections 35 and 36 shall, so far as may be, apply in relation to the composition of agricultural income-tax under this section, as they apply in relation to the assessment of agricultural income-tax under this Act."

30. Section 31 :-

For the Schedule to the principal Act, the following Schedule shall be substituted, namely:--

**"THE SCHEDULE.
Part I
(See section 3.)
Rates of Agricultural Income-tax.**

(1)	On the first Rs. 3,600 of total agricultural income	Nil.
(2)	On the next Rs. 1,400 of total agricultural income.	Five naye paise in the rupee.
(3)	On the next Rs. 5,000 of total agricultural income.	Fifteen naye paise in the rupee.
(4)	On the next Rs. 5,000 of total agricultural income.	Twenty naye paise in the rupee.
(5)	On the next Rs. 5,000 of total agricultural income.	Twenty-five naye paise in the rupee.
(6)	On the next Rs. 5,000 of total agricultural income.	Thirty naye paise in the rupee.
(7)	On the balance of total agricultural income.	Forty-five naye paise in the rupee.

Provided that in the case of every company, agricultural income-tax shall be charged at the maximum rate on the whole of the total agricultural income.

**Part II
(See section 65.)**

	Extent.	Rate per standard acre.
		Rs. NP.
(1)	On the first 12 1/2 standard acres..	Nil
(2)	On the next 7 1/2 standard acres..	4 50
(3)	On the next 10 standard acres..	7 50
(4)	On the next 10 standard acres..	10 00
(5)	On the next 10 standard acres..	15 00"

31. Repeal of Madras Act XIX of 1954 :-

The Madras Land Revenue (Surcharge) Act, 1954 (Madras Act XIX of 1954), is hereby repealed:

Provided that such repeal shall not affect the previous operation of the said Act or anything already done or suffered, or any right, title or obligation or liability already acquired, accrued or incurred or any remedy or proceeding in respect thereof.

32. Completed assessments to be reopened :-

Any assessment completed before this Act is published in the Fort St: George Gazette may be re-opened and assessment made at the rates applicable to such a case under the principal Act as amended by this Act.

33. Adjustment of surcharge under Madras Act XIX of 1954 :-

Any surcharge on the land revenue collected from any person under the Madras Land Revenue (Surcharge) Act, 1954 (Madras Act XIX of 1954), for the fasli year 1957-58 shall be adjusted towards the agricultural income-tax due from such person under the principal Act as amended by this Act for the financial year 1958-59, and if on such adjustment the surcharge is in excess, such excess or if no such adjustment be made, such surcharge shall be refunded to the person concerned.

34. Composition of tax for the year 1957-58 :-

(1) Notwithstanding anything contained in this Act, any person liable to pay agricultural income-tax under the principal Act as amended by this Act in respect of any agricultural income derived from any land other than the land used for growing tea, coffee, rubber, cinchona or cardamom during the period of twelve months ending on the 31st day of March 1958, may apply to the prescribed officer for permission to compound such agricultural income-tax, and to pay in lieu thereof a lump sum at the rate or rates specified below:--

	Extent.	Rate per standard acre
		Rs. nP.
(1)	On the first 12½ standard acres..	Nil.
(2)	On the next 7½ standard acres	4 50
(3)	On the next 10 standard acres..	7 50

(3)	On the next 10 standard acres..	7 00
(4)	On the next 10 standard acres..	10 00
(5)	On the next 10 standard acres..	15 00
(6)	On the next 50 standard acres..	17 50
(7)	On the next 50 standard acres..	20 00
(8)	On the balance of standard acres..	25 00

Provided that in the case of every company, the lump sum so payable shall be charged at the maximum rate on the whole of the total extent of the land hold by that person.

(2) The Government may make rules as to the circum-stances under which, and the manner in which, remission may be granted to persons permitted to compound the agricultural income-tax under sub-section (1).

(3) The provisions of sections 35 and 36 of the principal Act shall, so far as may be, apply in relation to the composition of Agricultural income-tax under this section, as they apply in relation to the assessment of agricultural income-tax under the principal Act.