

¹[THE SCHEDULE

[See section 1(3)]

Modifications of the Act in its application to the Union territory of Pondicherry

1. Sections 3 and 4 shall be omitted.

2. In section 4A, for the words, brackets, letters and figures “twenty-seven and a half per cent. of the aggregate of (i) the stipulated dividend, and (ii) an amount equal to eleven per cent. of the stipulated dividend as specified in sub-section (3) of section 3”, the following shall be substituted, namely:—

“Twenty-seven and a half per cent. of the stipulated dividend:

Provided that in a case where the preference shares in respect of which the dividend is declared or paid form part of the preference share capital of a company which, in respect of the greater part of its total income, is entitled to a deduction from tax chargeable form it under the Income-tax Act, 1961 (43 of 1961), under a notification issued by the Central Government under section 294A of that Act, the reference to twenty-seven and a half per cent. of the stipulated dividend shall be construed as a reference to—

(i) where the stipulated dividend in respect of such preference share is declared or paid in respect of the previous year relevant to the assessment year commencing on the 1st day of April, 1965, the said twenty-seven and a half per cent. as reduced by forty-five per cent. thereof;

(ii) where such dividend is declared or paid in respect of the previous year relevant to the assessment year commencing on the 1st day of April, 1966, the said twenty-seven and a half per cent. as reduced by twenty-five per cent. thereof;

(iii) where such dividend is declared or paid in respect of the previous year relevant to the assessment year commencing on the 1st day of April, 1967, or the 1st day of April, 1968, or the 1st day of April, 1969, the said twenty-seven and a half per cent. as reduced by ten per cent. thereof.

Explanation.—For the removal of doubts it is hereby declared that any reference in this section to deduction made from a dividend on account of the income-tax payable by the company does not include any amount deducted by the company from that dividend under section 194 of the Income-tax, 1961 (43 of 1961).”.

3. In section 5, sub-section (2) shall be omitted.

4. Section 6 shall be omitted.]

1. Added by Act 26 of 1968, s. 3 and the Schedule (w.e.f. 24-5-1968).