

# The Finance Act, 1975

( ACT NO. III OF 1975 )

**An Act to give effect to the financial proposals of the Government and to amend certain laws.**

WHEREAS it is expedient to make provisions to give effect to the financial proposals of the Government and to amend certain laws for the purposes hereinafter appearing;

It is hereby enacted as follows:-

**Short title  
and**

1. (1) This Act may be called the Finance Act, 1975.

**commencement**

(2) Subject to the Provisional Collection of Taxes Act, 1931 (XVI of 1931), and the declaration made thereunder, this Act shall, except as otherwise provided, come into force on the 1st day of July, 1975.

**Amendment  
of Act XI of  
1922**

2. The following amendments shall be made in the Income-tax Act, 1922 (XI of 1922), namely:-

(1) throughout the Act,-

(a) for the words "Commissioner of Income-tax" and "Commissioners of Income-tax" wherever occurring, the words "Commissioner of Taxes" and "Commissioners of Taxes" shall respectively be substituted;

(b) for the words "Assistant Commissioner", "Assistant Commissioner of Income-tax" and "Assistant Commissioners of Income-tax", wherever occurring, the words "Joint Commissioner", "Joint Commissioner of Taxes" and "Joint Commissioners of Taxes" shall respectively be substituted;

(c) for the words "an Income-tax Officer", "Income-tax Officer" and "Income-tax Officers" wherever occurring, the words "a Deputy Commissioner of Taxes", "Deputy Commissioner of Taxes" and "Deputy Commissioners of Taxes" shall respectively be substituted;

(d) for the words “Assistant Income-tax Officer” and “Assistant Income-tax Officers” wherever occurring, the words “Extra Assistant Commissioner of Taxes” and “Extra Assistant Commissioners of Taxes” shall respectively be substituted; and

(e) for the words “Inspector of Income-tax” and “Inspectors of Income-tax” wherever occurring, the words “Inspector of Taxes” and “Inspectors of Taxes” shall respectively be substituted;

(2) in section 2,-

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

“(3) “Appellate Joint Commissioner” means a person appointed to be an Appellate Joint Commissioner of Taxes under section 5;”;

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

“(3A) “Assistant Commissioner of Taxes” means a person appointed to be an Assistant Commissioner of Taxes under section 5;”;

(c) after clause (5B) the following new clause (5BB) shall be inserted, namely:-

“(5BB) “Deputy Commissioner of Taxes” means a person appointed to be a Deputy Commissioner of Taxes under section 5 and includes a person appointed to be a Special Officer, an Assistant Commissioner of Taxes, an Extra Assistant Commissioner of Taxes and an Examining Officer;”;

(d) after clause (6AAA), the following new clause (6AAAA) shall be inserted, namely:-

“(6AAAA) “Extra Assistant Commissioner of Taxes” means a person appointed to be an Extra Assistant Commissioner of Taxes under section 5;”;

(e) for clause (6D) the following shall be substituted, namely:-

“(6D) “Inspecting Joint Commissioner” means a person appointed to be an Inspecting Joint Commissioner of Taxes under section 5;”;

(f) clause (7) shall be omitted;

(3) in section 4, in sub-section (3),-

(a) clause (vii) shall be omitted;

(b) in clause (xii), in sub-clause (e), for the full-stop at the end a semi-colon shall be substituted; and

(c) after sub-clause (e), amended as aforesaid, the following new sub-clause (f) shall be inserted, namely:-

“(f) in respect of a building the erection of which is begun and completed at any time between the first day of July, 1975 and the thirtieth day of June, 1980 (both days inclusive) and the building is intended to be, and is actually, used for residential purposes only, for a period of five years from the date of such completion, subject to the following limits, namely:-

(i) in a case where annual value of such building does not exceed eight thousand and four hundred Taka.	.. The whole of such value;
(ii) in a case where annual value of such building exceeds eight thousand and four hundred Taka.	.. Eight thousand and four hundred Taka:
Provided that where an assessee claims exemption in respect of more than one such building the exemption under this sub-clause shall be restricted to such portion of the aggregate annual value of such building as does not exceed eight thousand and four hundred Taka.”;	
(4) in section 5,-	
(a) <i>for</i> sub-section (1) the following shall be <i>substituted</i> , namely:-	
“(1) There shall be the following classes of income-tax authorities for the purposes of this Act, namely:-	
(a) the National Board of Revenue,	
(b) Directors of Inspection,	

(c) Commissioners of Taxes,	
(d) Joint Commissioners of Taxes who may be either Appellate Joint Commissioners of Taxes or Inspecting Joint Commissioners of Taxes,	
(e) Special Officers,	
(f) Deputy Commissioners of Taxes,	
(g) Assistant Commissioners of Taxes,	
(h) Extra Assistant Commissioners of Taxes,	
(i) Tax Recovery Officers,	
(j) Examining Officers, and	
(k) Inspectors of Taxes.”;	
(b) <i>after</i> sub-section (8), the following new sub-section (9) shall be <i>added</i> , namely:-	
“(9) References in any Act, Ordinance, Regulation, Rule, Order, bye-law, deed, document or any other instrument of whatever nature to Commissioners of Income-tax, Assistant Commissioners of Income-tax, Income-tax Officers, Assistant Income-tax Officers and Inspectors of Income-tax shall, with their grammatical variations, except where the context otherwise requires, be construed as references respectively to Commissioners of Taxes, Joint Commissioners of Taxes, Deputy Commissioners of Taxes, Extra Assistant Commissioners of Taxes and Inspectors of Taxes; and any such Act, Ordinance, Regulation, Rule, Order, by-law, deed, document or any other instrument of whatever nature shall have effect accordingly.”;	
(5) in section 5A, for sub-section (3) the following sub-section shall be <i>substituted</i> , namely:-	

<p>“(3) A judicial member shall be a person who has exercised the powers of a District Judge or who possesses such qualifications as are normally required for appointment to the post of District Judge; and an accountant member shall be a person who has, for a period of not less than six years, practised professionally as a Chartered Accountant within the meaning of the Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973), or who has served as a Joint Commissioner of Taxes for at least three years;</p>
<p><b>Explanation.</b> For the purposes of this sub-section-</p>
<p>(a) period of practice as Chartered Accountant shall include any period of practice as Chartered Accountant within the meaning of the Chartered Accountants Ordinance, 1961 (Ord. X of 1961), or as registered Accountant enrolled on the register of accountants under the Auditor’s Certificate Rules, 1950; and</p>
<p>(b) period of service as Joint Commissioner of Taxes shall include any period of service as Assistant Commissioner of Income-tax.”;</p>
<p>(6) in section 10, in sub-section (5), in clause (b), in the third proviso, <i>for</i> the word “forty” the word “sixty” shall be <i>substituted</i>;</p>
<p>(7) in section 12,-</p>
<p>(a) in sub-section (3), <i>for</i> the full-stop at the end a colon shall be <i>substituted</i> and thereafter the following proviso shall be <i>added</i>, namely:-</p>
<p>“Provided that the second proviso to clause (vii) of sub-section (2) of section 10 shall also be applicable for determination of any profits where the value for which the machinery or plant is sold, transferred or compulsorily acquired exceeds the amount of the written down value of such machinery or plant.”; and</p>
<p>(b) in sub-section (4), for the full-stop at the end a colon shall be <i>substituted</i> and thereafter the following proviso shall be <i>added</i>, namely:-</p>