

The Finance Ordinance, 1977

(Ordinance NO. XXIII OF 1977)

An Ordinance 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;

NOW, THEREFORE, in pursuance of the Proclamations of the 20th August, 1975, and the 8th November, 1975, and in exercise of all powers enabling him in that behalf, the President is pleased to make and promulgate the following Ordinance:-

Short title and

1. (1) This Ordinance may be called the Finance Ordinance, 1977.

commencement

(2) Except as otherwise provided in this Ordinance, this section and sub-clause (c) of clause (11) of section 5, section 8 and clause (7) of section 9 shall come into force at once, and other sections shall come into force on the first day of July, 1977.

Amendment of Act I of 1878

2. The following amendment shall be made in the Opium Act, 1878 (I of 1878), namely:-

throughout the Act, for the word "Excise" wherever occurring the words "Narcotics and Liquor" shall be substituted.

Amendment of Act VI of 1898

3. In the Post Office Act, 1898 (VI of 1898), for the First Schedule thereto the Schedule set out in the First Schedule to this Ordinance shall be substituted.

Amendments of Ben. Act V of 1909

4. The following amendments shall be made in the Excise Act, 1909 (Ben. Act V of 1909), namely:-

(1) throughout the Act, unless otherwise specified,-

(a) for the words "Excise Department" wherever occurring the words "Department of Narcotics and Liquor" shall be substituted;

(b) for the words "Director of Taxation and Excise" and the word "Director" wherever occurring the words "Controller of Narcotics and Liquor" and the word "Controller" shall respectively be substituted;

(c) for the words "Excise Officer" wherever occurring the words "Narcotics and Liquor Officer" shall be substituted;

(d) for the words "excise-revenue" wherever occurring the words "narcotics and liquor revenue" shall be substituted;

(2) in section 2, for sub-section (6b) the following shall be substituted, namely:-

"(6b) "Controller" means the Controller of Narcotics and Liquor appointed under clause (a) of sub-section (2) of section 7;"

(3) in section 7, in sub-section (2), for clause (a) the following shall be substituted, namely:-

"(a) appoint a person to be the Controller of Narcotics and Liquor, who shall, subject to such control as the Government may direct, have control of the administration of the Department of Narcotics and Liquor and the collection of the narcotics and liquor revenue;"

(4) in section 65, in sub-section (1), for the words "Inspector of Excise" the words "Superintendent of Narcotics and Liquor" shall be substituted;

(5) in section 67, in clause (a), for the word "Excise" the words "Narcotics and Liquor" shall be substituted; and

(6) in section 71, in sub-section (1), for the word "Excise" the words "Narcotics and Liquor" shall be substituted.

Amendments of Act XI of 1922

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

(1) in section 2, in clause (6AA),-

(a) the words, brackets, letter and figures “or a firm treated as registered under clause (b) of sub-section (5) of section 23” shall be omitted;

(b) after sub-clause (a), the following new sub-clause (aa) shall be inserted, namely:-

“(aa) which is chargeable under the head “Agricultural income” other than the rent and revenue, including any local cess or rates, derived from land; or”;

(2) in section 4,-

(a) sub-section (2) shall be omitted;

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

(i) in clause (xii), for sub-clause (g) the following shall be substituted and shall be deemed to have been so substituted on and from the first day of July, 1976, namely:-

“(g) 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 which 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 condition that the plinth area of the building is not more than two thousand square feet. The exemption under this sub-clause shall also apply in the case of housing companies, societies and estates where the construction comprises bungalows, flats, apartments or units (hereinafter referred to as units) each containing plinth area of not more than two thousand square feet provided the construction comprises not less than twenty five units.”;

(ii) after clause (xiv), a new clause (xiva), shall be inserted, namely:-

“(xiva) Any income from dividends received by an assessee (other than a company), subject to the following limits, namely:-

(a) where such dividend income does not exceed five thousand Taka, the whole of such income;

(b) where such dividend income exceeds five thousand Taka,

(3) in section 10,-

(a) in sub-section (2),-

(i) after clause (via), the following new clause (vib) shall be inserted, namely:-

“(vib) in respect of any machinery or plant (other than office appliances and road transport vehicles) which, not having been previously used in the taxable territories, is used in an industrial undertaking set up in the taxable territories between the first day of July, 1977, and the thirtieth day of June, 1982 (both days inclusive), an amount by way of accelerated depreciation, in respect of the specified year equivalent to eighty per cent, and in respect of the year next following, twenty per cent, of the actual cost of such machinery or plant to the assessee.

Explanation.-In this clause, “specified year” means the year in which the industrial undertaking starts commercial production:

Provided that, in the case of machinery or plant of an industrial undertaking set up in such areas as may be specified by the National Board of Revenue by notification in the official Gazette, this clause shall have effect as if for the words “eighty per cent” the words “hundred per cent” were substituted:

Provided further that the industrial undertaking shall fulfil the following conditions, namely:-

(a) that it is owned and managed by a company formed and registered under the Companies Act, 1913 (VII of 1913), or a body corporate formed in pursuance of an Act of Parliament, having its registered office or head office in the taxable territories;

(b) that it belongs to the class of industries specified by the National Board of Revenue for this purpose by notification in the official Gazette;

(c) that an application for accelerated depreciation under this clause in the prescribed form and verified in the prescribed manner has been made to

the National Board of Revenue within four months of the month in which the undertaking goes into commercial production along with a declaration in writing that it has not been approved by or has not applied for such approval or shall not apply for such approval under section 14A to the National Board of Revenue:

Provided further that no allowance under this clause shall be allowed unless the prescribed particulars have been furnished by the assessee in respect of such machinery or plant:

Provided further that where in the assessment of the assessee full effect cannot be given to such allowance in the specified year owing to there being no profits or gains chargeable for that year, or owing to the profits or gains being less than the allowance, the allowance or part of the allowance to which effect has not been given, as the case may be, shall be carried forward to the succeeding years till such time as the entire allowance on this account is adjusted against the profits:

Provided further that the machinery or plant to which the accelerated depreciation has been allowed shall not be entitled to the allowances as referred to in clause (vi);”;

(ii) after clause (vii), the following new clause (viia) shall be inserted, namely:-

“(viia) an investment allowance equivalent to twenty per cent of the cost of machinery or plant of an industrial undertaking referred to in clause (vib) in respect of the year in which the industrial undertaking starts commercial production :

Provided that, in the case of machinery or plant of an industrial undertaking set up in such areas as may be specified by the National Board of Revenue by notification in the official Gazette, this clause shall have effect as if for the words “twenty per cent” the words “twenty-five per cent” were substituted;”;

(b) in sub-section (4), in clause (d), for the words “thirty per cent of the salary of such employee” the words “fifty per cent of the salary of such