

PART I



GOVERNMENT OF KERALA

Law (Legislation-Publication) Department

NOTIFICATION

No. 21973/Leg. Pbn. 2/2016/Law. *Dated, Thiruvananthapuram, 26th October, 2016.*

The following Act of Parliament published in the Gazette of India, Extraordinary, Part II, Section I dated the 8th day of September, 2016 is hereby republished for general information. The Bill as passed by the Houses of Parliament received the assent of the President of India on the 8th day of September, 2016.

By order of the Governor,

S. SANTHOSH,

Joint Secretary.

THE TAXATION LAWS (AMENDMENT) ACT, 2016

(ACT No. 47 OF 2016)

AN

ACT

further to amend the Income-Tax Act, 1961 and the Customs Tariff Act, 1975.

BE it enacted by Parliament in the Sixty-seventh Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. *Short Title and commencement.*—(1) This Act may be called the Taxation Laws (Amendment) Act, 2016.

(2) Save as otherwise provided in this Act, it shall come into force at once.

CHAPTER II

DIRECT TAX

Income-tax

2. *Amendment of Section 2.*—In the Income-tax Act, 1961 (43 of 61)(hereinafter referred to as the principal Act in this Chapter), in section 2, in clause (19AA), after *Explanation 4*, the following *Explanation* shall be inserted, with effect from the 1st day of April, 2017, namely:—

“*Explanation 5.*—For the purposes of this clause, the reconstruction or splitting up of a company, which ceased to be a public sector company as a result of transfer of its shares by the Central Government, into separate companies, shall be deemed to be a demerger, if such reconstruction or splitting up has been made to give effect to any condition attached to the said transfer of shares and also fulfils such other conditions as may be notified by the Central Government in the Official Gazette.”

3. *Amendment of section 80JJAA.*—In the principal Act, in section 80JJAA, in sub-section (2), in the *Explanation*, after clause (ii), the following proviso shall be inserted, with effect from the 1st day of April, 2017, namely:—

‘Provided that in the case of an assessee who is engaged in the business of manufacturing of apparel, the provisions of sub-clause (c) shall have effect as if for the words “two hundred and forty days”, the words “one hundred and fifty days” had been substituted.’

CHAPTER III

INDIRECT TAX

Customs tariff

4. *Amendment of First Schedule.*—In the Customs Tariff Act, 1975 (51 of 1975) in the First Schedule,—

(a) in Chapter 25, for the entry “10%” in column (4) occurring against tariff items 2515 11 00, 2515 12 10, 2515 12 20, 2515 12 90, 2516 11 00 and 2516 12 00, the entry “40%” shall respectively be substituted;

(b) in Chapter 68, for the entry “10%” in column (4) occurring against tariff items 6802 10 00, 6802 21 10, 6802 21 20, 6802 21 90, 6802 23 10, 6802 2390, 6802 29 00, 6802 91 00, 6802 92 00 and 6802 93 00, the entry “40%” shall respectively be substituted.