

## **ESTATE DUTY (DISTRIBUTION) RULES, 1979**

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## **ESTATE DUTY (DISTRIBUTION) RULES, 1979**

G.S.R. 1014, dated 28th July, 1979.'-In exercise of the powers conferred by Sec. 4 of the Estate Duty (Distribution) Act, 1962 (9 of 1962), and in supersession of the Estate Duty (Distribution) Rules, 1963, the Central Government hereby makes the following rules, namely:-

### **1. Short title :-**

These rules may be called the Estate Duty (Distribution) Rules, 1979 .

### **2. Definition :-**

In these rules "the Act" means the Estate Duty (Distribution) Act, 1962 (9 of 1962).

### **3. Calculation of gross value of properties :-**

The gross value of all properties movable and immovable, for any financial year shall be calculated by aggregating the principle values of all properties specified below, in respect of which estate duty has been assessed in that financial year, namely:

(1) In the case in which the death occurred before the 1st day of July, 1960.

(a) Shares or debentures in any company referred to in Sec. 20-A of the Estate Duty, 1953 (34 of 1953), which pass on the death of the deceased and in respect of which the company is accountable for the estate duty, if the principal value of such shares or debentures exceeds five thousand rupees;

(b) all other properties included in the estate of the deceased if the principal value of the estate exceeds the limit specified below,

namely :

(i) fifty thousand rupees if the estate included an interest in the joint family property of a Hindu family governed by the Mitakshara, Marumakhattayam or Aliyasantena law; and

(ii) one lakh rupees in other cases.

(2) In the cases in which the death occurred on or after the 1st day of July, 1960.

(a) shares or debentures in any company referred to in Sec. 20A of the Estate Duty Act, 1953 (34 of 1953), which pass on the death of the deceased and in respect of which the company is accountable for estate duty, if the principal value of such shares or debentures exceeds five thousand rupees;

(b) all other properties included in the estate of the deceased if the principal value of the estate exceeds fifty thousand rupees.

#### **4. Provisional distribution of estate duty :-**

The share of estate duty assignable to the States in terms of Section 3 of the Act shall be distributed among them in each financial year ordinarily in two instalments, namely, in the months of October and March, the first instalment, being equal to one-half of the State's share of the estate duty as in the budget estimates for that year and the second instalment being equal to the State's share of the duty as in the revised estimates for the year less the sum already paid.

#### **5. Final adjustment of estate duty :-**

(1) The amount of estate duty attributable to immovable and other property distributable among the States in each financial year shall be finally computed with reference to the net proceeds of such duty as ascertained and certified by the Comptroller and Auditor General of India.

(2) If on the basis of the certificate of the Comptroller and Auditor General of India any further sum is found due, or any excess payment is found to have been made to a State, having regard to the provisions contained in Section 3 of the Act, such further sum or excess payment shall be paid to or, as the case may be, recovered from the State.