

**OPIUM AND REVENUE LAWS (EXTENSION OF APPLICATION) ACT,  
1950**

**33 of 1950**

**[18th April, 1950]**

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**OPIUM AND REVENUE LAWS (EXTENSION OF APPLICATION) ACT,  
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STATEMENT OF OBJECTS AND REASONS "The mailaws relating to income-tax and duties of customs and central excises are being extended to the rest of India and a provision therefor has been made in the Finance Bill as the extension of these laws formed part of the Budget proposals. The object of the Bill is to extend other ancillary law to the rest of India excluding the State of Jammu and Kashmir."- Gaz. of Ind. 1950, Pt. II, S.2, p. 198.

**1. Short title :-**

This Act may be called The Opium and Revenue Laws(Extension of Application) Act, 1950.

**2. Extension of certain opium and revenue laws to certain parts of India :-**

(1) The following Acts, namely,-

(i) Opium Act, 1857 ,

(ii) Opium Act, 1878 ,

(iii) Revenue Recovery Act, 1890 ,

(iv) Government Trading Taxation Act, 1926 ,

(v) Dangerous Drugs Act, 1930 ,

(vi) Taxation on Income (Investigation Commission) Act, 1947, and

(vii) Payment of Taxes (Transfer of Property) Act, 1949, and all rules and

orders made thereunder, which are in force immediately before the commencement of this Act in certain parts of India, are hereby extended to and shall be in force in, the rest of India except the State of Jammu and Kashmir.

(2) The amendments specified in the schedule shall be made in the aforesaid Acts.

### **3. Modifications in State laws relating to income-tax investigation :-**

If immediately before the commencement of this Act there is in force in any Part B State<sup>1</sup> other than Jammu and Kashmir any law (hereinafter in this section referred to as 'the State law') responding to Taxation on Income (Investigation Commission) Act, 1947, that law shall continue to remain in force with the following modifications, namely :-

(a) all cases referred to or pending before the State Commission (by whatever name called) in respect of matters relating to taxation on income other than agricultural income shall stand transferred to the Central Commission for disposal : \Provided that the Central Commission shall not, by reason merely of the transfer of any case under the provisions of this section, be bound to recall or rehear any witness who has given evidence in the case, and may act on the evidence already recorded by or produced before the Commission which was originally investigating into the case;

<sup>2</sup> [(b) in the disposal of cases transferred to the Central Commission under clause (a), it shall have and exercise the same powers as it has and exercises in the investigation of cases referred to it under Taxation on Income (Investigation Commission) Act, 1947, and shall be entitled to act for the same term as under sub-section (3) of section 4 of that Act;

(bb) any decision given, whether before or after the commencement of this Act, by the Chief Revenue Authority of Travancore or of Travancore-Cochin in the exercise or purported exercise of any powers conferred on it by any law for the time being in force in the State shall be deemed to be a decision given by the Income-tax Authority for the purposes of sub-section (2) of S.8 of the Travancore Taxation on Income (Investigation Commission) Act, 1924.]

(c) any reference in the State Law, by whatever form of words, to the State Government or the State Commission shall, in relation to income other than agricultural income, be construed as a reference to the Central Government or the Central Commission, as the case maybe;

(d) the report of the Central Commission shall be submitted to the Central Government, and the Central Government may, by order in writing, direct that such proceedings as it thinks fit under the law in force in the State relating to income-tax, super-tax or excess profits tax or any other law, shall be taken against the person to whose case the report relates in respect of his income other than agricultural income, and upon such a direction being given, all such proceedings may be taken and completed under the appropriate law applicable in the State, as if the direction had been given and the proceedings had been instituted thereunder;

(e) where under any law in force in the State the agricultural income of an assessee is to be included in his total income for the purpose of determining the tax payable by him, the tax payable in respect of his income other than agricultural income shall be an amount bearing to the total amount of tax which would have been payable under the appropriate law in force in the State if a combined assessment had been made, the same proportion as such income bears to the total income including the agricultural income : \Provided that for this purpose any reduction of tax allowed on the agricultural income by the appropriate law in force in the State shall not be taken into account.

1. Immediately before 1-11-1956 the following were Part B States, namely, Hyderabad, Jammu and Kashmir, MadhyaBharat, Mysore, Pepsu, Rajasthan, Saurashtra and Travacore-Cochin. Of these Part B States Jammu and Kashmir, Mysore, Rajasthan and Travancore-Cochin (Kerala) are full-fledged States now and the rest have been merged with adjoining State or States - See States Reorganisation Act, 1956 (37 of 1956) (1-11-1956).

2. Substituted and deemed always to have been substituted for the former clause (b) of section 3 by the Opium and Revenue Laws (Extension of Application) Amendment Act, 1951 (44 of 1951 ), section 2.

#### **4. Repeals and savings :-**

If immediately before the commencement of this Act there is in force in any Part B States,<sup>1</sup> other than Jammu and Kashmir, or in the merged territory of Cooch Bihar any law corresponding to any of the Acts specified in section 2 , other than Taxation on Income (Investigation Commission) Act, 1947, that law shall, upon the commencement of this Act, stand repealed: Provided that such repeal shall not affect-

(a) the previous operation of that law, or

(b) any penalty, forfeiture or punishment incurred in respect of any offence committed against that law, or

(c) any investigation, legal proceeding or remedy in respect of any such penalty, forfeiture or punishment; and any such investigation, legal proceeding or remedy may be instituted, continued or enforced, and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed. Provided further that anything done or any action taken under any provision of that law shall be deemed to have been done or taken under the corresponding provision of the Central Act as now extended to the State and shall continue in force accordingly.

1. See foot-note [a] under section 3.

#### **5. Removal of difficulties :-**

If any difficulty arises in giving effect to the provisions of any of the Acts, rules or orders now extended to any part of India in which they were not in force before the commencement of this Act, the Central Government may, by order published in the Official Gazette, make such provision or give such direction as appears to it to be necessary for removing the difficulty.

#### SCHEDULE 1

Enactmentsamended

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1857 XIII ... Opium Act, 1857 (1) In the preamble, omit the words "in \ \ \ \ \ the Presidency of Fort William in \ \ \ \ \ Bengal". (2) Insert the following as section 1 \ \ \ \ \ namely :- "1. Short Title and extent." \ \ \ \ \ (1) This Act may be called Opium Act, 1857 . (2) It extends to the whole of India \ \ \ \ \ except the State of Jammu and Kashmir". 1878 I ... Opium Act, 1878 (1) In section 1 , for the words beginning \ \ \ \ \ with "It shall extend to" \ \ \ \ \ and ending with the words "directs in this \ \ \ \ \ substitute the following namely :- "It extends to the whole of India except the \ \ \ \ \ State of Jammu and Kashmir". (2) In section 3 , for the definitions \ \ \ \ \ "import", "export", "trans- \ \ \ \ \ port", "sale" and "sell", substitute \ \ \ \ \ the following namely :- \ \ \ \ \ "Customs frontiers" means any of the \ \ \ \ \ customs frontiers of India as defined by \ \ \ \ \ the Central Government under section 3A \ \ \ \ \ of Sea Customs Act, 1878; "Import" and "export" mean respectively \ \ \ \ \ to bring into or take out of, a State \ \ \ \ \ otherwise than across any customs \ \ \ \ \ frontiers; "transport" means to remove from one \ \ \ \ \ place to another within the same State; "sale" does not include sale for export \ \ \ \ \ across customs frontiers, and "sell" \ \ \ \ \ shall be construed accordingly. 1890 I...The Revenue Recovery Act, (1) In sub-section (2) of section 1 , \ \ \ \ \ for the words and letter "Part B States substitute the words "the State \ \ \ \ \ of Jammu and Kashmir". \ \ \ \ \ (2) In sub-section (4) of section 4 for \ \ \ \ \ the words and letters "a Part A State or a Part C State" \ \ \ \ \ substitute the words "any State to which this Act extends". 1926 III...The Government Trading (1) In the preamble, omit the words "or \ \ \ \ \ Government of any Taxation Act, 1926 \ \ \ \ \ Acceding State or other Indian State". \ \ \ \ \ (2) In section 2 , - \ \ \ \ \ (a) In sub-section ( 1 ), for the words, \ \ \ \ \ and letters "in part A States \ \ and Part C States" substitute the words \ \ \ \ \ "India". \ \ \ \ \ (b) omit sub-section (1-A); \ \ \ \ \ (c) in sub-section (3), add the \ \ \ \ \ following words at the end, \ \ \ \ \ namely :- \ \ \ \ \ 'and "India" means the territory of \ \ \ \ \ India excluding the State OF \ \ \ \ \ Jammu and Kashmir'. (( \ \ \ \ \ (3) In section 3 , for the words "upon an \ \ \ \ \ Acceding State or other Indian "State" \ \ \ \ \ substitute the words and letter "upon a \ \ \ \ \ Part B State". 1930 II...The Dangerous Drugs Act, (1) In sub-section (2) of section 1 .for \ \ \ \ \ 1930 The words and letter "Part B States" substitute the words "the \ \ \ \ \ State of Jammu and Kashmir". \ \ \ \ \ (2) In sub-section ( 1 ) of section 39, \ \ \ \ \ for the words and letters 'or an Act of the Legislature of a Part A \ \ \ \ \ State of Part C State" substitute the words "or an Act of any State \ \ \ \ \ Legislature". 1947 XXX The Taxation on Income (In-sub-section (2) of section 1 for the \ \ \ \ \ Act, 1947 words and letter "Part B \ vestigation Commission) \ \ \ \ \ State" substitute the words "the State \ \ \ \ \ of Jammu and Kashmir". 1948 XXII The Payment of Taxes (1) In sub-section (2) of section 1 , for \ (Transfer of Property) Act, the words and letter "Part \ \ \ \ \ B States" substitute the words "the \ \ \ \ \ State of Jammu and Kashmir". \ \ \ \ \ (2) In the Explanation to section 2 , for \ \ \ \ \ the words and letter "Part B State" substitute the words "the \ \ \ \ \ State of Jammu and Kashmir".