

## **UNION DUTIES OF EXCISE (DISTRIBUTION) ACT, 1979**

**24 of 1979**

**[20th May, 1979]**

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## **UNION DUTIES OF EXCISE (DISTRIBUTION) ACT, 1979**

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STATEMENT OF OBJECTS AND REASONS At present, sum equivalent to twenty per cent of the annual net proceeds of Union duties of excise, excluding cesses levied under special Acts and earmarked for special purposes, is paid to the States and distributed among them in the percents which the Sixth Financial Commission had recommended. The seventh Finance Commission has recommended that- (i) forty per cent. of the net proceeds of Union duties of excise, other than on generation of electricity levied and collected during each of the years 1979-80 to 1983-84, excluding cesses levied under special Acts and earmarked for special purposes, should be paid out of the Consolidated Fund of India to the States and distributed among them in the percentages recommended by the Commission; and (ii) during each of the years 1979-80 to 1983-84. the entire net proceeds of the union duties of excise on generation of electricity should be paid out of the Consolidated Fund of India to each State in an amount equal to the collection in or attributable to that State. This Bill is intended to give effect to item (i) of the above recommendation of the commission, Item (ii) is being dealt with in another Bill. - Gaz.

of Ind., 12-4-1979, Pt. II, S. 2. Ext., p. 404.

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

(1) This Act may be called THE UNION DUTIES OF EXCISE (DISTRIBUTION) ACT, 1979.

(2) It shall be deemed to have come into force on the 1st day of April, 1979.

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

In this Act, the expression "distributable Union duties of excise" means <sup>1</sup> [forty-seven and a half per cent]. of the net proceeds of Union duties of excise, other than on electricity, levied and collected under Central Excises and Salt Act, 1944 and any other law for the levy and collection of such duty, unless the law earmarks the proceeds of the duty for any special purpose. Explanation.- The expression "net proceeds" has the same meaning as in clause (1) of Art.279 of the Constitution of India .

1. Substituted for " 3 . Payment to States of sums equivalent to a part of the net proceeds of Union duties of excise and distribution of the sums among them 1 .-During each of the financial years commencing on and after the 1st day of April, 1990, there shall be paid out of the Consolidated Fund of India, to the States sums equivalent to the distributable Union duties of excise levied and collected-in that year and those sums shall be distributed to each of the States specified in column (1) of the Table below in such percentage as is set out in column (2):-

State	Percentage
Andhra Pradesh	7.170
Arunachal Pradesh	0.897
Assam	3.810
Bihar	11.028
Goa	0.523
Gujarat	3.183
Haryana	1.099
Himachal Pradesh	1.943
Jammu and Kashmir	3.548
Karnataka	4.104
Kerala	3.087
Madhya Pradesh	7.224
Maharashtra	5.185
Manipur	1.174
Meghalaya	0.891
Mizoram	1.109
Nagaland	1.348
Orissa	5.358
Punjab	1.362
Rajasthan	5.524
Sikkim	0.260
Tamil Nadu	6.379
Tripura	1.556
Uttar Pradesh	15.638
West Bengal	6.600

", vide The Union Duties of Excise (Distribution) Amendment Act, 1995 (31 Of ), Dt. 22nd August, 1995 Published in Received the assent of the President on August 22, 1995 and published in the Gazette of India, Extra., Part II, Section 1, dated 23rd August, 1995, pp. 1-4, No. 44

### **3. Payment to States of sums equivalent to a part of the net proceeds of Union duties of exercise and distribution of sums among them :-**

<sup>1</sup> .-During the financial year commencing on the 1st day of April, 1995, and each of the four succeeding financial years, there shall be paid, out of the Consolidated Fund of India, to the States, sums

equivalent to the distributable Union duties of excise levied and collected in that year and,-

(a) sixteen-nineteenth of the sums so payable during each such financial year shall be distributed to each of the States specified in column (1) of Table I below in such percentage as is set out against it in column (2) thereof; and

(b) three-nineteenth of the sums so payable during each such financial year shall be distributed to each of the States specified in column (1) of Table II below in such percentage as is set out against it in column (2) thereof with respect to that financial year :-

1. Substituted for " 3 . Payment to States of sums equivalent to apart of the net proceeds of Union duties of excise and distribution of the sums among them 1 .-During each of the financial years commencing on and after the 1st day of April, 1990, there shall be paid out of the Consolidated Fund of India, to the States sums equivalent to the distributable Union duties of excise levied and collected-in that year and those sums shall be distributed to each of the States specified in column (1) of the Table below in such percentage as is set out in column (2):-

State \ Percentage	(1) \ (2)
Andhra Pradesh	7.170
Arunachal Pradesh	0.897
Assam	3.810
Bihar	11.028
Goa	0.523
Gujarat	3.183
Haryana	1.099
Himachal Pradesh	1.943
Jammu and Kashmir	3.548
Karnataka	4.104
Kerala	3.087
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Nagaland	1.348
Orissa	5.358
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Tamil Nadu	6.379
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**4. Payment to be charged on the Consolidated Fund of India**  
:-

The expenditure on the payments in pursuance of section 3 shall be charged on the Consolidated Fund of India.

**5. Power to make rules :-**

(1) The Central Government may, by notification in the Official Gazette, make rules providing for the time at which and the manner in which, any payments under this Act arc to be made, for the making of adjustments between one financial year and another and for any other incidental or ancillary matters.

(2) Every rule made under this section shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

**6. Repeal :-**

The Union Duties of Excise (Distribution) Act, 1962, shall as from the 1st day of April, 1979 stand repealed.