

16.50 hrs.

**ESTATE DUTY (DISTRIBUTION)
BILL**

The Minister of Finance (Shri Morarji Desai): Sir, I beg to move*:

"That the Bill to provide for the distribution of the net proceeds of the Estate Duty among the States in pursuance of the principles of distribution formulated and the recommendations made by the Finance Commission in its report, dated the 14th day of December, 1961, be taken into consideration."

This is a very simple Bill. The Commission has not suggested any change in the principles governing the distribution of Estate Duty, but the share of each State has been revised on the basis of the 1961 Census. The Bill which I have just now moved for consideration is intended to implement this part of the Commission's recommendations.

Mr. Speaker: The question is:

"That the Bill to provide for the distribution of the net proceeds of the Estate Duty among the States in pursuance of the principles of distribution formulated and the recommendations made by the Finance Commission in its report, dated the 14th day of December, 1961, be taken into consideration."

The motion was adopted.

Mr. Speaker: Let us now take the Bill clause by clause. There are no amendments. I will put all the clauses.

The question is:

"That clauses 1 to 5, the Enacting Formula and the Long Title stand part of the Bill.

The motion was adopted.

Clauses 1 to 5, the Enacting Formula and the Long Title were added to the Bill.

Shri Morarji Desai: I beg to move:

"That the Bill be passed".

Mr. Speaker: The question is:

"That the Bill be passed".

The motion was adopted.

16.52 hrs.

**ADDITIONAL DUTIES OF EXCISE
(GOODS OF SPECIAL IMPORTANCE)
AMENDMENT BILL**

The Minister of Finance (Shri Morarji Desai): Sir, I beg to move:

"That the Bill further to amend the Additional Duties of Excise (Goods of Special Importance) Act, 1957, be taken into consideration."

The House will recall that Additional Excise Duties were levied in 1957 in agreement with the State Governments and in replacement of States' sales tax on mill-made textiles, sugar and tobacco. The entire net proceeds of these duties, other than those attributable to Union territories are assigned to the States. The States were also guaranteed the income derived by them from the sales tax on these commodities in 1956-57. Except in regard to a minor addition of Rs. 4 lakhs to account for the yield from silk fabrics, which were subjected to additional excise duty in lieu of sales tax with effect from 1st April, 1961, the amount guaranteed to the States remains unchanged. The share of Jammu & Kashmir State, however, has been increased from 1¼ per cent. to 1½ per cent., while the excess over the guaranteed amount is proposed to be

*Moved with the recommendation of the President.