

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 24 of the Bill seeks to insert a new section 80CCF in the Income-tax Act relating to deduction in respect of subscription to long-term infrastructure bonds.

The proposed new section provides that in computing the total income of an assessee, being an individual or a Hindu undivided family, there shall be deducted, the whole of the amount, to the extent such amount does not exceed twenty thousand rupees, paid or deposited, during the previous year relevant to the assessment year beginning on the 1st day of April, 2011, as subscription to long-term infrastructure bonds as may, for the purposes of this section be notified by the Central Government.

Accordingly, the Central Government is empowered to issue a notification specifying the long-term infrastructure bonds for the purposes of the aforesaid provision.

Clause 67 of the Bill seeks to amend section 37 of the Central Excise Act, with a view to insert a new clause (xiiia) therein. The said clause empowers the Central Government to make rules to provide for withdrawal of facilities or imposition of restrictions on manufacturer or exporter or suspension of registration of dealer for dealing with evasion of duty or misuse of CENVAT credit.

Sub-clause (D) of clause 75 of the Bill seeks to amend section 95 of the Finance Act, 1994 with a view to insert a new sub-section (1G) to empower the Central Government to issue order for removal of any difficulty which may arise in implementing, classifying or

assessing the value of any taxable service incorporated by the proposed legislation. The proviso to the said sub-section seeks to provide that any such order shall not be made after the expiry of a period of one year from the date on which the Finance Bill, 2010 receives the assent of the President.

Sub-clause (7) of clause 82 of the Bill seeks to empower the Central Government to issue a notification to declare that any of the provisions of the Central Excise Act relating to levy of and exemption from duty of excise, refund, offences and penalties, confiscation and procedure relating to offences and appeals shall apply to cess levied under sub-section (3) of the said section.

Clause 83 of the Bill seeks to empower the Central Government to make rules to provide for the manner of assessment, collection and utilisation of cess and any other matter relating thereto.

The matters in respect of which notifications may be issued or rules may be made in accordance with the provisions of the Bill are matters of procedure and detail and it is not practicable to provide for them in the Bill itself. The rules as may be made by the Central Government and the orders made under sub-clause (D) of clause 75 of the Bill as may be enacted shall be laid before Parliament.

The delegation of legislative power is, therefore, of a normal character.