

## CHAPTER VII

### Incomes forming part of total income on which no income-tax is payable

Section - 81 to 85C, Income-tax Act, 1961-2018

#### ***THE TWELFTH SCHEDULE***

[See [section 80HHC\(2\)\(b\)\(ii\)](#)]

#### PROCESSED MINERALS AND ORES

- (i) Pulverised or micronised—barytes, calcite, steatite, pyrophyllite, wollastonite, zircon, bentonite, red or yellow oxide, red or yellow ochre, talc, quartz, feldspar, silica powder, garnet, silliminite, fireclay, ballclay, manganese dioxide ore.
- (ii) Processed or activated—bentonite, diatomious earth, fullers earth.
- (iii) Processed—kaoline (china clay), whiting, calcium carbonate.
- (iv) Beneficated-chromite, flourspar, graphite, vermiculite, ilmenite, brown ilmenite (lencoxene) rutile, monazite and other mineral concentrates.
- (v) Mica blocks, mica splittings, mica condenser films, mica powder, micanite, silvered mica, punched mica, mica paper, mica tapes, mica flakes.
- (vi) Exfoliated-vermiculite, calcined kyanite, magnesite, calcined magnesite, calcined alumina.
- (vii) Sized iron ore processed by mechanical screening or crushing and screening through dry process or mechanical crushing, screening, washing and classification through wet process.
- (viii) Iron ore concentrates processed through crushing, grinding or magnetic separation.
- (ix) Agglomerated iron ore.
- (x) Cut and polished minerals and rocks including cut and polished granite.

*Explanation.*—For the purposes of this Schedule, "processed", in relation to any mineral or ore, means—

- (a) dressing through mechanical means to obtain concentrates after removal of gangue and unwanted deleterious substances or through other means without altering the minerological identity;
- (b) pulverisation, calcination or micronisation;
- (c) agglomeration from fines;
- (d) cutting and polishing;
- (e) washing and levigation;
- (f) benefication by mechanical crushing and screening through dry process;
- (g) sizing by crushing, screening, washing and classification through wet process;
- (h) other upgrading techniques such as removal of impurities through chemical treatment, refining by gravity separation, bleaching, floatation or filtration.

**Share of member of an association of persons or body of individuals in the income of the association or body.**

**86.** Where the assessee is a member of an association of persons or body of individuals (other than a company or a co-operative society or a society registered under the Societies Registration Act, 1860 (21 of 1860), or under any law corresponding to that Act in force in any part of India), income-tax shall not be payable by the assessee in respect of his share in the income of the association or body computed in the manner provided in [section 67A](#) :

**Provided that,—**

- (a) where the association or body is chargeable to tax on its total income at the maximum marginal rate or any higher rate under any of the provisions of this Act, the share of a member computed as aforesaid shall not be included in his total income;
- (b) in any other case, the share of a member computed as aforesaid shall form part of his total income :

**Provided further** that where no income-tax is chargeable on the total income of the association or body, the share of a member computed as aforesaid shall be chargeable to tax as part of his total income and nothing contained in this section shall apply to the case.

**Deduction from tax on certain securities.**

**86A.** *[Omitted by the Finance Act, 1988, w.e.f. 1-4-1989. Original section was inserted by the Finance Act, 1965, w.e.f. 1-4-1965.]*