

CHAPTER V

LIABILITY TO ASSESSMENT IN SPECIAL CASES

Tax of deceased person payable by legal representative.

19. (1) Where a person dies, his executor, administrator or other legal representative shall be liable to pay out of the estate of the deceased person, to the extent to which the estate is capable of meeting the charge, the gift-tax determined as payable by such person, or any sum which would have been payable by him under this Act if he had not died.

(2) Where a person dies without having furnished a return under section 13, or after having furnished a return which the ⁸¹[Assessing Officer] has reason to believe to be incorrect or incomplete, the ⁸¹[Assessing Officer] may make an assessment of the value of the taxable gifts made by such person and determine the gift-tax payable by him, and for this purpose may, by the issue of the appropriate notice which would have had to be served upon the deceased person if he had survived, require from the executor, administrator, or other legal representative of the deceased person any accounts, documents, or other evidence which might, under the provisions of section 15, have been required from the deceased person.

(3) The provisions of sections 13, 14 and 16 shall apply to an executor, administrator or other legal representative as they apply to any person referred to in ⁸²[those sections].

⁸³ **[Assessment of persons leaving India.]**

19A. (1) Notwithstanding anything contained in section 3, when it appears to the ⁸⁴[Assessing Officer] that any individual may leave India during the current assessment year, or shortly after its expiry and that he has no present intention of returning to India, the gifts made by such individual during the period from the expiry of the previous year for that assessment year up to the probable date of his departure from India, shall be chargeable to gift-tax in that assessment year.

(2) The taxable gifts made in each completed previous year or part of any previous year included in such period shall be chargeable to gift-tax at the rate or rates specified in the Schedule ⁸⁵[or, as the case may be, at the rate specified in sub-section (2) of section 3], and separate assessment shall be made in respect of each such completed previous year or part of any previous year.

(3) The ⁸⁴[Assessing Officer] may estimate the value of the gifts made by such individual during such period or any part thereof, where it cannot be readily determined in the manner provided in this Act.

(4) For the purpose of making an assessment under sub-section (1), the ^{85a}[Assessing Officer] may serve a notice upon such individual requiring him to furnish, within such time, not being less than seven days, as may be specified in the notice, a return in the same form and verified in the same manner as ⁸⁶[a return under sub-section (1) of section 13], giving particulars of the gifts made by him during each completed previous year comprised in the period referred to in sub-section (1) and during any part of the previous year comprised in that period; and the provisions of this Act shall, so far as may be, and subject to the provisions of this section, apply ⁸⁷[as if the notice were a notice issued under clause (i) of sub-section (4) of section 15].

(5) The gift-tax chargeable under this section shall be in addition to the tax, if any, chargeable under any other provision of this Act.

(6) Where the provisions of sub-section (1) are applicable, any notice issued by the ⁸⁸[Assessing Officer] under ⁸⁹[clause (i) of sub-section (4) of section 15] or under section 16 in respect of any gift-tax chargeable under any other provisions of this Act may, notwithstanding anything contained in ⁸⁹[clause (i) of sub-section (4) of section 15], or section 16, as the case may be, require the furnishing of the return by such individual within such period, not being less than seven days, as the ⁸⁸[Assessing Officer] may think proper.]

Section - 20, Gift-Tax Act, 1958

Assessment after partition of a Hindu undivided family.

20. (1) Where, at the time of making an assessment, it is brought to the notice of the ⁸⁸[Assessing Officer] that a partition has taken place among the members of a Hindu undivided family, and the ⁸⁸[Assessing Officer], after enquiry, is satisfied that the joint family property has been partitioned among the various members or groups of members in definite portions, he shall record an order to that effect and he shall make assessments ⁹⁰[on the value of the taxable gifts] made by the family as such as if no partition had taken place and each member or group of members shall be liable jointly and severally for the tax assessed on the value of the taxable gifts made by the joint family as such.

(2) Where the ⁹¹[Assessing Officer] is not so satisfied, he may, by order, declare that such family shall be deemed for the purposes of this Act to continue to be a Hindu undivided family.

Section - 21, Gift-Tax Act, 1958

Liability in case of discontinued firm or association of persons.

21. (1) Where a firm or association of persons liable to pay gift-tax has been discontinued or dissolved, the ^{91a}[Assessing Officer] shall determine the gift-tax payable by the firm or association of persons as such as if no such discontinuance or dissolution had taken place.

(2) If the ^{91a}[Assessing Officer], the ⁹²[Deputy Commissioner (Appeals)], ⁹³[the Commissioner (Appeals)] or the Appellate Tribunal in the course of any proceeding under this Act in respect of any such firm or other association of persons as is referred to in sub-section (1) is satisfied that the firm or association is guilty of any of the acts specified in clause (a) or clause (b) or clause (c) of sub-section (1) of section 17, he or it may impose or direct the imposition of a penalty in accordance with the provisions of that section.

(3) Every person who was at the time of such discontinuance or dissolution a partner of the firm or a member of the association, as the case may be, shall be jointly and severally liable for the amount of tax or penalty payable, and all the provisions of Chapter VII, so far as may be, shall apply to any such assessment or imposition of penalty.

⁹⁴ [Assessment of donee when the donor cannot be found.

21A. (1) Where an ⁹⁵ [Assessing Officer] after using all due and reasonable diligence cannot find the donor who had made any taxable gifts, for the purpose of service of notice under sub-section (2) of section 13 or under section 16, the ⁹⁵[Assessing Officer] may make an assessment of the value of all such taxable gifts made by him and determine the gift-tax payable by him and for this purpose may, by the issue of the appropriate notice which would have had to be served upon the donor, require from the donee or donees any accounts, documents or other evidence which might, under the provisions of section 15, have been required from the donor.

(2) Where any assessment in respect of the taxable gifts made by the donor has been made under sub-section (1), every donee shall be liable for the gift-tax so assessed :

Provided that where the donees are more than one, they shall be jointly and severally liable for the amount of the gift-tax so assessed :

Provided further that the amount of the gift-tax which may be recovered from each donee shall not exceed the value of the gift made to him as on the date of the gift.

(3) The provisions of sections 13, 14 and 16 shall apply to a donee as they apply to any person referred to in those sections.]