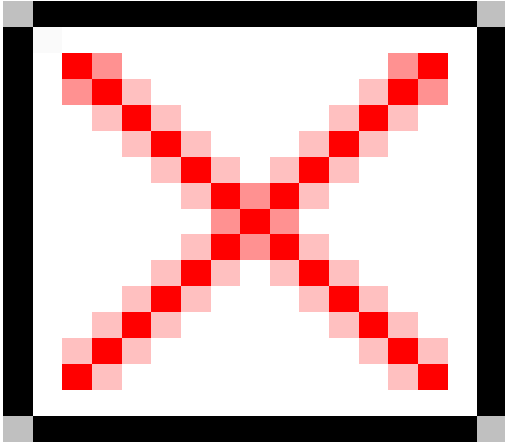


**No limit on holding of gold jewellery or ornaments provided it is acquired from explained sources of income including inheritance**



TIOL-DDT 2983

02 12 2016

Friday

In order to remove any doubt about the current position of Income Tax Law with respect to gold jewellery and ornaments, Government categorically clarifies:

- (a) There is no limit on holding of gold jewellery or ornaments by anybody provided it is acquired from explained sources of income including inheritance
- (b) Vide circular dated 11.5.1994, instructions have been issued in the matter of search and seizure of gold jewellery.
- (c) Jewellery and ornaments to the extent of 500 gms for married lady, 250 gms. for unmarried lady and 100 gm for male member will not be seized, even if prima facie, it does not seem to be matching with the income record of the assessee.
- (d) Officer conducting search has discretion not to seize even higher quantity of gold jewellery based on factors including family customs and traditions.

Finance Minister Arun Jaitley also tweeted the above clarifications.

***Central Excise - Exemption to Gold Coins***

**GOLD**

coins of purity 99.5% and above and silver coins of purity 99.9% and above, bearing a brand name when manufactured from gold or silver respectively on which appropriate duty of customs or excise has been paid, are exempted vide Sl. No. 200 of Notification No. 12/2012-CE, dated 17.03.2012.

Now this notification is amended to:

1. Stipulate Condition No. 52A for gold coins.
2. Continue the unconditional exemption for Silver coins.

Condition No. 52A is -

***If the said excisable goods are manufactured from inputs or capital goods or by utilising input services on which appropriate duty of excise leviable under the First Schedule to the Excise Tariff Act or additional duty of customs under section 3 of the Customs Tariff Act, 1975 (51 of 1975) or service tax under section 66B of the Finance Act, 1994 (32 of 1994) has been paid and no credit of such excise duty or additional duty of customs on inputs or capital goods or service tax on input services has been taken by the manufacturer of such goods (and not the buyer of such goods), under rule 3 or rule 13 of the CENVAT Credit Rules, 2004.***

***Explanation.- For the purposes of this condition appropriate duty or appropriate additional duty or appropriate service tax includes nil duty or nil service tax or concessional duty or concessional service tax, whether or not read with any relevant exemption notification for the time being in force.***

And, the nil ***CVD on Gold coins having gold content not below 99.5% and gold findings*** is withdrawn.

[Notification No. 36/2016-Central Excise., Dated December 01, 2016](#)

[Notification No. 59/2016-Customs., Dated December 01, 2016](#)

### ***Guidelines for sale of seized/confiscated gold***

#### **CBEC**

has instructed that in addition to the State Bank of India, the sale of seized/confiscated gold found ripe for disposal can be routed through all Public Sector Banks (approved by RBI to import and sell gold), MMTC Ltd. and STC Ltd.

[CBEC Circular No. 57/2016-Customs., Dated: December 01, 2016](#)

### ***New Exchange Rates from Today***

**CBEC** has notified new exchange rates for Imported Goods and for Export Goods with effect from 2 nd December, 2016. The USD is 69.40 for imports and 67.70 Rupees for exports.

Two years ago, analysts said that if the rupee depreciates to as low as Rs.70 against the dollar in the next two or three years, it will be beneficial for the economy. And we are proving them right, at least, on the first count!

Incidentally, the South African Rand is now pegged at 5.05 for exports and 4.70 for imports. Just two days back it was revised to 5.15 and 4.80 respectively.

[Notification No. 145/2016-Cus \(NT\), Dated: December 01, 2016](#)

### ***Renewal of Self Sealing and Self Certification Permission to Exporters upto 31st December, 2020***

#### **SELF-SEALING**

and Self-Certification permission is being granted for a limited period of one year from the date of issue of such permission. Representations have been received from Exporters, Customs Brokers and other stakeholders requesting for one time permission for self sealing of export containers.

In order to enhance facilitation to the Exporters, to cut down the human interface and transaction cost, to do away with the repeated visits to Custom House and for ease of doing business, JN Customs has decided that henceforth all the permissions for Self-Sealing and Self-Certification of Export containers shall be granted on one time basis.

For those Exporters who have been granted Self-Sealing and Self-Certification permission, the validity of such permissions would be extended by EDI Section on ***suo moto***

basis, without insisting for any documents. Denial of such permission would be subject to any specific and adverse information in a particular case with the permission of JC/ADC in-charge of FSP Cell, sent to EDI Section.

**[JN Customs Public Notice., Dated: November 28, 2016](#)**

### ***RBI cautions against Information received on Unsecured/Unofficial Channels***

**IN** the wake of withdrawal of legal tender character from the Specified Bank Notes (SBNs), the Reserve Bank of India has, from time to time, been issuing instructions to the banks which are sent directly to banks through an official mail. These are also placed on the Reserve Bank's official website (<https://www.rbi.org.in>).

It has been reported that certain guidelines/instructions purported to be issued by the Reserve Bank are being circulated in the social media by some unscrupulous elements creating confusion in the minds of the public/bank personnel.

RBI cautions Banks and members of the public to be guided by only those instructions which are either uploaded on the Reserve Bank's official website (<https://www.rbi.org.in>) or received through the Reserve Bank's official mail.

The banks and members of the public are advised that they should not rely on other unsecured/ unofficial channels like social media in which the authenticity of the documents circulated is questionable and not verifiable.

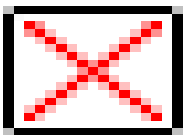
**[RBI Press Release: 2016-2017/1382., Dated: December 01, 2016](#)**

### ***It's Raining Black Money - in New Currency***

**THE**

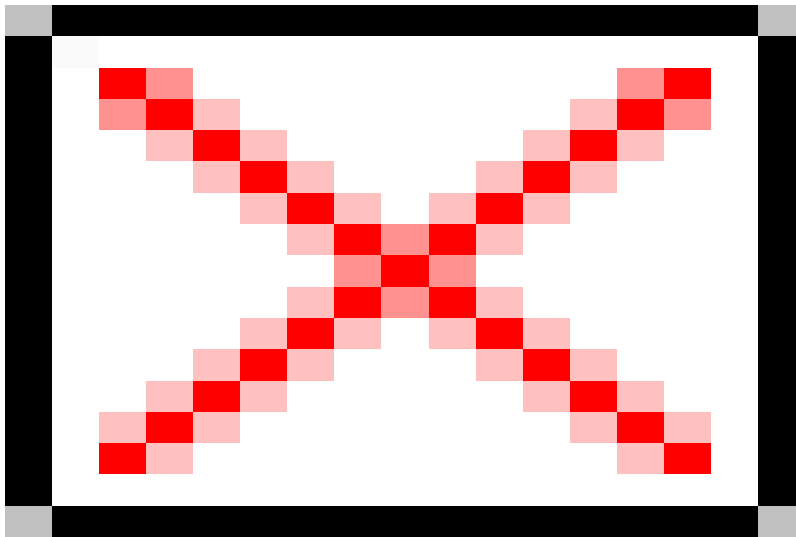
Black Hole of parallel economy is sucking all those new currency notes. The notes are coming out of the banks, but they are not reaching the people who stand in the queue. Rs. 4.7 crores worth brand new currency were seized in Bangalore from a Government officer. Apparently those who stand in queue for paltry sums are denied even that while fat amounts are going through the back door into the black world.

### ***Former CBEC Chairperson Praveen Mahajan is AITA Chief***



Ms. Praveen Mahajan, former Chairperson of CBEC was yesterday appointed the new President of the All India Tennis Association. Ms. Mahajan is at present a Member of the Central Administrative Tribunal.

### ***Income Tax Pavilion Gets Special Commendation at IITF***



## THE

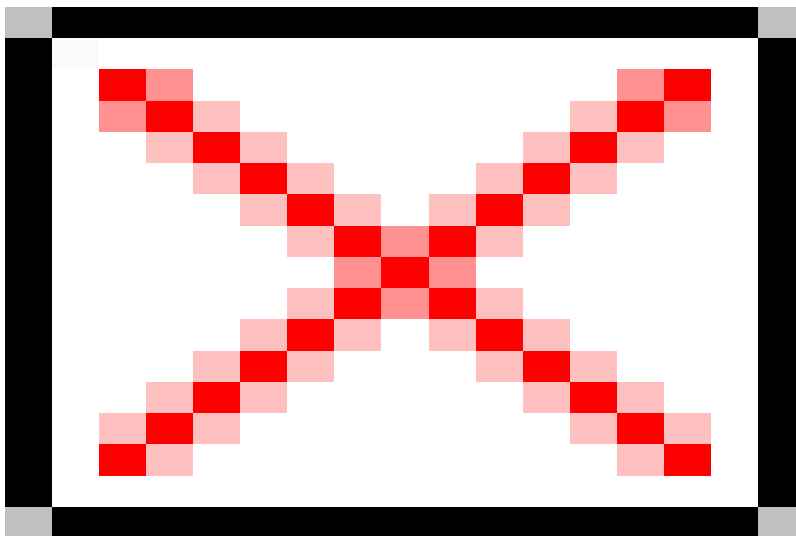
pavilion set up by Income Tax Department 'Taxpayers 'Lounge' being awarded Special Commendation Award by Mr. LC Goyal, CMD, ITPO at 36th IITF, 2016 (India International Trade Fair)

### *Commissioner ate?*

CBEC website has a Press Release by a Customs Commissioner in which the **Commissionerate** is written as "**Commissioner ate**".

Whenever I type "Commissionerate" in my computer, Microsoft Word automatically changes it to "Commissioner ate". The other day, an assessee was sitting with me when I typed this word and when my system changed it to 'Commissioner ate', he asked me, "**how does your computer know this?**"

### *What are those Inspectors Doing?*



## YESTERDAY

, CBEC organised a function to distribute AEO certificates. Picture shows the Chairman, CBEC, DG, DGPM and two Inspectors of Central Excise. What are the two inspectors doing there? Are they meant for security or decoration? If they are meant for security, are they trained in security? If it is for decoration, we can certainly hire better people at lesser cost. The Inspector with the least salary gets about 60,000 rupees a month. Should you pay an inspector 60000 rupees and then make him stand like a mannequin on a dais doing nothing?

We are not able to get out of the shackles of the colonial regime. Will we continue to have this humour in uniform in GST?

Until Monday with more **DDT**

**Have a nice weekend.**

Mail your comments to [vijaywrite@tiol.in](mailto:vijaywrite@tiol.in)