

# Patrician College of Arts & Science

Department of Corporate Secretaryship

INCOME TAX

CYA6D

EVEN SEMESTER

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MANUFACTURE AND NOT  
MANUFACTURE

# Manufacture

- It takes place only when the process results in a commercially different article or commodity
- Example manufacture of table from wood. Conversion of sugarcane to sugar

# Manufacture products

- Paddy to rice
- Stitching cloth
- Ice from water
- Instant softy ice cream
- Wheat to wheat flour
- Ordinary cotton into surgical cotton
- Making exercise books out of papers
- Cashew kernels out of cashew nuts

# Not manufacutre

- Booting gas
- Changing color of an article
- Charging of dry batteries
- Cream into butter
- Changing engine
- Laminating
- Lining of pipes
- Cutting and polishing of granite stones
- Concentration of product
- Compressing and booting gas.

# Objectives of excise duty

- Excise duty is a duty levied on commodity produced within the country for sale or consumption within the country.
- Raising revenue for economic growth
- Discouraging consumption of non-essential goods
- Discouraging consumption of certain essential commodities
- Levy of duties where direct taxation is not possible
- Curbing inflationary trends in the economy
- Promotion of small-scale industries
- Proper allocation of scarce resources
- Provide assistance to industries in distress
- Encouragement to exports
- Equitable distribution of income and wealth
- Recouping losses arising from assistance and subsidies to specified industries.





Thank you

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