

RBI/2004/306

DGBA.GAD.No.H-2697 to 27930 /42.01.001/2004-05

December 17, 2004

The Chief Executive Officer
All Agency Banks
(As per list)

Dear Sir,

New Minor Head for Accounting 'Education Cess' on Union Taxes under Major Heads '0020 and '0021'

As you are aware, in order to provide universalized quality based education, the Government has levied 'Education Cess' on Income Tax and Corporation Tax in the Union Budget 2004-05. In this regard, we have been advised by the Office of the Principal Chief Controller of Accounts, Central Board of Direct Taxes, New Delhi that the said Cess is calculated at the rate of two percent of such Income and Surcharge.

2. With a view to facilitate the accounting of Education Cess, a new Minor Head "**504 – Education Cess**" has been accorded provisionally under the following Major Heads:

Sr.No.	Major Head	Numeric Code	Serial Code	SCCD
1.	Corporation Tax	002000504	00200053	116
2.	Taxes on Income other than Corporation Tax	002100504	00210060	115

3. We shall be glad if you will please issue suitable instructions to all your authorised branches immediately, so as to enable them to account for the collection under the appropriate Head of Account.

Yours faithfully,
Sd/-
(M.T.Varghese)
General Manager