SooperKanoon - India's Premier Online Legal Search - sooperkanoon.com

Source: sooperkanoon.com/act/440646

Finance Act 1994

Section 45 - Amendment of Section 234c

In section 234C of the Income-tax Act, in sub-section (1), for the portion beginning with the words "Where in any financial year" and ending with the words "as the case may be, sixty per cent. of the tax due on the returned income :", the following shall be substituted, with effect from the 1st day of April, 1995, namely :-

"Where in any financial year, -

(a) the company which is liable to pay advance tax under section 208 has failed to pay such tax or -

(i) the advance tax paid by the company on its current income on or before 15th day of June is less than fifteen per cent. of the tax due on the returned income or the amount of such advance tax paid on or before the 15th day of September is less than forty-five per cent. of the tax due on the returned income or the amount of such advance tax paid on or before the 15th day of December is less than seventy-five per cent. of the tax due on the returned income, then, the company shall be liable to pay simple interest at the rate of one and one-half per cent. per month for a period of three months on the amount of the shortfall from fifteen per cent. or forty-five per cent. or seventy-five per cent., as the case may be, of the tax due on the returned income;

(ii) the advance tax paid by the company on its current income on or before the 15th day of March is less than the tax due on the returned income, then, the company shall be liable to pay simple interest at the rate of one and one-half per cent. on the amount of the shortfall from the tax due on the returned income :

Provided that if the advance tax paid by the company on its current income on or before the 15th day of June or the 15th day of September, is not less than twelve per cent. or, as the case may be, thirty-six per cent. of the tax due on the returned income, then, it shall not be liable to pay any interest on the amount of the shortfall on those dates;

(b) the assessee, other than a company, who is liable to pay advance tax under section 208 has failed to pay such tax or, -

(i) the advance tax paid by the assessee on his current income on or before the 15th day of September is less than thirty per cent. of the tax due on the returned income or the amount of such advance tax paid on or before the 15th day of December is less than sixty per cent. of the tax due on the returned income, then, the assessee shall be liable to pay simple interest at the rate of one and one-half per cent. per month for a period of three months on the amount of the shortfall from thirty per cent. or, as the case may be, sixty per cent. of the tax due on the returned income;

(ii) the advance tax paid by the assessee on his current income on or before the 15th day of March is less than the tax due on the returned income, then, the assessee shall be liable to pay simple interest at the rate of one and one-half per cent. on the amount of the shortfall from the tax due on the returned income :".

SooperKanoon - India's Premier Online Legal Search - sooperkanoon.com