Finance Act, 1989

Section 17 - Amendment of Section 80u

In section 80U of the Income-tax Act, with effect from the 1st day of April, 1990, -

(a) in sub-section (1), -

(i) in clause (ii), the word "or" shall be inserted at the end;

(ii) after clause (ii), the following clause shall be inserted, namely :-

"(iii) is subject to mental retardation to the extent specified in the rules made in this behalf by the Board, and which has the effect of reducing substantially his capacity to engage in a gainful employment or occupation,";

(iii) in the proviso, -

(1) in clause (a), the word "and" occurring at the end shall be omitted;

(2) in clause (b), the word "and" shall be inserted at the end;

(3) after clause (b), the following clause shall be inserted, namely :-

"(c) in a case referred to in clause (iii), a certificate as to the mental retardation from a psychiatrist working in a Government hospital.";

(b) for sub-section (2), the following sub-section shall be substituted, namely :-

"(2) The Board shall, in making any rules for specifying any disability or mental retardation for the purposes of clause (ii) or clause (iii), as the case may be, of sub-section (1), have regard to the nature of such disability or mental retardation and the effect which such disability or mental retardation is likely to have on the capacity of a person subject thereto, or suffering therefrom, to engage in a gainful employment or occupation.".
