

Finance Act, 2000

Section 34 - Amendment of Section 80hhc

In section 80HHC of the Income-tax Act, with effect from the 1st day of April, 2001,-

- (a) in sub-section (1), for the words "a deduction of the profits", the words, brackets, figure and letter "a deduction to the extent of profits, referred to in sub-section (1B)," shall be substituted;
- (b) in sub-section (1A), for the words "a deduction of the profits", the words, brackets, figure and letter "a deduction to the extent of profits, referred to in sub-section (1B)," shall be substituted;
- (c) after sub-section (1A), the following sub-section shall be inserted, namely:-

"(1B) For the purposes of sub-sections (1) and (1A), the extent of deduction of the profits shall be an amount equal to-

- (i) eighty per cent. thereof for an assessment year beginning on the 1st day of April, 2001;
- (ii) sixty per cent. thereof for an assessment year beginning on the 1st day of April, 2002;
- (iii) forty per cent. thereof for an assessment year beginning on the 1st day of April, 2003;
- (iv) twenty per cent. thereof for an assessment year beginning on the 1st day of April, 2004,

and no deduction shall be allowed in respect of the assessment year beginning on the 1st day of April, 2005 and any subsequent assessment year."
