Finance Act, 2006

Section 34 - Amendment of Section 140a

In section 140A of the Income-tax Act, with effect from the 1st day of April, 2007,--

(a) in sub-section (1), for the words "after taking into account the amount of tax, if any, already paid under any provision of this Act", the following shall be substituted, namely:--

"after taking into account,--

(i) the amount of tax, if any, already paid under any provision of this Act;

(ii) any tax deducted or collected at source;

(iii) any relief of tax or deduction of tax claimed under section 90 or section 91 on account of tax paid in a country outside India;

(iv) any relief of tax claimed under section 90A on account of tax paid in any specified territory outside India referred to in that section; and

(v) any tax credit claimed to be set off in accordance with the provisions of section 115JAA,";

(b) in sub-section (1A), for clause (i), the following clause shall be substituted, namely:--

"(i) under section 234A shall be computed on the amount of the tax on the total income as declared in the return as reduced by the amount of,--

(a) advance tax, if any, paid;

(b) any tax deducted or collected at source;

(c) any relief of tax or deduction of tax claimed under section 90 or section 91 on account of tax paid in a country outside India;

(d) any relief of tax claimed under section 90A on account of tax paid in any specified territory outside India referred to in that section; and

(e) any tax credit claimed to be set off in accordance with the provisions of section 115JAA;";

(c) in sub-section (1B), for the Explanation, the following Explanation shall be substituted, namely:--

'Explanation.--For the purposes of this sub-section, "assessed tax" means the tax on the total income as declared in the return as reduced by the amount of,--

(i) tax deducted or collected at source, in accordance with the provisions of Chapter XVII, on any income which is subject to such deduction or collection and which is taken into account in computing such total income;

(ii) any relief of tax or deduction of tax claimed under section 90 or section 91 on account of tax paid in a country outside India;

(iii) any relief of tax claimed under section 90A on account of tax paid in any specified territory outside India referred to in that section; and

(iv) any tax credit claimed to be set off in accordance with the provisions of section 115JAA.'.