

## Finance Act 2008

### Section 18 - Amendment of Section 80-ib

---

In section 80-IB of the Income-tax Act,--

(a) in sub-section (9), after the second proviso, the following proviso shall be inserted, namely:--

Provided also that where such undertaking begins refining of mineral oil on or after the 1st day of April, 2009, no deduction under this section shall be allowed in respect of such undertaking unless such undertaking fulfils all the following conditions, namely :-

(i) it is wholly owned by a public sector company or any other company in which a public sector company or companies hold at least forty-nine per cent of the voting right;

(ii) it is notified by the Central Government in this behalf on or before the 31st day of Mar, 2008; and

(iii) it begins refining not later than the 31st day of March, 2012.";

(b) after sub-section (11B), the following sub-section shall be inserted with effect from the 1st day of April, 2009, namely:--

(11C) The amount of deduction in the case of an undertaking deriving profits from the business of operating and maintaining a hospital located anywhere in India, other than the excluded area, shall be hundred per cent. of the profits and gains derived from such business for a period of five consecutive assessment years, beginning with the initial assessment year, if

(i) the hospital is constructed and has started or starts functioning at any time during the period beginning on the 1st day of April, 2008 and ending on the 31st day of March, 2013;

(ii) the hospital has at least one hundred beds for patients;

(iii) the construction of the hospital is in accordance with the regulations or bye-laws of the local authority; and

(iv) the assessee furnishes along with the return of income, a report of audit in such form and containing such particulars, as may be prescribed, and duly signed and verified by an accountant, as defined in the Explanation to sub-

section (2) of section 288, certifying that the deduction has been correctly claimed.

Explanation.-- For the purposes of this sub-section,--

(a) a hospital shall be deemed to have been constructed on the date on which a completion certificate in respect of such construction is issued by the local authority concerned;

(b) initial assessment year means the assessment year relevant to the previous year in which the business of the hospital starts functioning;

(c) excluded area shall mean an area comprising

(i) Greater Mumbai urban agglomeration;

(ii) Delhi urban agglomeration;

(iii) Kolkata urban agglomeration;

(iv) Chennai urban agglomeration;

(v) Hyderabad urban agglomeration;

(vi) Bangalore urban agglomeration;

(vii) Ahmedabad urban agglomeration;

(viii) District of Faridabad;

(ix) District of Gurgaon;

(x) District of Gautam Budh Nagar;

(xi) District of Ghaziabad;

(xii) District of Gandhinagar; and

(xiii) City of Secunderabad;

(d) the area comprising an urban agglomeration shall be the area included in such

urban agglomeration on the basis of the 2001 census..