

Finance Act 2008

Section 24 - Amendment of Section 115-o

In section 115-O of the Income-tax Act, after sub-section (1), the following sub-section shall be inserted, namely:--

(1A) The amount referred to in sub-section (1) shall be reduced by the amount of dividend, if any, received by the domestic company during the financial year, if

- (a) such dividend is received from its subsidiary;
- (b) the subsidiary has paid tax under this section on such dividend; and
- (c) the domestic company is not a subsidiary of any other company:

Provided that the same amount of dividend shall not be taken into account for reduction more than once.

Explanation.-For the purposes of this sub-section, a company shall be a subsidiary of another company, if such other company holds more than half in nominal value of the equity share capital of the company".
