

**Finance Act 2008**

**Section 46 - Amendment of Section 201**

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In section 201 of the Income-tax Act, for sub-section (1), the following sub-section shall be substituted and shall be deemed to have been substituted with effect from the 1st day of June, 2002, namely:--

(1) Where any person, including the principal officer of a company,--

(a) who is required to deduct any sum in accordance with the provisions of this Act; or

(b) referred to in sub-section (1A) of section 192, being an employer,

does not deduct, or does not pay, or after so deducting fails to pay, the whole or any part of the tax, as required by or under this Act, then, such person, shall, without prejudice to any other consequences which he may incur, be deemed to be an assessee in default in respect of such tax:

Provided that no penalty shall be charged under section 221 from such person, unless the Assessing Officer is satisfied that such person, without good and sufficient reasons, has failed to deduct and pay such tax..

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