

Finance Act 2007

Section 3 - Amendment of Section 2

In section 2 of the Income-tax Act,--

(a) after clause (1B), the following clauses shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 1994, namely:--

'(1C) "Additional Commissioner" means a person appointed to be an Additional Commissioner of Income-tax under sub-section (1) of section 117;

(1D) "Additional Director" means a person appointed to be an Additional Director of Income-tax under sub-section (1) of section 117;';

(b) in clause (7A),--

(i) after the words "any other provision of this Act, and the", the words "Additional Commissioner or" shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 1994;

(ii) after the words "Additional Commissioner or", as so inserted, the words "Additional Director or," shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 1996;

(c) after clause (9A), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1988, namely:--

'(9B) "Assistant Director" means a person appointed to be an Assistant Director of Income-tax under sub-section (1) of section 117;';

(d) in clause (14), for sub-clause (ii), the following shall be substituted with effect from the 1st day of April, 2008, namely:--

'(ii) personal effects, that is to say, movable property (including wearing apparel and furniture) held for personal use by the assessee or any member of his family dependent on him, but excludes--

(a) jewellery;

(b) archaeological collections;

(c) drawings;

(d) paintings;

(e) sculptures; or

(f) any work of art.

Explanation.--For the purposes of this sub-clause, "jewellery" includes--

(a) ornaments made of gold, silver, platinum or any other precious metal or any alloy containing one or more of such precious metals, whether or not containing any precious or semi-precious stone, and whether or not worked or sewn into any wearing apparel;

(b) precious or semi-precious stones, whether or not set in any furniture, utensil or other article or worked or sewn into any wearing apparel;';

(e) in clause (24), after sub-clause (xiii) the following sub-clause shall be inserted, namely:--

"(xiv) any sum referred to in clause (vi) of sub-section (2) of section 56;";

(f) for clause (25A), the following clause shall be substituted and shall be deemed to have been substituted with effect from the 25th day of August, 1976, namely:--

'(25A) "India" means the territory of India as referred to in article 1 of the Constitution, its territorial waters, seabed and subsoil underlying such waters, continental shelf, exclusive economic zone or any other maritime zone as referred to in the Territorial Waters, Continental Shelf, Exclusive Economic Zone and Other Maritime Zones Act, 1976, and the air space above its territory and territorial waters;'

'(g) in clause (42A), with effect from the 1st day of April, 2008 --

(i) in Explanation 1, in clause (i), after sub-clause (ha), insert--

"(hb) in the case of a capital asset, being any specified security or sweat equity shares allotted or transferred, directly or indirectly, by the employer free of cost or at concessional rate to his employees (including former employee or employees), the period shall be reckoned from the date of allotment or transfer of such specified security or sweat equity shares;";

(ii) after Explanation 2, insert--

'Explanation 3.--For the purposes of this clause, the expressions "specified security" and "sweat equity shares" shall have the meaning respectively assigned to them in the Explanation to clause (d) of subsection (1) of section 115WB;'