

## **Finance Act 2007**

### **Section 17 - Amendment of Section 49**

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In section 49 of the Income-tax Act, with effect from the 1st day of April, 2008,--

(i) in sub-section (1), in clause (iii), in sub-clause (e), for the word, brackets, figures and letters "clause (viaa)", the words, brackets, figures and letters "clause (viaa) or clause (vica) or clause (vicb)" shall be substituted;

(ii) after sub-section (2AA), the following sub-section shall be inserted, namely:--

"(2AB) Where the capital gain arises from the transfer of specified security or sweat equity shares, the cost of acquisition of such security or shares shall be the fair market value which has been taken into account while computing the value of fringe benefits under clause (ba) of sub-section (1) of section 115 WC";

(iii) after sub-section (2D), and before the Explanation, the following subsection shall be inserted, namely:--

"(2E) The provisions of sub-section (2), sub-section (2C) and sub-section (2D) shall, as far as may be, also apply in relation to business reorganisation of a co-operative bank as referred to in section 44DB.".'.

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