

**Finance Act 1965**

**Section 36 - Amendment of Section 114**

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In section 114 of the Income tax Act,

(i) the words "and super tax", wherever they occur, shall be omitted;

(ii) in clause (b)

(a) in sub clause (i), the words "and the average rate of super tax respectively" shall be omitted;

(b) in sub clause (ii), after the second proviso, the following proviso shall be inserted, namely :

"Provided further that the amount of income tax so calculated in respect of the capital gains relating to bonus shares, if any, chargeable under sub section (2) of section 45, shall be reduced by an amount equal to twelve and a half per cent. of the face value of such bonus shares or the amount of income tax so calculated, whichever is less."; and

(c) the words "and three fourths of the average rate of super tax respectively", "and one half of the average rate of super tax respectively" and "and average rate of super tax" shall be omitted.

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