Finance Act, 1993

Section 9 - Amendment of Section 35

In section 35 of the Income-tax Act, after sub-section (2A), the following sub-section shall be inserted with effect from the 1st day of April, 1994, namely :-

'(2AA) Where the assessee pays any sum to a National Laboratory with a specific direction that the said sum shall be used for scientific research undertaken under a programme approved in this behalf by the prescribed authority, then -

(a) there shall be allowed a deduction of a sum equal to one and one-fourth times the sum so paid; and

(b) no deduction in respect of such sum shall be allowed under any other provision of the Income-tax Act :

Provided that every National Laboratory desirous of obtaining approval under this sub-section shall make an application in the prescribed form and manner to the prescribed authority :

Provided further that the prescribed authority may, before granting approval, call for such documents or information from the National Laboratory as it thinks necessary in order to satisfy itself about the genuineness of the activities relating to scientific research of such Laboratory.

Explanation : For the purposes of this sub-section, "National Laboratory" means a scientific laboratory functioning at the national level under the aegis of the Indian Council of Agricultural Research, the Indian Council of Medical Research or the Council of Scientific and Industrial Research and which is approved as a National Laboratory by the prescribed authority in such manner as may be prescribed.'.
