

Finance Act, 1993

Section 24 - Amendment of Section 143

In section 143 of the Income-tax Act, in sub-section (1A), -

(i) for clause (a), the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1989, namely :-

"(a) Where as a result of the adjustments made under the first proviso to clause (a) of sub-section (1), -

(i) the income declared by any person in the return is increased; or

(ii) the loss declared by such person in the return is reduced or is converted into income, the Assessing Officer shall, -

(A) in a case where the increase in income under sub-clause (i) of this clause has increased the total income of such person, further increase the amount of tax payable under sub-section (1) by an additional income-tax calculated at the rate of twenty per cent. on the difference between the tax on the total income so increased and the tax that would have been chargeable had such total income been reduced by the amount of adjustments and specify the additional income-tax in the intimation to be sent under sub-clause (i) of clause (a) of sub-section (1);

(B) in a case where the loss so declared is reduced under sub-clause (ii) of this clause or the aforesaid adjustments have the effect of converting that loss into income, calculate a sum (hereinafter referred to as additional income-tax equal to twenty per cent. of the tax that would have been chargeable on the amount of the adjustments as if it had been the total income of such person and specify the additional income-tax so calculated in the intimation to be sent under sub-clause (i) of clause (a) of sub-section (1);

(C) where any refund is due under sub-section (1), reduce the amount of such refund by an amount equivalent to the additional income-tax calculated under sub-clause (A) or sub-clause (B), as the case may be.";

(ii) the Explanation shall be omitted and shall be deemed to have been omitted with effect from the 1st day of April, 1989.