

Finance Act 1973

Section 5 - Amendment of Section 35b

In section 35B of the Income-tax Act, in sub-section (1), -

(a) the Explanation shall be numbered, and shall be deemed to have been numbered, as Explanation 1, with effect from the 1st day of April, 1968; and

(b) after Explanation 1 as so numbered, the following Explanation shall be inserted, and shall be deemed to have been inserted, with effect from the 1st day of April, 1968, namely :-

"Explanation 2 : For the purposes of sub-clause (iii) and sub-clause (viii) of clause (b), expenditure incurred by an assessee engaged in the business of -

(i) operation of any ship or other vessel, aircraft or vehicle, or

(ii) carriage of, or making arrangements for carriage of, passengers, livestock, mail or goods,

on or in relation to such operation or carriage to arrangements for carriage (including in each case expenditure incurred on the provision of any benefit, amenity or facility to the crew, passengers or livestock) shall not be regarded as expenditure incurred by the assessee on the supply outside India of services or facilities."
