

Finance Act, 2012, (Central)

Section 36 - Amendment of Section 92c

In section 92C of the Income-tax Act,--

(a) in sub-section (2),--

(i) in the second proviso, for the words "does not exceed such percentage of latter as may be notified", the words "does not exceed such percentage not exceeding three per cent. of the latter, as may be notified" shall be substituted with effect from the 1st day of April, 2013;

(ii) after the second proviso, the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 2009, namely:--

"Explanation.--For the removal of doubts, it is hereby clarified that the provisions of the second proviso shall also be applicable to all assessment or reassessment proceedings pending before an Assessing Officer as on the 1st day of October, 2009.";

(b) after sub-section (2), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2002, namely:--

"(2A) Where the first proviso to sub-section (2) as it stood before its amendment by the Finance (No. 2) Act, 2009 (33 of 2009), is applicable in respect of an international transaction for an assessment year and the variation between the arithmetical mean referred to in the said proviso and the price at which such transaction has actually been undertaken exceeds five per cent. of the arithmetical mean, then, the assessee shall not be entitled to exercise the option as referred to in the said proviso.";

(c) after sub-section (2A) as so inserted, the following sub-section shall be inserted with effect from the 1st day of July, 2012, namely:--

"(2B) Nothing contained in sub-section (2A) shall empower the Assessing Officer either to assess or reassess under section 147 or pass an order enhancing the assessment or reducing a refund already made or otherwise increasing the liability of the assessee under section 154 for any assessment year the proceedings of which have been completed before the 1st day of October, 2009.".