Finance Act 1978

Section 7 - Insertion of New Section 35cca

In the Income-tax Act, after section 35CC, the following section shall be inserted with effect from the 1st day of June, 1978, namely :-

35CCA. Expenditure by way of payment to associations and institutions for carrying out rural development programmes. - (1) Where an assessee incurs any expenditure by way of payment of any sum, to an association or institution to which this section applies, to be used for carrying out any programme of rural development approved by the prescribed authority, the assessee shall be allowed a deduction of the amount of such expenditure incurred during the previous year.

(2) This section applies to any association or institution -

(a) which has as its object the undertaking of any programme of rural development; and

(b) which is for the time being approved in this behalf by the prescribed authority :

Provided that the prescribed authority shall not grant such approval for more than three years at a time.

Explanation : For the purposes of this section, "programme of rural development" shall have the meaning assigned to it in the Explanation to sub-section (1) of section 35CC.

(3) Where a deduction under this section is claimed and allowed for any assessment year in respect of any expenditure referred to in sub-section (1), deduction shall not be allowed in respect of such expenditure under section 35C or section 35CC or section 80G or any other provision of this Act for the same or any other assessment year.
