**Finance Act, 2003**

**Section 17 - Amendment of Section 33ac**

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In section 33 AC of the Income-tax Act, with effect from the 1st day of April, 2004,--

(a) in sub-section (3), in clause (c), for the words "eight years", the words "three years" shall be substituted;

(b) after sub-section (3) and before the Explanation, the following sub-section shall be inserted, namely:--

"(4) Where the ship is sold or otherwise transferred (other than in any scheme of demerger) after the expiry of the period specified in clause (c) of sub section (3) and the sale proceeds are not utilised for the purpose of acquiring a new ship within a period of one year from the end of the previous year in which such sale or transfer took place, such sale proceeds shall be deemed to be the profits of the assessment year immediately following the previous year in which the ship is sold or transferred."

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