

Finance Act, 1986

Section 7 - Amendment of Section 32a

In section 32A of the Income-tax Act, -

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

(i) in clause (c), for the figures, letters and words "1st day of April, 1988," the figures, letters and words "1st day of April, 1987," shall be substituted with effect from the 1st day of April, 1987;

(ii) in clause (2) of the Explanation, for sub-clauses (i) and (ii), the following sub-clauses shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1985, namely :-

"(i) in a case where the previous year ends before the 1st day of August, 1980, ten lakh rupees;

(ii) in a case where the previous year ends after the 31st day of July, 1980 but before the 18th day of March, 1985, twenty lakh rupees; and

(iii) in a case where the previous year ends after the 17th day of March, 1985, thirty-five lakh rupees,";

(b) in sub-section (8), the words ", not being earlier than three years from the date of such notification," shall be omitted;

(c) after sub-section (8A), the following sub-section shall be inserted with effect from the 1st day of April, 1987, namely :-

"(8B) Subject to the provisions of clause (ii) of sub-section (3), no deduction shall be allowed under this section in the case of an assessee who has claimed the deduction allowable under section 32AB."
