Finance Act, 1997

Section 3 - AMENDMENT OF SECTION 10 -InSection 10 of the Income Tax Act-, with effect from the 1st day of April, 1998

a) after clause (6-B), the following clause shall be inserted, namely :- "(6-BB) Where in the case of the Government of a foreign State or a foreign enterprise deriving income from an Indian company engaged in the business of operation of aircraft, as a consideration of acquiring an aircraft or an aircraft engine (other than payment for providing spares, facilities or services in connection with the operation of leased aircraft) on lease under an agreement entered after the 31st day of March, 1997 and approved by the Central Government in this behalf and the tax on such income is payable by such Indian company under the terms of that agreement to the Central Government, the tax so paid. Explanation.-For the purposes of this clause, the expression 'foreign enterprise' means a person who is a non-resident,"; (b) in clause (15), in sub-clause (iv), after item (i), in the Explanation, after clause (b), the following clause shall be inserted, namely :- "(ba) the business of providing telecommunication services; or": (c) in clause (15-A), after the words "under an agreement", the words, figures and letters "entered before the 1st day of April, 1997 and" shall be inserted', (d) in clause (17), in sub-clause (iii), for the words "six hundred rupees per month", the words "two thousand rupees per month" shall be substituted-, (e) in clause (23-F), in the Explanation, in clause (c), for the words "engaged in the", the words "engaged in the business of generation or generation and distribution of electricity or any other form of power or business of providing telecommunication services or in the" shall be substituted- , (f) in clause (23-G),- (i) the words, brackets, figures and letters "which fulfils the conditions specified in sub-section (4-A) ofSection 80 -IA-" shall be omitted; (ii) in the Explanation, for clause (c), the following clause shall be substituted, namely: - "(c) 'infrastructure facility' means- (i) a road, highway, bridge, airport, port, rail system or any other public facility of a similar nature as may be notified by the Board in this behalf in the Official Gazette which fulfils the conditions specified in sub-section (4-A) ofSection 80-IA-; (ii) a water supply project, irrigation project, sanitation and sewerage system which fulfils the conditions specified in sub- section (4-A) ofSection 80-IA-; (iii) a project for generation or generation and distribution of electricity or any other form of power where such project starts generating power on or after the 1st day of April, 1993; (iv) a project for providing telecommunication services on or after the 1st day of April, 1995;"; (g) clauses (26 -AA) and (28) shall be omitted-, (h) after clause (32), the following clause shall be inserted, namely :- "(33) any income by way of dividends referred to in Section 115-0-.".