

Finance Act, 2001

Section 50 - AMENDMENT OF SECTION 94 Insection 94 of the Income-tax Act-, with effect from the 1st day of April, 2002"

a) after sub-section (6) but before the Explanation, the following sub-section shall be inserted, namely:" "(7) Where" (a) any person buys or acquires any securities or unit within a period of three months prior to the record date; (b) such person sells or transfers such securities or unit within a period of three months after such date; (c) the dividend or income on such securities or unit received or receivable by such person is exempt, then, the loss, if any, arising to him on account of such purchase and sale of securities or unit, to the extent such loss does not exceed the amount of dividend or income received or receivable on such securities or unit, shall be ignored for the purposes of computing his income chargeable to tax."; (b) in the Explanation occurring at the end," (i) after clause (a), the following clause shall be inserted, namely:" (aa) "record date" means such date as may be fixed by a company or a Mutual Fund or the Unit Trust of India for the purposes of entitlement of the holder of the securities or the unit- holder, to receive dividend or income, as the case may be;"; (ii) after clause (c), the following clause shall be inserted at the end, namely:" '(d) "unit" shall have the meaning assigned to it in clause (b) of the Explanation to section 115AB-.'