Finance Act, 2002

Section 29 - AMENDMENT OF SECTION 74 -In Section 74 of the Income Tax Act-, with effect from the 1st day of April, 2003,

a) for sub-section (1), the following sub-section shall be substituted, namely:- '(1) Where in respect of any assessment year, the net result of the computation under the head "Capital gains" is a loss to the assessee, the whole loss shall, subject to the other provisions of this Chapter, be carried forward to the following assessment year, and- (a) insofar as such loss relates to a short-term capital asset, it shall be set off against income, if any. under the head "Capital gains" assessable for that assessment year in respect of any other capital asset; (b) insofar as such loss relates to a long-term capital asset, it shall be set off against income, if any, under the head "Capital gains" assessable for that assessment year in respect of any other capital asset not being a short - term capital asset; (c) if the loss cannot be wholly so set off, the amount of loss not so set off shall be carried forward to the following assessment year and so on.'; (b) sub-section (3) shall be omitted.