

Finance Act, 2002

Section 52 - AMENDMENT OF SECTION 115-JB -In Section 115-JB-of the Income Tax Act,

a) in sub-section (1), for the words "the tax payable for the relevant previous year shall be deemed to be seven and one-half per cent of such book profit," the words "such book profit shall be deemed to be the total income of the assessee and the tax payable by the assessee on such total income shall be the amount of income tax at the rate of seven and one-half per cent" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2001; (b) in sub-section (2), in the Explanation below the second proviso,- (i) in clause (b), after the words "by whatever name called", the words, figures and letters ", other than a reserve specified under Section 33-AC-" shall be inserted with effect from the 1st day of April, 2003; (ii) for clause (i) and the proviso, the following shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2001, namely:- "(i) the amount withdrawn from any reserve or provision (excluding a reserve created before the 1st day of April, 1997 otherwise than by way of a debit to the profit and loss account), if any such amount is credited to the profit and loss account: Provided that where this section is applicable to an assessee in any previous year, the amount withdrawn from reserves created or provisions made in a previous year relevant to the assessment year commencing on or after the 1st day of April, 1997 shall not be reduced from the book profit unless the book profit of such year has been increased by those reserves or provisions (out of which the said amount was withdrawn) under this Explanation or Explanation below the second proviso to Section 115-JA-, as the case may be; or"; (iii) for clause (iii) and the Explanation, the following shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2001, namely:- "(iii) the amount of loss brought forward or unabsorbed depreciation, whichever is less as per books of account. Explanation.-For the purposes of this clause,- (a) the loss shall not include depreciation; (b) the provisions of this clause shall not apply if the amount of loss brought forward or unabsorbed depreciation is nil; or".