

Finance Act,1990

Section 18 - Insertion of New Section 80dd

In the Income-tax Act, after section 80D, the following section shall be inserted with effect from the 1st day of April, 1991, namely :-

'80DD. Deduction in respect of medical treatment, etc., of handicapped dependants. -

(1) Where an assessee who is resident in India, being an individual or a Hindu undivided family has, during the previous year, incurred any expenditure for the medical treatment (including nursing), training and rehabilitation of a person who -

(a) is a relative of the individual or, as the case may be, is a member of the Hindu undivided family and is not dependent on any person other than such individual or Hindu undivided family for his support or maintenance, and

(b) is suffering from a permanent physical disability (including blindness) or is subject to mental retardation, being a permanent physical disability or mental retardation specified in the rules made in this behalf by the Board, which is certified by a physician, a surgeon, an oculist or a psychiatrist, as the case may be, working in a Government hospital, and which has the effect of reducing considerably such person's capacity for normal work or engaging in a gainful employment or occupation,

the assessee shall, in accordance with and subject to the provisions of this section, be allowed a deduction of a sum of six thousand rupees in respect of the previous year.

(2) Nothing contained in this section shall apply in a case, where the assessee's total income in respect of the previous year as computed before making any deduction under this section exceeds one lakh rupees.

Explanation : For the purposes of this section, the expression "Government hospital" includes a departmental dispensary whether full-time or part-time established and run by a Department of the Government for the medical attendance and treatment of a class or classes of Government servants and members of their families, a hospital maintained by a local authority and any other hospital with which arrangements have been made by the Government for the treatment of Government servants.'
