

**Finance Act, 2010**

**Section 12 - Amendment of Section 40**

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In section 40 of the Income-tax Act, in clause (a), in sub-clause (ia),--

(a) for the portion beginning with the words "has not been paid,--" and ending with the words "the last day of the previous year", the words, brackets and figures "has not been paid on or before the due date specified in sub-section (1) of section 139" shall be substituted;

(b) for the proviso, the following proviso shall be substituted, namely:--

"Provided that where in respect of any such sum, tax has been deducted in any subsequent year, or has been deducted during the previous year but paid after the due date specified in sub-section (1) of section 139, such sum shall be allowed as a deduction in computing the income of the previous year in which such tax has been paid."

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