

Finance Act, 2010

Section 21 - Amendment of Section 56

In section 56 of the Income-tax Act, in sub-section (2),--

(a) in clause (vii),--

(i) for sub-clause (b), the following sub-clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of October, 2009, namely:--

"(b) any immovable property, without consideration, the stamp duty value of which exceeds fifty thousand rupees, the stamp duty value of such property;"

(ii) in the Explanation, in clause (d),--

(A) in the opening portion, for the word "means--", the words "means the following capital asset of the assessee, namely:--" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of October, 2009;

(B) in sub-clause (vii), the word "or" shall be omitted with effect from the 1st day of June, 2010;

(C) in sub-clause (viii), the word "or" shall be inserted at the end with effect from the 1st day of June, 2010;

(D) after sub-clause (viii), the following sub-clause shall be inserted with effect from the 1st day of June, 2010, namely:--

"(ix) bullion;"

(b) after clause (vii), the following shall be inserted with effect from the 1st day of June, 2010, namely:--

'(viiia) where a firm or a company not being a company in which the public are substantially interested, receives, in any previous year, from any person or persons, on or after the 1st day of June, 2010, any property, being shares of a company not being a company in which the public are substantially interested,--

(i) without consideration, the aggregate fair market value of which exceeds fifty thousand rupees, the whole of the aggregate fair market value of such property;

(ii) for a consideration which is less than the aggregate fair market value of the property by an amount exceeding fifty thousand rupees, the aggregate fair market value of such property as exceeds such consideration:

Provided that this clause shall not apply to any such property received by way of a transaction not regarded as transfer under clause (via) or clause (vic) or clause (vich) or clause (vid) or clause (vii) of section 47.

Explanation.--For the purposes of this clause, "fair market value" of a property, being shares of a company not being a company in which the public are substantially interested, shall have the meaning assigned to it in the Explanation to clause (vii);'