Finance (No. 2) Act, 2004

Section 99 - The Value of Taxable Securities Transactions

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[1][(a) in the case of a taxable securities transaction relating to an option in securities, shall be--

(i) the option premium, in respect of transaction at item (a) of serial number 4 of the Table in section 98;

(ii) the settlement price, in respect of transaction at item {b) of serial number 4 of the Table in section 98;]

(b) in the case of a taxable securities transaction relating to a derivative, being "futures", shall be the price at which such "futures" is traded; and

(c) in the case of any other taxable securities transaction, shall be the price at which such securities are purchased or sold:

Provided that the Board may, having regard to the manner in which taxable securities transactions are settled in a recognised stock exchange or such other factors which may be relevant for the purposes of determining the price of such securities, specify, by rules made by it, the method of determining the price of such securities for the purposes of this clause.

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1. Substituted by the Finance Act, 2008 w.e.f. 1st day of June, 2008 for the following :-

(a) in the case of a taxable securities transaction relating to a derivative, being "option in securities", shall be the aggregate of the strike price and the option premium of such "option in securities";