

Finance Act, 1982

Section 11 - Amendment of Section 54

In section 54 of the Income-tax Act, with effect from the 1st day of April, 1983, -

(a) in sub-section (1), -

(i) for the portion beginning with the words "Where a capital gain arises from the transfer of a capital asset" and ending with the words "a house property for the purposes of his own residence, then", the following shall be substituted, namely :-

'Where, in the case of an assessee being an individual the capital gain arises from the transfer of a long-term capital asset to which the provisions of section 53 are not applicable, being buildings or lands appurtenant thereto, and being a residential house, the income of which is chargeable under the head "Income from house property" (hereafter in this section referred to as the original asset), and the assessee has within a period of one year before or after the date on which the transfer took place purchased, or has within a period of three years after that date constructed, a residential house, then';

(ii) in clause (i), for the words "the house property", the words "the residential house" shall be substituted;

(iii) the following Explanation shall be inserted at the end, namely :-

'Explanation : For the purposes of this sub-section, "long-term capital asset" means a capital asset which is not a short-term capital asset.';

(b) in sub-section (2), for the words "or has within a period of two years after that date constructed, a house property for the purposes of his own residence", the words "or has within a period of three years after that date constructed, a residential house" shall be substituted.
