

Finance Act, 1983

Section 16 - Amendment of Section 35cca

In section 35CCA of the Income-tax Act, -

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

(i) in clause (b), the word "or" shall be added at the end;

(ii) after clause (b), the following clause shall be inserted, namely :-

"(c) to a rural development fund set up and notified by the Central Government in this behalf,";

(b) for sub-section (2), the following sub-sections shall be substituted, namely :-

"(2) The deduction under clause (a) of sub-section (1) shall not be allowed in respect of expenditure by way of payment of any sum to any association or institution referred to in the said clause unless the assessee furnishes a certificate from such association or institution to the effect that -

(a) the programme of rural development had been approved by the prescribed authority before the 1st day of March, 1983; and

(b) where such payment is made after the 28th day of February, 1983, such programme involves work by way of construction of any building or other structure (whether for use as a dispensary, school, training or welfare centre, workshop or for any other purposes) or the laying of any road or the construction or boring of a well or tube well or the installation of any plant or machinery, and such work has commenced before the 1st day of March, 1983.

(2A) The deduction under clause (b) of sub-section (1) shall not be allowed in respect of expenditure by way of payment of any sum to any association or institution unless the assessee furnishes a certificate from such association or institution to the effect that -

(a) the prescribed authority had approved the association or institution before the 1st day of March, 1983; and

(b) the training of persons for implementing any programme of rural development had been started by the association or institution before the 1st day of March, 1983.

(2B) No certificate of the nature referred to in sub-section (2) or sub-section (2A) shall be issued by any association or institution unless such association or institution has obtained from the prescribed authority authorisation in writing to issue certificates of such nature."
