Finance (No. 2) Act, 1998

Section 43 - Insertion of New Section 145a

After section 145 of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 1999, namely:--

'145A. Method of accounting in certain cases.--Notwithstanding anything to the contrary contained in section 145 the valuation of purchase and sale of goods and inventory for the purpose of determining the income chargeable under the head "Profits and gains of business or profession" shall be--

(a) in accordance with the method of accounting regularly employed by the assessee; and

(b) further adjusted to include the amount of any tax, duty, cess or fee (by whatever name called) actually paid or incurred by the assessee to bring the goods to the place of its location and condition as on the date of valuation.

Explanation.--For the purposes of this section, any tax, duty, cess or fee (by whatever name called) under any law for the time being in force, shall include all such payment notwithstanding any right arising as a consequence to such payment.'
