Finance (No. 2) Act, 1998

Section 48 - Amendment of Chapter Xix-b

In Chapter XIX-B of the Income-tax Act, with effect from the 1st day of October, 1998.--

(a) In section 245N,--

(i) for clause (a) the following clause shall be substituted, namely:--

(a) "advance ruling" means--

(i) a determination by the Authority in relation to a transaction which has been undertaken or is proposed to be undertaken by a non-resident applicant and such determination shall include the determination of any question of law or of fact specified in the application;

(ii) a decision by the Authority in relation to an assessment which is pending before any of the income-tax authority or the Tribunal in case of an applicant who is resident in Indian and such decision shall include the decision on question of law or fact arising out of the orders of assessment in respect of which an application has been made by a resident applicant;

(ii) for clause (b) the following clause shall be substituted, namely.--

(b) "applicant" means any person who--

(i) is a non-resident; or

(ii) is a resident falling within any such class or category of persons as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(iii) makes an application under sub-section (1) of section 245-O.

(b) in section 245R, in sub-section (2), in the first proviso, after the words "allow the application", the words "except in the case of a resident applicant" shell be inserted;

(c) after section 245R the following section shall be inserted, namely:--

"245RR. Appellate authority not to proceed in certain cases.-- No Income-tax authority or the Appellate Tribunal shall proceed to decide any issue in respect to which an application has been made by an applicant, being a resident, under sub-section (1) of section 245R."
