

Finance (No. 2) Act 2009

Section 74 - Amendment of Section 271

In section 271 of the Income-tax Act, in sub-section (1), for Explanation 5A, the following Explanation shall be substituted and shall be deemed to have been substituted with effect from the 1st day of June, 2007, namely:--

"Explanation 5A.--Where, in the course of a search initiated under section 132 on or after the 1st day of June, 2007, the assessee is found to be the owner of--

(i) arty money, bullion, jewellery or other valuable article or thing (hereafter in this Explanation referred to as assets) and the assessee claims that such assets have been acquired by him by utilising (wholly or in part) his income for any previous year; or

(ii) any income based on any entry in any books of account or other documents or transactions and he claims that such entry in the books of account or other documents or transactions represents his income (wholly or in part) for any previous year,

which has ended before the date of search and,--

(a) where the return of income for such previous year has been furnished before the said date but such income has not been declared therein; or

(b) the due date for filing the return of income for such previous year has expired but the assessee has not filed the return,

then, notwithstanding that such income is declared by him in any return of income furnished on or after the date of search, he shall, for the purposes of imposition of a penalty under clause (c) of sub-section (1) of this section, be deemed to have concealed the particulars of his income or furnished inaccurate particulars of such income."
