

Finance Act 1975

Section 24 - Consequential Amendments to Certain Sections

(1) The following amendments (being amendments of a consequential nature) shall be made in the Income-tax Act, namely :-

In section 155, -

(a) in sub-section (5A), the following Explanation shall be inserted, and shall be deemed always to have been inserted, at the end, namely :-

"Explanation : For the purposes of this sub-section, where an assessee having any leasehold or other right of occupancy in any land transfers such right, he shall be deemed to have sold or otherwise transferred such land.";

(b) after sub-section (12), the following sub-section shall be inserted, namely :-

(13) Where in the assessment for any year, any provision made by the assessee for the payment of gratuity to his employees on their retirement or on termination of their employment for any reason has not been allowed as a deduction in the computation of the income of the assessee under the head "Profits and gains of business or profession on the ground that all the condition specified in sub-clause (ii)(2) and sub-clause (ii)(3) of clause (b) of sub-section (7) of section 40A had not been complied with before the assessment was made and subsequently the assessee complies with such of those conditions as had not been complied with, the disallowance, originally made shall be deemed to have been wrongly made and the Income-tax Officer shall, notwithstanding anything contained in this Act, recompute the total income of the assessee for the relevant previous year and make the necessary amendment; and the provisions of section 154 shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the financial year ending on the 31st day of March, 1977".

(2) The following amendments (being amendments of a consequential nature) shall be made in the Income-tax Act with the effect from the 1st day of April, 1976, namely :-

(a) in sub-clause (ii) of clause (3) of section 17, after the word, brackets, figures and letter "clause (10A)," the word, brackets, figures and letter "clause (10B)," shall be inserted;

(b) in sub-section (3) of section 80A, after the words, figures and letter "or section 80J", the words, figures and letters "or section 80JJ" shall be inserted;

(c) in sub-section (3) of section 80P, -

(i) after the words, figures and letter "or section 80J", the words, figures and letters "or section 80JJ" shall be inserted;

(ii) for the words, figures and letters "section 80HH and section 80J", the words, figures and letters "section 80HH, section 80J and section 80JJ" shall be substituted.
