

F. No. V-27015/2/2016-SO(Nat.Com)
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE


Dated 17th August, 2016

Subject: Approval of eligible projects or schemes under section 35 AC reg.

Section 35 AC of the Income-tax Act, inter alia, provides for a deduction in computing the business income of an assessee of the amount paid by him to a public sector company or a local authority or to an association or institution approved by the National Committee for carrying out any eligible project or scheme.

2. Sub-section (7) of section 35 AC of the Income-Tax Act provides that no deduction under this section shall be allowed in respect of any assessment year commencing on or after 1st April, 2018.

3. In view of the above it is clarified that the benefit of deduction under section 35 AC of the Income-tax Act is available only upto previous year ending 31.03.2017 (Assessment Year 2017-18) in respect of payments made to association or institution already approved by the National Committee for carrying out any eligible project or scheme. It may also be mentioned that requests received after 31.12.2016 for grant/ modification/ extension of approval upto 31.03.2017 under section 35AC of the Income-tax Act shall not be considered/ entertained by the National Committee.


(S.R. Sharma)
Director (National Committee)