

## **Deduction benefit under section 35AC only till March 31**

***Section 35AC of the Income Tax Act, provides for a deduction in computing the business income of an assessee***

The Centre on Friday said the benefit of deduction under section 35AC of the Income Tax (I-T) Act will only be available till March 31, in respect to the payments made to association or institution approved by the National Committee for carrying-out any eligible project or scheme.

"It may be noted that requests received after December 31, 2016, for the grant/modification/extension of approval beyond March 31, 2017 under section 35AC of the Income-Tax Act shall not be considered/entertained by the National Committee," the Finance Ministry said in a statement.

Section 35AC of the I-T Act, 1961, provides for a deduction in computing the business income of an assessee, of the amount paid by him to a PSU or a local authority or to an association or institution approved by the National Committee for carrying-out any eligible project or scheme.

Moreover, it said the Section 35AC, as amended by the Finance Act, 2016, provides that no deduction under this section shall be allowed in respect of any assessment year commencing on or after April 1, 2018.

*(Business Standard)*