

**Changes in
rates of depreciation
on
motor cars, motor buses, motor lorries and motor taxis
acquired between 23.8.2019 to 31.3.2020
and
put to use before 1.4.2020**

Notification No. 69/2019 dated 20.9.2019 **substituted** following entries in the New Appendix I of Income Tax Rules *vide* Income Tax (9th Amendment) Rules, 1962 *w.e.f.* 23.8.2019.

New Appendix I
[Effective from assessment year 2006-07 onwards]

[See Rule 5]

Table of rates at which depreciation is admissible

Part A

Tangible Assets

Old entry

{Motor cars and others}

Block of Assets	Depreciation allowable as percentage of written down value
III Plant & Machinery	
(1) Machinery and plant other than those covered by sub-items (2), (3) and (8) below:	15
(2) Motor cars other than those used in a business of running then on hire acquired or put to use on or after 1 st day of April, 1990.	15

Note: Jeeps are classifiable as motor cars.

- (i) Crompton Engineering Co. (Madras) Ltd. Vs. CIT (1992) 193 ITR 483 (Madras)
- (ii) CAIT vs. Good Hope Enterprises (1992) 197 ITR 236 (Kerala)

New entry

{As substituted w.e.f. 23.8.2019}

Block of Assets	Depreciation allowable as percentage of written down value
III Plant & Machinery	
2(i) Motor cars, other than those used in a business of running them on hire, acquired or put to use on or after the 1st day of April, 1990 except those covered under entry (ii);	15
2(ii) Motor cars, other than those used in a business of running them on hire, acquired on or after the 23rd day of August, 2019 but before the 1st day of April, 2020 and is put to use before the 1st day of April, 2020.	30

Old entry

{Motor buses, motor lorries and motor taxis}

Block of Assets	Depreciation allowable as percentage of written down value
III Plant & Machinery	
(3)(ii) Motor buses, motor lorries and motor taxis used in a business of running then on hire.	30

New entry

{As substituted w.e.f. 23.8.2019}

Block of Assets	Depreciation allowable as percentage of written down value
III Plant & Machinery	
(3)(ii)(a) Motor buses, motor lorries and motor taxis used in a business of running them on hire other than those covered under entry (b).	30
(3)(ii)(b) Motor buses, motor lorries and motor taxis used in a business of running them on hire, acquired <u>on or after</u> the 23rd day of August, 2019 but <u>before</u> the 1st day of April, 2020 and is put to use <u>before</u> the 1st day of April, 2020.	45

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