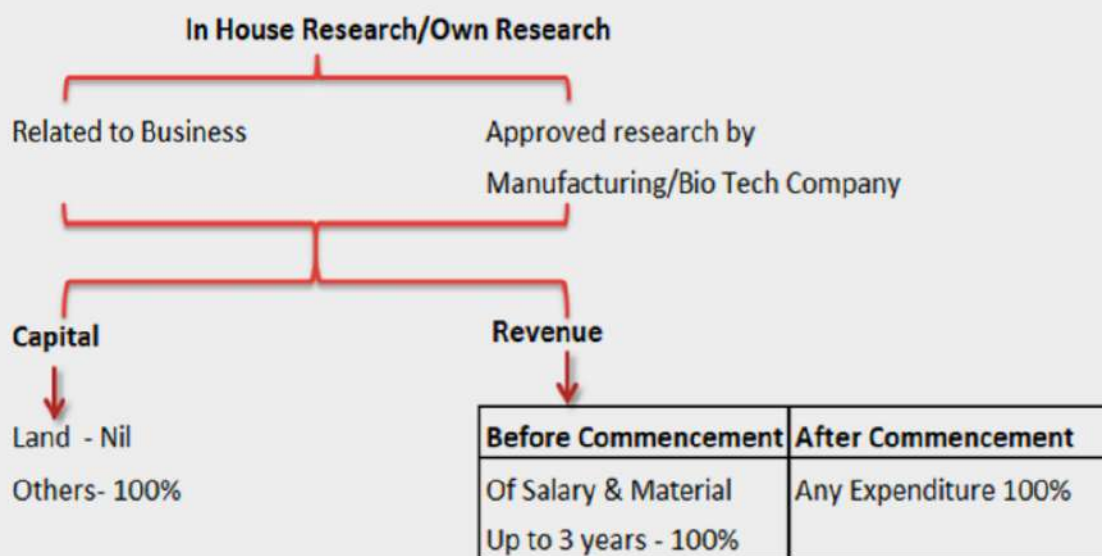




Income Under the head Profit & Gains from Business & Profession **Part -3- Expenses Allowed**



Section 35: Expenditure on Scientific Research



Section 35: Expenditure on Scientific Research



Contributions/Donations

Approved Research Association/
Approved University / College /Institute
for Scientific Research or Social Statistical Research

or

National laboratory/ National university IITs/IIMs

or

Indian Company having scientific research
as its main business objective.

or

Approved Research Association or Approved
University/College etc.



100% deduction

Section 35: Expenditure on Scientific Research



Treatment of Sale of Scientific Asset after use

Sale other than block of asset

Current Value	Nil
PGBP	Till cost value of asset
Capital Gain	Sale Price > Cost of Asset

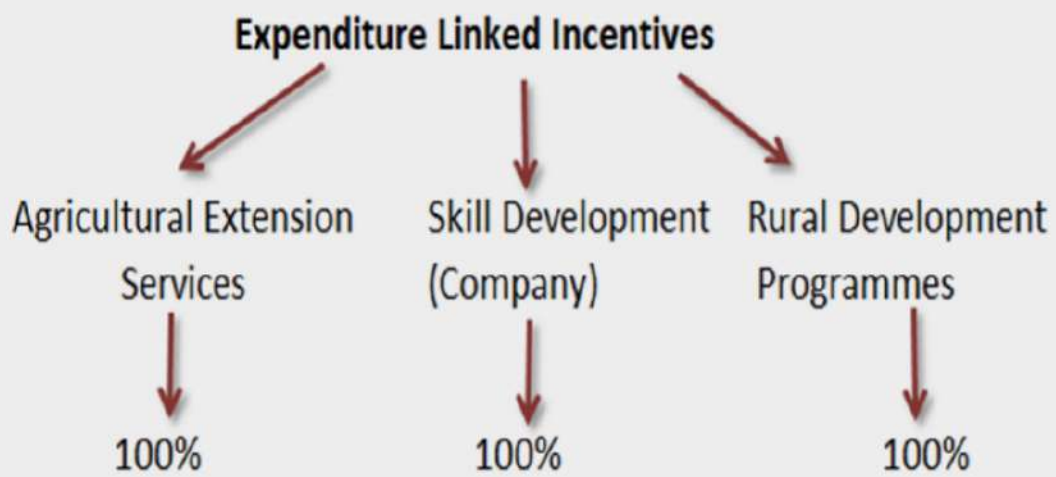
Transfer to Normal Business

At to block at NIL value

Any subsequent sale
deduct from block value



Expenditure Linked Incentives





Section 35AD : Investment in Specified Business

Cold Chain Facility	Warehouse for Agro. Produce
Hotel (2 Star +)	Hospitals (100 Beds)
Slurry Pipeline	Cross country pipeline
Warehouse for Sugar	Production of Fertilizer
Affordable Housing Project & Slum Redevelopment Project	
Bee-keeping & Production of Honey & Bee wax	
Setting Semiconductor Wafer Fabrication Manufacture unit	
Developing/Maintaining/Operating new infrastructure facility.	



Section 35AD : Investment in Specified Business

Amount of Deduction :

100% of Capital Expenditure

Except- Land , Goodwill , Financial Instrument



Section 35AD : Investment in Specified Business

Conditions to claim Deduction u/s 35AD:

- A. Business Not Formed by Splitting/Reconstruction of existing Business.
- B. Not Formed by Transfer of Used P&M.
[Used P&M → Allowed up to 20%]
[Imported P&M → Treated as New for Sec 35AD].
- C. Use Asset ‘Only for Specified Business’ for 8 Years:
Otherwise PGBP Income =
Total Deduction Claimed – Deemed Depreciation

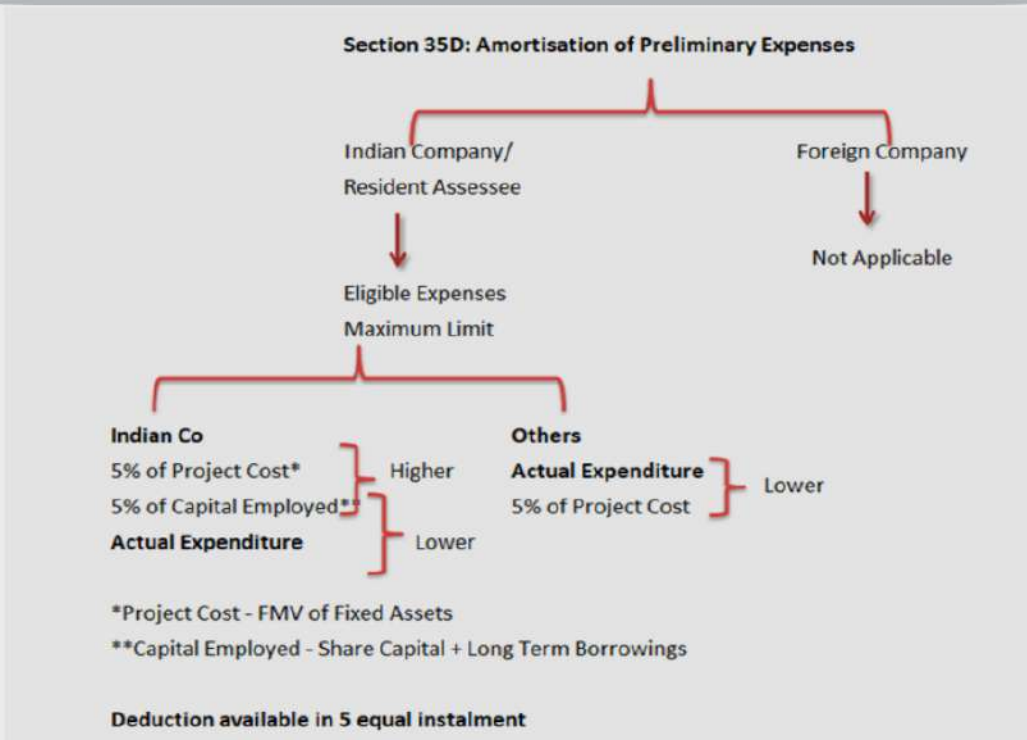


Section 35D : Amortization Of Preliminary Expenses

1. Preparation of feasibility report
2. Project Drafting or Printing of AOA /MOA
3. Legal Fees
4. Expenses related to issue of shares or debentures
5. Market survey or Engineering Services
6. Other as notified



Section 35D : Amortization Of Preliminary Expenses





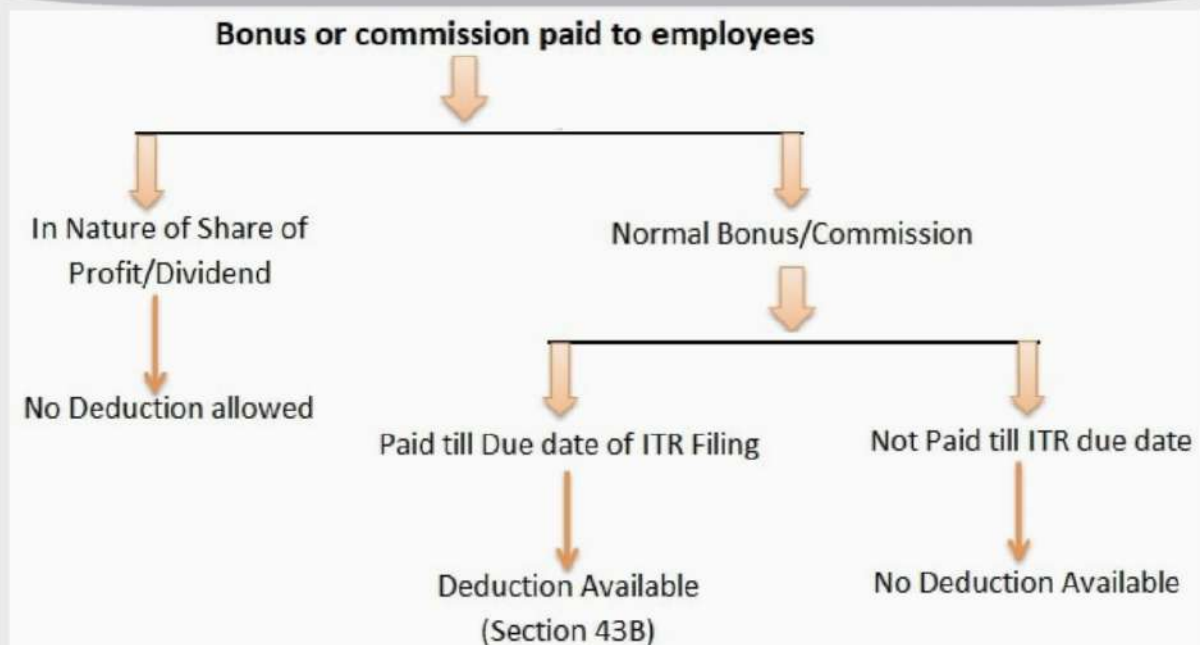
Section 36: Other Deductions Allowed

1. Insurance Premium paid for :

- a) Stocks or Shares
- b) Lives of Cattles owned by members of primary milk co-operative society.
- c) Health of Employees → Paid by Employer
[Any mode other than Cash].

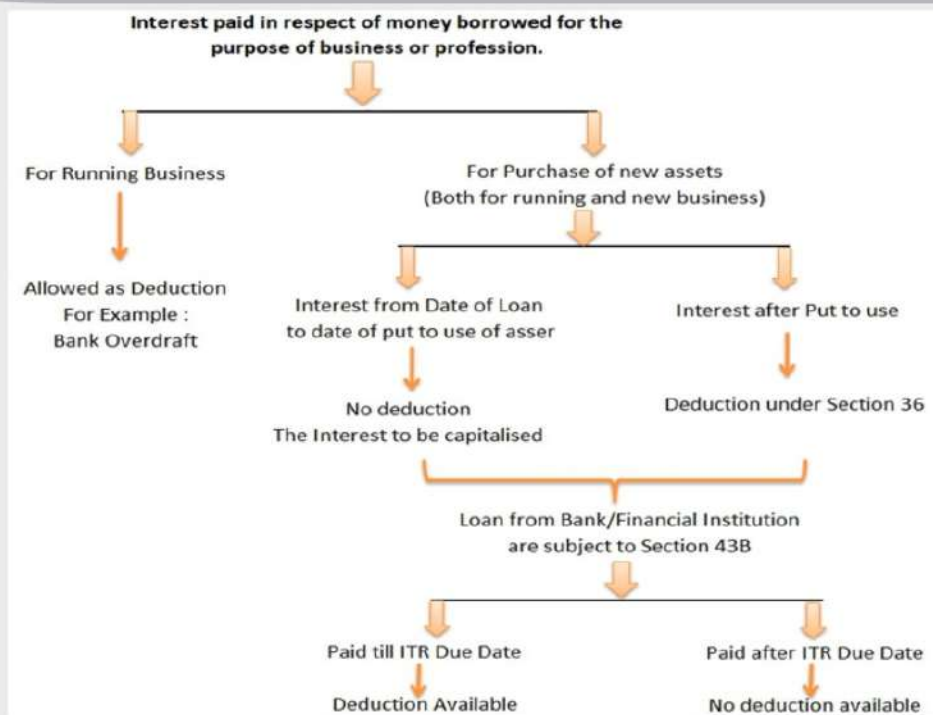


Section 36: Other Deductions Allowed





Section 36: Other Deductions Allowed





Section 36: Other Deductions Allowed

4. Employer's contribution to :

- a) Recognized provident fund or approved superannuation fund.
- b) Notified Pension Scheme (NPS) on account of an employee to the extent it does not exceed 10% of the salary of the employee in the previous year.
- c) Approved gratuity fund.

Section 36: Other Deductions Allowed



- 5 . Employees contribution towards Recognised Provident Fund /Superannuation Fund, if deposited by employer before Due Date.

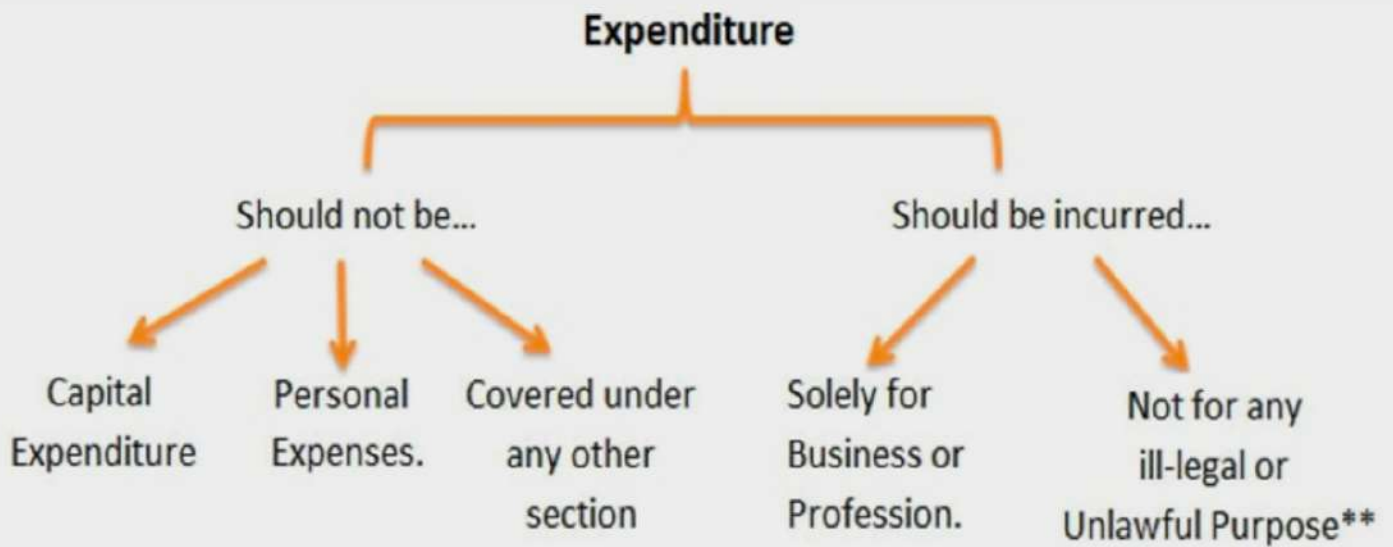


Section 36: Other Deductions Allowed





Section 37(1) General Deductions



Section 37(1) General Deductions



Important :

CSR (Corporate Social Responsibility) Expenditure shall not be treated as expense for business / profession, hence, not allowable u/s 37.



Securities Transaction Tax/Commodities Transaction Tax

Securities Transaction Tax/Commodities Transaction Tax





Advertisement Expenditure

Advertisement Expenditure

