

Section 32(iia) and 32AD of the Income tax act, 1961. In the context of bihar:

From the assessment year 2016-17, where an assessee sets up and undertaking or enterprise for manufacture or production of any articles or things or acquires and installs any plant & machineries (installed on or after 01-4-2015) will be entitled to have 35% additional depreciation and 15% as investment allowance in the year of installation. These provisions will be in operation from 01-04-2015 to 31-03-2020. Machines for this purpose will not include machines installed outside India, installed in office premises or any residential accommodation, any office appliances, any vehicle etc.

Please note that these deductions are to be done from income of the enterprise.

21 districts of bihar has been notified as backward districts for this purpose.

Regards

Sd/-

CA Subodh Kumar Goel

Encl. Copy of Notification, dated 17-08-2015

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART-II,
SECTION 3, SUB-SECTION (ii)]

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION

New Delhi, the 17th August, 2015

INCOME-TAX

S.O. 2241(E).— In exercise of the powers conferred by section 32 and section 32AD of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies the following districts of the State of Bihar as backward areas under the first proviso to clause (ija) of sub-section (1) of section 32 and sub-section (1) of section 32AD, namely:—

1. Patna
2. Nalanda
3. Bhojpur
4. Rohtas
5. Kaimur
6. Gaya
7. Jehanabad
8. Aurangabad
9. Nawada
10. Vaishali
11. Sheohar
12. Samastipur
13. Darbhanga
14. Madhubani
15. Purnea
16. Katihar
17. Araria
18. Jamui
19. Lakhisarai
20. Supaul
21. Muzaffarpur.

2. This notification shall come into force on the date of its publication in the Official Gazette.

[Notification No. 71/2015/F.No.142/13/2015-TPL]

(RAJESH KUMAR BHOOT)
DIRECTOR (TAX POLICY & LEGISLATION)