

Expenditure by way of payment to associations and institutions for carrying out rural development programmes.

35CCA. (1) Where an assessee incurs any expenditure by way of payment of any sum—

- (a) to an association or institution, which has as its object the undertaking of any programme of rural development, to be used for carrying out any programme of rural development approved by the prescribed authority; or
- (b) to an association or institution, which has as its object the training of persons for implementing programmes of rural development; or
- (c) to a rural development fund set up and notified by the Central Government in this behalf; or
- (d) to the National Urban Poverty Eradication Fund set up and notified by the Central Government in this behalf,

the assessee shall, subject to the provisions of sub-section (2), be allowed a deduction of the amount of such expenditure incurred during the previous year.

(2) The deduction under clause (a) of sub-section (1) shall not be allowed in respect of expenditure by way of payment of any sum to any association or institution referred to in the said clause unless the assessee furnishes a certificate from such association or institution to the effect that—

- (a) the programme of rural development had been approved by the prescribed authority before the 1st day of March, 1983; and
- (b) where such payment is made after the 28th day of February, 1983, such programme involves work by way of construction of any building or other structure (whether for use as a dispensary, school, training or welfare centre, workshop or for any other purpose) or the laying of any road or the construction or boring of a well or tube-well or the installation of any plant or machinery, and such work has commenced before the 1st day of March, 1983.

(2A) The deduction under clause (b) of sub-section (1) shall not be allowed in respect of expenditure by way of payment of any sum to any association or institution unless the assessee furnishes a certificate from such association or institution to the effect that—

- (a) the prescribed authority had approved the association or institution before the 1st day of March, 1983; and
- (b) the training of persons for implementing any programme of rural development had been started by the association or institution before the 1st day of March, 1983.

Explanation.—The deduction, to which the assessee is entitled in respect of any sum paid to an association or institution for carrying out the programme of rural development referred to in sub-section (1), shall not be denied merely on the ground that subsequent to the payment of such sum by the assessee, the approval granted to such programme of rural development, or as the case may be, to the association or institution has been withdrawn.

(2B) No certificate of the nature referred to in sub-section (2) or sub-section (2A) shall be issued by any association or institution unless such association or institution has obtained from the prescribed authority authorisation in writing to issue certificates of such nature.

Explanation.—For the purposes of this section, “programme of rural development” shall have the meaning assigned to it in the *Explanation* to sub-section (1) of section 35CC.

(3) Where a deduction under this section is claimed and allowed for any assessment year in respect of any expenditure referred to in sub-section (1), deduction shall not be allowed in respect of such expenditure under section 35C or section 35CC or section 80G or any other provision of this Act for the same or any other assessment year.