

**Deduction in respect of investment made under an equity savings scheme.**

**80CCG.** (1) where an assessee, being a resident individual, has, in a previous year, acquired listed equity shares in accordance with a scheme, as may be notified by the central government in this behalf, he shall, subject to the provisions of sub-section (3), be allowed a deduction in the computation of his total income of the assessment year relevant to such previous year, of fifty percent of the amount invested in such equity shares to the extent such deduction does not exceed twenty-five thousand rupees.

(2) where an assessee has claimed and allowed a deduction under this section for any assessment year in respect of any amount, he shall not be allowed any deduction under this section for any subsequent assessment year.

(3) the deduction under sub-section (1) shall be subject to the following conditions, namely:-

(i) the gross total income of the assessee for the relevant assessment year shall not exceed ten lakh rupees;

(ii) the assessee is a new retail investor as may be specified under the scheme referred to in sub-section (1);

(iii) the investment is made in such listed equity shares as may be specified under the scheme referred to in sub-section (1);

(iv) the investment is locked-in for a period of three years from the date of acquisition in accordance with the scheme referred to in sub-section (1); and

(v) such other condition as may be prescribed.

(4) if the assessee, in any previous year, fails to comply with any condition specified in sub-section (3), the deduction originally allowed shall be deemed to be the income of the assessee of such previous year and shall be liable to tax for the assessment year relevant to such previous year.