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INCOME-TAX ACT, 2025

D: Profits and gains of business or profession

Section 30 - Deduction on certain premium.

The following sums shall be allowed as deduction in computing income chargeable under section 26, being premium paid:––

(a) by any assessee in respect of insurance against risk of damage or destruction of stocks or stores used for the purposes of business or profession;

(b) by a federal milk co-operative society to effect or to keep in force an insurance on the life of the cattle owned by a member of a co-operative society, being a primary society engaged in supplying milk raised by its members to such federal milk co-operative society;

(c) by the assessee as an employer, through any mode of payment other than cash, to effect or to keep in force an insurance on the health of its employees under a scheme framed in this behalf by—

(i) the General Insurance Corporation of India formed under section 9 of the General Insurance Business (Nationalisation) Act, 1972 and approved by the Central Government; or

(ii) any other insurer and approved by the Insurance Regulatory and Development Authority established under section 3(1) of the Insurance Regulatory and Development Authority Act, 1999.

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