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INCOME-TAX ACT, 2025

F: Income from other sources

Section 94 - Amounts not deductible.

(1) Irrespective of anything contained in section 93, the following amounts shall not be deductible in computing the income of any assessee chargeable under the head “Income from other sources”:—

(a) any personal expenses of the assessee; or

(b) any interest chargeable under this Act, payable outside India, on which tax has not been paid or deducted under Chapter XIX-B; or

(c) any payment chargeable under the head “Salaries”, if it is payable outside India, unless tax has been paid or deducted under Chapter XIX-B.

(2) The provisions of sections 29, 35(b)(i), and 36 shall apply in computing the income chargeable under the head “Income from other sources” as they apply in computing the income chargeable under the head “Profits and gains of business or profession”.

(3) For an assessee, being a foreign company, the provisions of section 59 shall apply in computing the income chargeable under the head “Income from other sources”, as they apply in computing the income chargeable under the head “Profits and gains of business or profession”.

(4) In computing the income from winnings from lotteries, crossword puzzles, races including horse races, card games and other games of any sort, or from gambling or betting of any form or nature, no deduction for any expenditure or allowance related to such income shall be allowed under this Act.

(5) Sub-section (4) shall not apply in computing the income of an assessee, being the owner of horses maintained for running in horse races, from the activity of owning and maintaining such horses.

(6) For the purposes of this section, the expression “horse race” means a horse race upon which wagering or betting may be lawfully made.

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