

## Amounts not deductible.

**58.** (1) Notwithstanding anything to the contrary contained in section 57, the following amounts shall not be deductible in computing the income chargeable under the head “Income from other sources”, namely :—

(a) in the case of any assessee,—

(i) any personal expenses of the assessee ;

(ia) any expenditure of the nature referred to in sub-section (12) of section 40A ;

(ii) any interest chargeable under this Act which is payable outside India (not being interest on a loan issued for public subscription before the 1st day of April, 1938) on which tax has not been paid or deducted under Chapter XVII-B [\*\*\*] ;

(iii) any payment which is chargeable under the head “Salaries”, if it is payable outside India, unless tax has been paid thereon or deducted therefrom under Chapter XVII-B;

(iv) [\*\*\*]

(b) [\*\*\*]

(1A) The provisions of sub-clause (iia) of clause (a) of section 40 shall, so far as may be, 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”.

(2) The provisions of section 40A shall, so far as may be, 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) In the case of an assessee, being a foreign company, the provisions of section 44D shall, so far as may be, 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 the case of an assessee having income chargeable under the head “Income from other sources”, no deduction in respect of any expenditure or allowance in connection with such income shall be allowed under any provision of this Act in computing the income by way of any 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, whatsoever :

**Provided** that nothing contained in this sub-section shall apply in computing the income of an assessee, being the owner of horses maintained by him for running in horse races, from the activity of owning and maintaining such horses.

*Explanation.*—For the purposes of this sub-section, “horse race” means a horse race upon which wagering or betting may be lawfully made.