

### **Payment of compensation on acquisition of certain immovable property.**

**194LA.** Any person responsible for paying to a resident any sum, being in the nature of compensation or the enhanced compensation or the consideration or the enhanced consideration on account of compulsory acquisition, under any law for the time being in force, of any immovable property (other than agricultural land), shall, at the time of payment of such sum in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to ten per cent of such sum as income-tax thereon:

**Provided** that no deduction shall be made under this section where the amount of such payment or, as the case may be, the aggregate amount of such payments to a resident during the financial year does not exceed two hundred thousand rupees.<sup>1</sup>

*Explanation.*—for the purposes of this section,—

- (i) “Agricultural land” means agricultural land in India including land situated in any area referred to in items (a) and (b) of sub-clause (iii) of clause (14) of section 2;
- (ii) “Immovable property” means any land (other than agricultural land) or any building or part of a building.

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<sup>1</sup> Substituted with effect from 1<sup>st</sup> day of July, 2012