

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3410
ANSWERED ON:15.12.2006
IT EXEMPTION FOR SOFTWARE COMPANIES
Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Singh Shri Kirti Vardhan

Will the Minister of FINANCE be pleased to state:

- (a) whether software companies registered with Software Technology Parks have been granted IT exemption;
- (b) if so, the details thereof;
- (c) whether the Government proposes to extend the same facility to other sectors too; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a)&(b) Yes, Sir. Section 10A of the income-tax Act provides for 100% deduction for 10 years, of the export profits of undertakings engaged in manufacture or production of articles or things or computer software, and which are, inter-alia, set up in a Software Technology Park. The deduction is available up to assessment year 2009-10.

(c)No, Sir.

(d)Does not arise.