

## SCHEDULES

### SECOND SCHEDULE

#### PROVISIONS SUPPLEMENTARY TO S. 16 (NEW PROVISION FOR "INVESTMENT ALLOWANCES")

#### PART II

##### *Amendments of ss. 292 and 296 of the Income Tax Act, 1952*

- 6 In subsection (1) of section two hundred and ninety-two of the Income Tax Act, 1952 (which provides for balancing allowances and balancing charges in respect of machinery and plant), for the words " in the case of any machinery or plant in respect of which an initial allowance or an annual allowance has been made for any year of assessment to a person carrying on a trade " there shall be substituted the words " in the case of any machinery or plant belonging to a person carrying on a trade and provided or used for the purposes of the trade ".
- 7 In subsection (1) of section two hundred and ninety-six of that Act (which relates to the replacement of machinery or plant by other machinery or plant, and in subparagraph (iii) of paragraph (b) directs that for certain purposes the initial allowance granted in respect of the latter machinery or plant shall be deemed to be increased by a specified amount) there shall be added at the end of that sub-paragraph the words " or, if no initial allowance is granted, there shall be deemed to have been made an initial allowance equal to that amount ".