

Moti B. Totlani

That for A.Y.2023-24 it was possible for an individual to claim exemption u/s.54 in respect of capital gain earned on transfer of residential flat in India and purchase of a residential house in Canada, and amendment made by FA No.2, 2014 w.e.f. 01-04-2015 is prospective. (Shanti A. Motwane – ITA No. 1739/ MUM/2024 dt.12-07-2024. That Ahmedabad (ITAT) allowed deduction under section 54 of Income Tax even if proceeds from sale of old property is not reinvested in the acquisition of new asset/property even though the land on which this new house was constructed had been purchased earlier and the construction had begun before the sale of the original property further the ITAT allowed the cost of the land on which the new house was built to be included in the calculation for the exemption, (JIGNESH J GHIYA V. DCIT- I T A NO. 324/AHD/2020 DT. 7-8-24)