

CHAPTER XIV

PROCEDURE FOR ASSESSMENT

Return of income.

139. (1) Every person,—

- (a) being a company or a firm; or
- (b) being a person other than a company or a firm, if his total income or the total income of any other person in respect of which he is assessable under this Act during the previous year exceeded the maximum amount which is not chargeable to income-tax,

shall, on or before the due date, furnish a return of his income or the income of such other person during the previous year, in the prescribed⁵⁴ form and verified in the prescribed manner and setting forth such other particulars as may be prescribed :

Provided that a person referred to in clause (b), who is not required to furnish a return under this sub-section and residing in such area as may be specified by the Board in this behalf by notification in the Official Gazette, and who during the previous year incurs an expenditure of fifty thousand rupees or more towards consumption of electricity or at any time during the previous year fulfils any one of the following conditions, namely :—

- (i) is in occupation of an immovable property exceeding a specified floor area, whether by way of ownership, tenancy or otherwise, as may be specified by the Board in this behalf; or
- (ii) is the owner or the lessee of a motor vehicle other than a two- wheeled motor vehicle, whether having any detachable side car having extra wheel attached to such two-wheeled motor vehicle or not; or
- (iii) [***]
- (iv) has incurred expenditure for himself or any other person on travel to any foreign country; or
- (v) is the holder of a credit card, not being an "add-on" card, issued by any bank or institution; or
- (vi) is a member of a club where entrance fee charged is twenty-five thousand rupees or more,

shall furnish a return, of his income during any previous year ending before the 1st day of April, 2005, on or before the due date in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed :

Provided further that the Central Government may, by notification in the Official Gazette, specify the class or classes of persons to whom the provisions of the first proviso shall not apply :

Provided also that every company or a firm shall furnish on or before the due date the return in respect of its income or loss in every previous year :

Provided also that a person, being a resident other than not ordinarily resident in India within the meaning of clause (b) of [section 6](#), who is not required to furnish a return under this sub-section and who at any time during the previous year,—

- (a) holds, as a beneficial owner or otherwise, any asset (including any financial interest in any entity) located outside India or has signing authority in any account located outside India; or

(b) is a beneficiary of any asset (including any financial interest in any entity) located outside India,

shall furnish, on or before the due date, a return in respect of his income or loss for the previous year in such form and verified in such manner and setting forth such other particulars as may be prescribed:

Provided also that nothing contained in the fourth proviso shall apply to an individual, being a beneficiary of any asset (including any financial interest in any entity) located outside India where, income, if any, arising from such asset is includible in the income of the person referred to in clause (a) of that proviso in accordance with the provisions of this Act:

Provided also that every person, being an individual or a Hindu undivided family or an association of persons or a body of individuals, whether incorporated or not, or an artificial juridical person, if his total income or the total income of any other person in respect of which he is assessable under this Act during the previous year, without giving effect to the provisions of ⁵⁵[clause (38) of [section 10](#) or] [section 10A](#) or [section 10B](#) or [section 10BA](#) or Chapter VI-A exceeded the maximum amount which is not chargeable to income-tax, shall, on or before the due date, furnish a return of his income or the income of such other person during the previous year, in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed.

Explanation 1.—For the purposes of this sub-section, the expression "motor vehicle" shall have the meaning assigned to it in clause (28) of section 2 of the Motor Vehicles Act, 1988 (59 of 1988).

Explanation 2.—In this sub-section, "due date" means,—

(a) where the assessee other than an assessee referred to in clause (aa) is—

(i) a company ; or

(ii) a person (other than a company) whose accounts are required to be audited under this Act or under any other law for the time being in force; or

(iii) a working partner of a firm whose accounts are required to be audited under this Act or under any other law for the time being in force,

the 30th day of September of the assessment year;

(aa) in the case of an assessee who is required to furnish a report referred to in [section 92E](#), the 30th day of November of the assessment year;

(b) in the case of a person other than a company, referred to in the first proviso to this sub-section, the 31st day of October of the assessment year;

(c) in the case of any other assessee, the 31st day of July of the assessment year.

Explanation 3.—For the purposes of this sub-section, the expression "travel to any foreign country" does not include travel to the neighbouring countries or to such places of pilgrimage as the Board may specify in this behalf by notification in the Official Gazette.

Explanation 4.—For the purposes of this section "beneficial owner" in respect of an asset means an individual who has provided, directly or indirectly, consideration for the asset for the immediate or future benefit, direct or indirect, of himself or any other person.

Explanation 5.—For the purposes of this section "beneficiary" in respect of an asset means an individual who derives benefit from the asset during the previous year and the consideration for such asset has been provided by any person other than such beneficiary.

(1A) Without prejudice to the provisions of sub-section (1), any person, being an individual who is in receipt of income chargeable under the head "Salaries" may, at his option, furnish a

return of his income for any previous year to his employer, in accordance with such scheme as may be specified by the Board in this behalf, by notification in the Official Gazette, and subject to such conditions as may be specified therein, and such employer shall furnish all returns of income received by him on or before the due date, in such form (including on a floppy, diskette, magnetic cartridge tape, CD-ROM or any other computer readable media) and manner as may be specified in that scheme, and in such case, any employee who has filed a return of his income to his employer shall be deemed to have furnished a return of income under sub-section (1), and the provisions of this Act shall apply accordingly.

(1B) Without prejudice to the provisions of sub-section (1), any person, being a company or being a person other than a company, required to furnish a return of income under sub-section (1), may, at his option, on or before the due date, furnish a return of his income for any previous year in accordance with such scheme as may be specified by the Board in this behalf by notification in the Official Gazette and subject to such conditions as may be specified therein, in such form (including on a floppy, diskette, magnetic cartridge tape, CD-ROM or any other computer readable media) and in the manner as may be specified in that scheme, and in such case, the return of income furnished under such scheme shall be deemed to be a return furnished under sub-section (1), and the provisions of this Act shall apply accordingly.

(1C) Notwithstanding anything contained in sub-section (1), the Central Government may, by notification in the Official Gazette, exempt any class or classes of persons from the requirement of furnishing a return of income having regard to such conditions as may be specified in that notification.

(3) If any person who has sustained a loss in any previous year under the head "Profits and gains of business or profession" or under the head "Capital gains" and claims that the loss or any part thereof should be carried forward under sub-section (1) of [section 72](#), or sub-section (2) of [section 73](#), ⁵⁶[or sub-section (2) of [section 73A](#)] or sub-section (1) or sub-section (3) of [section 74](#), or sub-section (3) of [section 74A](#), he may furnish, within the time allowed under sub-section (1), a return of loss in the prescribed form⁵⁷ and verified in the prescribed manner and containing such other particulars as may be prescribed, and all the provisions of this Act shall apply as if it were a return under sub-section (1).

⁵⁸[(4) Any person who has not furnished a return within the time allowed to him under sub-section (1), may furnish the return for any previous year at any time before the end of the relevant assessment year or before the completion of the assessment, whichever is earlier.]

(4A) ⁵⁹Every person in receipt of income derived from property held under trust or other legal obligation wholly for charitable or religious purposes or in part only for such purposes, or of income being voluntary contributions referred to in sub-clause (iia) of clause (24) of [section 2](#), shall, if the total income in respect of which he is assessable as a representative assessee (the total income for this purpose being computed under this Act without giving effect to the provisions of [sections 11](#) and [12](#)) exceeds the maximum amount which is not chargeable to income-tax, furnish a return of such income of the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed and all the provisions of this Act shall, so far as may be, apply as if it were a return required to be furnished under sub-section (1).

(4B) ⁶⁰The chief executive officer (whether such chief executive officer is known as Secretary or by any other designation) of every political party shall, if the total income in respect of which the political party is assessable (the total income for this purpose being computed under this Act without giving effect to the provisions of [section 13A](#)) exceeds the maximum amount which is not chargeable to income-tax, furnish a return of such income of the previous year in the prescribed form and verified in the prescribed manner and setting forth such other

particulars as may be prescribed and all the provisions of this Act, shall, so far as may be, apply as if it were a return required to be furnished under sub-section (1).

(4C) Every—

- (a) research association referred to in clause (21) of [section 10](#);
- (b) news agency referred to in clause (22B) of [section 10](#);
- (c) association or institution referred to in clause (23A) of [section 10](#);
- ⁶¹[(ca) *person referred to in clause (23AAA) of [section 10](#);*]
- (d) institution referred to in clause (23B) of [section 10](#);
- (e) fund or institution referred to in sub-clause (iv) or trust or institution referred to in sub-clause (v) or any university or other educational institution referred to in sub-clause (iiiab) or sub-clause (iiiad) or sub-clause (vi) or any hospital or other medical institution referred to in sub-clause (iiiac) or sub-clause (iiiae) or sub-clause (via) of clause (23C) of [section 10](#);
- (ea) Mutual Fund referred to in clause (23D) of [section 10](#);
- (eb) securitisation trust referred to in clause (23DA) of [section 10](#);
- ⁶¹[(eba) *Investor Protection Fund referred to in clause (23EC) or clause (23ED) of [section 10](#);*
- (ebb) *Core Settlement Guarantee Fund referred to in clause (23EE) of [section 10](#);*]
- (ec) venture capital company or venture capital fund referred to in clause (23FB) of [section 10](#);
- (f) trade union referred to in sub-clause (a) or association referred to in sub-clause (b) of clause (24) of [section 10](#);
- ⁶²[(fa) *Board or Authority referred to in clause (29A) of [section 10](#);*]
- (g) body or authority or Board or Trust or Commission (by whatever name called) referred to in clause (46) of [section 10](#);
- (h) infrastructure debt fund referred to in clause (47) of [section 10](#),

shall, if the total income in respect of which such research association, news agency, association or institution, ⁶³[*person or*] fund or trust or university or other educational institution or any hospital or other medical institution or trade union or body or authority or Board or Trust or Commission or infrastructure debt fund or Mutual Fund or securitisation trust or venture capital company or venture capital fund is assessable, without giving effect to the provisions of [section 10](#), exceeds the maximum amount which is not chargeable to income-tax, furnish a return of such income of the previous year in the prescribed form⁶⁴ and verified in the prescribed manner and setting forth such other particulars as may be prescribed and all the provisions of this Act shall, so far as may be, apply as if it were a return required to be furnished under sub-section (1).

(4D) Every university, college or other institution referred to in clause (ii) and clause (iii) of sub-section (1) of [section 35](#), which is not required to furnish return of income or loss under any other provision of this section, shall furnish the return in respect of its income or loss in every previous year and all the provisions of this Act shall, so far as may be, apply as if it were a return required to be furnished under sub-section (1).

(4E) Every business trust, which is not required to furnish return of income or loss under any other provisions of this section, shall furnish the return of its income in respect of its income or loss in every previous year and all the provisions of this Act shall, so far as may be, apply* if it were a return required to be furnished under sub-section (1).

(4F) Every investment fund referred to in [section 115UB](#), which is not required to furnish return of income or loss under any other provisions of this section, shall furnish the return of income in respect of its income or loss in every previous year and all the provisions of this Act shall, so far as may be, apply as if it were a return required to be furnished under sub-section (1).

⁶⁵[(5) If any person, having furnished a return under sub-section (1) or sub-section (4), discovers any omission or any wrong statement therein, he may furnish a revised return at any time before ⁶⁶[***] the end of the relevant assessment year or before the completion of the assessment, whichever is earlier.]

(6) The prescribed form of the returns referred to in sub-sections (1) and (3) of this section, and in clause (i) of sub-section (1) of [section 142](#) shall, in such cases as may be prescribed, require the assessee to furnish the particulars of income exempt from tax, assets of the prescribed nature and value, held by him as a beneficial owner or otherwise or in which he is a beneficiary, his bank account and credit card held by him, expenditure exceeding the prescribed limits incurred by him under prescribed heads and such other outgoings as may be prescribed.

(6A) Without prejudice to the provisions of sub-section (6), the prescribed form of the returns referred to in this section, and in clause (i) of sub-section (1) of [section 142](#) shall, in the case of an assessee engaged in any business or profession, also require him to furnish the report of any audit referred to in [section 44AB](#), or, where the report has been furnished prior to the furnishing of the return, a copy of such report together with proof of furnishing the report, the particulars of the location and style of the principal place where he carries on the business or profession and all the branches thereof, the names and addresses of his partners, if any, in such business or profession and, if he is a member of an association or body of individuals, the names of the other members of the association or the body of individuals and the extent of the share of the assessee and the shares of all such partners or the members, as the case may be, in the profits of the business or profession and any branches thereof.

(7) [***]

⁶⁷(8)(a) Where the return under sub-section (1) or sub-section (2) or sub-section (4) for an assessment year is furnished after the specified date, or is not furnished, then [whether or not the Assessing Officer has extended the date for furnishing the return under sub-section (1) or sub-section (2)], the assessee shall be liable to pay simple interest at fifteen per cent per annum, reckoned from the day immediately following the specified date to the date of the furnishing of the return or, where no return has been furnished, the date of completion of the assessment under [section 144](#), on the amount of the tax payable on the total income as determined on regular assessment, as reduced by the advance tax, if any, paid, and any tax deducted at source :

Provided that the Assessing Officer may, in such cases and under such circumstances as may be prescribed⁶⁸, reduce or waive the interest payable by any assessee under this sub-section.

Explanation 1.—For the purposes of this sub-section, "specified date", in relation to a return for an assessment year, means,—

- (a) in the case of every assessee whose total income, or the total income of any person in respect of which he is assessable under this Act, includes any income from business or profession, the date of the expiry of four months from the end of the previous year or where there is more than one previous year, from the end of the previous year which expired last before the commencement of the assessment year or the 30th day of June of the assessment year, whichever is later;
- (b) in the case of every other assessee, the 30th day of June of the assessment year.

Explanation 2.—Where, in relation to an assessment year, an assessment is made for the first time under [section 147](#), the assessment so made shall be regarded as a regular assessment for the purposes of this sub-section.

(b) Where as a result of an order under [section 147](#) or [section 154](#) or [section 155](#) or [section 250](#) or [section 254](#) or [section 260](#) or [section 262](#) or [section 263](#) or [section 264](#) or an order of the Settlement Commission under sub-section (4) of [section 245D](#), the amount of tax on which interest was payable under this sub-section has been increased or reduced, as the case may be, the interest shall be increased or reduced accordingly, and—

- (i) in a case where the interest is increased, the Assessing Officer shall serve on the assessee, a notice of demand in the prescribed form specifying the sum payable, and such notice of demand shall be deemed to be a notice under [section 156](#) and the provisions of this Act shall apply accordingly;
- (ii) in a case where the interest is reduced, the excess interest paid, if any, shall be refunded.

(c) The provisions of this sub-section shall apply in respect of the assessment for the assessment year commencing on the 1st day of April, 1988, or any earlier assessment year, and references therein to the other provisions of this Act shall be construed as references to the said provisions as they were applicable to the relevant assessment year.

(9) Where the Assessing Officer considers that the return of income furnished by the assessee is defective, he may intimate the defect to the assessee and give him an opportunity to rectify the defect within a period of fifteen days from the date of such intimation or within such further period which, on an application made in this behalf, the Assessing Officer may, in his discretion, allow; and if the defect is not rectified within the said period of fifteen days or, as the case may be, the further period so allowed, then, notwithstanding anything contained in any other provision of this Act, the return shall be treated as an invalid return and the provisions of this Act shall apply as if the assessee had failed to furnish the return :

Provided that where the assessee rectifies the defect after the expiry of the said period of fifteen days or the further period allowed, but before the assessment is made, the Assessing Officer may condone the delay and treat the return as a valid return.

Explanation.—For the purposes of this sub-section, a return of income shall be regarded as defective unless all the following conditions are fulfilled, namely :—

⁶⁹(a) the annexures, statements and columns in the return of income relating to computation of income chargeable under each head of income, computation of gross total income and total income have been duly filled in;

(aa) ⁷⁰[***]

^{70a}(b) the return is accompanied by a statement showing the computation of the tax payable on the basis of the return;

(bb) ^{70a}the return is accompanied by the report of the audit referred to in [section 44AB](#), or, where the report has been furnished prior to the furnishing of the return, by a copy of such report together with proof of furnishing the report;

(c) ^{70a}the return is accompanied by proof of—

- (i) the tax, if any, claimed to have been deducted or collected at source and the advance tax and tax on self-assessment, if any, claimed to have been paid :

Provided that where the return is not accompanied by proof of the tax, if any, claimed to have been deducted or collected at source, the return of income shall not be regarded as defective if—

- (a) a certificate for tax deducted or collected was not furnished under [section 203](#) or [section 206C](#) to the person furnishing his return of income;
- (b) such certificate is produced within a period of two years specified under sub-section (14) of [section 155](#);
- (ii) the amount of compulsory deposit, if any, claimed to have been made under the Compulsory Deposit Scheme (Income-tax Payers) Act, 1974 (38 of 1974);
- (d) where regular books of account are maintained by the assessee, the return is accompanied by copies of—
 - (i) manufacturing account, trading account, profit and loss account or, as the case may be, income and expenditure account or any other similar account and balance sheet;
 - (ii) in the case of a proprietary business or profession, the personal account of the proprietor; in the case of a firm, association of persons or body of individuals, personal accounts of the partners or members; and in the case of a partner or member of a firm, association of persons or body of individuals, also his personal account in the firm, association of persons or body of individuals;
- (e) where the accounts of the assessee have been audited, the return is accompanied by copies of the audited profit and loss account and balance sheet and the auditor's report and, where an audit of cost accounts of the assessee has been conducted, under section 233B⁷¹ of the Companies Act, 1956 (1 of 1956), also the report under that section;
- (f) where regular books of account are not maintained by the assessee, the return is accompanied by a statement indicating the amounts of turnover or, as the case may be, gross receipts, gross profit, expenses and net profit of the business or profession and the basis on which such amounts have been computed, and also disclosing the amounts of total sundry debtors, sundry creditors, stock-in-trade and cash balance as at the end of the previous year.

(10) [Omitted by the Finance (No. 2) Act, 1991, w.e.f. 1-4-1991.]

Section - 139A, Income-tax Act, 1961-2018

Permanent account number.

139A. (1) Every person,—

- (i) if his total income or the total income of any other person in respect of which he is assessable under this Act during any previous year exceeded the maximum amount which is not chargeable to income-tax; or
- (ii) carrying on any business or profession whose total sales, turnover or gross receipts are or is likely to exceed five lakh rupees in any previous year; or
- (iii) who is required to furnish a return of income under sub-section (4A) of [section 139](#); or
- (iv) being an employer, who is required to furnish a return of fringe benefits under [section 115WD](#),⁷²[or
- ⁷²[(v) *being a resident, other than an individual, which enters into a financial transaction of an amount aggregating to two lakh fifty thousand rupees or more in a financial year;* or

- (vi) *who is the managing director, director, partner, trustee, author, founder, karta, chief executive officer, principal officer or office bearer of the person referred to in clause (v) or any person competent to act on behalf of the person referred to in clause (v),]*

and who has not been allotted a permanent account number shall, within such time, as may be prescribed⁷³, apply to the Assessing Officer for the allotment of a permanent account number.

(1A) Notwithstanding anything contained in sub-section (1), the Central Government may, by notification in the Official Gazette, specify, any class or classes of persons by whom tax is payable under this Act or any tax or duty is payable under any other law for the time being in force including importers and exporters whether any tax is payable by them or not and such persons shall, within such time as mentioned in that notification, apply to the Assessing Officer for the allotment of a permanent account number.

(1B) Notwithstanding anything contained in sub-section (1), the Central Government may, for the purpose of collecting any information which may be useful for or relevant to the purposes of this Act, by notification in the Official Gazette, specify, any class or classes of persons who shall apply to the Assessing Officer for the allotment of the permanent account number and such persons shall, within such time as mentioned in that notification, apply to the Assessing Officer for the allotment of a permanent account number.

(2) The Assessing Officer, having regard to the nature of the transactions as may be prescribed, may also allot a permanent account number, to any other person (whether any tax is payable by him or not), in the manner and in accordance with the procedure as may be prescribed.

(3) Any person, not falling under sub-section (1) or sub-section (2), may apply to the Assessing Officer for the allotment of a permanent account number and, thereupon, the Assessing Officer shall allot a permanent account number to such person forthwith.

(4) For the purpose of allotment of permanent account numbers under the new series, the Board may, by notification⁷⁴ in the Official Gazette, specify the date from which the persons referred to in sub-sections (1) and (2) and other persons who have been allotted permanent account numbers and residing in a place to be specified in such notification, shall, within such time as may be specified, apply to the Assessing Officer for the allotment of a permanent account number under the new series and upon allotment of such permanent account number to a person, the permanent account number, if any, allotted to him earlier shall cease to have effect :

Provided that the persons to whom permanent account number under the new series has already been allotted shall not apply for such number again.

(5) Every person shall—

- (a) quote such number in all his returns to, or correspondence with, any income-tax authority;
- (b) quote such number in all challans for the payment of any sum due under this Act;
- (c) quote such number in all documents pertaining to such transactions as may be prescribed⁷⁵ by the Board in the interests of the revenue, and entered into by him:

Provided that the Board may prescribe different dates for different transactions or class of transactions or for different class of persons:

Provided further that a person shall quote General Index Register Number till such time Permanent Account Number is allotted to such person;

- (d) intimate the Assessing Officer any change in his address or in the name and nature of his business on the basis of which the permanent account number was allotted to him.

(5A) Every person receiving any sum or income or amount from which tax has been deducted under the provisions of Chapter XVIIIB, shall intimate his permanent account number to the person responsible for deducting such tax under that Chapter :

Provided further that a person referred to in this sub-section shall intimate the General Index Register Number till such time permanent account number is allotted to such person.

(5B) Where any sum or income or amount has been paid after deducting tax under Chapter XVIIIB, every person deducting tax under that Chapter shall quote the permanent account number of the person to whom such sum or income or amount has been paid by him—

- (i) in the statement furnished in accordance with the provisions of sub-section (2C) of [section 192](#);
- (ii) in all certificates furnished in accordance with the provisions of [section 203](#);
- (iii) in all returns prepared and delivered or caused to be delivered in accordance with the provisions of [section 206](#) to any income-tax authority;
- (iv) in all statements prepared and delivered or caused to be delivered in accordance with the provisions of sub-section (3) of [section 200](#):

Provided that the Central Government may, by notification in the Official Gazette, specify different dates from which the provisions of this sub-section shall apply in respect of any class or classes of persons:

Provided further that nothing contained in sub-sections (5A) and (5B) shall apply in case of a person whose total income is not chargeable to income-tax or who is not required to obtain permanent account number under any provision of this Act if such person furnishes to the person responsible for deducting tax, a declaration referred to in [section 197A](#) in the form and manner prescribed thereunder to the effect that the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be *nil*.

(5C) Every buyer or licensee or lessee referred to in [section 206C](#) shall intimate his permanent account number to the person responsible for collecting tax referred to in that section.

(5D) Every person collecting tax in accordance with the provisions of [section 206C](#) shall quote the permanent account number of every buyer or licensee or lessee referred to in that section—

- (i) in all certificates furnished in accordance with the provisions of sub-section (5) of [section 206C](#);
- (ii) in all returns prepared and delivered or caused to be delivered in accordance with the provisions of sub-section (5A) or sub-section (5B) of [section 206C](#) to an income-tax authority;
- (iii) in all statements prepared and delivered or caused to be delivered in accordance with the provisions of sub-section (3) of [section 206C](#).

(6) Every person receiving any document relating to a transaction prescribed under clause (c) of sub-section (5) shall ensure that the Permanent Account Number or the General Index Register Number has been duly quoted in the document.

(7) No person who has already been allotted a permanent account number under the new series shall apply, obtain or possess another permanent account number.

Explanation.—For the removal of doubts, it is hereby declared that any person, who has been allotted a permanent account number under any clause other than clause (iv) of sub-section (1), shall not be required to obtain another permanent account number and the permanent account number already allotted to him shall be deemed to be the permanent account number in relation to fringe benefit tax.

⁷⁶(8) The Board may make rules providing for—

- (a) the form and the manner in which an application may be made for the allotment of a permanent account number and the particulars which such application shall contain;
- (b) the categories of transactions in relation to which Permanent Account Numbers or the General Index Register Number shall be quoted by every person in the documents pertaining to such transactions;
- (c) the categories of documents pertaining to business or profession in which such numbers shall be quoted by every person;
- (d) class or classes of persons to whom the provisions of this section shall not apply;
- (e) the form and the manner in which the person who has not been allotted a Permanent Account Number or who does not have General Index Register Number shall make his declaration;
- (f) the manner in which the Permanent Account Number or the General Index Register Number shall be quoted in respect of the categories of transactions referred to in clause (c)*;
- (g) the time and the manner in which the transactions referred to in clause (c)* shall be intimated to the prescribed authority.

Explanation.—For the purposes of this section,—

- (a) "Assessing Officer" includes an income-tax authority who is assigned the duty of allotting permanent account numbers;
- (b) "permanent account number" means a number which the Assessing Officer may allot to any person for the purpose of identification and includes a permanent account number allotted under the new series;
- (c) "permanent account number under the new series" means a permanent account number having ten alphanumeric characters ⁷⁷[***];
- (d) "General Index Register Number" means a number given by an Assessing Officer to an assessee in the General Index Register maintained by him and containing the designation and particulars of the ward or circle or range of the Assessing Officer.

Section - 139AA, Income-tax Act, 1961-2018

⁷⁸**[Quoting of Aadhaar number.**

139AA. (1) Every person who is eligible to obtain Aadhaar number shall, on or after the 1st day of July, 2017, quote Aadhaar number—

- (i) in the application form for allotment of permanent account number;
- (ii) in the return of income:

Provided that where the person does not possess the Aadhaar Number, the Enrolment ID of Aadhaar application form issued to him at the time of enrolment shall be quoted in the application for permanent account number or, as the case may be, in the return of income furnished by him.

(2) Every person who has been allotted permanent account number as on the 1st day of July, 2017, and who is eligible to obtain Aadhaar number, shall intimate his Aadhaar number to such authority in such form and manner as may be prescribed, on or before a date to be notified by the Central Government in the Official Gazette:

Provided that in case of failure to intimate the Aadhaar number, the permanent account number allotted to the person shall be deemed to be invalid and the other provisions of this Act shall apply, as if the person had not applied for allotment of permanent account number.

(3) The provisions of this section shall not apply to such person or class or classes of persons or any State or part of any State, as may be notified by the Central Government in this behalf, in the Official Gazette.

Explanation.—For the purposes of this section, the expressions—

- (i) "Aadhaar number", "Enrolment" and "resident" shall have the same meanings respectively assigned to them in clauses (a), (m) and (v) of section 2 of the Aadhaar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act, 2016 (18 of 2016);
- (ii) "Enrolment ID" means a 28 digit Enrolment Identification Number issued to a resident at the time of enrolment.]

Section - 139B, Income-tax Act, 1961-2018

Scheme for submission of returns through Tax Return Preparers.

139B. (1) For the purpose of enabling any specified class or classes of persons in preparing and furnishing returns of income, the Board may, without prejudice to the provisions of [section 139](#), frame a Scheme, by notification in the Official Gazette, providing that such persons may furnish their returns of income through a Tax Return Preparer authorised to act as such under the Scheme.

(2) Every Tax Return Preparer shall assist the persons furnishing the return of income in such manner as may be specified in the Scheme framed under this section and affix his signature on such return.

(3) For the purposes of this section,—

- (a) "Tax Return Preparer" means any individual, [not being a person referred to in clause (ii) or clause (iii) or clause (iv) of sub-section (2) of [section 288](#) or an employee of the "specified class or classes of persons"], who has been authorised to act as a Tax Return Preparer under the Scheme framed under this section;
- (b) "specified class or classes of persons" means any person, other than a company or a person, whose accounts are required to be audited under [section 44AB](#) or under any other law for the time being in force, who is required to furnish a return of income under this Act.

(4) The Scheme framed by the Board under this section may provide for the following, namely:—

- (a) the manner in which and the period for which the Tax Return Preparers shall be authorised under sub-section (3);
- (b) the educational and other qualifications to be possessed, and the training and other conditions required to be fulfilled, by a person to act as a Tax Return Preparer;
- (c) the code of conduct for the Tax Return Preparers;
- (d) the duties and obligations of the Tax Return Preparers;
- (e) the circumstances under which the authorisation given to a Tax Return Preparer may be withdrawn;

(f) any other matter which is required to be, or may be, specified by the Scheme for the purposes of this section.

(5) The Scheme framed by the Board under this section shall be laid, as soon as may be after it is framed, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the Scheme or both Houses agree that the Scheme should not be framed, the Scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that Scheme.

Section - 139C, Income-tax Act, 1961-2018

Power of Board to dispense with furnishing documents, etc., with return.

139C. (1) The Board may make rules providing for a class or classes of persons who may not be required to furnish documents, statements, receipts, certificates, reports of audit or any other documents, which are otherwise under any other provisions of this Act, except [section 139D](#), required to be furnished, along with the return but on demand to be produced before the Assessing Officer.

(2) Any rule made under the proviso to sub-section (9) of [section 139](#) as it stood immediately before its omission by the Finance Act, 2007 shall be deemed to have been made under the provisions of this section.

Section - 139D, Income-tax Act, 1961-2018

Filing of return in electronic form.

139D. The Board may make rules providing for—

- (a) the class or classes of persons who shall be required to furnish the return in electronic form;
- (b) the form and the manner in which the return in electronic form may be furnished;
- (c) the documents, statements, receipts, certificates or audited reports* which may not be furnished along with the return in electronic form but shall be produced before the Assessing Officer on demand;
- (d) the computer resource or the electronic record to which the return in electronic form may be transmitted.

Section - 140, Income-tax Act, 1961-2018

Return by whom to be verified.

140. The return under [section 115WD](#) or [section 139](#) shall be verified—

- (a) in the case of an individual,—
 - (i) by the individual himself;

- (ii) where he is absent from India, by the individual himself or by some person duly authorised by him in this behalf;
- (iii) where he is mentally incapacitated from attending to his affairs, by his guardian or any other person competent to act on his behalf; and
- (iv) where, for any other reason, it is not possible for the individual to verify the return, by any person duly authorised by him in this behalf:

Provided that in a case referred to in sub-clause (ii) or sub-clause (iv), the person verifying the return holds a valid power of attorney from the individual to do so, which shall be attached to the return⁷⁹;

- (b) in the case of a Hindu undivided family, by the karta, and, where the karta is absent from India or is mentally incapacitated from attending to his affairs, by any other adult member of such family;
- (c) in the case of a company, by the managing director thereof, or where for any unavoidable reason such managing director is not able to verify the return, or where there is no managing director, by any director thereof :

Provided that where the company is not resident in India, the return may be verified by a person who holds a valid power of attorney from such company to do so, which shall be attached to the return⁸⁰ :

Provided further that,—

- (a) where the company is being wound up, whether under the orders of a court or otherwise, or where any person has been appointed as the receiver of any assets of the company, the return shall be verified by the liquidator referred to in sub-section (1) of [section 178](#);
- (b) where the management of the company has been taken over by the Central Government or any State Government under any law, the return of the company shall be verified by the principal officer thereof; ⁸¹[or]

⁸¹[(c) *where in respect of a company, an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under [section 7](#) or [section 9](#) or section 10 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the return shall be verified by the insolvency professional appointed by such Adjudicating Authority.*

Explanation.—For the purposes of this clause the expressions "insolvency professional" and "Adjudicating Authority" shall have the respective meanings assigned to them in clause (18) of [section 3](#) and clause (1) of section 5 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016);]

- (cc) in the case of a firm, by the managing partner thereof, or where for any unavoidable reason such managing partner is not able to verify the return, or where there is no managing partner as such, by any partner thereof, not being a minor;
- (cd) in the case of a limited liability partnership, by the designated partner thereof, or where for any unavoidable reason such designated partner is not able to verify the return, or where there is no designated partner as such, by any partner thereof;
- (d) in the case of a local authority, by the principal officer thereof;
- (dd) in the case of a political party referred to in sub-section (4B) of section 139, by the chief executive officer of such party (whether such chief executive officer is known as secretary or by any other designation);

- (e) in the case of any other association, by any member of the association or the principal officer thereof; and
- (f) in the case of any other person, by that person or by some person competent to act on his behalf.

Section - 140A, Income-tax Act, 1961-2018

Self-assessment.⁸²

140A. (1) Where any tax is payable on the basis of any return required to be furnished under [section 115WD](#) or [section 115WH](#) or [section 139](#) or [section 142](#) or [section 148](#) or [section 153A](#) or, as the case may be, [section 158BC](#), after taking into account,—

- (i) the amount of tax, if any, already paid under any provision of this Act;
- (ii) any tax deducted or collected at source;
- (iii) any relief of tax or deduction of tax claimed under [section 90](#) or [section 91](#) on account of tax paid in a country outside India;
- (iv) any relief of tax claimed under [section 90A](#) on account of tax paid in any specified territory outside India referred to in that section; and
- (v) any tax credit claimed to be set off in accordance with the provisions of [section 115JAA](#) or [section 115JD](#),

the assessee shall be liable to pay such tax together with interest ⁸³[*and fee*] payable under any provision of this Act for any delay in furnishing the return or any default or delay in payment of advance tax, before furnishing the return and the return shall be accompanied by proof of payment of such tax ^{83a}[, *interest and fee*]⁸⁴.

Explanation.—Where the amount paid by the assessee under this sub-section falls short of the aggregate of the tax ⁸⁵[, *interest and fee as aforesaid, the amount so paid shall first be adjusted towards the fee payable and thereafter towards*] the interest payable as aforesaid and the balance, if any, shall be adjusted towards the tax payable.

(1A) For the purposes of sub-section (1), interest payable,—

- (i) under [section 234A](#) shall be computed on the amount of the tax on the total income as declared in the return as reduced by the amount of,—
 - (a) advance tax, if any, paid;
 - (b) any tax deducted or collected at source;
 - (c) any relief of tax or deduction of tax claimed under [section 90](#) or [section 91](#) on account of tax paid in a country outside India;
 - (d) any relief of tax claimed under [section 90A](#) on account of tax paid in any specified territory outside India referred to in that section; and
 - (e) any tax credit claimed to be set off in accordance with the provisions of [section 115JAA](#) or [section 115JD](#);
- (ii) under [section 115WK](#) shall be computed on the amount of tax on the value of the fringe benefits as declared in the return as reduced by the advance tax, paid, if any.

(1B) For the purposes of sub-section (1), interest payable under [section 234B](#) shall be computed on an amount equal to the assessed tax or, as the case may be, on the amount by which the advance tax paid falls short of the assessed tax.

Explanation.—For the purposes of this sub-section, "assessed tax" means the tax on the total income as declared in the return as reduced by the amount of,—

- (i) tax deducted or collected at source, in accordance with the provisions of Chapter XVII, on any income which is subject to such deduction or collection and which is taken into account in computing such total income;
- (ii) any relief of tax or deduction of tax claimed under [section 90](#) or [section 91](#) on account of tax paid in a country outside India;
- (iii) any relief of tax claimed under [section 90A](#) on account of tax paid in any specified territory outside India referred to in that section; and
- (iv) any tax credit claimed to be set off in accordance with the provisions of [section 115JAA](#) or [section 115JD](#).

(2) After a regular assessment under [section 115WE](#) or [section 115WF](#) or [section 143](#) or [section 144](#) or an assessment under [section 153A](#) or [section 158BC](#) has been made, any amount paid under sub-section (1) shall be deemed to have been paid towards such regular assessment or assessment, as the case may be.

(3) If any assessee fails to pay the whole or any part of such tax ⁸⁶[, *interest or fee*] in accordance with the provisions of sub-section (1), he shall, without prejudice to any other consequences which he may incur, be deemed to be an assessee in default in respect of the tax ⁸⁶[, *interest or fee*] remaining unpaid, and all the provisions of this Act shall apply accordingly.

(4) The provisions of this section as they stood immediately before their amendment by the Direct Tax Laws (Amendment) Act, 1987 (4 of 1988), shall apply to and in relation to any assessment for the assessment year commencing on the 1st day of April, 1988, or any earlier assessment year and references in this section to the other provisions of this Act shall be construed as references to those provisions as for the time being in force and applicable to the relevant assessment year.

Section - 141, Income-tax Act, 1961-2018

Provisional assessment.

141. [Omitted by the Taxation Laws (Amendment) Act, 1970, w.e.f. 1-4-1971.]

Section - 141A, Income-tax Act, 1961-2018

Provisional assessment for refund.

141A. [Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1989. Section 141A was inserted by the Finance Act, 1968, w.e.f. 1-4-1968. Original section was inserted by the Finance Act, 1963, w.e.f. 1-4-1963 and omitted by the Finance Act, 1964, w.e.f. 1-4-1964.]

Section - 142, Income-tax Act, 1961-2018

Inquiry before assessment.

142. (1) For the purpose of making an assessment under this Act, the Assessing Officer may serve on any person who has made a return under [section 115WD](#) or [section 139](#) or in whose case the time allowed under sub-section (1) of [section 139](#) for furnishing the return has expired a notice requiring him, on a date to be therein specified,—

- (i) where such person has not made a return within the time allowed under sub-section (1) of [section 139](#) or before the end of the relevant assessment year, to furnish a return of his income or the income of any other person in respect of which he is assessable under this Act, in the prescribed form and verified in the prescribed manner⁸⁷ and setting forth such other particulars as may be prescribed, or :

Provided that where any notice has been served under this sub-section for the purposes of this clause after the end of the relevant assessment year commencing on or after the 1st day of April, 1990 to a person who has not made a return within the time allowed under sub-section (1) of [section 139](#) or before the end of the relevant assessment year, any such notice issued to him shall be deemed to have been served in accordance with the provisions of this sub-section,

- (ii) to produce, or cause to be produced, such accounts or documents as the Assessing Officer may require, or
- (iii) ⁸⁸to furnish in writing and verified in the prescribed manner information in such form and on such points or matters (including a statement of all assets and liabilities of the assessee, whether included in the accounts or not) as the Assessing Officer may require :

Provided that—

- (a) the previous approval of the Joint Commissioner shall be obtained before requiring the assessee to furnish a statement of all assets and liabilities not included in the accounts;
- (b) the Assessing Officer shall not require the production of any accounts relating to a period more than three years prior to the previous year.

(2) For the purpose of obtaining full information in respect of the income or loss of any person, the Assessing Officer may make such inquiry as he considers necessary.

(2A) ⁸⁹⁻⁹⁰If, at any stage of the proceedings before him, the Assessing Officer, having regard to the nature and complexity of the accounts, volume of the accounts, doubts about the correctness of the accounts, multiplicity of transactions in the accounts or specialised nature of business activity of the assessee, and the interests of the revenue, is of the opinion that it is necessary so to do, he may, with the previous approval of the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, direct the assessee to get the accounts audited by an accountant, as defined in the *Explanation* below sub-section (2) of [section 288](#), nominated by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner in this behalf and to furnish a report of such audit in the prescribed form⁸⁹⁻⁹⁰ duly signed and verified by such accountant and setting forth such particulars as may be prescribed and such other particulars as the Assessing Officer may require :

Provided that the Assessing Officer shall not direct the assessee to get the accounts so audited unless the assessee has been given a reasonable opportunity of being heard.

(2B) The provisions of sub-section (2A) shall have effect notwithstanding that the accounts of the assessee have been audited under any other law for the time being in force or otherwise.

(2C) Every report under sub-section (2A) shall be furnished by the assessee to the Assessing Officer within such period as may be specified by the Assessing Officer :

Provided that the Assessing Officer may, *suo motu*, or on an application made in this behalf by the assessee and for any good and sufficient reason, extend the said period by such further period or periods as he thinks fit; so, however, that the aggregate of the period originally fixed and the period or periods so extended shall not, in any case, exceed one hundred and eighty days from the date on which the direction under sub-section (2A) is received by the assessee.

(2D) The expenses of, and incidental to, any audit under sub-section (2A) (including the remuneration of the accountant) shall be determined by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner (which determination shall be final) and paid by the assessee and in default of such payment, shall be recoverable from the assessee in the manner provided in Chapter XVII-D for the recovery of arrears of tax :

Provided that where any direction for audit under sub-section (2A) is issued by the Assessing Officer on or after the 1st day of June, 2007, the expenses of, and incidental to, such audit (including the remuneration of the Accountant) shall be determined by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner in accordance with such guidelines as may be prescribed⁹¹ and the expenses so determined shall be paid by the Central Government.

(3) The assessee shall, except where the assessment is made under [section 144](#), be given an opportunity of being heard in respect of any material gathered on the basis of any inquiry under sub-section (2) or any audit under sub-section (2A) and proposed to be utilised for the purposes of the assessment.

(4) The provisions of this section as they stood immediately before their amendment by the Direct Tax Laws (Amendment) Act, 1987 (4 of 1988), shall apply to and in relation to any assessment for the assessment year commencing on the 1st day of April, 1988, or any earlier assessment year and references in this section to the other provisions of this Act shall be construed as references to those provisions as for the time being in force and applicable to the relevant assessment year.

Section - 142A, Income-tax Act, 1961-2018

Estimation of value of assets by Valuation Officer.

142A. (1) The Assessing Officer may, for the purposes of assessment or reassessment, make a reference to a Valuation Officer to estimate the value, including fair market value, of any asset, property or investment and submit a copy of report to him.

(2) The Assessing Officer may make a reference to the Valuation Officer under sub-section (1) whether or not he is satisfied about the correctness or completeness of the accounts of the assessee.

(3) The Valuation Officer, on a reference made under sub-section (1), shall, for the purpose of estimating the value of the asset, property or investment, have all the powers that he has under section 38A of the Wealth-tax Act, 1957 (27 of 1957).

(4) The Valuation Officer shall, estimate the value of the asset, property or investment after taking into account such evidence as the assessee may produce and any other evidence in his possession gathered, after giving an opportunity of being heard to the assessee.

(5) The Valuation Officer may estimate the value of the asset, property or investment to the best of his judgment, if the assessee does not co-operate or comply with his directions.

(6) The Valuation Officer shall send a copy of the report of the estimate made under sub-section (4) or sub-section (5), as the case may be, to the Assessing Officer and the assessee, within a

period of six months from the end of the month in which a reference is made under sub-section (1).

(7) The Assessing Officer may, on receipt of the report from the Valuation Officer, and after giving the assessee an opportunity of being heard, take into account such report in making the assessment or reassessment.

Explanation.—In this section, "Valuation Officer" has the same meaning as in clause (r) of section 2 of the Wealth-tax Act, 1957 (27 of 1957).

Section - 143, Income-tax Act, 1961-2018

Assessment.

143. (1) Where a return has been made under [section 139](#), or in response to a notice under sub-section (1) of [section 142](#), such return shall be processed in the following manner, namely:—

- (a) the total income or loss shall be computed after making the following adjustments, namely:—
 - (i) any arithmetical error in the return; ⁹²[***]
 - (ii) an incorrect claim, if such incorrect claim is apparent from any information in the return;
 - ⁹³(iii) disallowance of loss claimed, if return of the previous year for which set off of loss is claimed was furnished beyond the due date specified under sub-section (1) of [section 139](#);
 - (iv) disallowance of expenditure indicated in the audit report but not taken into account in computing the total income in the return;
 - (v) disallowance of deduction claimed under [sections 10AA, 80-IA, 80-IAB, 80-IB, 80-IC, 80-ID](#) or [section 80-IE](#), if the return is furnished beyond the due date specified under sub-section (1) of [section 139](#); or
 - (vi) addition of income appearing in Form 26AS or Form 16A or Form 16 which has not been included in computing the total income in the return:

Provided that no such adjustments shall be made unless an intimation is given to the assessee of such adjustments either in writing or in electronic mode:

Provided further that the response received from the assessee, if any, shall be considered before making any adjustment, and in a case where no response is received within thirty days of the issue of such intimation, such adjustments shall be made:]

⁹⁴[**Provided also** that no adjustment shall be made under sub-clause (vi) in relation to a return furnished for the assessment year commencing on or after the 1st day of April, 2018;]

- (b) the tax ⁹⁵[, *interest and fee*], if any, shall be computed on the basis of the total income computed under clause (a);
- (c) the sum payable by, or the amount of refund due to, the assessee shall be determined after adjustment of the tax ⁹⁵[, *interest and fee*], if any, computed under clause (b) by any tax deducted at source, any tax collected at source, any advance tax paid, any relief allowable under an agreement under [section 90](#) or [section 90A](#), or any relief allowable under [section 91](#), any rebate allowable

under Part A of Chapter VIII, any tax paid on self-assessment and any amount paid otherwise by way of tax ⁹⁶[, *interest or fee*];

- (d) an intimation shall be prepared or generated and sent to the assessee specifying the sum determined to be payable by, or the amount of refund due to, the assessee under clause (c); and
- (e) the amount of refund due to the assessee in pursuance of the determination under clause (c) shall be granted to the assessee:

Provided that an intimation shall also be sent to the assessee in a case where the loss declared in the return by the assessee is adjusted but no tax ⁹⁶[, *interest or fee*] is payable by, or no refund is due to, him:

Provided further that no intimation under this sub-section shall be sent after the expiry of one year from the end of the financial year in which the return is made.

Explanation.—For the purposes of this sub-section,—

- (a) "an incorrect claim apparent from any information in the return" shall mean a claim, on the basis of an entry, in the return,—
 - (i) of an item, which is inconsistent with another entry of the same or some other item in such return;
 - (ii) in respect of which the information required to be furnished under this Act to substantiate such entry has not been so furnished; or
 - (iii) in respect of a deduction, where such deduction exceeds specified statutory limit which may have been expressed as monetary amount or percentage or ratio or fraction;
- (b) the acknowledgement of the return shall be deemed to be the intimation in a case where no sum is payable by, or refundable to, the assessee under clause (c), and where no adjustment has been made under clause (a).

(1A) For the purposes of processing of returns under sub-section (1), the Board may make a scheme for centralised processing of returns with a view to expeditiously determining the tax payable by, or the refund due to, the assessee as required under the said sub-section.

(1B) Save as otherwise expressly provided, for the purpose of giving effect to the scheme made under sub-section (1A), the Central Government may, by notification in the Official Gazette, direct that any of the provisions of this Act relating to processing of returns shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified in that notification; so, however, that no direction shall be issued after the 31st day of March, 2012.

(1C) Every notification issued under sub-section (1B), along with the scheme made under sub-section (1A), shall, as soon as may be after the notification is issued, be laid before each House of Parliament.

⁹⁷[(1D) Notwithstanding anything contained in sub-section (1), the processing of a return shall not be necessary, where a notice has been issued to the assessee under sub-section (2):

Provided that the provisions of this sub-section shall not apply to any return furnished for the assessment year commencing on or after the 1st day of April, 2017.]

⁹⁸[(2) Where a return has been furnished under [section 139](#), or in response to a notice under sub-section (1) of [section 142](#), the Assessing Officer or the prescribed income-tax authority⁹⁹, as the case may be, if, considers it necessary or expedient to ensure that the assessee has not understated the income or has not computed excessive loss or has not under-paid the tax in any manner, shall serve on the assessee a notice requiring him, on a date to be specified therein,

either to attend the office of the Assessing Officer or to produce, or cause to be produced before the Assessing Officer any evidence on which the assessee may rely in support of the return:

Provided that no notice under this sub-section shall be served on the assessee after the expiry of six months from the end of the financial year in which the return is furnished.]

(3) ¹[On the day specified in the notice issued under] sub-section (2), or as soon afterwards as may be, after hearing such evidence as the assessee may produce and such other evidence as the Assessing Officer may require on specified points, and after taking into account all relevant material which he has gathered, the Assessing Officer shall, by an order in writing, make an assessment of the total income or loss of the assessee, and determine the sum payable by him or refund of any amount due to him on the basis of such assessment:

Provided that in the case of a—

- (a) research association referred to in clause (21) of [section 10](#);
- (b) news agency referred to in clause (22B) of [section 10](#);
- (c) association or institution referred to in clause (23A) of [section 10](#);
- (d) institution referred to in clause (23B) of [section 10](#);
- (e) fund or institution referred to in sub-clause (iv) or trust or institution referred to in sub-clause (v) or any university or other educational institution referred to in sub-clause (vi) or any hospital or other medical institution referred to in sub-clause (via) of clause (23C) of [section 10](#),

which is required to furnish the return of income under sub-section (4C) of [section 139](#), no order making an assessment of the total income or loss of such research association, news agency, association or institution or fund or trust or university or other educational institution or any hospital or other medical institution, shall be made by the Assessing Officer, without giving effect to the provisions of [section 10](#), unless—

- (i) the Assessing Officer has intimated the Central Government or the prescribed authority the contravention of the provisions of clause (21) or clause (22B) or clause (23A) or clause (23B) or sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of [section 10](#), as the case may be, by such research association, news agency, association or institution or fund or trust or university or other educational institution or any hospital or other medical institution, where in his view such contravention has taken place; and
- (ii) the approval granted to such research association or other association or fund or trust or institution or university or other educational institution or hospital or other medical institution has been withdrawn or notification issued in respect of such news agency or fund or trust or institution has been rescinded :

Provided further that where the Assessing Officer is satisfied that the activities of the university, college or other institution referred to in clause (ii) and clause (iii) of sub-section (1) of [section 35](#) are not being carried out in accordance with all or any of the conditions subject to which such university, college or other institution was approved, he may, after giving a reasonable opportunity of showing cause against the proposed withdrawal to the concerned university, college or other institution, recommend to the Central Government to withdraw the approval and that Government may by order, withdraw the approval and forward a copy of the order to the concerned university, college or other institution and the Assessing Officer:

Provided also that notwithstanding anything contained in the first and the second provisos, no effect shall be given by the Assessing Officer to the provisions of clause (23C) of [section 10](#) in the case of a trust or institution for a previous year, if the provisions of the first proviso to

clause (15) of [section 2](#) become applicable in the case of such person in such previous year, whether or not the approval granted to such trust or institution or notification issued in respect of such trust or institution has been withdrawn or rescinded.

²[(3A) The Central Government may make a scheme, by notification in the Official Gazette, for the purposes of making assessment of total income or loss of the assessee under sub-section (3) so as to impart greater efficiency, transparency and accountability by—

- (a) eliminating the interface between the Assessing Officer and the assessee in the course of proceedings to the extent technologically feasible;
- (b) optimising utilisation of the resources through economies of scale and functional specialisation;
- (c) introducing a team-based assessment with dynamic jurisdiction.

(3B) The Central Government may, for the purpose of giving effect to the scheme made under sub-section (3A), by notification in the Official Gazette, direct that any of the provisions of this Act relating to assessment of total income or loss shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified in the notification:

Provided that no direction shall be issued after the 31st day of March, 2020.

(3C) Every notification issued under sub-section (3A) and sub-section (3B) shall, as soon as may be after the notification is issued, be laid before each House of Parliament.]

(4) Where a regular assessment under sub-section (3) of this section or [section 144](#) is made,—

- (a) any tax or interest paid by the assessee under sub-section (1) shall be deemed to have been paid towards such regular assessment ;
- (b) if no refund is due on regular assessment or the amount refunded under sub-section (1) exceeds the amount refundable on regular assessment, the whole or the excess amount so refunded shall be deemed to be tax payable by the assessee and the provisions of this Act shall apply accordingly.

(5) [Omitted by the Finance Act, 1999, w.e.f. 1-6-1999.]

Section - 144, Income-tax Act, 1961-2018

Best judgment assessment.

144. (1) If any person—

- (a) fails to make the return required under sub-section (1) of [section 139](#) and has not made a return or a revised return under sub-section (4) or sub-section (5) of that section, or
- (b) fails to comply with all the terms of a notice issued under sub-section (1) of [section 142](#) or fails to comply with a direction issued under sub-section (2A) of that section, or
- (c) having made a return, fails to comply with all the terms of a notice issued under sub-section (2) of [section 143](#),

the Assessing Officer, after taking into account all relevant material which the Assessing Officer has gathered, shall, after giving the assessee an opportunity of being heard, make the assessment of the total income or loss to the best of his judgment and determine the sum payable by the assessee on the basis of such assessment :

Provided that such opportunity shall be given by the Assessing Officer by serving a notice calling upon the assessee to show cause, on a date and time to be specified in the notice, why the assessment should not be completed to the best of his judgment :

Provided further that it shall not be necessary to give such opportunity in a case where a notice under sub-section (1) of [section 142](#) has been issued prior to the making of an assessment under this section.

(2) The provisions of this section as they stood immediately before their amendment by the Direct Tax Laws (Amendment) Act, 1987 (4 of 1988), shall apply to and in relation to any assessment for the assessment year commencing on the 1st day of April, 1988, or any earlier assessment year and references in this section to the other provisions of this Act shall be construed as references to those provisions as for the time being in force and applicable to the relevant assessment year.

Section - 144A, Income-tax Act, 1961-2018

Power of Joint Commissioner to issue directions in certain cases.

144A. A Joint Commissioner may, on his own motion or on a reference being made to him by the Assessing Officer or on the application of an assessee, call for and examine the record of any proceeding in which an assessment is pending and, if he considers that, having regard to the nature of the case or the amount involved or for any other reason, it is necessary or expedient so to do, he may issue such directions as he thinks fit for the guidance of the Assessing Officer to enable him to complete the assessment and such directions shall be binding on the Assessing Officer :

Provided that no directions which are prejudicial to the assessee shall be issued before an opportunity is given to the assessee to be heard.

Explanation.—For the purposes of this section no direction as to the lines on which an investigation connected with the assessment should be made, shall be deemed to be a direction prejudicial to the assessee.

Section - 144B, Income-tax Act, 1961-2018

Reference to Deputy Commissioner in certain cases.

144B. [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1989. Original section 144B was inserted by the Taxation Laws (Amendment) Act, 1975, w.e.f. 1-4-1976.*]

Section - 144BA, Income-tax Act, 1961-2018

Reference to Principal Commissioner or Commissioner in certain cases.

144BA. (1) If, the Assessing Officer, at any stage of the assessment or reassessment proceedings before him having regard to the material and evidence available, considers that it is necessary to declare an arrangement as an impermissible avoidance arrangement and to determine the consequence of such an arrangement within the meaning of Chapter X-A, then, he may make a reference to the Principal Commissioner or Commissioner in this regard.

(2) The Principal Commissioner or Commissioner shall, on receipt of a reference under sub-section (1), if he is of the opinion that the provisions of Chapter X-A are required to be invoked, issue a notice to the assessee, setting out the reasons and basis of such opinion, for submitting objections, if any, and providing an opportunity of being heard to the assessee within such period, not exceeding sixty days, as may be specified in the notice.

(3) If the assessee does not furnish any objection to the notice within the time specified in the notice issued under sub-section (2), the Principal Commissioner or Commissioner shall issue such directions as he deems fit in respect of declaration of the arrangement to be an impermissible avoidance arrangement.

(4) In case the assessee objects to the proposed action, and the Principal Commissioner or Commissioner after hearing the assessee in the matter is not satisfied by the explanation of the assessee, then, he shall make a reference in the matter to the Approving Panel for the purpose of declaration of the arrangement as an impermissible avoidance arrangement.

(5) If the Principal Commissioner or Commissioner is satisfied, after having heard the assessee that the provisions of Chapter X-A are not to be invoked, he shall by an order in writing, communicate the same to the Assessing Officer with a copy to the assessee.

(6) The Approving Panel, on receipt of a reference from the Principal Commissioner or Commissioner under sub-section (4), shall issue such directions, as it deems fit, in respect of the declaration of the arrangement as an impermissible avoidance arrangement in accordance with the provisions of Chapter X-A including specifying of the previous year or years to which such declaration of an arrangement as an impermissible avoidance arrangement shall apply.

(7) No direction under sub-section (6) shall be issued unless an opportunity of being heard is given to the assessee and the Assessing Officer on such directions which are prejudicial to the interest of the assessee or the interests of the revenue, as the case may be.

(8) The Approving Panel may, before issuing any direction under sub-section (6),—

(i) if it is of the opinion that any further inquiry in the matter is necessary, direct the Principal Commissioner or Commissioner to make such inquiry or cause the inquiry to be made by any other income-tax authority and furnish a report containing the result of such inquiry to it; or

(ii) call for and examine such records relating to the matter as it deems fit; or

(iii) require the assessee to furnish such documents and evidence as it may direct.

(9) If the members of the Approving Panel differ in opinion on any point, such point shall be decided according to the opinion of the majority of the members.

(10) The Assessing Officer, on receipt of directions of the Principal Commissioner or Commissioner under sub-section (3) or of the Approving Panel under sub-section (6), shall proceed to complete the proceedings referred to in sub-section (1) in accordance with such directions and the provisions of Chapter X-A.

(11) If any direction issued under sub-section (6) specifies that declaration of the arrangement as impermissible avoidance arrangement is applicable for any previous year other than the previous year to which the proceedings referred to in sub-section (1) pertains, then, the Assessing Officer while completing any assessment or reassessment proceedings of the assessment year relevant to such other previous year shall do so in accordance with such directions and the provisions of Chapter X-A and it shall not be necessary for him to seek fresh direction on the issue for the relevant assessment year.

(12) No order of assessment or reassessment shall be passed by the Assessing Officer without the prior approval of the Principal Commissioner or Commissioner, if any tax consequences have been determined in the order under the provisions of Chapter X-A.

(13) The Approving Panel shall issue directions under sub-section (6) within a period of six months from the end of the month in which the reference under sub-section (4) was received.

(14) The directions issued by the Approving Panel under sub-section (6) shall be binding on—

- (i) the assessee; and
- (ii) the Principal Commissioner or Commissioner and the income-tax authorities subordinate to him,

and notwithstanding anything contained in any other provision of the Act, no appeal under the Act shall lie against such directions.

(15) The Central Government shall, for the purposes of this section, constitute one or more Approving Panels as may be necessary and each panel shall consist of three members including a Chairperson.

(16) The Chairperson of the Approving Panel shall be a person who is or has been a judge of a High Court, and—

- (i) one member shall be a member of Indian Revenue Service not below the rank of Principal Chief Commissioner or Chief Commissioner of Income-tax; and
- (ii) one member shall be an academic or scholar having special knowledge of matters, such as direct taxes, business accounts and international trade practices.

(17) The term of the Approving Panel shall ordinarily be for one year and may be extended from time to time up to a period of three years.

(18) The Chairperson and members of the Approving Panel shall meet, as and when required, to consider the references made to the panel and shall be paid such remuneration as may be prescribed.

(19) In addition to the powers conferred on the Approving Panel under this section, it shall have the powers which are vested in the Authority for Advance Rulings under [section 245U](#).

(20) The Board shall provide to the Approving Panel such officials as may be necessary for the efficient exercise of powers and discharge of functions of the Approving Panel under the Act.

(21) The Board may make rules for the purposes of the constitution and efficient functioning of the Approving Panel and expeditious disposal of the references received under sub-section (4).

Explanation.—In computing the period referred to in sub-section (13), the following shall be excluded—

- (i) the period commencing from the date on which the first direction is issued by the Approving Panel to the Principal Commissioner or Commissioner for getting the inquiries conducted through the authority competent under an agreement referred to in [section 90](#) or [section 90A](#) and ending with the date on which the information so requested is last received by the Approving Panel or one year, whichever is less;
- (ii) the period during which the proceeding of the Approving Panel is stayed by an order or injunction of any court:

Provided that where immediately after the exclusion of the aforesaid time or period, the period available to the Approving Panel for issue of directions is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of six months shall be deemed to have been extended accordingly.

Reference to dispute resolution panel.

144C. (1) The Assessing Officer shall, notwithstanding anything to the contrary contained in this Act, in the first instance, forward a draft of the proposed order of assessment (hereafter in this section referred to as the draft order) to the eligible assessee if he proposes to make, on or after the 1st day of October, 2009, any variation in the income or loss returned which is prejudicial to the interest of such assessee.

(2) On receipt of the draft order, the eligible assessee shall, within thirty days of the receipt by him of the draft order,—

- (a) file his acceptance of the variations to the Assessing Officer; or
- (b) file his objections, if any, to such variation with,—
 - (i) the Dispute Resolution Panel; and
 - (ii) the Assessing Officer.

(3) The Assessing Officer shall complete the assessment on the basis of the draft order, if—

- (a) the assessee intimates to the Assessing Officer the acceptance of the variation; or
- (b) no objections are received within the period specified in sub-section (2).

(4) The Assessing Officer shall, notwithstanding anything contained in [section 153](#) or [section 153B](#), pass the assessment order under sub-section (3) within one month from the end of the month in which,—

- (a) the acceptance is received; or
- (b) the period of filing of objections under sub-section (2) expires.

(5) The Dispute Resolution Panel shall, in a case where any objection is received under sub-section (2), issue such directions, as it thinks fit, for the guidance of the Assessing Officer to enable him to complete the assessment.

(6) The Dispute Resolution Panel shall issue the directions referred to in sub-section (5), after considering the following, namely:—

- (a) draft order;
- (b) objections filed by the assessee;
- (c) evidence furnished by the assessee;
- (d) report, if any, of the Assessing Officer, Valuation Officer or Transfer Pricing Officer or any other authority;
- (e) records relating to the draft order;
- (f) evidence collected by, or caused to be collected by, it; and
- (g) result of any enquiry made by, or caused to be made by, it.

(7) The Dispute Resolution Panel may, before issuing any directions referred to in sub-section (5),—

- (a) make such further enquiry, as it thinks fit; or
- (b) cause any further enquiry to be made by any income-tax authority and report the result of the same to it.

(8) The Dispute Resolution Panel may confirm, reduce or enhance the variations proposed in the draft order so, however, that it shall not set aside any proposed variation or issue any direction under sub-section (5) for further enquiry and passing of the assessment order.

Explanation.—For the removal of doubts, it is hereby declared that the power of the Dispute Resolution Panel to enhance the variation shall include and shall be deemed always to have included the power to consider any matter arising out of the assessment proceedings relating to the draft order, notwithstanding that such matter was raised or not by the eligible assessee.

(9) If the members of the Dispute Resolution Panel differ in opinion on any point, the point shall be decided according to the opinion of the majority of the members.

(10) Every direction issued by the Dispute Resolution Panel shall be binding on the Assessing Officer.

(11) No direction under sub-section (5) shall be issued unless an opportunity of being heard is given to the assessee and the Assessing Officer on such directions which are prejudicial to the interest of the assessee or the interest of the revenue, respectively.

(12) No direction under sub-section (5) shall be issued after nine months from the end of the month in which the draft order is forwarded to the eligible assessee.

(13) Upon receipt of the directions issued under sub-section (5), the Assessing Officer shall, in conformity with the directions, complete, notwithstanding anything to the contrary contained in [section 153](#) or [section 153B](#), the assessment without providing any further opportunity of being heard to the assessee, within one month from the end of the month in which such direction is received.

(14) The Board may make rules for the purposes of the efficient functioning of the Dispute Resolution Panel and expeditious disposal of the objections filed under sub-section (2) by the eligible assessee.

(14A) The provisions of this section shall not apply to any assessment or re-assessment order passed by the Assessing Officer with the prior approval of the Principal Commissioner or Commissioner as provided in sub-section (12) of [section 144BA](#).

(15) For the purposes of this section,—

(a) "Dispute Resolution Panel" means a collegium comprising of three Principal Commissioners or Commissioners of Income-tax constituted by the Board for this purpose;

(b) "eligible assessee" means,—

(i) any person in whose case the variation referred to in sub-section (1) arises as a consequence of the order of the Transfer Pricing Officer passed under sub-section (3) of [section 92CA](#); and

(ii) any foreign company.

Method of accounting.

145. (1) Income chargeable under the head "Profits and gains of business or profession" or "Income from other sources" shall, subject to the provisions of sub-section (2), be computed in accordance with either cash or mercantile system of accounting regularly employed by the assessee.

(2) The Central Government may notify in the Official Gazette from time to time income computation and disclosure standards to be followed by any class of assessee or in respect of any class of income.

(3) Where the Assessing Officer is not satisfied about the correctness or completeness of the accounts of the assessee, or where the method of accounting provided in sub-section (1) has not been regularly followed by the assessee, or income has not been computed in accordance with the standards notified under sub-section (2), the Assessing Officer may make an assessment in the manner provided in [section 144](#).

Section - 145A, Income-tax Act, 1961-2018

³[**Method of accounting in certain cases.**

145A. *For the purpose of determining the income chargeable under the head "Profits and gains of business or profession",—*

- (i) *the valuation of inventory shall be made at lower of actual cost or net realisable value computed in accordance with the income computation and disclosure standards notified under sub-section (2) of [section 145](#);*
- (ii) *the valuation of purchase and sale of goods or services and of inventory shall be adjusted to include the amount of any tax, duty, cess or fee (by whatever name called) actually paid or incurred by the assessee to bring the goods or services to the place of its location and condition as on the date of valuation;*
- (iii) *the inventory being securities not listed on a recognised stock exchange, or listed but not quoted on a recognised stock exchange with regularity from time to time, shall be valued at actual cost initially recognised in accordance with the income computation and disclosure standards notified under sub-section (2) of [section 145](#);*
- (iv) *the inventory being securities other than those referred to in clause (iii), shall be valued at lower of actual cost or net realisable value in accordance with the income computation and disclosure standards notified under sub-section (2) of [section 145](#);*

Provided that the inventory being securities held by a scheduled bank or public financial institution shall be valued in accordance with the income computation and disclosure standards notified under sub-section (2) of [section 145](#) after taking into account the extant guidelines issued by the Reserve Bank of India in this regard:

Provided further that the comparison of actual cost and net realisable value of securities shall be made category-wise.

Explanation 1.—*For the purposes of this section, any tax, duty, cess or fee (by whatever name called) under any law for the time being in force, shall include all such payment notwithstanding any right arising as a consequence to such payment.*

Explanation 2.—*For the purposes of this section,—*

- (a) *"public financial institution" shall have the meaning assigned to it in clause (72) of section 2 of the Companies Act, 2013 (18 of 2013);*
- (b) *"recognised stock exchange" shall have the meaning assigned to it in clause (ii) of Explanation 1 to clause (5) of [section 43](#);*
- (c) *"scheduled bank" shall have the meaning assigned to it in clause (ii) of the Explanation to clause (vii) of sub-section (1) of [section 36](#).*

Section - 145B, Income-tax Act, 1961-2018

Taxability of certain income.

145B. (1) *Notwithstanding anything to the contrary contained in [section 145](#), the interest received by an assessee on any compensation or on enhanced compensation, as the case may be, shall be deemed to be the income of the previous year in which it is received.*

(2) *Any claim for escalation of price in a contract or export incentives shall be deemed to be the income of the previous year in which reasonable certainty of its realisation is achieved.*

(3) *The income referred to in sub-clause (xviii) of clause (24) of [section 2](#) shall be deemed to be the income of the previous year in which it is received, if not charged to income-tax in any earlier previous year.]*

Section - 146, Income-tax Act, 1961-2018

Reopening of assessment at the instance of the assessee.

146. *[Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1989.]*

Section - 147, Income-tax Act, 1961-2018

Income escaping assessment.

147. If the Assessing Officer has reason to believe that any income chargeable to tax has escaped assessment for any assessment year, he may, subject to the provisions of [sections 148 to 153](#), assess or reassess such income and also any other income chargeable to tax which has escaped assessment and which comes to his notice subsequently in the course of the proceedings under this section, or recompute the loss or the depreciation allowance or any other allowance, as the case may be, for the assessment year concerned (hereafter in this section and in [sections 148 to 153](#) referred to as the relevant assessment year) :

Provided that where an assessment under sub-section (3) of [section 143](#) or this section has been made for the relevant assessment year, no action shall be taken under this section after the expiry of four years from the end of the relevant assessment year, unless any income chargeable to tax has escaped assessment for such assessment year by reason of the failure on the part of the assessee to make a return under [section 139](#) or in response to a notice issued under sub-section (1) of [section 142](#) or [section 148](#) or to disclose fully and truly all material facts necessary for his assessment, for that assessment year:

Provided further that nothing contained in the first proviso shall apply in a case where any income in relation to any asset (including financial interest in any entity) located outside India, chargeable to tax, has escaped assessment for any assessment year:

Provided also that the Assessing Officer may assess or reassess such income, other than the income involving matters which are the subject matters of any appeal, reference or revision, which is chargeable to tax and has escaped assessment.

Explanation 1.—Production before the Assessing Officer of account books or other evidence from which material evidence could with due diligence have been discovered by the Assessing Officer will not necessarily amount to disclosure within the meaning of the foregoing proviso.

Explanation 2.—For the purposes of this section, the following shall also be deemed to be cases where income chargeable to tax has escaped assessment, namely :—

- (a) where no return of income has been furnished by the assessee although his total income or the total income of any other person in respect of which he is assessable under this Act during the previous year exceeded the maximum amount which is not chargeable to income-tax ;
- (b) where a return of income has been furnished by the assessee but no assessment has been made and it is noticed by the Assessing Officer that the assessee has understated the income or has claimed excessive loss, deduction, allowance or relief in the return ;
- (ba) where the assessee has failed to furnish a report in respect of any international transaction which he was so required under [section 92E](#);
- (c) where an assessment has been made, but—
 - (i) income chargeable to tax has been underassessed ; or
 - (ii) such income has been assessed at too low a rate ; or
 - (iii) such income has been made the subject of excessive relief under this Act ; or
 - (iv) excessive loss or depreciation allowance or any other allowance under this Act has been computed;
- ⁴[(ca) where a return of income has not been furnished by the assessee or a return of income has been furnished by him and on the basis of information or document received from the prescribed income-tax authority, under sub-section (2) of [section 133C](#), it is noticed by the Assessing Officer that the income of the assessee exceeds the maximum amount not chargeable to tax, or as the case may be, the assessee has understated the income or has claimed excessive loss, deduction, allowance or relief in the return;]
- (d) where a person is found to have any asset (including financial interest in any entity) located outside India.

Explanation 3.—For the purpose of assessment or reassessment under this section, the Assessing Officer may assess or reassess the income in respect of any issue, which has escaped assessment, and such issue comes to his notice subsequently in the course of the proceedings under this section, notwithstanding that the reasons for such issue have not been included in the reasons recorded under sub-section (2) of [section 148](#).

Explanation 4.—For the removal of doubts, it is hereby clarified that the provisions of this section, as amended by the Finance Act, 2012, shall also be applicable for any assessment year beginning on or before the 1st day of April, 2012.

Section - 148, Income-tax Act, 1961-2018

Issue of notice where income has escaped assessment.

148. (1) Before making the assessment, reassessment or recomputation under [section 147](#), the Assessing Officer shall serve on the assessee a notice requiring him to furnish within such period, as may be specified in the notice, a return of his income or the income of any other person in respect of which he is assessable under this Act during the previous year corresponding to the relevant assessment year, in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed; and the

provisions of this Act shall, so far as may be, apply accordingly as if such return were a return required to be furnished under [section 139](#) :

Provided that in a case—

- (a) where a return has been furnished during the period commencing on the 1st day of October, 1991 and ending on the 30th day of September, 2005 in response to a notice served under this section, and
- (b) subsequently a notice has been served under sub-section (2) of [section 143](#) after the expiry of twelve months specified in the proviso to sub-section (2) of [section 143](#), as it stood immediately before the amendment of said sub-section by the Finance Act, 2002 (20 of 2002) but before the expiry of the time limit for making the assessment, re-assessment or recomputation as specified in sub-section (2) of [section 153](#), every such notice referred to in this clause shall be deemed to be a valid notice:

Provided further that in a case—

- (a) where a return has been furnished during the period commencing on the 1st day of October, 1991 and ending on the 30th day of September, 2005, in response to a notice served under this section, and
- (b) subsequently a notice has been served under clause (ii) of sub-section (2) of [section 143](#) after the expiry of twelve months specified in the proviso to clause (ii) of sub-section (2) of [section 143](#), but before the expiry of the time limit for making the assessment, reassessment or recomputation as specified in sub-section (2) of [section 153](#), every such notice referred to in this clause shall be deemed to be a valid notice.

Explanation.—For the removal of doubts, it is hereby declared that nothing contained in the first proviso or the second proviso shall apply to any return which has been furnished on or after the 1st day of October, 2005 in response to a notice served under this section.

(2) The Assessing Officer shall, before issuing any notice under this section, record his reasons for doing so.

Section - 149, Income-tax Act, 1961-2018

Time limit for notice.

149. (1) No notice under [section 148](#) shall be issued for the relevant assessment year,—

- (a) if four years have elapsed from the end of the relevant assessment year, unless the case falls under clause (b) or clause (c);
- (b) if four years, but not more than six years, have elapsed from the end of the relevant assessment year unless the income chargeable to tax which has escaped assessment amounts to or is likely to amount to one lakh rupees or more for that year;
- (c) if four years, but not more than sixteen years, have elapsed from the end of the relevant assessment year unless the income in relation to any asset (including financial interest in any entity) located outside India, chargeable to tax, has escaped assessment.

Explanation.—In determining income chargeable to tax which has escaped assessment for the purposes of this sub-section, the provisions of *Explanation 2* of [section 147](#) shall apply as they apply for the purposes of that section.

(2) The provisions of sub-section (1) as to the issue of notice shall be subject to the provisions of [section 151](#).

(3) If the person on whom a notice under [section 148](#) is to be served is a person treated as the agent of a non-resident under [section 163](#) and the assessment, reassessment or recomputation to be made in pursuance of the notice is to be made on him as the agent of such non-resident, the notice shall not be issued after the expiry of a period of six years from the end of the relevant assessment year.

Explanation.—For the removal of doubts, it is hereby clarified that the provisions of sub-sections (1) and (3), as amended by the Finance Act, 2012, shall also be applicable for any assessment year beginning on or before the 1st day of April, 2012.

Section - 150, Income-tax Act, 1961-2018

Provision for cases where assessment is in pursuance of an order on appeal, etc.

150. (1) Notwithstanding anything contained in [section 149](#), the notice under [section 148](#) may be issued at any time for the purpose of making an assessment or reassessment or recomputation in consequence of or to give effect to any finding or direction contained in an order passed by any authority in any proceeding under this Act by way of appeal, reference or revision or by a Court in any proceeding under any other law.

(2) The provisions of sub-section (1) shall not apply in any case where any such assessment, reassessment or recomputation as is referred to in that sub-section relates to an assessment year in respect of which an assessment, reassessment or recomputation could not have been made at the time the order which was the subject-matter of the appeal, reference or revision, as the case may be, was made by reason of any other provision limiting the time within which any action for assessment, reassessment or recomputation may be taken.

Section - 151, Income-tax Act, 1961-2018

Sanction for issue of notice.

151. (1) No notice shall be issued under [section 148](#) by an Assessing Officer, after the expiry of a period of four years from the end of the relevant assessment year, unless the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner is satisfied, on the reasons recorded by the Assessing Officer, that it is a fit case for the issue of such notice.

(2) In a case other than a case falling under sub-section (1), no notice shall be issued under [section 148](#) by an Assessing Officer, who is below the rank of Joint Commissioner, unless the Joint Commissioner is satisfied, on the reasons recorded by such Assessing Officer, that it is a fit case for the issue of such notice.

(3) For the purposes of sub-section (1) and sub-section (2), the Principal Chief Commissioner or the Chief Commissioner or the Principal Commissioner or the Commissioner or the Joint Commissioner, as the case may be, being satisfied on the reasons recorded by the Assessing Officer about fitness of a case for the issue of notice under [section 148](#), need not issue such notice himself.

Other provisions.

152. (1) In an assessment, reassessment or recomputation made under [section 147](#), the tax shall be chargeable at the rate or rates at which it would have been charged had the income not escaped assessment.

(2) Where an assessment is reopened under [section 147](#), the assessee may, if he has not impugned any part of the original assessment order for that year either under [sections 246 to 248](#) or under [section 264](#), claim that the proceedings under [section 147](#) shall be dropped on his showing that he had been assessed on an amount or to a sum not lower than what he would be rightly liable for even if the income alleged to have escaped assessment had been taken into account, or the assessment or computation had been properly made :

Provided that in so doing he shall not be entitled to reopen matters concluded by an order under [section 154](#), [155](#), [260](#), [262](#) or [263](#).

⁵[Time limit for completion of assessment, reassessment and recomputation.

153. (1) No order of assessment shall be made under [section 143](#) or [section 144](#) at any time after the expiry of twenty-one months from the end of the assessment year in which the income was first assessable:

⁶**[Provided** that in respect of an order of assessment relating to the assessment year commencing on the 1st day of April, 2018, the provisions of this sub-section shall have effect, as if for the words "twenty-one months", the words "eighteen months" had been substituted:

Provided further that in respect of an order of assessment relating to the assessment year commencing on or after the 1st day of April, 2019, the provisions of this sub-section shall have effect, as if for the words "twenty-one months", the words "twelve months" had been substituted.]

(2) No order of assessment, reassessment or recomputation shall be made under [section 147](#) after the expiry of nine months from the end of the financial year in which the notice under [section 148](#) was served:

^{6a}**[Provided** that where the notice under [section 148](#) is served on or after the 1st day of April, 2019, the provisions of this sub-section shall have effect, as if for the words "nine months", the words "twelve months" had been substituted.]

(3) Notwithstanding anything contained in sub-sections (1) and (2), an order of fresh assessment in pursuance of an order under [section 254](#) or [section 263](#) or [section 264](#), setting aside or cancelling an assessment, may be made at any time before the expiry of nine months from the end of the financial year in which the order under [section 254](#) is received by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner or, as the case may be, the order under [section 263](#) or [section 264](#) is passed by the Principal Commissioner or Commissioner:

^{6a}**[Provided** that where the order under [section 254](#) is received by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner or, as the case may be, the order under [section 263](#) or [section 264](#) is passed by the Principal Commissioner or Commissioner on or after the 1st day of April, 2019, the provisions of this

sub-section shall have effect, as if for the words "nine months", the words "twelve months" had been substituted.]

(4) Notwithstanding anything contained in sub-sections (1), (2) and (3), where a reference under sub-section (1) of [section 92CA](#) is made during the course of the proceeding for the assessment or reassessment, the period available for completion of assessment or reassessment, as the case may be, under the said sub-sections (1), (2) and (3) shall be extended by twelve months.

(5) Where effect to an order under [section 250](#) or [section 254](#) or [section 260](#) or [section 262](#) or [section 263](#) or [section 264](#) is to be given by the Assessing Officer, wholly or partly, otherwise than by making a fresh assessment or reassessment, such effect shall be given within a period of three months from the end of the month in which order under [section 250](#) or [section 254](#) or [section 260](#) or [section 262](#) is received by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner, as the case may be, the order under [section 263](#) or [section 264](#) is passed by the Principal Commissioner or Commissioner:

Provided that where it is not possible for the Assessing Officer to give effect to such order within the aforesaid period, for reasons beyond his control, the Principal Commissioner or Commissioner on receipt of such request in writing from the Assessing Officer, if satisfied, may allow an additional period of six months to give effect to the order:

⁷**Provided further** that where an order under [section 250](#) or [section 254](#) or [section 260](#) or [section 262](#) or [section 263](#) or [section 264](#) requires verification of any issue by way of submission of any document by the assessee or any other person or where an opportunity of being heard is to be provided to the assessee, the order giving effect to the said order under [section 250](#) or [section 254](#) or [section 260](#) or [section 262](#) or [section 263](#) or [section 264](#) shall be made within the time specified in sub-section (3).]

(6) Nothing contained in sub-sections (1) and (2) shall apply to the following classes of assessments, reassessments and recomputation which may, subject to the provisions of sub-sections (3) and (5), be completed—

- (i) where the assessment, reassessment or recomputation is made on the assessee or any person in consequence of or to give effect to any finding or direction contained in an order under [section 250](#), [section 254](#), [section 260](#), [section 262](#), [section 263](#), or [section 264](#) or in an order of any court in a proceeding otherwise than by way of appeal or reference under this Act, on or before the expiry of twelve months from the end of the month in which such order is received or passed by the Principal Commissioner or Commissioner, as the case may be; or
- (ii) where, in the case of a firm, an assessment is made on a partner of the firm in consequence of an assessment made on the firm under [section 147](#), on or before the expiry of twelve months from the end of the month in which the assessment order in the case of the firm is passed.

(7) Where effect to any order, finding or direction referred to in sub-section (5) or sub-section (6) is to be given by the Assessing Officer, within the time specified in the said sub-sections, and such order has been received or passed, as the case may be, by the income-tax authority specified therein before the 1st day of June, 2016, the Assessing Officer shall give effect to such order, finding or direction, or assess, reassess or recompute the income of the assessee, on or before the 31st day of March, 2017.

(8) Notwithstanding anything contained in the foregoing provisions of this section, sub-section (2) of [section 153A](#) or sub-section (1) of [section 153B](#), the order of assessment or reassessment, relating to any assessment year, which stands revived under sub-section (2) of [section 153A](#),

shall be made within a period of one year from the end of the month of such revival or within the period specified in this section or sub-section (1) of [section 153B](#), whichever is later.

(9) The provisions of this section as they stood immediately before the commencement of the Finance Act, 2016, shall apply to and in relation to any order of assessment, reassessment or recomputation made before the 1st day of June, 2016:

^{7a}[**Provided** that where a notice under sub-section (1) of [section 142](#) or sub-section (2) of [section 143](#) or [section 148](#) has been issued prior to the 1st day of June, 2016 and the assessment or reassessment has not been completed by such date due to exclusion of time referred to in *Explanation 1*, such assessment or reassessment shall be completed in accordance with the provisions of this section as it stood immediately before its substitution by the Finance Act, 2016 (28 of 2016).]

Explanation 1.—For the purposes of this section, in computing the period of limitation—

- (i) the time taken in reopening the whole or any part of the proceeding or in giving an opportunity to the assessee to be re-heard under the proviso to [section 129](#); or
- (ii) the period during which the assessment proceeding is stayed by an order or injunction of any court; or
- (iii) the period commencing from the date on which the Assessing Officer intimates the Central Government or the prescribed authority, the contravention of the provisions of clause (21) or clause (22B) or clause (23A) or clause (23B) or sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of [section 10](#), under clause (i) of the proviso to sub-section (3) of [section 143](#) and ending with the date on which the copy of the order withdrawing the approval or rescinding the notification, as the case may be, under those clauses is received by the Assessing Officer; or
- (iv) the period commencing from the date on which the Assessing Officer directs the assessee to get his accounts audited under sub-section (2A) of [section 142](#) and—
 - (a) ending with the last date on which the assessee is required to furnish a report of such audit under that sub-section; or
 - (b) where such direction is challenged before a court, ending with the date on which the order setting aside such direction is received by the Principal Commissioner or Commissioner; or
- (v) the period commencing from the date on which the Assessing Officer makes a reference to the Valuation Officer under sub-section (1) of [section 142A](#) and ending with the date on which the report of the Valuation Officer is received by the Assessing Officer; or
- (vi) the period (not exceeding sixty days) commencing from the date on which the Assessing Officer received the declaration under sub-section (1) of [section 158A](#) and ending with the date on which the order under sub-section (3) of that section is made by him; or
- (vii) in a case where an application made before the Income-tax Settlement Commission is rejected by it or is not allowed to be proceeded with by it, the period commencing from the date on which an application is made before the Settlement Commission under [section 245C](#) and ending with the date on which the order under sub-section (1) of [section 245D](#) is received by the Principal Commissioner or Commissioner under sub-section (2) of that section; or
- (viii) the period commencing from the date on which an application is made before the Authority for Advance Rulings under sub-section (1) of [section 245Q](#) and ending with

the date on which the order rejecting the application is received by the Principal Commissioner or Commissioner under sub-section (3) of [section 245R](#); or

- (ix) the period commencing from the date on which an application is made before the Authority for Advance Rulings under sub-section (1) of [section 245Q](#) and ending with the date on which the advance ruling pronounced by it is received by the Principal Commissioner or Commissioner under sub-section (7) of [section 245R](#); or
- (x) the period commencing from the date on which a reference or first of the references for exchange of information is made by an authority competent under an agreement referred to in [section 90](#) or [section 90A](#) and ending with the date on which the information requested is last received by the Principal Commissioner or Commissioner or a period of one year, whichever is less; or
- (xi) the period commencing from the date on which a reference for declaration of an arrangement to be an impermissible avoidance arrangement is received by the Principal Commissioner or Commissioner under sub-section (1) of [section 144BA](#) and ending on the date on which a direction under sub-section (3) or sub-section (6) or an order under sub-section (5) of the said section is received by the Assessing Officer,

shall be excluded:

Provided that where immediately after the exclusion of the aforesaid period, the period of limitation referred to in sub-sections (1), (2), (3) and sub-section (8) available to the Assessing Officer for making an order of assessment, reassessment or recomputation, as the case may be, is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of limitation shall be deemed to be extended accordingly:

Provided further that where the period available to the Transfer Pricing Officer is extended to sixty days in accordance with the proviso to sub-section (3A) of [section 92CA](#) and the period of limitation available to the Assessing Officer for making an order of assessment, reassessment or recomputation, as the case may be, is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of limitation shall be deemed to be extended accordingly:

Provided also that where a proceeding before the Settlement Commission abates under [section 245HA](#), the period of limitation available under this section to the Assessing Officer for making an order of assessment, reassessment or recomputation, as the case may be, shall, after the exclusion of the period under sub-section (4) of [section 245HA](#), be not less than one year; and where such period of limitation is less than one year, it shall be deemed to have been extended to one year; and for the purposes of determining the period of limitation under [sections 149](#), ^{§[***]} [154](#), [155](#) and [158BE](#) and for the purposes of payment of interest under [section 244A](#), this proviso shall also apply accordingly.

Explanation 2.—For the purposes of this section, where, by an order referred to in clause (i) of sub-section (6),—

- (a) any income is excluded from the total income of the assessee for an assessment year, then, an assessment of such income for another assessment year shall, for the purposes of [section 150](#) and this section, be deemed to be one made in consequence of or to give effect to any finding or direction contained in the said order; or
- (b) any income is excluded from the total income of one person and held to be the income of another person, then, an assessment of such income on such other person shall, for the purposes of [section 150](#) and this section, be deemed to be one made in consequence of or to give effect to any finding or direction contained in the said order, if such other person was given an opportunity of being heard before the said order was passed.

Assessment in case of search or requisition.

153A. (1) Notwithstanding anything contained in [section 139](#), [section 147](#), [section 148](#), [section 149](#), [section 151](#) and [section 153](#), in the case of a person where a search is initiated under [section 132](#) or books of account, other documents or any assets are requisitioned under [section 132A](#) after the 31st day of May, 2003, the Assessing Officer shall—

- (a) issue notice to such person requiring him to furnish within such period, as may be specified in the notice, the return of income in respect of each assessment year falling within six assessment years ⁹[and for the relevant assessment year or years] referred to in clause (b), in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed and the provisions of this Act shall, so far as may be, apply accordingly as if such return were a return required to be furnished under [section 139](#);
- (b) assess or reassess the total income of six assessment years immediately preceding the assessment year relevant to the previous year in which such search is conducted or requisition is made ⁹[and for the relevant assessment year or years] :

Provided that the Assessing Officer shall assess or reassess the total income in respect of each assessment year falling within such six assessment years ⁹[and for the relevant assessment year or years] :

Provided further that assessment or reassessment, if any, relating to any assessment year falling within the period of six assessment years ⁹[and for the relevant assessment year or years] referred to in this sub-section pending on the date of initiation of the search under [section 132](#) or making of requisition under [section 132A](#), as the case may be, shall abate :

Provided also that the Central Government may by rules¹⁰ made by it and published in the Official Gazette (except in cases where any assessment or reassessment has abated under the second proviso), specify the class or classes of cases in which the Assessing Officer shall not be required to issue notice for assessing or reassessing the total income for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made ¹¹[and for the relevant assessment year or years]:

¹¹**Provided also** that no notice for assessment or reassessment shall be issued by the Assessing Officer for the relevant assessment year or years unless—

- (a) the Assessing Officer has in his possession books of account or other documents or evidence which reveal that the income, represented in the form of asset, which has escaped assessment amounts to or is likely to amount to fifty lakh rupees or more in the relevant assessment year or in aggregate in the relevant assessment years;
- (b) the income referred to in clause (a) or part thereof has escaped assessment for such year or years; and
- (c) the search under [section 132](#) is initiated or requisition under [section 132A](#) is made on or after the 1st day of April, 2017.

Explanation 1.—For the purposes of this sub-section, the expression "relevant assessment year" shall mean an assessment year preceding the assessment year relevant to the previous year in which search is conducted or requisition is made which falls beyond six assessment years but not later than ten assessment years from the end of the assessment year relevant to the previous year in which search is conducted or requisition is made.

Explanation 2.—For the purposes of the fourth proviso, "asset" shall include immovable property being land or building or both, shares and securities, loans and advances, deposits in bank account.]

(2) If any proceeding initiated or any order of assessment or reassessment made under sub-section (1) has been annulled in appeal or any other legal proceeding, then, notwithstanding anything contained in sub-section (1) or [section 153](#), the assessment or reassessment relating to any assessment year which has abated under the second proviso to sub-section (1), shall stand revived with effect from the date of receipt of the order of such annulment by the Principal Commissioner or Commissioner:

Provided that such revival shall cease to have effect, if such order of annulment is set aside.

Explanation.—For the removal of doubts, it is hereby declared that,—

- (i) save as otherwise provided in this section, [section 153B](#) and [section 153C](#), all other provisions of this Act shall apply to the assessment made under this section;
- (ii) in an assessment or reassessment made in respect of an assessment year under this section, the tax shall be chargeable at the rate or rates as applicable to such assessment year.

Section - 153B, Income-tax Act, 1961-2018

¹²[**Time limit for completion of assessment under [section 153A](#).**

153B. (1) Notwithstanding anything contained in [section 153](#), the Assessing Officer shall make an order of assessment or reassessment,—

- (a) in respect of each assessment year falling within six assessment years ¹³[and for the relevant assessment year or years] referred to in clause (b) of sub-section (1) of [section 153A](#), within a period of twenty-one months from the end of the financial year in which the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#) was executed;
- (b) in respect of the assessment year relevant to the previous year in which search is conducted under [section 132](#) or requisition is made under [section 132A](#), within a period of twenty-one months from the end of the financial year in which the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#) was executed:

Provided that in case of other person referred to in [section 153C](#), the period of limitation for making the assessment or reassessment shall be the period as referred to in clause (a) or clause (b) of this sub-section or nine months from the end of the financial year in which books of account or documents or assets seized or requisitioned are handed over under [section 153C](#) to the Assessing Officer having jurisdiction over such other person, whichever is later:

¹⁴[**Provided further** that in the case where the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#) was executed during the financial year commencing on the 1st day of April, 2018,—

- (i) the provisions of clause (a) or clause (b) of this sub-section shall have effect, as if for the words "twenty-one months", the words "eighteen months" had been substituted;
- (ii) the period of limitation for making the assessment or reassessment in case of other person referred to in [section 153C](#), shall be the period of eighteen months from the end of the financial year in which the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#) was executed or twelve months from the end

of the financial year in which books of account or documents or assets seized or requisitioned are handed over under [section 153C](#) to the Assessing Officer having jurisdiction over such other person, whichever is later:

Provided also that in the case where the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#) was executed during the financial year commencing on or after the 1st day of April, 2019,—

- (i) the provisions of clause (a) or clause (b) of this sub-section shall have effect, as if for the words "twenty-one months", the words "twelve months" had been substituted;
- (ii) the period of limitation for making the assessment or reassessment in case of other person referred to in [section 153C](#), shall be the period of twelve months from the end of the financial year in which the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#) was executed or twelve months from the end of the financial year in which books of account or documents or assets seized or requisitioned are handed over under [section 153C](#) to the Assessing Officer having jurisdiction over such other person, whichever is later:

Provided also that in case where the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#) was executed and during the course of the proceedings for the assessment or reassessment of total income, a reference under sub-section (1) of [section 92CA](#) is made, the period available for making an order of assessment or reassessment shall be extended by twelve months:

Provided also that in case where during the course of the proceedings for the assessment or reassessment of total income in case of other person referred to in [section 153C](#), a reference under sub-section (1) of [section 92CA](#) is made, the period available for making an order of assessment or reassessment in case of such other person shall be extended by twelve months.]

(2) The authorisation referred to in clause (a) and clause (b) of sub-section (1) shall be deemed to have been executed,—

- (a) in the case of search, on the conclusion of search as recorded in the last *panchnama* drawn in relation to any person in whose case the warrant of authorisation has been issued; or
- (b) in the case of requisition under [section 132A](#), on the actual receipt of the books of account or other documents or assets by the Authorised Officer.

(3) The provisions of this section, as they stood immediately before the commencement of the Finance Act, 2016, shall apply to and in relation to any order of assessment or reassessment made before the 1st day of June, 2016:

¹⁵**Provided** that where a notice under [section 153A](#) or [section 153C](#) has been issued prior to the 1st day of June, 2016 and the assessment has not been completed by such date due to exclusion of time referred to in the *Explanation*, such assessment shall be completed in accordance with the provisions of this section as it stood immediately before its substitution by the Finance Act, 2016 (28 of 2016).]

Explanation.—In computing the period of limitation under this section—

- (i) the period during which the assessment proceeding is stayed by an order or injunction of any court; or
- (ii) the period commencing from the date on which the Assessing Officer directs the assessee to get his accounts audited under sub-section (2A) of [section 142](#) and—
 - (a) ending with the last date on which the assessee is required to furnish a report of such audit under that sub-section; or

- (b) where such direction is challenged before a court, ending with the date on which the order setting aside such direction is received by the Principal Commissioner or Commissioner; or
- (iii) the period commencing from the date on which the Assessing Officer makes a reference to the Valuation Officer under sub-section (1) of [section 142A](#) and ending with the date on which the report of the Valuation Officer is received by the Assessing Officer; or
- (iv) the time taken in re-opening the whole or any part of the proceeding or in giving an opportunity to the assessee of being re-heard under the proviso to [section 129](#); or
- (v) in a case where an application made before the Income-tax Settlement Commission is rejected by it or is not allowed to be proceeded with by it, the period commencing from the date on which an application is made before the Settlement Commission under [section 245C](#) and ending with the date on which the order under sub-section (1) of section 245D is received by the Principal Commissioner or Commissioner under sub-section (2) of that section; or
- (vi) the period commencing from the date on which an application is made before the Authority for Advance Rulings under sub-section (1) of [section 245Q](#) and ending with the date on which the order rejecting the application is received by the Principal Commissioner or Commissioner under sub-section (3) of [section 245R](#); or
- (vii) the period commencing from the date on which an application is made before the Authority for Advance Rulings under sub-section (1) of [section 245Q](#) and ending with the date on which the advance ruling pronounced by it is received by the Principal Commissioner or Commissioner under sub-section (7) of [section 245R](#); or
- (viii) the period commencing from the date of annulment of a proceeding or order of assessment or reassessment referred to in sub-section (2) of [section 153A](#), till the date of the receipt of the order setting aside the order of such annulment, by the Principal Commissioner or Commissioner; or
- (ix) the period commencing from the date on which a reference or first of the references for exchange of information is made by an authority competent under an agreement referred to in [section 90](#) or [section 90A](#) and ending with the date on which the information requested is last received by the Principal Commissioner or Commissioner or a period of one year, whichever is less; or
- (x) the period commencing from the date on which a reference for declaration of an arrangement to be an impermissible avoidance arrangement is received by the Principal Commissioner or Commissioner under sub-section (1) of [section 144BA](#) and ending on the date on which a direction under sub-section (3) or sub-section (6) or an order under sub-section (5) of the said section is received by the Assessing Officer,

shall be excluded:

Provided that where immediately after the exclusion of the aforesaid period, the period of limitation referred to in clause (a) or clause (b) of this sub-section available to the Assessing Officer for making an order of assessment or reassessment, as the case may be, is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of limitation shall be deemed to be extended accordingly:

Provided further that where the period available to the Transfer Pricing Officer is extended to sixty days in accordance with the proviso to sub-section (3A) of [section 92CA](#) and the period of limitation available to the Assessing Officer for making an order of assessment or reassessment, as the case may be, is less than sixty days, such remaining period shall be

extended to sixty days and the aforesaid period of limitation shall be deemed to be extended accordingly:

¹⁶[**Provided** also that where a proceeding before the Settlement Commission abates under [section 245HA](#), the period of limitation available under this section to the Assessing Officer for making an order of assessment or reassessment, as the case may be, shall, after the exclusion of the period under sub-section (4) of [section 245HA](#), be not less than one year; and where such period of limitation is less than one year, it shall be deemed to have been extended to one year.]

Section - 153C, Income-tax Act, 1961-2018

Assessment of income of any other person.

153C. (1) Notwithstanding anything contained in [section 139](#), [section 147](#), [section 148](#), [section 149](#), [section 151](#) and [section 153](#), where the Assessing Officer is satisfied that,—

- (a) any money, bullion, jewellery or other valuable article or thing, seized or requisitioned, belongs to; or
- (b) any books of account or documents, seized or requisitioned, pertains or pertain to, or any information contained therein, relates to,

a person other than the person referred to in [section 153A](#), then, the books of account or documents or assets, seized or requisitioned shall be handed over to the Assessing Officer having jurisdiction over such other person and that Assessing Officer shall proceed against each such other person and issue notice and assess or reassess the income of the other person in accordance with the provisions of [section 153A](#), if, that Assessing Officer is satisfied that the books of account or documents or assets seized or requisitioned have a bearing on the determination of the total income of such other person ¹⁷[for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made and] for the relevant assessment year or years referred to in sub-section (1) of [section 153A](#) :

Provided that in case of such other person, the reference to the date of initiation of the search under [section 132](#) or making of requisition under [section 132A](#) in the second proviso to sub-section (1) of [section 153A](#) shall be construed as reference to the date of receiving the books of account or documents or assets seized or requisitioned by the Assessing Officer having jurisdiction over such other person :

Provided further that the Central Government may by rules¹⁸ made by it and published in the Official Gazette, specify the class or classes of cases in respect of such other person, in which the Assessing Officer shall not be required to issue notice for assessing or reassessing the total income for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made¹⁹[and for the relevant assessment year or years as referred to in sub-section (1) of [section 153A](#)] except in cases where any assessment or reassessment has abated.

(2) Where books of account or documents or assets seized or requisitioned as referred to in sub-section (1) has or have been received by the Assessing Officer having jurisdiction over such other person after the due date for furnishing the return of income for the assessment year relevant to the previous year in which search is conducted under [section 132](#) or requisition is made under [section 132A](#) and in respect of such assessment year—

- (a) no return of income has been furnished by such other person and no notice under sub-section (1) of [section 142](#) has been issued to him, or
- (b) a return of income has been furnished by such other person but no notice under sub-section (2) of [section 143](#) has been served and limitation of serving the notice under sub-section (2) of [section 143](#) has expired, or
- (c) assessment or reassessment, if any, has been made,

before the date of receiving the books of account or documents or assets seized or requisitioned by the Assessing Officer having jurisdiction over such other person, such Assessing Officer shall issue the notice and assess or reassess total income of such other person of such assessment year in the manner provided in [section 153A](#).

Section - 153D, Income-tax Act, 1961-2018

Prior approval necessary for assessment in cases of search or requisition.

153D. No order of assessment or reassessment shall be passed by an Assessing Officer below the rank of Joint Commissioner in respect of each assessment year referred to in clause (b) of sub-section (1) of [section 153A](#) or the assessment year referred to in clause (b) of sub-section (1) of [section 153B](#), except with the prior approval of the Joint Commissioner:

Provided that nothing contained in this section shall apply where the assessment or reassessment order, as the case may be, is required to be passed by the Assessing Officer with the prior approval of the Principal Commissioner or Commissioner under sub-section (12) of [section 144BA](#).

Section - 154, Income-tax Act, 1961-2018

Rectification of mistake.

154. (1) With a view to rectifying any mistake apparent from the record an income-tax authority referred to in [section 116](#) may,—

- (a) amend any order passed by it under the provisions of this Act ;
- (b) amend any intimation or deemed intimation under sub-section (1) of [section 143](#);
- (c) amend any intimation under sub-section (1) of [section 200A](#);
- (d) amend any intimation under sub-section (1) of [section 206CB](#).

(1A) Where any matter has been considered and decided in any proceeding by way of appeal or revision relating to an order referred to in sub-section (1), the authority passing such order may, notwithstanding anything contained in any law for the time being in force, amend the order under that sub-section in relation to any matter other than the matter which has been so considered and decided.

(2) Subject to the other provisions of this section, the authority concerned—

- (a) may make an amendment under sub-section (1) of its own motion, and
- (b) shall make such amendment for rectifying any such mistake which has been brought to its notice by the assessee or by the deductor or by the collector, and where the authority concerned is the Commissioner (Appeals), by the Assessing Officer also.

(3) An amendment, which has the effect of enhancing an assessment or reducing a refund or otherwise increasing the liability of the assessee or the deductor or the collector, shall not be made under this section unless the authority concerned has given notice to the assessee or the deductor or the collector of its intention so to do and has allowed the assessee or the deductor or the collector a reasonable opportunity of being heard.

(4) Where an amendment is made under this section, an order shall be passed in writing by the income-tax authority concerned.

(5) Where any such amendment has the effect of reducing the assessment or otherwise reducing the liability of the assessee or the deductor or the collector, the Assessing Officer shall make any refund which may be due to such assessee or the deductor or the collector.

(6) Where any such amendment has the effect of enhancing the assessment or reducing a refund already made or otherwise increasing the liability of the assessee or the deductor or the collector, the Assessing Officer shall serve on the assessee or the deductor or the collector, as the case may be a notice of demand in the prescribed form specifying the sum payable, and such notice of demand shall be deemed to be issued under [section 156](#) and the provisions of this Act shall apply accordingly.

(7) Save as otherwise provided in [section 155](#) or sub-section (4) of [section 186](#) no amendment under this section shall be made after the expiry of four years from the end of the financial year in which the order sought to be amended was passed.

(8) Without prejudice to the provisions of sub-section (7), where an application for amendment under this section is made by the assessee or by the deductor or by the collector on or after the 1st day of June, 2001 to an income-tax authority referred to in sub-section (1), the authority shall pass an order, within a period of six months from the end of the month in which the application is received by it,—

- (a) making the amendment; or
- (b) refusing to allow the claim.

Section - 155, Income-tax Act, 1961-2018

Other amendments.

155. (1) Where, in respect of any completed assessment of a partner in a firm for the assessment year commencing on the 1st day of April, 1992, or any earlier assessment year, it is found—

- (a) on the assessment or reassessment of the firm, or
- (b) on any reduction or enhancement made in the income of the firm under this section, [section 154](#), [section 250](#), [section 254](#), [section 260](#), [section 262](#), [section 263](#) or [section 264](#), or
- (c) on any order passed under sub-section (4) of [section 245D](#) on the application made by the firm,

that the share of the partner in the income of the firm has not been included in the assessment of the partner or, if included, is not correct, the Assessing Officer may amend the order of assessment of the partner with a view to the inclusion of the share in the assessment or the correction thereof, as the case may be; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the financial year in which the final order was passed in the case of the firm.

(1A) Where in respect of any completed assessment of a firm it is found—

- (a) on the assessment or reassessment of the firm, or
- (b) on any reduction or enhancement made in the income of the firm under this section, [section 154](#), [section 250](#), [section 254](#), [section 260](#), [section 262](#), [section 263](#) or [section 264](#), or
- (c) on any order passed under sub-section (4) of section 245D on the application made by the firm,

that any remuneration to any partner is not deductible under clause (b) of [section 40](#), the Assessing Officer may amend the order of assessment of the partner with a view to adjusting the income of the partner to the extent of the amount not so deductible ; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the financial year in which the final order was passed in the case of the firm.

(2) Where in respect of any completed assessment of a member of an association of persons or of a body of individuals it is found—

- (a) on the assessment or reassessment of the association or body, or
- (b) on any reduction or enhancement made in the income of the association or body under this section, [section 154](#), [section 250](#), [section 254](#), [section 260](#), [section 262](#), [section 263](#) or [section 264](#), or
- (c) on any order passed under sub-section (4) of [section 245D](#) on the application made by the association or body,

that the share of the member in the income of the association or body, as the case may be, has not been included in the assessment of the member or, if included, is not correct, the Assessing Officer may amend the order of assessment of the member with a view to the inclusion of the share in the assessment or the correction thereof, as the case may be ; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the financial year in which the final order was passed in the case of the association or body, as the case may be.

(3) [***]

(4) Where as a result of proceedings initiated under [section 147](#), a loss or depreciation has been recomputed and in consequence thereof it is necessary to recompute the total income of the assessee for the succeeding year or years to which the loss or depreciation allowance has been carried forward and set off under the provisions of sub-section (1) of [section 72](#), or sub-section (2) of [section 73](#), or sub-section (1) or sub-section (3) of [section 74](#), or sub-section (3) of [section 74A](#), the Assessing Officer may proceed to recompute the total income in respect of such year or years and make the necessary amendment ; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the financial year in which the order was passed under [section 147](#).

(4A) Where an allowance by way of investment allowance has been made wholly or partly to an assessee in respect of a ship or an aircraft or any machinery or plant in any assessment year under [section 32A](#) and subsequently—

- (a) at any time before the expiry of eight years from the end of the previous year in which the ship or aircraft was acquired or the machinery or plant was installed, the ship, aircraft, machinery or plant is sold or otherwise transferred by the assessee to any person other than the Government, a local authority, a corporation established by a

Central, State or Provincial Act or a ²⁰Government company as defined in section 617 of the Companies Act, 1956 (1 of 1956), or in connection with any amalgamation or succession referred to in sub-section (6) or sub-section (7) of [section 32A](#) ; or

- (b) at any time before the expiry of ten years from the end of the previous year in which the ship or aircraft was acquired or the machinery or plant was installed, the assessee does not utilise the amount credited to the reserve account under sub-section (4) of [section 32A](#) for the purposes of acquiring a new ship or a new aircraft or new machinery or plant (other than machinery or plant of the nature referred to in clauses (a), (b) and (d) of the second proviso to sub-section (1) of [section 32A](#)) for the purposes of the business of the undertaking ; or
- (c) at any time before the expiry of ten years referred to in clause (b) the assessee utilises the amount credited to the reserve account under sub-section (4) of [section 32A](#)—
 - (i) for distribution by way of dividends or profits ; or
 - (ii) for remittance outside India as profits or for the creation of any asset outside India ; or
 - (iii) for any other purpose which is not a purpose of the business of the undertaking,

the investment allowance originally allowed shall be deemed to have been wrongly allowed, and the Assessing Officer may, notwithstanding anything contained in this Act, recompute the total income of the assessee for the relevant previous year and make the necessary amendment; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned,—

- (i) in a case referred to in clause (a), from the end of the previous year in which the sale or other transfer took place ;
- (ii) in a case referred to in clause (b), from the end of the ten years referred to in that clause ;
- (iii) in a case referred to in clause (c), from the end of the previous year in which the amount was utilised.

Explanation.—For the purposes of clause (b), "new ship" or "new aircraft" or "new machinery or plant" shall have the same meanings as in the *Explanation* below sub-section (2) of [section 32A](#).

(5) Where an allowance by way of development rebate has been made wholly or partly to an assessee in respect of a ship, machinery or plant installed after the 31st day of December, 1957, in any assessment year under [section 33](#) or under the corresponding provisions of the Indian Income-tax Act, 1922 (11 of 1922), and subsequently—

- (i) at any time before the expiry of eight years from the end of the previous year in which the ship was acquired or the machinery or plant was installed, the ship, machinery or plant is sold or otherwise transferred by the assessee to any person other than the Government, a local authority, a corporation established by a Central, State or Provincial Act or a ²¹Government company as defined in section 617 of the Companies Act, 1956 (1 of 1956), or in connection with any amalgamation or succession referred to in sub-section (3) or sub-section (4) of [section 33](#) ; or
- (ii) at any time before the expiry of the eight years referred to in sub-section (3) of [section 34](#), the assessee utilises the amount credited to the reserve account under clause (a) of that sub-section—
 - (a) for distribution by way of dividends or profits ; or

(b) for remittance outside India as profits or for the creation of any asset outside India ; or

(c) for any other purpose which is not a purpose of the business of the undertaking, the development rebate originally allowed shall be deemed to have been wrongly allowed, and the Assessing Officer may, notwithstanding anything contained in this Act, recompute the total income of the assessee for the relevant previous year and make the necessary amendment; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which the sale or transfer took place or the money was so utilised.

(5A) Where an allowance by way of development allowance has been made wholly or partly to an assessee in respect of the cost of planting in any area in any assessment year under [section 33A](#) and subsequently—

(i) at any time before the expiry of eight years from the end of the previous year in which such allowance was made, the land is sold or otherwise transferred by the assessee to any person other than the Government, a local authority, a corporation established by a Central, State or Provincial Act or a Government company²² as defined in section 617 of the Companies Act, 1956 (1 of 1956), or in connection with any amalgamation or succession referred to in sub-section (5) or sub-section (6) of [section 33A](#) ; or

(ii) at any time before the expiry of the eight years referred to in sub-section (3) of [section 33A](#), the assessee utilises the amount credited to the reserve account under clause (ii) of that sub-section—

(a) for distribution by way of dividends or profits ; or

(b) for remittance outside India as profits or for the creation of any asset outside India ; or

(c) for any other purpose which is not a purpose of the business of the undertaking ; the development allowance originally allowed shall be deemed to have been wrongly allowed, and the Assessing Officer may, notwithstanding anything contained in this Act, recompute the total income of the assessee for the relevant previous year and make the necessary amendment ; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which the sale or transfer took place or the money was so utilised.

Explanation.—For the purposes of this sub-section, where an assessee having any leasehold or other right of occupancy in any land transfers such right, he shall be deemed to have sold or otherwise transferred such land.

(5B) Where any deduction in respect of any expenditure on scientific research has been made in any assessment year under sub-section (2B) of [section 35](#) and the assessee fails to furnish a certificate of completion of the programme obtained from the prescribed authority within one year of the period allowed for its completion by such authority, the deduction originally made in excess of the expenditure actually incurred shall be deemed to have been wrongly made, and the Assessing Officer may, notwithstanding anything contained in this Act, recompute the total income of the assessee for the relevant previous year and make the necessary amendment; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which the period allowed for the completion of the programme by the prescribed authority expired.

(6) [Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.]

(7) Where as a result of any proceeding under this Act, in the assessment for any year of a company in whose case an order under [section 104](#) has been made for that year, it is necessary to recompute the distributable income of that company, the Assessing Officer may proceed to recompute the distributable income and determine the tax payable on the basis of such recomputation and make the necessary amendment ; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the financial year in which the final order was passed in the case of the company in respect of that proceeding.

(7A) [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.*]

(7B) Where in the assessment for any year, the capital gain arising from the transfer of a capital asset is not charged under [section 45](#) by virtue of the provisions of clause (iv) or, as the case may be, clause (v) of [section 47](#), but is deemed under [section 47A](#) to be income chargeable under the head "Capital gains" of the previous year in which the transfer took place by reason of—

- (i) such capital asset being converted by the transferee company into, or being treated by it, as stock-in-trade of its business ; or
- (ii) the parent company or its nominees or, as the case may be, the holding company ceasing to hold the whole of the share capital of the subsidiary company,

at any time before the expiry of the period of eight years from the date of such transfer, the Assessing Officer may, notwithstanding anything contained in this Act, recompute the total income of the transferor company for the relevant previous year and make the necessary amendment ; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which the capital asset was so converted or treated or in which the parent company or its nominees or, as the case may be, the holding company ceased to hold the whole of the share capital of the subsidiary company.

(8) [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.*]

(8A) [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.*]

(9) [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.*]

(9A) [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.*]

(10) [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.*]

(10A) Where in the assessment for any year, a capital gain arising from the transfer of a long-term capital asset, is charged to tax and within a period of six months after the date of such transfer, the assessee has made any investment or deposit in any specified asset within the meaning of *Explanation 1* to sub-section (1) of [section 54E](#), the Assessing Officer shall amend the order of assessment so as to exclude the amount of the capital gain not chargeable to tax under the provisions of sub-section (1) of [section 54E](#) ; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the financial year in which the assessment was made.

(10B) [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.*]

(10C) [*Omitted by the Direct Tax Laws (Amendment) Act, 1987, w.e.f. 1-4-1992.*]

(11) Where in the assessment for any year, a capital gain arising from the transfer of any original asset as is referred to in [section 54H](#) is charged to tax and within the period extended under that section the assessee acquires the new asset referred to in that section or, as the case may be, deposits or invests the amount of such capital gain within the period so extended, the Assessing Officer shall amend the order of assessment so as to exclude the amount of the capital

gain not chargeable to tax under any of the sections referred to in [section 54H](#); and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of [section 154](#) being reckoned from the end of the previous year in which the compensation was received by the assessee.

(11A) Where in the assessment for any year, the deduction under [section 10A](#) or [section 10B](#) or [section 10BA](#) has not been allowed on the ground that such income has not been received in convertible foreign exchange in India, or having been received in convertible foreign exchange outside India, or having been converted into convertible foreign exchange outside India, has not been brought into India, by or on behalf of the assessee with the approval of the Reserve Bank of India or such other authority as is authorised under any law for the time being in force for regulating payments and dealings in foreign exchange and subsequently such income or part thereof has been or is received in, or brought into, India in the manner aforesaid, the Assessing Officer shall amend the order of assessment so as to allow deduction under [section 10A](#) or [section 10B](#) or [section 10BA](#), as the case may be, in respect of such income or part thereof as is so received in, or brought into, India, and the provisions of [section 154](#) shall, so far as may be, apply thereto, and the period of four years shall be reckoned from the end of the previous year in which such income is so received in, or brought into, India.

(12) Where in the assessment for any year commencing before the 1st day of April, 1988, the deduction under [section 80-O](#) in respect of any income, being the whole or any part of income by way of royalty, commission, fees or any similar payment as is referred to in that section, has not been allowed on the ground that such income has not been received in convertible foreign exchange in India, or having been received in convertible foreign exchange outside India, or having been converted into convertible foreign exchange outside India, has not been brought into India, by or on behalf of the assessee in accordance with any law for the time being in force for regulating payments and dealings in foreign exchange and subsequently such income or part thereof has been or is received in, or brought into, India in the manner aforesaid, the Assessing Officer shall amend the order of assessment so as to allow deduction under [section 80-O](#) in respect of such income or part thereof as is so received in, or brought into, India; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which such income is so received in, or brought into, India; so, however, that the period from the 1st day of April, 1988 to the 30th day of September, 1991 shall be excluded in computing the period of four years.

(13) Where in the assessment for any year, the deduction under [section 80HHB](#) or [section 80HHC](#) or [section 80HHD](#) or [section 80HHE](#) or [section 80-O](#) or [section 80R](#) or [section 80RR](#) or [section 80RRA](#) has not been allowed on the ground that such income has not been received in convertible foreign exchange in India, or having been received in convertible foreign exchange outside India, or having been converted into convertible foreign exchange outside India, has not been brought into India, by or on behalf of the assessee with the approval of the Reserve Bank of India or such other authority as is authorised under any law for the time being in force for regulating payments and dealings in foreign exchange and subsequently such income or part thereof has been or is received in, or brought into, India in the manner aforesaid, the Assessing Officer shall amend the order of assessment so as to allow deduction under [section 80HHB](#) or [section 80HHC](#) or [section 80HHD](#) or [section 80HHE](#) or [section 80-O](#) or [section 80R](#) or [section 80RR](#) or [section 80RRA](#), as the case may be, in respect of such income or part thereof as is so received in, or brought into, India; and the provisions of [section 154](#) shall, so far as may be, apply thereto, and the period of four years shall be reckoned from the end of the previous year in which such income is so received in, or brought into, India.

(14) Where in the assessment for any previous year or in any intimation or deemed intimation under sub-section (1) of [section 143](#) for any previous year, credit for tax deducted or collected in accordance with the provisions of [section 199](#) or, as the case may be, [section 206C](#) has not been given on the ground that the certificate furnished under [section 203](#) or [section 206C](#) was not filed with the return and subsequently such certificate is produced before the Assessing Officer within two years from the end of the assessment year in which such income is assessable, the Assessing Officer shall amend the order of assessment or any intimation or deemed intimation under sub-section (1) of [section 143](#), as the case may be, and the provisions of [section 154](#) shall, so far as may be, apply thereto :

Provided that nothing contained in this sub-section shall apply unless the income from which the tax has been deducted or income on which the tax has been collected has been disclosed in the return of income filed by the assessee for the relevant assessment year.

²³*[(14A) Where in the assessment for any previous year or in any intimation or deemed intimation under sub-section (1) of [section 143](#) for any previous year, credit for income-tax paid in any country outside India or a specified territory outside India referred to in [section 90](#), [section 90A](#) or [section 91](#) has not been given on the ground that the payment of such tax was under dispute, and if subsequently such dispute is settled; and the assessee, within six months from the end of the month in which the dispute is settled, furnishes to the Assessing Officer evidence of settlement of dispute and evidence of payment of such tax along with an undertaking that no credit in respect of such amount has directly or indirectly been claimed or shall be claimed for any other assessment year, the Assessing Officer shall amend the order of assessment or any intimation or deemed intimation under sub-section (1) of [section 143](#), as the case may be, and the provisions of [section 154](#) shall, so far as may be, apply thereto:*

Provided that the credit of tax which was under dispute shall be allowed for the year in which such income is offered to tax or assessed to tax in India.]

(15) Where in the assessment for any year, a capital gain arising from the transfer of a capital asset, being land or building or both, is computed by taking the full value of the consideration received or accruing as a result of the transfer to be the value adopted or assessed by any authority of a State Government for the purpose of payment of stamp duty in accordance with sub-section (1) of [section 50C](#), and subsequently such value is revised in any appeal or revision or reference referred to in clause (b) of sub-section (2) of that section, the Assessing Officer shall amend the order of assessment so as to compute the capital gain by taking the full value of the consideration to be the value as so revised in such appeal or revision or reference; and the provisions of [section 154](#) shall, so far as may be, apply thereto, and the period of four years shall be reckoned from the end of the previous year in which the order revising the value was passed in that appeal or revision or reference.

(16) Where in the assessment for any year, a capital gain arising from the transfer of a capital asset, being a transfer by way of compulsory acquisition under any law, or a transfer, the consideration for which was determined or approved by the Central Government or the Reserve Bank of India, is computed by taking the compensation or consideration as referred to in clause (a) or, as the case may be, the compensation or consideration enhanced or further enhanced as referred to in clause (b) of sub-section (5) of [section 45](#), to be the full value of consideration deemed to be received or accruing as a result of the transfer of the asset and subsequently such compensation or consideration is reduced by any court, Tribunal or other authority, the Assessing Officer shall amend the order of assessment so as to compute the capital gain by taking the compensation or consideration as so reduced by the court, Tribunal or any other authority to be the full value of consideration; and the provisions of [section 154](#) shall, so far as may be, apply thereto, and the period of four years shall be reckoned from the end of the

previous year in which the order reducing the compensation was passed by the court, Tribunal or other authority.

(17) Where a deduction has been allowed to an assessee in any assessment year under [section 80RRB](#) in respect of any patent, and subsequently by an order of the Controller or the High Court under the Patents Act, 1970 (39 of 1970),—

- (i) the patent was revoked, or
- (ii) the name of the assessee was excluded from the patents register as patentee in respect of that patent,

the deduction from the income by way of royalty attributable to the period during which the patent had been revoked or the period for which the assessee's name was excluded as patentee in respect of that patent, shall be deemed to have been wrongly allowed and the Assessing Officer may, notwithstanding anything contained in this Act, recompute the total income of the assessee for the relevant previous year and make necessary amendment; and the provisions of [section 154](#) shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which such order of the Controller referred to in clause (b) of sub-section (1), or the High Court referred to in clause (i) of sub-section (1) of section 2, of the Patents Act, 1970 (39 of 1970), as the case may be, was passed.

Explanation.—For the purposes of this section,—

- (a) "additional compensation" shall have the meaning assigned to it in clause (1) of the *Explanation* to sub-section (2) of [section 54](#);
- (b) "additional consideration", in relation to the transfer of any capital asset the consideration for which was determined or approved by the Central Government or the Reserve Bank of India, means the difference between the amount of consideration for such transfer as enhanced by any court, tribunal or other authority and the amount of consideration which would have been payable if such enhancement had not been made.

Section - 156, Income-tax Act, 1961-2018

Notice of demand²⁴.

156. When any tax, interest, penalty, fine or any other sum is payable in consequence of any order passed under this Act, the Assessing Officer shall serve upon the assessee a notice of demand in the prescribed form²⁵ specifying the sum so payable :

Provided that where any sum is determined to be payable by the assessee or the deductor or the collector under sub-section (1) of [section 143](#) or sub-section (1) of [section 200A](#) or sub-section (1) of [section 206CB](#), the intimation under those sub-sections shall be deemed to be a notice of demand for the purposes of this section.

Section - 157, Income-tax Act, 1961-2018

Intimation of loss.

157. When, in the course of the assessment of the total income of any assessee, it is established that a loss has taken place which the assessee is entitled to have carried forward and set off under the provisions of sub-section (1) of [section 72](#), sub-section (2) of [section 73](#), sub-section

(1) or sub-section (3) of [section 74](#) or sub-section (3) of [section 74A](#), the Assessing Officer shall notify to the assessee by an order in writing the amount of the loss as computed by him for the purposes of sub-section (1) of [section 72](#), sub-section (2) of [section 73](#), sub-section (1) or sub-section (3) of [section 74](#) or sub-section (3) of [section 74A](#).

Section - 158, Income-tax Act, 1961-2018

Intimation of assessment of firm.

158. Whenever, in respect of the assessment year commencing on the 1st day of April, 1992, or any earlier assessment year, a registered firm is assessed, or an unregistered firm is assessed under the provisions of clause (b) of [section 183](#), the Assessing Officer shall notify to the firm by an order in writing the amount of its total income assessed and the apportionment thereof between the several partners.

Section - 158A, Income-tax Act, 1961-2018

CHAPTER XIV-A

SPECIAL PROVISION FOR AVOIDING REPETITIVE APPEALS

Procedure when assessee claims identical question of law is pending before High Court or Supreme Court.

158A. ²⁶⁻²⁷(1) Notwithstanding anything contained in this Act, where an assessee claims that any question of law arising in his case for an assessment year which is pending before the Assessing Officer or any appellate authority (such case being hereafter in this section referred to as the relevant case) is identical with a question of law arising in his case for another assessment year which is pending before the High Court on a reference under [section 256](#) or before the Supreme Court on a reference under [section 257](#) or in appeal under [section 260A](#) before the High Court or in appeal under [section 261](#) before the Supreme Court (such case being hereafter in this section referred to as the other case), he may furnish to the Assessing Officer or the appellate authority, as the case may be, a declaration in the prescribed form and verified²⁶⁻²⁷ in the prescribed manner, that if the Assessing Officer or the appellate authority, as the case may be, agrees to apply in the relevant case the final decision on the question of law in the other case, he shall not raise such question of law in the relevant case in appeal before any appellate authority or in appeal before the High Court under [section 260A](#) or in appeal before the Supreme Court under [section 261](#).

(2) Where a declaration under sub-section (1) is furnished to any appellate authority, the appellate authority shall call for a report from the Assessing Officer on the correctness of the claim made by the assessee and, where the Assessing Officer makes a request to the appellate authority to give him an opportunity of being heard in the matter, the appellate authority shall allow him such opportunity.

(3) The Assessing Officer or the appellate authority, as the case may be, may, by order in writing,—

- (i) admit the claim of the assessee if he or it is satisfied that the question of law arising in the relevant case is identical with the question of law in the other case; or

(ii) reject the claim if he or it is not so satisfied.

(4) Where a claim is admitted under sub-section (3),—

- (a) the Assessing Officer or, as the case may be, the appellate authority may make an order disposing of the relevant case without awaiting the final decision on the question of law in the other case; and
- (b) the assessee shall not be entitled to raise, in relation to the relevant case, such question of law in appeal before any appellate authority or in appeal before the High Court under [section 260A](#) or the Supreme Court under [section 261](#).

(5) When the decision on the question of law in the other case becomes final, it shall be applied to the relevant case and the Assessing Officer or the appellate authority, as the case may be, shall, if necessary, amend the order referred to in clause (a) of sub-section (4) conformably to such decision.

(6) An order under sub-section (3) shall be final and shall not be called in question in any proceeding by way of appeal, reference or revision under this Act.

Explanation.— In this section,—

- (a) "appellate authority" means the Deputy Commissioner (Appeals), the Commissioner (Appeals) or the Appellate Tribunal;
- (b) "case", in relation to an assessee, means any proceeding under this Act for the assessment of the total income of the assessee or for the imposition of any penalty or fine on him.

Section - 158AA, Income-tax Act, 1961-2018

Procedure when in an appeal by revenue an identical question of law is pending before Supreme Court.

158AA. (1) Notwithstanding anything contained in this Act, where the Commissioner or Principal Commissioner is of the opinion that any question of law arising in the case of an assessee for any assessment year (such case being herein referred to as relevant case) is identical with a question of law arising in his case for another assessment year which is pending before the Supreme Court, in an appeal under [section 261](#) or in a special leave petition under article 136 of the Constitution, against the order of the High Court in favour of the assessee (such case being herein referred to as the other case), he may, instead of directing the Assessing Officer to appeal to the Appellate Tribunal under sub-section (2) or sub-section (2A) of [section 253](#), direct the Assessing Officer to make an application to the Appellate Tribunal in the prescribed form within sixty days from the date of receipt of the order of the Commissioner (Appeals) stating that an appeal on the question of law arising in the relevant case may be filed when the decision on the question of law becomes final in the other case.

(2) The Commissioner or Principal Commissioner shall direct the Assessing Officer to make an application under sub-section (1) only if an acceptance is received from the assessee to the effect that the question of law in the other case is identical to that arising in the relevant case; and in case no such acceptance is received, the Commissioner or Principal Commissioner shall proceed in accordance with the provisions contained in sub-section (2) or sub-section (2A) of [section 253](#).

(3) Where the order of the Commissioner (Appeals) referred to in sub-section (1) is not in conformity with the final decision on the question of law in the other case, the Commissioner or Principal Commissioner may direct the Assessing Officer to appeal to the Appellate Tribunal against such order and save as otherwise provided in this section all other provisions of Part B of Chapter XX shall apply accordingly.

(4) Every appeal under sub-section (3) shall be filed within sixty days from the date on which the order of the Supreme Court in the other case is communicated to the Commissioner or Principal Commissioner.

Section - 158B, Income-tax Act, 1961-2018

CHAPTER XIV-B*

SPECIAL PROCEDURE FOR ASSESSMENT OF SEARCH CASES

Definitions.

158B. In this Chapter, unless the context otherwise requires,—

- (a) "block period" means the period comprising previous years relevant to six assessment years preceding the previous year in which the search was conducted under [section 132](#) or any requisition was made under [section 132A](#) and also includes the period up to the date of the commencement of such search or date of such requisition in the previous year in which the said search was conducted or requisition was made :

Provided that where the search is initiated or the requisition is made before the 1st day of June, 2001, the provisions of this clause shall have effect as if for the words "six assessment years", the words "ten assessment years" had been substituted;

- (b) "undisclosed income" includes any money, bullion, jewellery or other valuable article or thing or any income based on any entry in the books of account or other documents or transactions, where such money, bullion, jewellery, valuable article, thing, entry in the books of account or other document or transaction represents wholly or partly income or property which has not been or would not have been disclosed for the purposes of this Act, or any expense, deduction or allowance claimed under this Act which is found to be false.

Section - 158BA, Income-tax Act, 1961-2018

Assessment of undisclosed income as a result of search.

158BA. (1) Notwithstanding anything contained in any other provisions of this Act, where after the 30th day of June, 1995 a search is initiated under [section 132](#) or books of account, other documents or any assets are requisitioned under [section 132A](#) in the case of any person, then, the Assessing Officer shall proceed to assess the undisclosed income in accordance with the provisions of this Chapter.

(2) The total undisclosed income relating to the block period shall be charged to tax, at the rate specified in [section 113](#), as income of the block period irrespective of the previous year or years to which such income relates and irrespective of the fact whether regular assessment for any one or more of the relevant assessment years is pending or not.

Explanation.—For the removal of doubts, it is hereby declared that—

- (a) the assessment made under this Chapter shall be in addition to the regular assessment in respect of each previous year included in the block period;
 - (b) the total undisclosed income relating to the block period shall not include the income assessed in any regular assessment as income of such block period;
 - (c) the income assessed in this Chapter shall not be included in the regular assessment of any previous year included in the block period.
- (3) Where the assessee proves to the satisfaction of the Assessing Officer that any part of income referred to in sub-section (1) relates to an assessment year for which the previous year has not ended or the date of filing the return of income under sub-section (1) of [section 139](#) for any previous year has not expired, and such income or the transactions relating to such income are recorded on or before the date of the search or requisition in the books of account or other documents maintained in the normal course relating to such previous years, the said income shall not be included in the block period.

Section - 158BB, Income-tax Act, 1961-2018

Computation of undisclosed income of the block period.

158BB. (1) The undisclosed income of the block period shall be the aggregate of the total income of the previous years falling within the block period computed, in accordance with the provisions of this Act, on the basis of evidence found as a result of search or requisition of books of account or other documents and such other materials or information as are available with the Assessing Officer and relatable to such evidence, as reduced by the aggregate of the total income, or as the case may be, as increased by the aggregate of the losses of such previous years, determined,—

- (a) where assessments under [section 143](#) or [section 144](#) or [section 147](#) have been concluded prior to the date of commencement of the search or the date of requisition, on the basis of such assessments;
- (b) where returns of income have been filed under [section 139](#) or in response to a notice issued under sub-section (1) of [section 142](#) or [section 148](#) but assessments have not been made till the date of search or requisition, on the basis of the income disclosed in such returns;
- (c) where the due date for filing a return of income has expired, but no return of income has been filed,—
 - (A) on the basis of entries as recorded in the books of account and other documents maintained in the normal course on or before the date of the search or requisition where such entries result in computation of loss for any previous year falling in the block period; or
 - (B) on the basis of entries as recorded in the books of account and other documents maintained in the normal course on or before the date of the search or requisition where such income does not exceed the maximum amount not chargeable to tax for any previous year falling in the block period;
- (ca) where the due date for filing a return of income has expired, but no return of income has been filed, as *nil*, in cases not falling under clause (c);

- (d) where the previous year has not ended or the date of filing the return of income under sub-section (1) of [section 139](#) has not expired, on the basis of entries relating to such income or transactions as recorded in the books of account and other documents maintained in the normal course on or before the date of the search or requisition relating to such previous years;
- (e) where any order of settlement has been made under sub-section (4) of [section 245D](#), on the basis of such order;
- (f) where an assessment of undisclosed income had been made earlier under clause (c) of [section 158BC](#), on the basis of such assessment.

Explanation.—For the purposes of determination of undisclosed income,—

- (a) the total income or loss of each previous year shall, for the purpose of aggregation, be taken as the total income or loss computed in accordance with the provisions of this Act without giving effect to set off of brought forward losses under Chapter VI or unabsorbed depreciation under sub-section (2) of [section 32](#):

Provided that in computing deductions under Chapter VI-A for the purposes of the said aggregation, effect shall be given to set off of brought forward losses under Chapter VI or unabsorbed depreciation under sub-section (2) of [section 32](#);

- (b) of a firm, returned income and total income assessed for each of the previous years falling within the block period shall be the income determined before allowing deduction of salary, interest, commission, bonus or remuneration by whatever name called to any partner not being a working partner :

Provided that undisclosed income of the firm so determined shall not be chargeable to tax in the hands of the partners, whether on allocation or on account of enhancement;

- (c) assessment under [section 143](#) includes determination of income under sub-section (1) or sub-section (1B) of [section 143](#).

(2) In computing the undisclosed income of the block period, the provisions of [sections 68, 69, 69A, 69B and 69C](#) shall, so far as may be, apply and references to "financial year" in those sections shall be construed as references to the relevant previous year falling in the block period including the previous year ending with the date of search or of the requisition.

(3) The burden of proving to the satisfaction of the Assessing Officer that any undisclosed income had already been disclosed in any return of income filed by the assessee before the commencement of search or of the requisition, as the case may be, shall be on the assessee.

(4) For the purpose of assessment under this Chapter, losses brought forward from the previous year under Chapter VI or unabsorbed depreciation under sub-section (2) of [section 32](#) shall not be set off against the undisclosed income determined in the block assessment under this Chapter, but may be carried forward for being set off in the regular assessments.

Section - 158BC, Income-tax Act, 1961-2018

Procedure for block assessment.

158BC. Where any search has been conducted under [section 132](#) or books of account, other documents or assets are requisitioned under [section 132A](#), in the case of any person, then,—

- (a) the Assessing Officer shall—
 - (i) in respect of search initiated or books of account or other documents or any assets requisitioned after the 30th day of June, 1995, but before the 1st day of January,

1997, serve a notice to such person requiring him to furnish within such time not being less than fifteen days;

- (ii) in respect of search initiated or books of account or other documents or any assets requisitioned on or after the 1st day of January, 1997, serve a notice to such person requiring him to furnish within such time not being less than fifteen days but not more than forty-five days,

as may be specified in the notice a return in the prescribed form²⁸ and verified in the same manner as a return under clause (i) of sub-section (1) of [section 142](#), setting forth his total income including the undisclosed income for the block period :

Provided that no notice under [section 148](#) is required to be issued for the purpose of proceeding under this Chapter :

Provided further that a person who has furnished a return under this clause shall not be entitled to file a revised return;

- (b) the Assessing Officer shall proceed to determine the undisclosed income of the block period in the manner laid down in [section 158BB](#) and the provisions of [section 142](#), sub-sections (2) and (3) of [section 143](#), [section 144](#) and [section 145](#) shall, so far as may be, apply;
- (c) the Assessing Officer, on determination of the undisclosed income of the block period in accordance with this Chapter, shall pass an order of assessment and determine the tax payable by him on the basis of such assessment;
- (d) the assets seized under [section 132](#) or requisitioned under [section 132A](#) shall be dealt with in accordance with the provisions of [section 132B](#).

Section - 158BD, Income-tax Act, 1961-2018

Undisclosed income of any other person.

158BD. Where the Assessing Officer is satisfied that any undisclosed income belongs to any person, other than the person with respect to whom search was made under [section 132](#) or whose books of account or other documents or any assets were requisitioned under [section 132A](#), then, the books of account, other documents or assets seized or requisitioned shall be handed over to the Assessing Officer having jurisdiction over such other person and that Assessing Officer shall proceed under [section 158BC](#) against such other person and the provisions of this Chapter shall apply accordingly.

Section - 158BE, Income-tax Act, 1961-2018

Time limit for completion of block assessment.

158BE. (1) The order under [section 158BC](#) shall be passed—

- (a) within one year from the end of the month in which the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#), as the case may be, was executed in cases where a search is initiated or books of account or other documents or any assets are requisitioned after the 30th day of June, 1995, but before the 1st day of January, 1997;

- (b) within two years from the end of the month in which the last of the authorisations for search under [section 132](#) or for requisition under [section 132A](#), as the case may be, was executed in cases where a search is initiated or books of account or other documents or any assets are requisitioned on or after the 1st day of January, 1997.

(2) The period of limitation for completion of block assessment in the case of the other person referred to in [section 158BD](#) shall be—

- (a) one year from the end of the month in which the notice under this Chapter was served on such other person in respect of search initiated or books of account or other documents or any assets requisitioned after the 30th day of June, 1995, but before the 1st day of January, 1997; and
- (b) two years from the end of the month in which the notice under this Chapter was served on such other person in respect of search initiated or books of account or other documents or any assets are requisitioned on or after the 1st day of January, 1997.

Explanation 1.—In computing the period of limitation for the purposes of this section,—

- (i) the period during which the assessment proceeding is stayed by an order or injunction of any court; or
- (ii) the period commencing from the day on which the Assessing Officer directs the assessee to get his accounts audited under sub-section (2A) of [section 142](#) and ending on the day on which the assessee is required to furnish a report of such audit under that sub-section; or
- (iii) the time taken in reopening the whole or any part of the proceeding or giving an opportunity to the assessee to be re-heard under the proviso to [section 129](#); or
- (iv) in a case where an application made before the Settlement Commission under [section 245C](#) is rejected by it or is not allowed to be proceeded with by it, the period commencing on the date on which such application is made and ending with the date on which the order under sub-section (1) of [section 245D](#) is received by the Principal Commissioner or Commissioner under sub-section (2) of that section,

shall be excluded:

Provided that where immediately after the exclusion of the aforesaid period, the period of limitation referred to in sub-section (1) or sub-section (2) available to the Assessing Officer for making an order under clause (c) of [section 158BC](#) is less than sixty days, such remaining period shall be extended to sixty days and the aforesaid period of limitation shall be deemed to be extended accordingly.

Explanation 2.—For the removal of doubts, it is hereby declared that the authorisation referred to in sub-section (1) shall be deemed to have been executed,—

- (a) in the case of search, on the conclusion of search as recorded in the last panchnama drawn in relation to any person in whose case the warrant of authorisation has been issued;
- (b) in the case of requisition under [section 132A](#), on the actual receipt of the books of account or other documents or assets by the Authorised Officer.

Certain interests and penalties not to be levied or imposed.

158BF. No interest under the provisions of [section 234A](#), [234B](#) or [234C](#) or penalty under the provisions of clause (c) of sub-section (1) of [section 271](#) or [section 271A](#) or [section 271B](#) shall be levied or imposed upon the assessee in respect of the undisclosed income determined in the block assessment.

Section - 158BFA, Income-tax Act, 1961-2018

Levy of interest and penalty in certain cases.

158BFA. (1) Where the return of total income including undisclosed income for the block period, in respect of search initiated under [section 132](#) or books of account, other documents or any assets requisitioned under [section 132A](#) on or after the 1st day of January, 1997, as required by a notice under clause (a) of [section 158BC](#), is furnished after the expiry of the period specified in such notice, or is not furnished, the assessee shall be liable to pay simple interest at the rate of one per cent of the tax on undisclosed income, determined under clause (c) of [section 158BC](#), for every month or part of a month comprised in the period commencing on the day immediately following the expiry of the time specified in the notice, and—

- (a) where the return is furnished after the expiry of the time aforesaid, ending on the date of furnishing the return; or
- (b) where no return has been furnished, on the date of completion of assessment under clause (c) of [section 158BC](#).

(2) The Assessing Officer or the Commissioner (Appeals) in the course of any proceedings under this Chapter, may direct that a person shall pay by way of penalty a sum which shall not be less than the amount of tax leviable but which shall not exceed three times the amount of tax so leviable in respect of the undisclosed income determined by the Assessing Officer under clause (c) of [section 158BC](#) :

Provided that no order imposing penalty shall be made in respect of a person if—

- (i) such person has furnished a return under clause (a) of [section 158BC](#);
- (ii) the tax payable on the basis of such return has been paid or, if the assets seized consist of money, the assessee offers the money so seized to be adjusted against the tax payable;
- (iii) evidence of tax paid is furnished along with the return; and
- (iv) an appeal is not filed against the assessment of that part of income which is shown in the return :

Provided further that the provisions of the preceding proviso shall not apply where the undisclosed income determined by the Assessing Officer is in excess of the income shown in the return and in such cases the penalty shall be imposed on that portion of undisclosed income determined which is in excess of the amount of undisclosed income shown in the return.

(3) No order imposing a penalty under sub-section (2) shall be made,—

- (a) unless an assessee has been given a reasonable opportunity of being heard;
- (b) by the Assistant Commissioner or Deputy Commissioner or the Assistant Director or Deputy Director, as the case may be, where the amount of penalty exceeds twenty thousand rupees except with the previous approval of the Joint Commissioner or the Joint Director, as the case may be;
- (c) in a case where the assessment is the subject-matter of an appeal to the Commissioner (Appeals) under [section 246](#) or [section 246A](#) or an appeal to the Appellate Tribunal

under [section 253](#), after the expiry of the financial year in which the proceedings, in the course of which action for the imposition of penalty has been initiated, are completed, or six months from the end of the month in which the order of the Commissioner (Appeals) or, as the case may be, the Appellate Tribunal is received by the Principal Chief Commissioner or Chief Commissioner or the Principal Commissioner or Commissioner, whichever period expires later;

- (d) in a case where the assessment is the subject-matter of revision under [section 263](#), after the expiry of six months from the end of the month in which such order of revision is passed;
- (e) in any case other than those mentioned in clauses (c) and (d), after the expiry of the financial year in which the proceedings, in the course of which action for the imposition of penalty has been initiated, are completed, or six months from the end of the month in which action for imposition of penalty is initiated, whichever period expires later;
- (f) in respect of search initiated under [section 132](#) or books of account, other documents or any assets requisitioned under [section 132A](#), after the 30th day of June, 1995 but before the 1st day of January, 1997.

Explanation.—In computing the period of limitation for the purpose of this section,—

- (i) the time taken in giving an opportunity to the assessee to be reheard under the proviso to [section 129](#);
- (ii) the period during which the immunity granted under [section 245H](#) remained in force; and
- (iii) the period during which the proceedings under sub-section (2) are stayed by an order or injunction of any court,

shall be excluded.

(4) An income-tax authority on making an order under sub-section (2) imposing a penalty, unless he is himself an Assessing Officer, shall forthwith send a copy of such order to the Assessing Officer.

Section - 158BG, Income-tax Act, 1961-2018

Authority competent to make the block assessment.

158BG. The order of assessment for the block period shall be passed by an Assessing Officer not below the rank of an Assistant Commissioner or Deputy Commissioner or an Assistant Director or Deputy Director, as the case may be :

Provided that no such order shall be passed without the previous approval of—

- (a) the Principal Commissioner or Commissioner or Principal Director or Director, as the case may be, in respect of search initiated under [section 132](#) or books of account, other documents or any assets requisitioned under [section 132A](#), after the 30th day of June, 1995 but before the 1st day of January, 1997;
- (b) the Joint Commissioner or the Joint Director, as the case may be, in respect of search initiated under [section 132](#) or books of account, other documents or any assets requisitioned under [section 132A](#), on or after the 1st day of January, 1997.

Application of other provisions of this Act.

158BH. Save as otherwise provided in this Chapter, all other provisions of this Act shall apply to assessment made under this Chapter.

Chapter not to apply after certain date.

158BI. The provisions of this Chapter shall not apply where a search is initiated under [section 132](#), or books of account, other documents or any assets are requisitioned under [section 132A](#) after the 31st day of May, 2003.