

Intimation u/s 143(1) does not amount to 'Grant of Refund': ITAT Jaipur

Mangalam Arts (ITA No. 207/JP/2022)

Facts:

The CIT (A), NFAC has directed the AO to calculate the interest as per section 244A while giving effect to the order by not deciding the specific ground of the assessee that when refund is determined on 21.11.2019 but granted on 11.06.2020, the assessee is eligible for interest u/s 244A till 11.06.2020 and thereby allowing interest for lesser period of 7 months.

ITAT Jaipur held as below:

1. Simply calculating the interest till the month on which intimation under section 143(1) is issued do not amount to grant of refund.
2. Refund is granted when the amount is actually paid to the assessee. In the case of the assessee, the refund was actually paid to the assessee on 11.06.2020.
3. Therefore, the assessee is eligible for interest under section 244A from April, 2018 to June, 2020 i.e. for 27 months and not from April, 2018 to November, 2019 i.e. 20 months.