

Filing of Missed Income Tax Returns:

CBDT circular No. 9/2015 dated 09/06/2015 which provide some relief in two exclusive cases. The prominent feature of the circular are:

Condonation power for filing income tax return even beyond 1 or 2 years is conferred to some authorities if there is

- (a) Refund due to the taxpayers
- or
- (b) there is a Claim for Carry Forward of Losses.

Power to condone the delay is as under:

a] Up to Rs. 10 Lakhs in any one Assessment Year: Principal Commissioner / Commissioner of Income Tax (Pr.CIT/CIT)

b] More than Rs. 10 Lakhs but not more than Rs. 50 Lakhs in any one Assessment Year: Principal Chief Commissioner / Chief Commissioner of Income Tax (Pr. CCIT/CCIT)

c] More than Rs. 50 Lakhs: CBDT

No Condonation for claim of refund or loss can be entertained beyond six years. From the end of the assessment year for which application or claim is made.

The limit of six years is uniform for all authorities considering the application or claim. However, in case where refund claim has arisen consequent to a Court Order, the period for which any such proceedings were pending before any Court of Law shall be ignored while calculating the period of six years, provided such Condonation application is filed within six months from the end of the month in which such Court Order was issued or the end of financial year, whichever is later.

Application for Condonation should be disposed of within in six months from the end of the month in which the application is received by the competent authority as far possible.

Authorities have been empowered to direct the jurisdictional Tax Officer to make necessary inquiry or scrutiny.

Acceptance or rejection of above application would be after considering following:

- a) The claim is correct and genuine;
- b) There is a case of genuine hardship on merits;
- c) Income is not assessable in the hands of any other person under the Income-tax Act;
- d) The refund has arisen as a result of excess tax deducted or tax collected at source, advance tax or self-assessment tax.

As a result of above circular, the belated filing can be condoned by the appropriate authorities in case there is a refund or loss. The circular doesn't conferred absolute condonation power to anyone except for two situations enumerated above.