

**Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes**

PRESS RELEASE

New Delhi, 31st December, 2015

Subject: Streamlining scrutiny assessment proceedings and facilitating electronic communication – regarding

The Income Tax Department is committed to providing fair and transparent tax administration and continuously improve taxpayer services.

Taking another step in this direction, Central Board of Direct Taxes (CBDT) has issued instructions to the assessing officers to be specific in enquires made in the case of tax payers whose returns are under scrutiny. The directions are comprehensive and cover cases selected through Computer Aided Scrutiny Selection (CASS) for limited scrutiny for verification of information contained in Annual Information Return (AIR)/ Form no 26AS or received through Central Information Branch, or complete scrutiny. The assessing officers have been advised to inform the assessee forthwith of the reasons for limited scrutiny, confine enquiries on the specific points for which the case has been selected and conclude the proceedings expeditiously in a limited number of hearings. Cases selected for limited scrutiny can be converted to complete scrutiny only with the approval of the Principal Commissioner of Income Tax/ Commissioner of Income tax if the potential income escaping assessment exceeds a certain monetary limit. In all cases the initial notice will be accompanied with a specific questionnaire. Any addition to income or disallowance of deductions will be made only after following due process of natural justice.

The Department has also initiated a pilot project for carrying out an e-mail based scrutiny assessment in select cases of non-corporate charges at Delhi, Mumbai, Bengaluru, Ahmedabad and Chennai. Through this pilot, the Department endeavours to completely remove the need for the taxpayer to visit the offices of the Department while moving towards paperless scrutiny assessment proceedings.

Separately, the CBDT has directed all its officers to mention e-mail address and phone numbers in all communications to facilitate electronic interface of the taxpayer with the Department.

These recent measures are steps towards obviating the need for avoidable personal interface with the Department and ushering in a non-adversarial tax regime.

The communications issued by CBDT are available on the website of the Department at www.incometax.gov.in.

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