

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

North Block, New Delhi, the 15th of February, 2016

Subject: Following the prescribed time-limit in passing order under sub-section (8) of section 154 of Income-tax Act, 1961-regd.-

Sub-section (8) of section 154 of the Income-tax Act, 1961 ('Act') stipulates that where an application for amendment is made by assessee/deductor/collector with a view to rectify any mistake apparent from record, the income-tax authority concerned shall pass an order, within a period of six months from the end of the month in which such an application is received, by either making the amendment or refusing to allow the claim. It has been brought to the notice of the Board that the said time-limit of six months has not been observed in deciding some applications. In such cases, the field authorities often take a view that since no action was taken within the prescribed time-frame, the application of the taxpayer is deemed to have lapsed, thereby not requiring any action.

2. The matter has been examined by the Board. In this regard, the undersigned is directed to convey that the aforesaid time-limit of six months is to be strictly followed by the Assessing Officer while disposing applications filed by the assessee/deductor/collector under section 154 of the Act. The supervisory officers should monitor the adherence of prescribed time limit and suitable administrative action may be initiated in cases where failure to adhere to the prescribed time frame is noticed.

3. The contents of this Instruction may be brought to the notice of all for necessary compliance.

4. Hindi version to follow.



(Rohit Garg)

Deputy Secretary to the Government of India

(F.No. 225/305/2015-ITA.II)

Copy to:

1. Chairman and all Members of CBDT
2. PS/OSD to Secretary (Revenue)
3. O/o Pr. Director General of Income Tax (Systems) with request for uploading on official website in public domain
4. All Pr. Chief-Commissioners/Directors-General of Income-tax
5. All Officers and Technical Sections of CBDT
6. ITCC Division of CBDT (3 copies)
7. Addl./Jt. CIT Database Cell for uploading on IRS Officers website
8. ADG(PR,PP&OL) with request to post a tweet on official handle of the Department
9. Guard File



(Rohit Garg)

Deputy Secretary to the Government of India