



# All India Federation of Tax Practitioners

(An Association of Advocates, Chartered Accountants & Tax Practitioners of India)

**Regd. Office :**

215, Rewa Chambers,

31, New Marine Lines,

Mumbai 400 020.

Tel.: 2200 6342 / 43 / 4970 6343

E-mail: aiftpho@gmail.com

Website: www.aiftponline.org

20<sup>th</sup> April, 2024

To,  
The Chairman  
Central Board of Direct Taxes,  
Ministry of Finance,  
North Block, 1<sup>st</sup> Floor,  
New Delhi 110 001  
E Mail: chairmancbdt@nic.in

Respected Sir,

**Sub: Representation on Income Tax Appeals, allowing Appeal Effect, Mechanism for Reopening of assessments etc.**

Your honour is aware that we are Association of repute and represent more than 10800 members and more than 100 Tax associations located all over India. There are certain issues which, in our opinion should be addressed expediently not only for recovery of demand but settlement of pending disputes. Needless to state that huge demand is outstanding in the records of the department which can be reduced substantially once attention is given to a few issues. We would like to bring the issues before your honour and are confident that these issues will be taken care of.

## **1. Need for disposal of Huge number of pending appeals:**

- a) It is surprising that in many cases where appeal were filed more than 5-6 years ago, the said appeals are fixed for hearing 6-7 times and the appellant has duly filed submissions. Without calling for any further clarification, the appeals are fixed up again and again may be without even looking into response of appellant already in the portal. These appeals are not disposed of. We have in our records many such instances which if required can be forwarded to your honour. Therefore, there should be strict instructions to dispose of the appeal within specified time say 30 days, once the appellant submits its response and where further clarification is not required. It is worth noting that there is provision in



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the Act itself to dispose of the appeal within one year of the date of filing but the said provision is hardly followed.

- b) New appeal is fixed and old appeal remain unattended by CIT (A): It is also surprising appeal filed in Late March 2024 are also fixed up for hearing even though old appeals of same taxpayer are pending with the same CIT(A).
- c) Trend of deciding appeals exparte without allowing adequate opportunity: When the appellant for non-receipt of real time alert could not submit its response, these appeals are being decided exparte. This only causes increase of work for the department as well as for the Income Tax Appellate Tribunal since almost all such appeals are restored back to the file of CIT(A) by Hon'ble ITAT. Therefore, such action of the CIT(A) in deciding appeals exparte without allowing proper opportunity of hearing should be deprecated and stopped. If response is not received for one online Notice on Portal, the appellant should be sent Notice by Speed Post and also by mobile message.
- d) Instructions should be issued to the Assessing Officers that where the demand is outstanding and where appeal is not disposed of for more than one year for no fault of the assessee, then his refunds for other years should not be adjusted with the outstanding demand.

## **2. Need for disposal of Huge number of pending appeals:**

In many cases, as we have received feedback, that appeal effects are not being given for years nor the refunds are issued inspite of reminders and complaints by taxpayers. The assessee in some cases has to file writ petitions. This unnecessarily increases the workload as well as cost of the department. Therefore, there should be strict instructions so that appeal effects are given expeditiously say within 60 days



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and refunds are issued where necessary. If such appeal effect is not given, performance of such officers should be viewed adversely. It may be noted that under the provisions of law interest in such cases is to be paid @ 9% if the refund is not issued within 3 months. Your honours are aware that the Jurisdictional AO is now left with these works even then there is not desired progress on this issue.

### 3. **Reopening of assessments:**

The reopening provisions were amended so that enquiry can be made before issue of notice u/s 148 and unnecessary reopening is not done. However, in actual field it is found that wherever there is information on the Risk Management Portal on small issues like purchase of property or deposit in disclosed bank account or TDS on interest, once notice u/s 148A(b) is issued the same generally results in issue of notice u/s 148 even if the assessee has satisfactorily explained the information. Even the sanctioning authority have no time to properly look into the entire records. The Faceless AO washes his hands by saying that when Jurisdictional AO has not accepted the explanation he will also not accept and unnecessary the workload of the department goes up. Therefore, effective mechanism should be developed so that enquiry can be made before issue of notice u/s 148 and these unnecessary reopening can be avoided. We suggest that section 148(a) should be suitably amended to make it necessary to make enquiry before issue of Notice under section 148A(b) and the assessee should be allowed proper opportunity.

4. **Different reporting forms in GST and IT :** The reporting forms and returns in GST and IT are having different formats. This generally result in mismatch of figures. Once this mismatch is pointed out the assessment are reopened. Therefore, necessary amendments should be made in the forms so that the formats are made similar in GST and Income Tax. Such amendment will reduce the present number of mismatch.



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5. **Accountability of the revenue officers:** Some mechanism should be developed so that there is accountability of the revenue officers on aforesaid issues.

Sir, we are confident of appropriate action in above matters and for this act of kindness, we as in duty bound shall ever pray.

Thanking You,

Yours faithfully,

For **All India Federation of Tax Practitioners**

**(Narayan Prasad Jain)**  
**President**