

Stop harassing taxpayers, CBDT warns I-T officers

'Unreasonable, high-pitched assessments must stop'

AGE CORRESPONDENT
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In a bid to be taxpayer-friendly, the Central Board of Direct Taxes has issued a stern directive to all income-tax department offices across India to curb "high-pitched" and "unreasonable" assessments of taxpayers and ensure that assessing officers who issue such "irrational" orders are transferred and face disciplinary action.

In the directive, the CBDT voiced disappointment that a special drive launched in 2015 had failed to achieve its mandate of resolving taxpay-

ers' grievances and was underutilised. In 2015, the CBDT had asked I-T offices across the country to create "local committees" of senior officers in each region, and directed them to settle such grievances and complaint petitions "within two months" of the end of the month when the petition was received.

A taxpayer who felt dissatisfied with a tax assessment officer's order or felt it was irrational could petition the committees. The local committee would see "whether there is a prima facie case of high-pitched assessment, non-observance of princi-

ples of natural justice, non-application of mind, gross negligence or lack of involvement of the assessing officer".

If a taxpayer was not happy with the assessing officer's order, he/she had to earlier approach the commissioner of I-T (appeals) and later appeal to the I-T appellate tribunal, the high court and finally the Supreme Court.

The CBDT hoped with the new mechanism taxpayers would get a faster solution to their problems rather than the long time these procedures and hearings take. A local

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committee of senior I-T officials, if an order was found unreasonable or high-pitched, was empowered by the CBDT to take remedial action to rectify the demand and ensure that the taxpayer was not harassed.

However, CBDT chairman Sushil Chandra, in his letter, said the performance of these committees in the past three years "has not been found to be satisfactory". The tax department has taken action against at least 10 assessing officers (AOs) till now as part of this drive, but still enough is not being done, a senior official told PTI.

Mr Chandra said last year (2016-17), the reports filed by the regions, after prodding from CBDT, were found to be either deficient or incomplete.

"For 2017-18, not a single report of local committees from any of the regions has been received by the board," the chairman said in the letter. Mr Chandra said he has got "per-

sonal feedback" that these committees are either vacant at many locations due to the transfer or promotion of a member or meetings were not being held regularly. "You would also appreciate that all these deficiencies in the functioning of local committees are hampering their effectiveness in tackling high-pitched assessments in an institutional manner," he said.

He said in cases where such assessments are found, an explanation should be sought from the assessing officer and in select cases, the official should be transferred to a non-sensitive post without any delay and disciplinary action initiated against him/her. "No coercive action should be taken for recovery of demand in cases which have been identified as high-pitched by the local committee," the chairman said.

The CBDT chief also directed that a compliance report on these cases be sent to the board every three months.