

namely:—

“Provided that no notice under clause (i) shall be served on the assessee after the expiry of six months from the end of the financial year in which the return is furnished.”.

Amendment
of section
147.

30. In section 147 of the Income-tax Act, after the proviso, the following proviso shall be inserted, namely:—

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“Provided further that the Assessing Officer may assess or reassess such income, other than the income involving matters which are the subject matter of any appeal, reference or revision, which is chargeable to tax and has escaped assessment.”.

Amendment
of section
151.

31. In section 151 of the Income-tax Act, after sub-section (2), the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 1998, namely:—

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“*Explanation.*—For the removal of doubts, it is hereby declared that the Joint Commissioner, the Commissioner or the Chief Commissioner, as the case may be, being satisfied on the reasons recorded by the Assessing Officer about fitness of a case for the issue of notice under section 148, need not issue such notice himself.”.

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Amendment
of section
153.

32. In section 153 of the Income-tax Act, after sub-section (3),—

(a) the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2003, namely:—

“(4) Notwithstanding anything contained in the foregoing provisions of this section, sub-section (2) of section 153A and sub-section (1) of section 153B, the order of assessment or reassessment, relating to any assessment year, which stands revived under sub-section (2) of section 153A, shall be made within one year from the end of the month of such revival or within the period specified in this section or sub-section (1) of section 153B, whichever is later.”;

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(b) in *Explanation 1*, after the proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2007, namely:—

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“Provided further that where a proceeding before the Settlement Commission abates under section 245HA, the period of limitation available under this section to the Assessing Officer for making an order of assessment, reassessment or re-computation, as the case may be, shall, after the exclusion of the period under sub-section (4) of section 245HA, be not less than one year; and where such period of limitation is less than one year, it shall be deemed to have been extended to one year; and for the purposes of determining the period of limitation under sections 149, 153B, 154, 155, 158BE and 231 and for the purposes of payment of interest under section 243 or section 244 or, as the case may be, section 244A, this proviso shall also apply accordingly.”.

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Amendment
of section
153A.

33. Section 153A of the Income-tax Act shall be renumbered as sub-section (1) thereof and,—

(a) in sub-section (1) as so renumbered, in the second proviso, for the words “referred to in this section”, the words “referred to in this sub-section” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of June, 2003;

(b) after sub-section (1) as so renumbered and before the *Explanation*, the following shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2003, namely:—

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“(2) If any proceeding initiated or any order of assessment or reassessment made under sub-section (1) has been annulled in appeal or any other legal proceeding, then, notwithstanding anything contained in sub-section (1) or section 153, the assessment or reassessment relating to any assessment year which has abated under the second proviso to sub-section (1), shall stand revived with effect from the date of receipt of the order of such annulment by the Commissioner:

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Provided that such revival shall cease to have effect, if such order of annulment is set aside.”.

Amendment
of section
153B.

34. In section 153B of the Income-tax Act, in sub-section (1), with effect from the 1st day of June, 2003,—

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(i) in clause (a), for the word, figures and letter “section 153A”, the words, brackets, figures and letter “sub-section (1) of section 153A” shall be substituted and shall be deemed to have been substituted;

(ii) in the *Explanation*,—

(A) after clause (vi) and before the words “shall be excluded”, the following clause shall be inserted and shall be deemed to have been inserted, namely:—

5 “(vii) the period commencing from the date of annulment of a proceeding or order of assessment or reassessment referred to in sub-section (2) of section 153A till the date of the receipt of the order setting aside the order of such annulment, by the Commissioner;”

(B) in the proviso, for the words, brackets and letters “clause (a) or clause (b) of this section”, the words, brackets and letters “clause (a) or clause (b) of this sub-section” shall be substituted and shall be deemed to have been substituted.

10 **35.** In section 153C of the Income-tax Act, in sub-section (1), in the proviso, for the word, figures and letter “section 153A”, the words, brackets, figures and letter “sub-section (1) of section 153A” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of June, 2003. Amendment of section 153C.

15 **36.** In section 153D of the Income-tax Act, for the word, figures and letter “section 153A”, the words, brackets, figures and letter “sub-section (1) of section 153A” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of June, 2003. Amendment of section 153D.

37. In section 156 of the Income-tax Act, the following proviso shall be inserted, namely:— Amendment of section 156.

“Provided that where any sum is determined to be payable by the assessee under sub-section (1) of section 143, the intimation under that sub-section shall be deemed to be a notice of demand for the purposes of this section.”.

20 **38.** In section 191 of the Income-tax Act, for the *Explanation*, the following *Explanation* shall be substituted and shall be deemed to have been substituted with effect from the 1st day of June, 2003, namely:— Amendment of section 191.

“*Explanation.*—For the removal of doubts, it is hereby declared that if any person, including the principal officer of a company,—

25 (a) who is required to deduct any sum in accordance with the provisions of this Act; or

(b) referred to in sub-section (1A) of section 192, being an employer,

30 does not deduct, or after so deducting fails to pay, or does not pay, the whole or any part of the tax, as required by or under this Act, and where the assessee has also failed to pay such tax directly, then, such person shall, without prejudice to any other consequences which he may incur, be deemed to be an assessee in default within the meaning of sub-section (1) of section 201, in respect of such tax.”.

39. In section 193 of the Income-tax Act, in the proviso, after clause (viii) and before the *Explanation*, the following clause shall be inserted with effect from the 1st day of June, 2008, namely:— Amendment of section 193.

35 “(ix) any interest payable on any security issued by a company, where such security is in dematerialised form and is listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.”. 42 of 1956.

40. In section 194C of the Income-tax Act, in sub-section (1), after clause (j), the following clause shall be inserted with effect from the 1st day of June, 2008, namely:— Amendment of section 194C.

“(ja) any association of persons or body of individuals, whether incorporated or not; or”.

40 **41.** In section 195 of the Income-tax Act, after sub-section (5), the following sub-section shall be inserted, namely:— Amendment of section 195.

“(6) The person referred to in sub-section (1) shall furnish the information relating to payment of any sum in such form and manner as may be prescribed by the Board.”.

42. For section 199 of the Income-tax Act, the following section shall be substituted, namely:— Substitution of new section for section 199.

45 “199. (1) Any deduction made in accordance with the foregoing provisions of this Chapter and paid to the Central Government shall be treated as a payment of tax on behalf of the person from whose income the deduction was made, or of the owner of the security, or of the depositor or of the owner of property or of the unit-holder, or of the shareholder, as the case may be. Credit for tax deducted.

50 (2) Any sum referred to in sub-section (1A) of section 192 and paid to the Central Government shall be treated as the tax paid on behalf of the person in respect of whose income such payment of tax has been made.

(3) The Board may, for the purposes of giving credit in respect of tax deducted or tax paid in terms of the provisions of this Chapter, make such rules as may be necessary, including the rules for the purposes of giving credit to a person other than those referred to in sub-section (1) and sub-section (2) and also the assessment year for which such credit may be given.”.

Amendment of section 201.

43. In section 201 of the Income-tax Act, for sub-section (1), the following sub-section shall be substituted and shall be deemed to have been substituted with effect from the 1st day of June, 2002, namely:—

“(1) Where any person, including the principal officer of a company,—

(a) who is required to deduct any sum in accordance with the provisions of this Act; or

(b) referred to in sub-section (1A) of section 192, being an employer,

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does not deduct, or does not pay, or after so deducting fails to pay, the whole or any part of the tax, as required by or under this Act, then, such person, shall, without prejudice to any other consequences which he may incur, be deemed to be an assessee in default in respect of such tax:

Provided that no penalty shall be charged under section 221 from such person, unless the Assessing Officer is satisfied that such person, without good and sufficient reasons, has failed to deduct and pay such tax.”.

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Amendment of section 203.

44. In section 203 of the Income-tax Act, in sub-section (3), for the figures, letters and words “1st day of April, 2008”, the figures, letters and words “1st day of April, 2010” shall be substituted.

Amendment of section 206C.

45. In section 206C of the Income-tax Act,—

(a) for sub-section (4), the following sub-section shall be substituted, namely:—

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“(4) Any amount collected in accordance with the provisions of this section and paid to the credit of the Central Government shall be deemed to be a payment of tax on behalf of the person from whom the amount has been collected and credit shall be given to such person for the amount so collected in a particular assessment year in accordance with the rules as may be prescribed by the Board from time to time.”;

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(b) in sub-section (5), in the first proviso, for the figures, letters and words “1st day of April, 2008”, the figures, letters and words “1st day of April, 2010” shall be substituted.

Amendment of section 254.

46. In section 254 of the Income-tax Act, in sub-section (2A), for the third proviso, the following proviso shall be substituted with effect from the 1st day of October, 2008, namely:—

“Provided also that if such appeal is not so disposed of within the period allowed under the first proviso or the period or periods extended or allowed under the second proviso, which shall not, in any case, exceed three hundred and sixty-five days, the order of stay shall stand vacated after the expiry of such period or periods, even if the delay in disposing of the appeal is not attributable to the assessee.”.

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Insertion of new section 268A.

47. After section 268 of the Income-tax Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1999, namely:—

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Filing of appeal or application for reference by income-tax authority.

“268A. (1) The Board may, from time to time, issue orders, instructions or directions to other income-tax authorities, fixing such monetary limits as it may deem fit, for the purpose of regulating filing of appeal or application for reference by any income-tax authority under the provisions of this Chapter.

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(2) Where, in pursuance of the orders, instructions or directions issued under sub-section (1), an income-tax authority has not filed any appeal or application for reference on any issue in the case of an assessee for any assessment year, it shall not preclude such authority from filing an appeal or application for reference on the same issue in the case of—

(a) the same assessee for any other assessment year; or

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(b) any other assessee for the same or any other assessment year.

(3) Notwithstanding that no appeal or application for reference has been filed by an income-tax authority pursuant to the orders or instructions or directions issued under sub-section (1), it shall not be lawful for an assessee, being a party in any appeal or reference, to contend that the income-tax authority has acquiesced in the decision on the disputed issue by not filing an appeal or application for reference in any case.

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(4) The Appellate Tribunal or Court, hearing such appeal or reference, shall have regard to the orders, instructions or directions issued under sub-section (1) and the circumstances under which