

**Instruction No. 02/2023**

**F. No. 312/82/2022-OT**  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes  
OT & WT Section

New Delhi, dated 10<sup>th</sup> November, 2023

**Subject : Instruction regarding revision of timelines and monetary limits as well as revision of workflow in the matter of recording of reasons before withholding of refunds u/s 245(2) of the Income-tax Act, 1961- reg.**

The monetary limit for applying provisions of section 245(2) of the Income-tax Act, 1961('the Act') will hereinafter be where the value of refund is Rs. 10 lakhs or more.

2. In any case where section 245(2) of the Act is applicable, the Faceless Assessing Officer (FAO), on receipt of communication from CPC, shall intimate the Jurisdictional Assessing Officer (JAO) with regard to demand likely to be raised in the pending assessment(s). The JAO, based on such information shall record in writing, with proper application of mind and after analyzing the factual matrix of the case (which, inter-alia, includes the financial condition of the assessee, past demands, pendency of appeals et al) and seek approval of the jurisdictional Principal Commissioner of Income-tax. The reasons recorded shall not be cursory. Such reasons should reflect the factual analysis of the case by the JAO. The JAO will communicate the final decision regarding withholding/release of refund to the CPC.

3. To finish the above process, the time limit is hereby revised to 20 days for the Faceless Assessment Unit and to 30 days for Jurisdictional Assessing Officer.

4. The detailed workflow chart as delineated above will be issued by DGIT(Systems).

*S. Pandey*  
10/11/2023  
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Deputy Secretary to the Government of India

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