

F. No. 375/02/2023- IT-Budget
Government of India,
Ministry of Finance
(Central Board of Direct Taxes)

ORDER

New Delhi, dated 13th February, 2024

1. Consequent upon the Finance Minister's budget speech vide para 93 under the heading "Tax Proposals" during Union Budget 2024-25 dated 01.02.2024 and with concurrence of the Department of Expenditure accorded on file of even number vide note dated 09/02/2024, sanction of the Competent Authority in terms of Rule 18 of General Financial Rules, 2017 (GFRs) is hereby accorded to remit and extinguish the following claims to revenue, being tax demands under Income-tax Act, 1961 or Wealth-tax Act, 1957 or Gift-tax Act, 1958 (hereinafter referred as, 'Acts') which are outstanding as on 31st January, 2024 (as indicated in column 2 below) with effect from the date on which such demands were created/ raised/ modified pertaining to the Assessment Years (as indicated in column 1 below) in respect of taxpayers/ assesseees :-

Assessment Year/s (A.Y.) to which the entries of outstanding tax demands as on 31st January 2024 pertain	Monetary limit of entries of outstanding tax demands which are to be remitted and extinguished (in Rupees)
(1)	(2)
Upto A.Y. 2010-11	each demand entry upto Rs. 25,000/-
A.Y. 2011-12 to A.Y. 2015-16	each demand entry upto Rs. 10,000/-

The remission and extinguishment of above outstanding tax demand shall be subject to the maximum ceiling of Rs. 1,00,000/- (Rupees one lakh) for any specific taxpayer/ assessee for the following types of demand entries:-

- a. Principal component of tax demand under the Income-tax Act, 1961 or corresponding provisions of Wealth-tax Act, 1957 or Gift-tax Act, 1958;
- b. Interest, penalty, fee, cess or surcharge under various provisions of the Income-tax Act, 1961 or corresponding provisions, if any, of Wealth-tax Act, 1957 or Gift-tax Act, 1958.

1.2 The above remission and extinguishment of entries of outstanding direct tax demands shall not be applicable on the demands raised against the tax deductors or tax collectors under TDS or TCS provisions of the Income-tax Act, 1961.



2. Consequent to the aforesaid remission and extinguishment of entries of outstanding demand, there shall not be requirement of calculation of interest on account of delay in payment of demand under sub-section (2) of section 220 of the Income-tax Act, 1961 or corresponding provisions of Wealth-tax Act, 1957 and Gift-tax Act, 1958 and therefore, the same shall not be considered for the purpose of determining the ceiling of Rs. 1,00,000/- (Rupees one lakh).

3. If any tax liability arises against such a taxpayer/ assessee, as a result of application of sub-clause (xviii) of sub-section (24) of section 2 of the Income-tax Act, 1961, the same shall also be remitted and extinguished.

4. The above remission and extinguishment of entries of outstanding demand shall be carried out in respect of each demand entry falling within monetary limit as specified at para-1 above starting from the earliest assessment year to subsequent assessment year(s), subject to the condition that aggregate value of such demand entries shall not exceed the maximum ceiling of Rs. 1,00,000/- (Rupees one lakh) for any specific taxpayer/ assessee.

4.2 Further, in order to compute the aforesaid maximum ceiling of Rs. 1,00,000/- (Rupees one lakh), any demand entry having value more than the aforesaid monetary limits as specified in para-1 above shall not be taken into calculation.

4.3 Under no circumstance, fraction of any demand entry, whether its value is falling within the monetary limit as specified in para-1 above or not, shall be considered for remission and extinguishment to compute the aforesaid maximum ceiling of Rs. 1,00,000/- (Rupees one lakh).

5. The aforementioned remission and extinguishment of entries of outstanding demand shall not:-

(i) confer any right to claim credit of any of the remitted and extinguished demand by the taxpayer/assessee under Income-tax Act, 1961 or Wealth-tax Act, 1957 or Gift-tax Act, 1958 or any other law, where such benefit of remission and extinguishment has been allowed to such taxpayer/assessee, or

(ii) confer any right to claim refund of any sum by any taxpayer/assessee under Income-tax Act, 1961 or Wealth-tax Act, 1957 or Gift-tax Act, 1958 or any other law, or


(iii) have any effect on any criminal proceeding/s pending/ initiated or contemplated against the taxpayer/assessee under any Act or law and shall not be construed as conferring any benefit, concession or immunity to the taxpayer/assessee in any such proceedings under any Act or law other than as specifically provided in this order, where such benefit of remission and extinguishment has been allowed to such taxpayer/assessee.

6. As per the provisions of Rule 19(1) of General Financial Rules, 2017, the above remission and extinguishment of entries of outstanding tax demand under the aforesaid 'Acts' shall not have the requirement of audit.

7.1 This order shall be implemented by the Directorate of Income-tax (Systems)/ Centralized Processing Centre, Bengaluru (CPC), preferably within two months.

7.2 Rectification of any apparent mistake related to the implementation of this order, which may come to the notice shall be carried out by the CPC, Bengaluru and such rectification shall be considered to be the execution of this order.

8. The Central Board of Direct Taxes (CBDT)/ Member (In-charge of Systems and Faceless Scheme), CBDT shall issue directions/ clarifications for any incidental actions required for proper implementation of this order.


13/12/2024
(Sunil Kumar)

Under Secretary to the Government of India.