



राष्ट्रीय पहचान विहीन निर्धारण केंद्र, दिल्ली
National Faceless Assessment Centre, Delhi
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फा.सं. NaFAC/Delhi/CIT-1/2022-23/113/118

दिनांक: 06/09/2022

To,

The Pr. Chief Commissioner of Income-tax (CCA),
(All regions)

Madam/Sir,

Sub: Standard Operating Procedure (SOP) for Penalty Unit (PU), Penalty Review Unit (PRU), Verification Unit and Technical Unit under the Faceless Penalty Scheme-2021 as amended by Faceless Penalty (Amendment) Scheme-2022.

Kindly find enclosed Standard Operating Procedure (SOPs) issued under Para-12 of the Faceless Penalty Scheme 2021 as amended by Faceless Penalty (Amendment) Scheme-2022, for PU, PRU and for VU, TU for handling references made by PU under the said Scheme. The same may be disseminated among the Units under your region for compliance.

2. The SOPs provide guidance to the Units and outline the process for facilitating penalty proceedings as envisaged in Schemes notified under the provisions of Section 274(2B) and 274(2C) of the Income-tax Act.

3. Due care has been taken in preparation of the SOPs. However, in implementation of the SOPs if any practical difficulty or conflict with the Statute / Scheme is noticed, then the provisions of Statute / Scheme shall prevail.

4. These SOPs are strictly for departmental use only.

5. This is issued with the prior approval of the CBDT.

Enclosed: As above.


Yours faithfully,


(Ashish Abrol)

Commissioner of Income-tax-1,
National Faceless Assessment Centre,
Delhi

Copy to:

1. Chairman and all Members of the CBDT.
2. Pr. CCIT (NFAC), Civic Centre, Delhi.
3. Pr. DGIT (Admn. & TPS), Delhi.
4. Pr. DGIT (HRD), Delhi.
5. Pr. DGIT (L&R), Delhi.
6. Pr. CCIT (Exemptions), Delhi.
7. DGIT (Vig.), Delhi.
8. DGIT (Systems), Delhi.
9. DGIT (I&CI), Delhi.
10. CCIT(Intl. Taxn.), Delhi.
11. Data Base Cell, with the request for uploading on www.irsofficeronline.gov.in


Commissioner of Income-tax-1,
National Faceless Assessment Centre,
Delhi

Standard Operating Procedure (SOP) under the Faceless Penalty Scheme 2021

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**Government of India
Ministry of Finance
Central Board of Direct Taxes
National Faceless Penalty Centre
New Delhi**

Dated: 06.09.2022

Subject: Standard Operating Procedure (SOP) for Penalty Unit (PU) under the Faceless Penalty Scheme, 2021 as amended by Faceless Penalty (Amendment) Scheme, 2022.

The Principal Chief Commissioner of Income Tax, National Faceless Assessment Centre (NaFAC), with the prior approval of the Central Board of Direct Taxes, New Delhi, lays down the following SOP for Penalty Unit (PU) under the Faceless Penalty Scheme, 2021 as amended by Faceless Penalty (Amendment) Scheme, 2022. This is issued under Para 12 of the Faceless Penalty Scheme, 2021.

CBDT order F. No. 187/4/2021-ITA-1 dated 20.01.2021 issued in terms of para 4 of Faceless Penalty Scheme, 2021 directs the National Faceless Assessment Centre (NaFAC), Assessment Unit (AU) and Review Unit (RU) to act as National Faceless Penalty Centre (NFPC), Penalty Unit (PU) and Penalty Review Unit (PRU) respectively. Accordingly, wherever mentioned in this SOP, NFPC, PU and PRU may be read as NaFAC, AU and RU respectively.

A. Assignment of Penalties to PU

A.1 All penalties under Chapter XXI of Income Tax Act shall be assigned to PU, except penalties in respect of:

- A.1.1 Cases assigned to Central Charges;
- A.1.2 Cases assigned to International Taxation Charges;
- A.1.3 Proceedings arising in TDS charges;
- A.1.4 Cases where pendency could not be created on ITBA because of technical reasons or in no PAN cases;

A.1.5 Penalty proceedings arising/pending in the Investigation Wing, Directorate of I&CI, erstwhile DG (Risk Assessment) or before any prescribed authority for the purpose of specified penalties;

A.1.6 Cases where penalty is imposable by officer above the rank of Addl./Jt. CIT.

B. Initiation of penalty

B.1 As per clause 5 of FPS, 2021 any Income Tax Authority can:

B.1.1 Initiate penalty in any proceedings as per Act; or

B.1.2 Recommend initiation of penalty as per Act.

B.2 In the cases where penalty has already been initiated (refer Para B.1.1), the PU shall draft an SCN and send to NFPC.

B.3 In cases where initiation of penalty is recommended (refer Para B.1.2), the PU shall:

B.3.1 Examine the material available on record;

B.3.2 Either Agree or Disagree with the recommendation;

B.3.3 Where the PU agrees with the recommendation, draft SCN shall be prepared;

B.3.4 Where the PU Disagrees with the recommendation, reasons for disagreement shall be recorded in writing;

B.3.5 All draft SCN or reasons disagreeing with the recommendation, shall be sent to NFPC.

C. About SCN

C.1 PU shall send a draft SCN to NFPC in all cases where:

C.1.1 Recommendation for initiation of penalty is Agreed (refer Para B.3);

C.1.2 Penalty is already initiated (refer Para B.2);

C.1.3 Order of any appellate authority, partly or fully in favour of Revenue is received.

C.2 To ensure reasonable opportunity to assessee and strict adherence to the principles of natural justice, timelines to be given for obtaining response shall be:

C.2.1 15 days from the date of final generation of SCN.

C.2.1 Response time of 15 days may be curtailed, keeping in view the limitation date for completing the penalty proceedings.

C.3 Where there is no response to SCN within the compliance date:

- C.3.1 PU shall issue a communication (as per prescribed proforma - Annexure PU-1), on all registered email IDs of the assessee available on ITBA/Insight, with a request to comply within 5 days.
- C.3.2 The communication will only refer to non-compliance, without giving specific details of the case, so as to ensure that confidentiality of the proceedings is maintained and the assessee responds through the e-filing portal only.

D. Grant of adjournment on request of assessee or suo-motu adjournment to ensure that adequate opportunity is given to the assessee

D.1 Where adjournment is granted, PU to ensure that adequate time is given to the assessee to respond:

- D.1.1 Adjournment up to 7 days where the assessee seeks adjournment using the online option.
- D.1.2 Suo-motu adjournment up to 7 days may be granted by the PU, if required.

E. Ascertaining status for keeping Penalty in Abeyance

E.1 PU shall determine whether penalty is to be kept in abeyance after examining the available information from the following:

- E.1.1 Form 35 and attachments, in respect of appeals pending before CIT (Appeal Unit);
- E.1.2 360 degree profile in ITBA in respect of appeal filed by assessee or order passed by CIT (Appeal Unit);
- E.1.3 Insight in respect of appeal filed by assessee or order passed by CIT (Appeal Unit);
- E.1.4 Case History Noting and attachments;
- E.1.5 Reply of assessee to the SCN;
- E.1.6 Information shared by NaFAC.

E.2 Where the penalty is to be kept in abeyance, PU shall mark the case in ITBA work-item.

E.3 Determination of the status and marking in ITBA shall be completed within 15 days of assignment of the penalty or within 5 days of receipt of relevant information.

F. Reference to VU in Non-responsive Penalty cases

The procedure for handling non-responsive penalty cases of various categories is as under:

F.1 Assessee was responsive in quantum proceedings

F.1.1. This refers to cases where:

F.1.1.1 Assessee was responsive in quantum proceedings; and

F.1.1.2 Order was not passed ex-parte; and

F.1.1.3 Assessee has not replied to SCN even after communication as per
Para C.3; and

F.1.1.4 Case has not been kept in abeyance.

F.1.2 Reference to VU is to be made after recording reasons in writing.

F.1.3 Request is to be made to the VU in prescribed format (Annexure PU-2 and
2A) for issue of communication through speed post.

F.2 Penalty proceedings do not emanate from quantum proceedings

F.2.1. This refers to cases where:

F.2.1.1 Assessee has not replied to SCN even after communication as per
Para C.3; and

F.2.1.2 Case has not been kept in abeyance.

F.2.2 Reference to VU is to be made after recording reasons in writing.

F.2.3 Request is to be made to the VU in prescribed format (Annexure PU-2 and
2A) for issue of communication through speed post.

F.3 Assessee was not responsive in quantum proceedings

F.3.1 This refers to cases where:

F.3.1.1 Assessee was not responsive in quantum proceedings; and

F.3.1.2 Order was passed ex-parte; and

F.3.1.3 Assessee has not replied to SCN even after communication as per
Para C.3; and

F.3.1.4 Case has not been kept in abeyance.

F.3.2 Reference to VU is to be made after:

F.3.2.1 Recording reasons in writing; and

F.3.2.2 Obtaining approval of PCIT of the PU.

F.3.3 Request is to be made to the VU in prescribed format (Annexure PU-3 and 3A) for physical delivery and address verification.

G. Analysis of reply submitted in response to SCN

G.1 Examine reply of the assessee.

G.2 PU shall generally within 5 days of receipt of reply:

G.2.1 Mark the case for keeping penalty in abeyance, where the assessee provides fresh information regarding pending appeal proceedings with CIT (Appeal Unit) (refer Para E);

G.2.2 Issue appropriate notice for collection of further information or documents or evidence, if required, through NaFAC.

G.2.3 Conduct verification in electronic manner, if required.

G.2.4 Make reference for verification to VU in prescribed format (Annexure PU – 4), if required, with the approval of PCIT of the PU.

G.2.5 Make reference for technical assistance to TU, if required, with the approval of PCIT of the PU.

H. Personal Hearing against SCN

H.1 Wherever personal hearing is sought by the assessee, through the button on e-filing portal, PU shall accord personal hearing to the assessee through Video Conferencing (VC) facility.

H.2 To ensure adherence to the principles of natural justice and reasonable opportunity to assessee, VC must be given within 2-3 days of request by the assessee.

I. About Penalty Imposition Proposal and Penalty Non-imposition Proposal

I.1 For preparing proposals for Penalty Imposition or Non-imposition, PU shall consider:

I.1.1 Response of the assessee to SCN;

I.1.2 Submissions made by assessee in personal hearing, if any;

- I.1.3 Report of VU/TU, if any (Para G.2.2);
- I.1.4 Material available on record;
- I.1.5 Further information obtained, if any (Para G 2.3);
- I.1.6 Relevant case laws;
- I.2 Penalty Imposition Proposal shall be prepared as per format (Annexure PU-5);
- I.3 Where PU decides not to impose penalty; Penalty Non-Imposition Proposal shall be prepared as per prescribed format (Annexure PU-6).
- I.4 All proposals - Penalty Imposition and Penalty Non-imposition- shall be sent to NFPC for Risk Analysis.

J. Passing of Penalty Order or Intimation for Non-imposition of Penalty

J.1 Where the case is not selected for Review

J.1.1 PU shall, within 3 days of receipt of such information:

- J.1.1.1 Pass the order imposing penalty; or
- J.1.1.2 Issue intimation for not imposing penalty.

J.2 Where the case is selected for Review

J.2.1 PU shall immediately send the case to RU.

J.2.2 PU shall, within 3 to 5 days of receipt of Review Report:

- J.2.2.1 Accept or reject, some or all modifications suggested by RU;
- J.2.2.2 Record detailed reasons wherever the modification suggested by RU is fully or partly rejected.
- J.2.2.3 Pass the order imposing penalty; or
- J.2.2.4 Issue intimation for not imposing penalty.

J.3 Prior to issue of the penalty order or intimation for not imposing penalty, PU must preview the same to ensure that it has been framed:

- J.3.1 Taking into account proposals for Penalty Imposition or Non-imposition, as the case maybe; Review Report of RU, where applicable; Case History Noting and all relevant information gathered; and
- J.3.2 Adherence to the principles of natural justice.

J.4 Copy of penalty order or intimation for not imposing penalty, as the case maybe, shall be sent to the Income Tax Authority / NaFAC which had referred the penalty.

J.5 Case records shall be transferred to JAO after completion of penalty proceedings.

K. Contents of Penalty Order

K.1 The Penalty Order, using the prescribed format in System, must include the following:

- K.1.1 Complete description of the issues involved;
- K.1.2 Details of dates of all notices/opportunities given including the details of communication through emails as per Para C.3 and details of dispatch of communication about non-responsiveness to the SCN sent through Speed Post by VU, if any;
- K.1.3 Details of dates of compliance/non-compliance of the assessee;
- K.1.4 Summary of all submissions of the assessee;
- K.1.5 Submissions made by the assessee in personal hearing through Video Conference, if any;
- K.1.6 Information/material collected which is being used against the assessee;
- K.1.7 Citation of case laws along with their applicability to the case;
- K.1.8 Inferences on the basis of which penalty is levied.

L. About Case History Noting

L.1 Case History noting must also include:

- L.1.1 All relevant facts, particularly those relating to non-compliance or delay in response by assessee;
- L.1.2 Relevant events that hamper/delay the penalty process such as technical and systems issues, delays in response etc.

M. Regarding Immunity u/s 270AA

- M.1 Grant of immunity is the function of JAO.
- M.2 Where it comes to the notice of the PU, that an application for immunity has been filed in Form 68, a proposal for transfer of that penalty to JAO under para 5(2) of FPS-2021 shall be sent to NFPC through CCIT.

N. Regarding Waiver u/s 273A

- N.1 Grant of Waiver is the function of PCIT of JAO.
- N.2 Where an application for waiver is filed on a date prior to the issue of SCN, a proposal for transfer of penalty to JAO under para 5(2) of FPS-2021 shall be made to NFPC through CCIT.
- N.3 Where an application for waiver is filed after the date of issue of SCN, PU shall complete the penalty proceedings, taking into account the order under section 273A, if any.

Government of India
Ministry of Finance
Central Board of Direct Taxes
National Faceless Penalty Centre
New Delhi

Dated: 06.09.2022

Subject: Standard Operating Procedure (SOP) for Verification Unit (VU) of NaFAC for reference by PU under the Faceless Penalty Scheme, 2021 as amended by Faceless Penalty (Amendment) Scheme, 2022.

The Principal Chief Commissioner of Income Tax, National Faceless Assessment Centre (NaFAC), with the prior approval of the Central Board of Direct Taxes, New Delhi, lays down the following SOP for Verification Unit (VU) for references made by PU under the Faceless Penalty Scheme, 2021 as amended by Faceless Penalty (Amendment) Scheme, 2022.

CBDT order F No 187/4/2021-ITA-1 dated 20.01.2021 issued in terms of para 4 of Faceless Penalty Scheme, 2021 directs the National Faceless Assessment Centre (NaFAC), Assessment Unit (AU) and Review Unit (RU) to act as National Faceless Penalty Centre (NFPC), Penalty Unit (PU) and Penalty Review Unit (PRU) respectively. Accordingly, wherever mentioned in this SOP, NFPC, PU and PRU may be read as NaFAC, AU and RU respectively.

A. Functions of Verification Unit (VU) for PU include

A.1 Verification referred by PU that includes:

- A.1.1 Enquiry,
- A.1.2 Cross Verification,
- A.1.3 Examination of books of account,
- A.1.4 Examination of witnesses and recording of statements,
- A.1.5 Such other functions as may be required for the purposes of verification/enquiry.

B. Types of Verification References made by PU

B.1 Types of reference received by VU in prescribed format:

B.1.1 Non-responsive Penalty cases referred in Para F.1, F.2 and F.3 of SOP of PU;

B.1.2 Verification sought by the PU referred in Para G.2.4 of SOP for PU.

C. Modes of Verification

C.1 In instances referred in Para B.1.2, wherever possible, VU may conduct verification in an electronic manner;

C.2 In cases referred in Para F.1 and F.2 of SOP of PU- Dispatch of communication as per format (Annexure PU-2A), through Speed Post;

C.3 In cases referred in Para F.3 of SOP of PU - Physical delivery of communication as per format (Annexure PU-3A) and address verification;

C.4 In other cases referred in Para G.2.4 of SOP for PU - Modes of verification mentioned in Para C of SOP for VU under the Faceless Assessment provisions of Section 144B of the Income-tax Act.

D. Procedure for Handling References received from PU

D.1 On receipt of reference from PU, the VU shall:

D.1.1 Examine to ensure that

D.1.1.1 Reference is complete and contains requisite documents,

D.1.1.2 Reference falling under Para F.3 or Para G.2.4 of SOP for PU, has the approval of PCIT of the PU;

D.1.2 Seek clarification through inter unit communication functionality in case of any deficiency within 2-3 days of receipt of reference;

D.1.3 Dispatch communication about non-responsiveness to the SCN, through Speed Post, in references made under Para F.1 and F.2 of SOP of PU;

D.1.4 Physical delivery of communication and address verification in references made under Para F.3 of SOP of PU;

D.1.5 Carry out verification following the SOP for VU under the Faceless Assessment provisions of Section 144B, in references made under Para G.2.4 of SOP for PU;

- D.1.6 Prepare a Verification Report, along with Case History Details of verification proceedings and any other findings, generally within 2-3 days of completion/closure of verification;
- D.1.7 In case of communication about non-responsiveness to the SCN, Verification Report is to be prepared immediately upon dispatch of the communication, and without waiting for delivery/service;
- D.1.8 Forward the Verification Report to the PU.

E. Elements of Verification Report**E.1 Verification Report must include:**

- E.1.1 Reason(s) for verification referred by PU;
- E.1.2 Mode of Verification;
- E.1.3 Facts gathered during verification/enquiry;
- E.1.4 All evidences collected during verification/enquiry;
- E.1.5 Clear findings emanating from the enquiry;
- E.1.6 Details of Speed Post tracking ID, if any;
- E.1.7 Complete report of proceedings;
- E.1.8 Hindrances faced in the verification process, if any.

Government of India
Ministry of Finance
Central Board of Direct Taxes
National Faceless Penalty Centre
New Delhi

Dated: 06.09.2022

Subject: Standard Operating Procedure (SOP) for Technical Unit (TU) of NaFAC for reference by PU under the Faceless Penalty Scheme, 2021 as amended by Faceless Penalty (Amendment) Scheme, 2022

The Principal Chief Commissioner of Income Tax, National Faceless Assessment Centre (NaFAC), with the prior approval of the Central Board of Direct Taxes, New Delhi, lays down the following SOP for Technical Unit (TU) for references made by PU under the Faceless Penalty Scheme, 2021 as amended by Faceless Penalty (Amendment) Scheme, 2022.

CBDT order F No 187/4/2021-ITA-1 dated 20.01.2021 issued in terms of para 4 of Faceless Penalty Scheme, 2021 directs the National Faceless Assessment Centre (NaFAC), Assessment Unit (AU) and Review Unit (RU) to act as National Faceless Penalty Centre (NFPC), Penalty Unit (PU) and Penalty Review Unit (PRU) respectively. Accordingly, wherever mentioned in this SOP, NFPC, PU and PRU may be read as NaFAC, AU and RU respectively.

A. Procedure for handling Technical References received from PU

A.1 Examine the reference to ensure:

A.1.1 It is complete and contains requisite documents,

A.1.2 It has approval of PCIT of the PU;

A.2 Seek clarification through inter unit communication functionality in case of any deficiency;

A.3 Clarification must be sought within 2-3 days of receipt of reference;

A.4 Render Technical Assistance following the SOP for TU under the Faceless Assessment provisions of Section 144B of the Income-tax Act, to the extent applicable.

B. Elements of Technical Assistance Report

B.1 Technical Assistance Report must include:

- B.1.1 Reason(s) for reference by PU;
- B.1.2 Clear findings in respect of the Technical Assistance rendered;
- B.1.3 Hindrances faced in the assistance process, if any.

Government of India
Ministry of Finance
Central Board of Direct Taxes
National Faceless Assessment Centre
New Delhi

Dated: 06.09.2022

Subject: Standard Operating Procedure (SOP) for Penalty Review Unit (PRU) under the Faceless Penalty Scheme, 2021 as amended by Faceless Penalty (Amendment) Scheme, 2022.

The Principal Chief Commissioner of Income Tax, National Faceless Assessment Centre (NaFAC), with the prior approval of the Central Board of Direct Taxes, New Delhi, lays down the following SOP for Penalty Review Unit (PRU) under the Faceless Penalty Scheme, 2021 as amended by Faceless Penalty (Amendment) Scheme, 2022. This is issued under Para 12 of the Faceless Penalty Scheme, 2021.

CBDT order F No 187/4/2021-ITA-1 dated 20.01.2021 issued in terms of para 4 of Faceless Penalty Scheme, 2021 directs the National Faceless Assessment Centre (NaFAC), Assessment Unit (AU) and Review Unit (RU) to act as National Faceless Penalty Centre (NFPC), Penalty Unit (PU) and Penalty Review Unit (PRU) respectively. Accordingly, wherever mentioned in this SOP, NFPC, PU and PRU may be read as NaFAC, AU and RU respectively.

A. Handling of case received for Review

A.1 Upon receipt of reference from PU, PRU shall -

A.1.1 Examine the Penalty Imposition Proposal and Penalty Non-imposition Proposal in the light of case records and material accessible to RU.

A.1.2 Check the Penalty Imposition Proposal and Penalty Non-imposition Proposal, whether:

A.1.2.1 Relevant and material evidence has been brought on record;

A.1.2.2 Relevant points of fact and law have been duly incorporated;

A.1.2.3 Such other issues required to be incorporated, have been included.

A.1.3 Prepare a Review Report as per prescribed format in the System.

A.1.4 The Review Report may:

A.1.4.1 Accept the Penalty Imposition Proposal/Penalty Non-imposition Proposal, or

A.1.4.2 Propose any modifications in the Penalty Imposition Proposal/ Penalty Non-imposition Proposal, after giving reasons for the same.

A.1.5 Forward the Review Report to NFPC.

A.2 After forwarding of Review Report, where variation was proposed, a note along with the facts and circumstances and reasoning in prescribed format, shall be forwarded through PCIT of the RU, to NFPC for compilation of Guidance Notes for future references.

B. Timely submission of Review Report

B.1 Review Report should be generally submitted to NFPC within 5 days of receipt of reference.

B.2 The date of submission to NFPC may be advanced, keeping in view the limitation date for deciding the penalty.

Annexure PU-1**Format of Communication to be issued through “Issue letter functionality” on all available e-mails of assessee in case of non-compliance of SCN – Para C.3.1 of SOP for Penalty**

Dear Taxpayer,

Kindly refer to the ongoing penalty proceedings u/s XXXXXX in your case for AY XXXX-XX

1. Records show that you have not complied with the Show-Cause Notice issued in your case.
2. Records of proceedings including notices issued are available in your registered account at e-filing portal (www.incometax.gov.in)
3. This is to remind that you are required to furnish your reply to the notice within the due time through your account at e-filing portal(www.incometax.gov.in). You must submit your reply within 5 days of receipt of this communication.
4. Please appreciate that your reply to notice(s) would enable a fair decision on penalty proceedings taking into account the information and explanation provided.
5. In case of any technical difficulty in submitting response to the notice through e-filing portal, please contact e-filing helpdesk (details at www.incometax.gov.in) or mail to efilingwebmanger@incometax.gov.in.

Assessment Unit

Income-tax Department.

Annexure PU – 2**Format for reference to Verification Unit through Insight in Non-responsive Cases -****Para F.1 and F.2 of SOP for PU and Para C.2 of SOP for VU wrt Penalty**

To,

The Verification Unit,

PAN:	Name of the Assessee :	Assessment Year:	Penalty under Section:	Date of Reference
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Sub: Reference for Service of Communication through Speed Post in non-responsive cases in Penalty Proceedings u/s XXXXXX

Madam/Sir,

Please issue the attached communication through Speed post to the above mentioned non-responsive assessee.

Please send your report mentioning the speed post tracking ID immediately after dispatch of the communication.

Yours faithfully,

Assessment Unit,

Income Tax Department

Format PU – 2A

Communication to Non-responsive Assessee

Dear Taxpayer,

Subject: No response to Show Cause notice issued in Penalty Proceedings
u/s _____ , PAN_____ , AY_____ under Faceless
Penalty Scheme-2021 as amended by Faceless Penalty (Amendment) Scheme-
2022

1. Faceless Penalty proceedings are ongoing in your case. However, records show that you have not responded to the Show Cause Notice(s), served in your registered account on the e-filing portal (www.incometax.gov.in).
2. You are advised to submit your response immediately by logging in to your registered account on the e-filing portal using the 'e-proceeding' tab.
3. It may please be noted that failure to comply with the Show Cause Notice will result in completion of penalty proceedings ex-parte.
4. In case of any technical difficulty in submitting response to the notice through e-filing portal, please contact e-filing helpdesk (details at www.incometax.gov.in) or mail to efilingwebmanger@incometax.gov.in.

This is an electronically generated communication from National Faceless Assessment Centre, which need not be digitally signed for authentication.

Annexure PU – 3

**Format for reference to Verification Unit through Insight for Physical Verification –
Para F.3 of SOP for PU and Para C.3 of SOP for VU wrt Penalty**

To,

The Verification Unit,

Madam/Sir,

Sub : Reference for Physical delivery and address verification of non-responsive case

PAN:	Name of the Assessee :	Assessment Year:	Penalty under Section:	Date of Reference
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Brief description of enquiry/verification proposed to be assigned to VU by PU	
Address for Verification and Physical Service	
Date and time of email by which approval of PCIT AU has been taken	

Yours faithfully,

Assessment Unit,

Income Tax Department

Format PU – 3A

Communication to Non-responsive Assessee

Dear Taxpayer,

Subject: No response to Show Cause notice issued in Penalty Proceedings
u/s _____ , PAN_____ , AY_____ under Faceless
Penalty Scheme-2021 [As amended by Faceless Penalty (Amendment) Scheme-
2022]

1. Faceless Penalty proceedings are ongoing in your case. However, records show that you have not responded to the Show Cause Notice(s), served in your registered account on the e-filing portal (www.incometax.gov.in).
2. You are advised to submit your response immediately by logging in to your registered account on the e-filing portal using the 'e-proceeding' tab.
3. It may please be noted that failure to comply with the Show Cause Notice will result in completion of penalty proceedings ex-parte.
4. In case of any technical difficulty in submitting response to the notice through e-filing portal, please contact e-filing helpdesk (details at www.incometax.gov.in) or mail to efilingwebmanger@incometax.gov.in.

This is an electronically generated communication from National Faceless Assessment Centre, which need not be digitally signed for authentication.

Annexure PU – 4

**Format for reference to Verification Unit through Insight for Physical Verification –
Para G.2.4 of SOP for PU and Para B.1.2 of SOP for VU wrt Penalty**

To,

The Verification Unit,

Madam/Sir,

Sub : Reference for Physical Verification in Penalty Proceedings

PAN:	Name of the Assessee :	Assessment Year:	Penalty under Section:	Date of Reference
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Brief description of enquiry/verification proposed to be assigned to VU by PU	
Verification proposed to be done in physical enquiry	
Justification for physical enquiry as to how they fall in Para G.2.4 of SOP for PU.	
Date and time of email by which approval of PCIT AU has been taken	

Yours faithfully,

Assessment Unit,

Income Tax Department

Annexure- PU-5**Format for Penalty Imposition Proposal – Para 1.2 of SOP for PU**

The following format may be used in free text space of PIP screen available in ITBA

1. Description of back-ground facts and proceedings leading to initiation of penalty.**2. Details of opportunities given:**

Type of notice/ communication	Date of notice/ communication	Date of compliance given	Response of the assessee received/ not received	Date of response, if received	Response type: Full / part/ adjournment)	Remarks

3. Analysis of issues involved (issue wise)

- Description of issue.
- Synopsis of all submissions of the assessee relating to the issue indicating the dates of submission.
- Synopsis of submissions made during personal hearing through VC, if any.
- Summary of information/evidence including comments from report of VU/TU, if any (attach documents if required).
- Point-wise rebuttal of reply of the assessee including analysis of case law relied upon.
- Citation of relevant case laws.
- Conclusion drawn for Imposition of Penalty.

4. Computation of Penalty.

Annexure- PU-6

Format for Penalty Non-imposition Proposal – Para I.3 of SOP for PU

The following format may be used in free text space of PIP screen available in ITBA

1. Description of back-ground facts and proceedings leading to initiation of penalty.

2. Details of opportunities given:

Type of notice/ communication	Date of notice/ communication	Date of compliance given	Response of the assessee received/ not received	Date of response, if received	Response type: Full / part/ adjournment	Remarks

3. Analysis of issues involved (issue wise)

- Description of issue.
- Synopsis of all submissions of the assessee relating to the issue indicating the dates of submission.
- Synopsis of submissions made during personal hearing through VC, if any.
- Summary of information/evidence including comments from report of VU/TU, if any (attach documents if required).
- Point-wise consideration of reply of the assessee including analysis of case law relied upon.
- Citation of relevant case laws.
- Conclusion drawn for Non- imposition of Penalty.