E-Assessment Scheme 2019

Finance Minister's Budget Speech 2019

The Hon'ble FM, in her Budget Speech on 5th July 2019 announced:

- ✓ Faceless assessment in electronic mode
- ✓ With no human interface
- ✓ To be launched in 2019 in a phased manner
- ✓ Notices to be issued electronically by a Central cell
- ✓ Cases to be allocated to assessment units in a random manner
- ✓ Central Cell to be the single point of contact between taxpayer and the Department

Legal Framework

- Section 143(3A) & (3B) of the IT Act empowered notification of E-assessment scheme to impart greater efficiency, transparency and accountability by:
  - **Eliminating interface** between Assessing Officer and Assessee to the extent technologically feasible
  - **Optimising the utilisation of resources** through economies of scale and **functional specialisation**
  - Introducing **team based assessment** with **dynamic jurisdiction**
- E-assessment Scheme 2019 notified on 12.09.2019

E-Assessment Scheme 2019 Organisation Structure
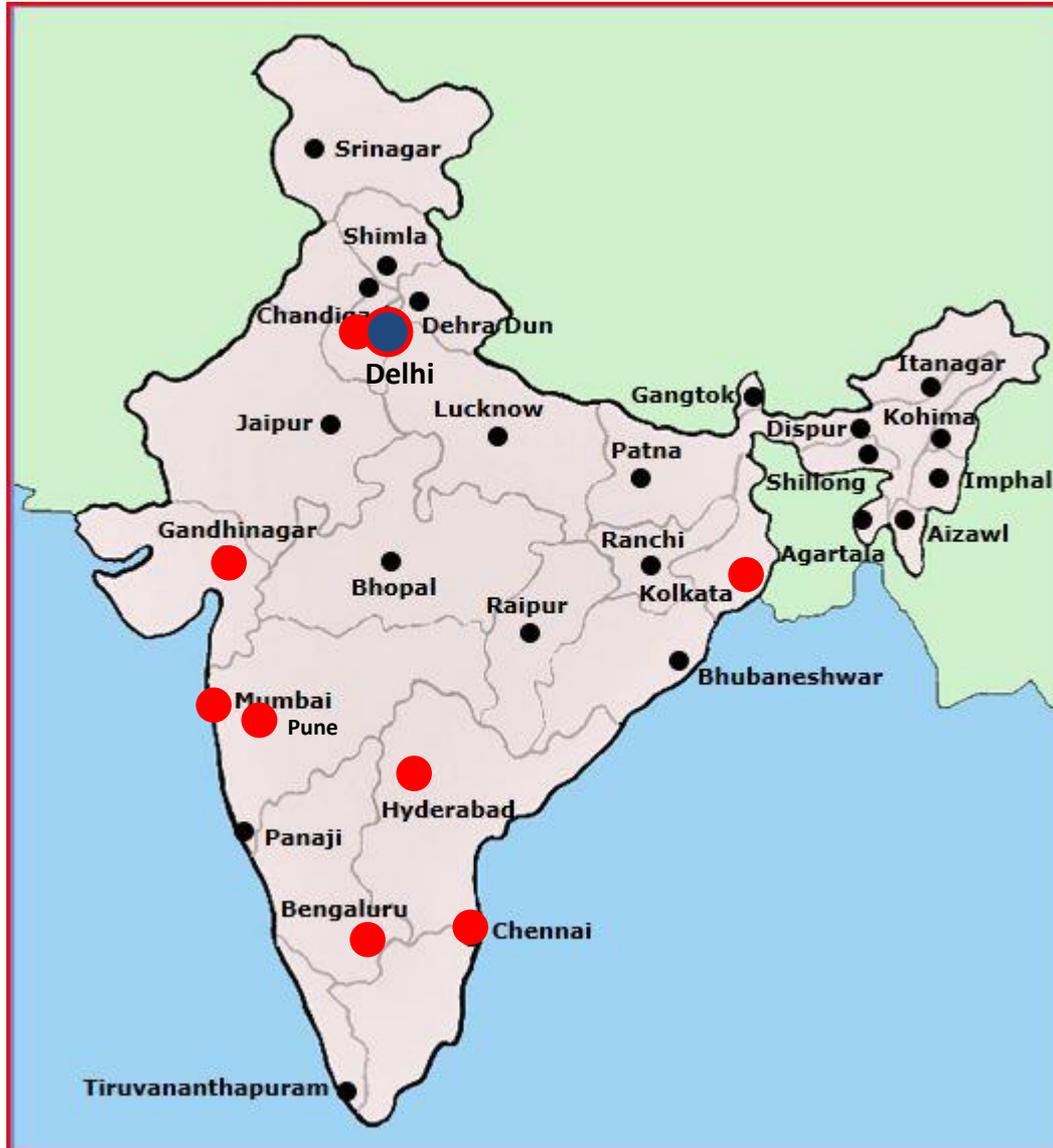
- 🔵 **National e-Assessment Center (NeAC)**
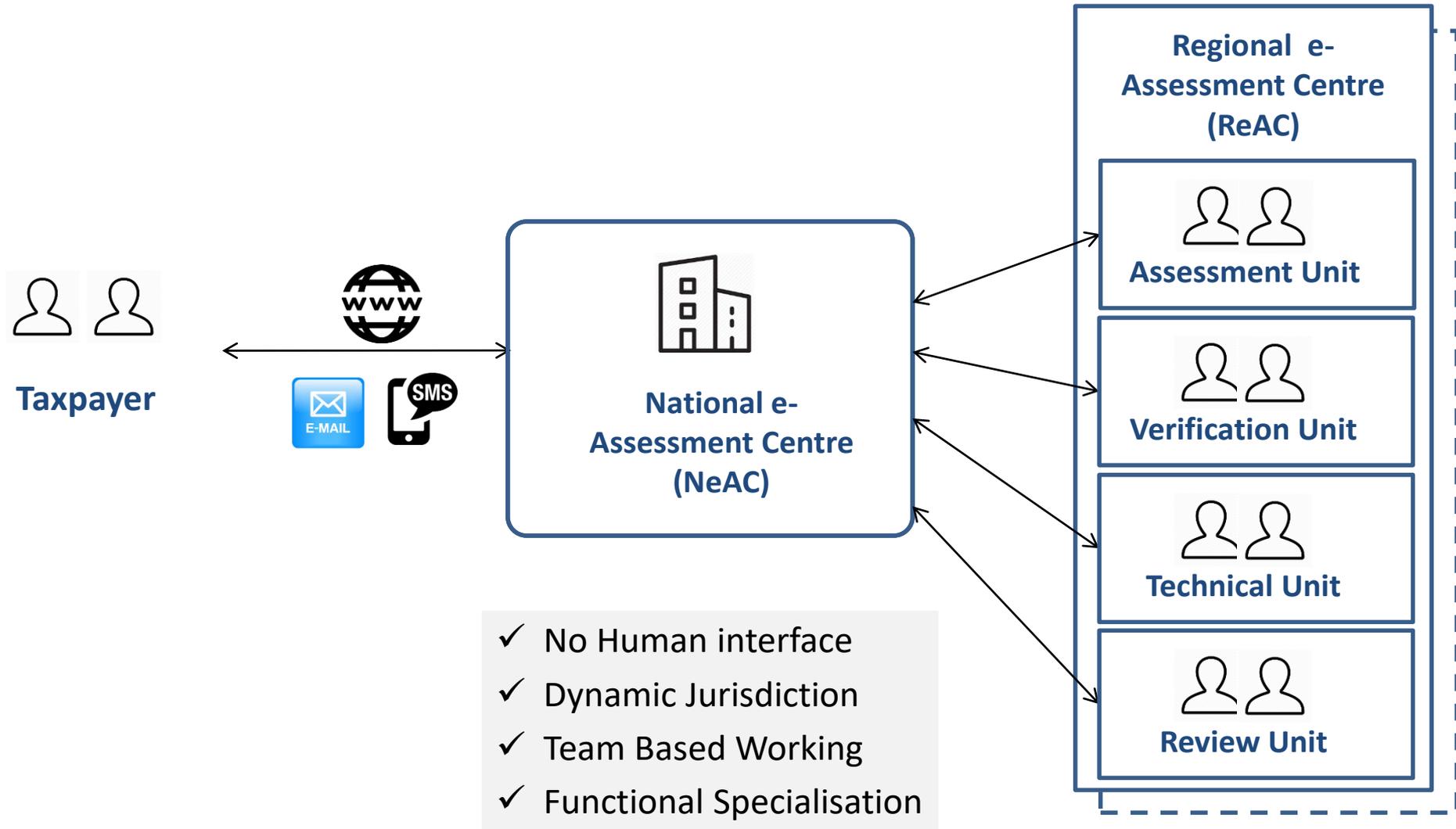 - Headed by Pr. CCIT
  - Located at Delhi

- 🔴 **8 Regional e-Assessment Centers (ReAC)**
  - Headed by CCIT
  - Located at Delhi, Mumbai, Chennai, Kolkata, Ahmedabad, Pune, Bangalore and Hyderabad

NeAC/ReAC Manpower

Post	Number
Pr. Chief Commissioner of Income Tax	1
Chief Commissioner of Income Tax	4
Pr. Commissioner of Income Tax	25
Commissioner of Income Tax	1
Additional/Joint Commissioner of Income Tax	144
Deputy/Assistant Commissioner of Income Tax	163
Income Tax Officer	281
Inspector	635
Executive Assistant	400
Multi-Tasking Staff	558
Stenographer	474
Total	**2686**

E-Assessment 2019 Ecosystem

Taxpayer

www

E-MAIL SMS

National e-Assessment Centre (NeAC)

Regional e-Assessment Centre (ReAC)

Assessment Unit

Verification Unit

Technical Unit

Review Unit

- ✓ No Human interface
- ✓ Dynamic Jurisdiction
- ✓ Team Based Working
- ✓ Functional Specialisation

National e-Assessment Center (NeAC) Delhi

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                    │  Pr. CCIT   │
                    └──────┬──────┘
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       │  Addl./JCIT │           │  Addl./JCIT │
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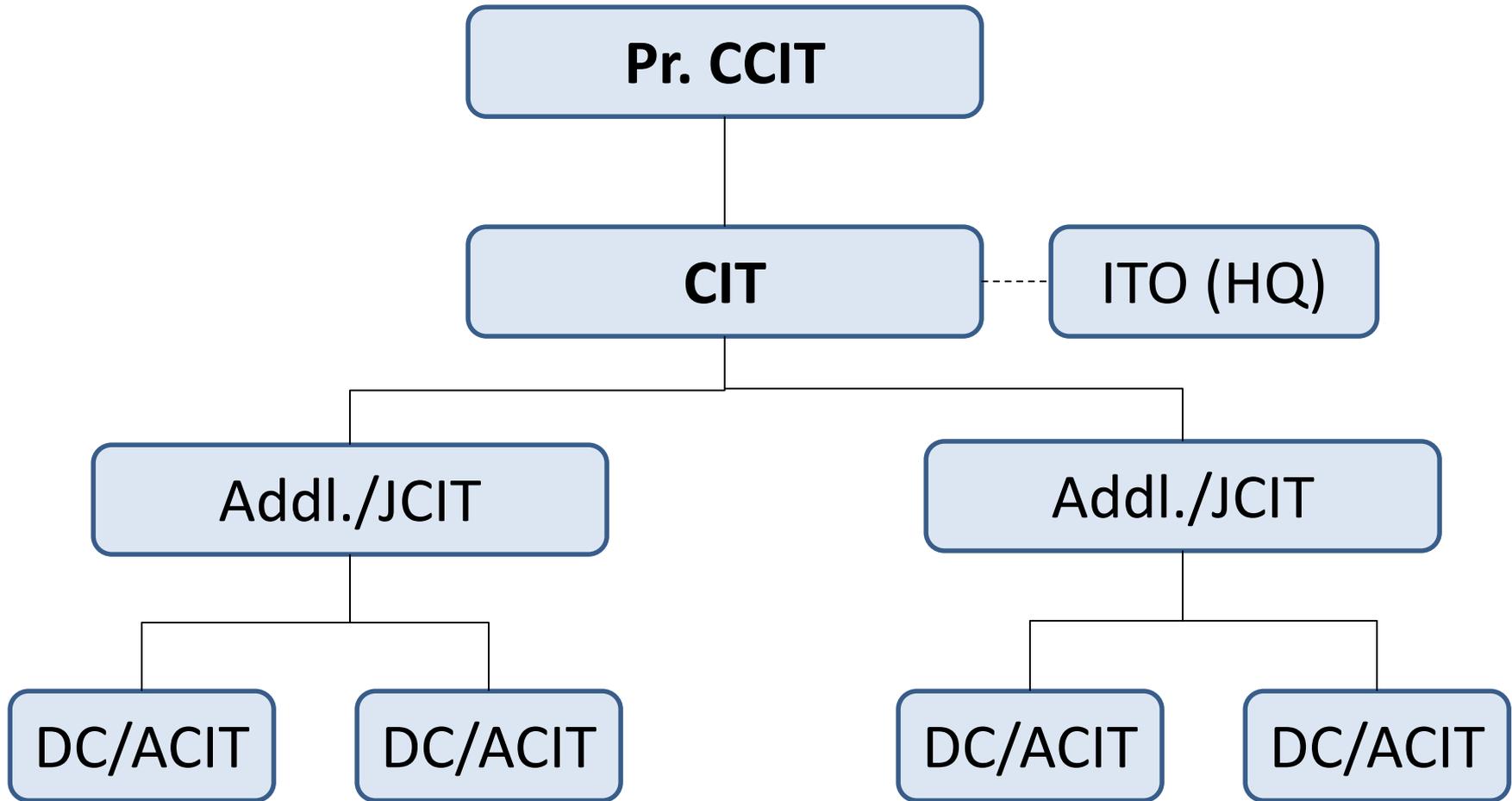
Functions of NeAC

- Specify format, mode, procedure and processes
- Send all notices/communication electronically
- Assign cases to assessment unit (ReAC) through automated allocation system
- Allocate cases to verification unit, technical unit through automated allocation system
- Select draft assessment orders for review and allocate to review unit through automated allocation system
- Providing opportunity to taxpayer before finalising assessment order
- Finalize assessment orders
- Transfer all electronic records to jurisdictional AO for post assessment work

Regional e-Assessment Centers (ReAC)
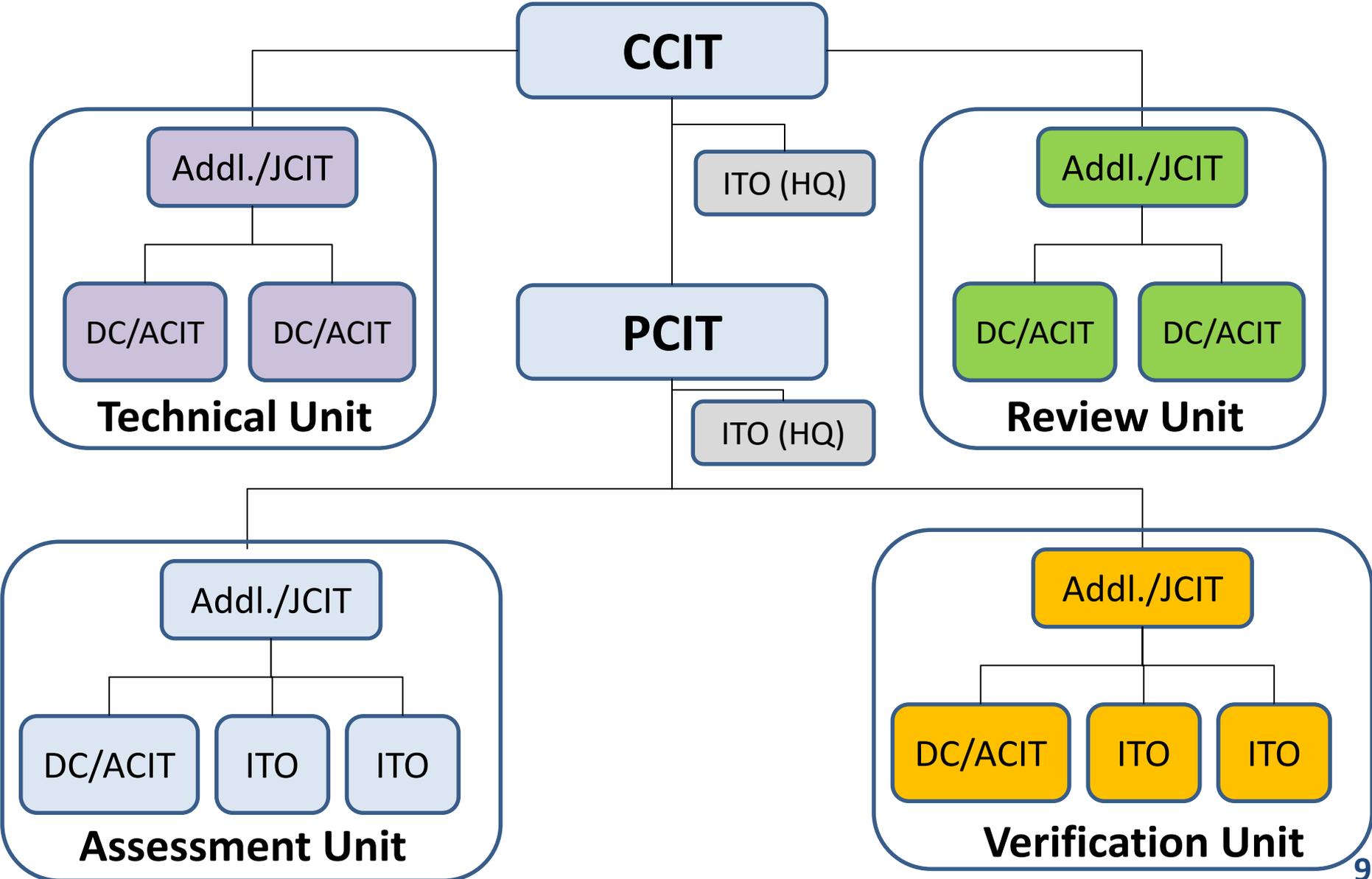
Functions of ReACs

- **Assessment Unit** – Identify issues, seek information and analyse material to frame draft assessment orders

- **Verification Unit** - Conduct enquiry, examination of books of account, examination of witnesses and recording of statement (through VC)

- **Technical Unit** – Provide advice on legal, accounting, forensic, Information Technology, Valuation, Transfer Pricing, Data Analytics etc.

- **Review Unit** – Review of Draft Assessment Order – Whether material evidence brought on record, points of facts and law incorporated, application judicial decisions considered, arithmetic correctness etc.

Progress So Far….

05.07.2019	Announcement in Budget
12.09.2019	Notification of E-Assessment Scheme 2019
17.09.2019	Diversion of Posts from CIT and above
17.09.2019	Posting of officers in NeAC
23.09.2019	Notification for All India Jurisdiction (concurrent) to NeAC
24.09.2019	Selection of cases for E-Assessment scheme 2019
26.09.2019	Notification of designated portal for E-Assessment
27.09.2019	Issue of digitally signed notices in 58,322 cases
30.09.2019	Allocation of office space for NeAC
01.10.2019	Diversion of posts for ReACs from Add. CIT and below
03.10.2019	Setting up and All India Jurisdiction (concurrent) to ReACs
07.10.2019	Inauguration of NeAC and ReACs by Hon'ble FM

Expected Benefits

- Ease of compliance for taxpayers
- No human interface
- Transparency and efficiency
- Functional Specialisation
- Improvement in Quality of Assessment
  - Risk based and focussed approach
  - Systematic and specific verification
  - Standardisation and quality management
  - Better monitoring
- Expeditious Disposal of Cases