



# Income Tax Gazetted Officers Association

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To  
The Honourable Finance Minister,  
Government of India,  
New Delhi.

Respected Madam,

Sub: **Request for extension of the Time Barring Date for certain proceedings exercising the power vested in the GOI - matter reg.**

With deep concern, we are constrained to bother you once again, as the present situation, so far as the issue of time-barring date for the Income Tax proceedings is concerned, has been deteriorated further since our last communication on 10.03.2022. For your kind understanding, we would like to depict the sequence of events and flag the areas of real concern in brief as under:

- Against the legislative intent of allowing at least **one year** for completion of scrutiny proceedings, the assessing officers have officially been allowed only **six months** for the current cycle of cases. But pushing of the cases to the Faceless Assessing Officers (FAO) were actually started in the month of November, thus further restricting the effective period to **4-5 months** only. But almost at the same time, 3<sup>rd</sup> Wave of Covid pandemic started affecting almost everyone (though milder in nature), thus disrupting normal office functioning by **one more month**.
- But the cause of real botheration is that the allocation of new cases (to be barred by limitation on 31.03.2022) is not a one-time affair and it still continues. As on date, there are still around **1000 cases** are waiting to be pushed from Jurisdictional Assessing Officers (JAO) to FAOs or Central charges or vice versa, thus effectively allowing the new incumbent **just 15 days** or less time to complete those cases.
- Key for the success of Faceless Assessment Scheme is the seamless interface among different digital platforms involved (ITBA, Insight, CPC 2.0 etc.) and ease of working in those platforms. Unfortunately, the experience so far is very **disappointing**. Slow speed, poor outputs, late introduction of functionalities, regular server downtime, technical glitches are to name a few. But the most frustrating of all is the **separate log in** requirement for each of the digital platforms, that too can't be accessed simultaneously, apart from the **compatibility** issue with the devices.
- Holding **additional charge** at Assessing Officer or AO level (ITO/ACIT/DCIT) becomes a norm, as **promotion** to the grade of ACIT as well as ITO (in most of the regions) have not been taken place for last **3-4 years**. As per the policy, each AO can log in to the system with one window at a time, irrespective of number of charges holding. So effective working time for each of the charge in such cases is **reduced** by multiple times (depending on the number of charges he/she is holding). Moreover, staff members attached are getting **NIL** to very limited opportunity to assist the officer for **poor delegation functionality** and in the **officer only** design/logic of the system.
- As a result, a total of around **1,50,000 Assessment cases (CASS and reopening cases combined)** and **56,000 Penalty cases, which are going to be barred by limitation on 31.03.2022, are pending as on date.**
- How improbable it will be to complete those cases in next 15 days can be gauged by the figures of cases **queued** at CPC 2.0 for computation since long (around **20,000** scrutiny cases and **4,000** penalty cases are pending as on date). **Computation** at CPC 2.0 is an integral part of the proceedings at least for twice, once before sending Draft Order to the assessee and later before passing of the order finally. If CPC 2.0 can't presently handle only a small fraction of cases, it appears to be a disaster waiting to happen, once the cases, many folds higher than the present pendency, will be pushed within a very short period of time. The **CPC 2.0 alone can get cases barred by limitation** for thousands of assessees.
- It is just learnt that CPC put special effort during the last week end to liquidate the pendency by completing computation in the cases stuck there and good number cases have been returned back after computation (among those **20,000** scrutiny cases). **But the reality is that in most of the cases computation is done erroneously**. So, AOs have now to start from the scratch to fill up the schedules once more, wasting precious time and again send back to CPC for re-computation. So the special drive taken appears to have done **more harm** than providing relief.

- Till few days back, computation functionalities for scrutiny cases selected through CASS have not been enabled. As on date, it is functional for most of the cases, though taking a considerable time due to technical glitches or system errors. The AOs, who are lucky enough to cross these two hurdles of computation and CPC, with some time barring CASS cases, are now stuck at the final frontier. Order passing facility in CASS cases of A.Y. 2020-21 (around 40% of currently pending cases) still remains disabled, greeting the disgruntled AOs with the pop up message of “Order passing for AY 2020-21 onwards is **not available till next notification**”. If the functionality remains non-operational for thousands of cases displaying such message, even when only a fortnight is left, no word is required to describe the sorry state of affairs.
- Despite flagging the issue repeatedly, SOPs have been kept unnecessarily lengthy and difficult to follow, a real impediment to complete the cases early. Finally, **relaxations** are brought in the some of the SOPs only few days back. But that is **too little too late**, as the actual damage has already been done.
- The entire emphasis of the Faceless Scheme is on transparency and ease of compliance for the assesseees. The reasons discussed above are actually defeating the second cause. Under time barring pressure, the Assessing Officers may once again be forced to complete the cases in a hurried manner, which will **severely hurt** the Department’s reputation as **Quality Tax Payer Service** provider and may further invite the wrath of the Judiciary.
- As discussed in our earlier communication, Jurisdictional Assessing Officers are fighting against all odds to do justice to the plethora of information pushed at the fag-end following an impossible to implement kind of SOP, which suggests numerous steps for issuing reopening notice including obtaining **approval** of the PCIT for **4 times**, apart from their routine works including completion of time barring assessment and penalty cases, pushed at the last moment.
- **Officers in the Central charges** too are going through a harrowing time to complete the huge workload (even difficult in one year time period) within less than a period of six months. They are also staring at the possibility of the cases getting time barred, unless the amendment proposed in section 153B of the I.T. Act timely comes to their rescue.

Therefore, it is earnestly requested to review the situation considerably from the perspective of the issues discussed above and kindly take necessary steps to **extend the limitation date (for the assessment and penalty cases as well as for issuing reopening notices, all getting barred on 31.03.2022) to 30.09.2022**, exercising the power vested in the hand of Government of India.

Thanking You,

Yours Sincerely,



**(Bhaskar Bhattacharya)**  
**Secretary General**

Copy for information to:

- 1) The Hon'ble Minister of State in charge of Finance, GOI
- 2) The Revenue Secretary, GOI
- 3) The Chairman, CBDT