आयकर निदेशालय (पद्धति)
DIRECTORATE OF INCOME TAX (SYSTEM)
ए आर ए सेंटर, भू-तल, ई-2 झंडेवालान एक्स
ARA Center, Ground Floor, E-2, Jhandewalan Extension,
नई दिल्ली – 110055, **New Delhi – 110055**

F.No. System/ITBA/Instruction/Penalty/2018-19/	**Dated: 01.08.2018**

To,
   All Principal Chief Commissioner of Income-tax (By Name)
   All Principal Director General of Income-tax (Investigation), DGsIT (Inv.) (By Name)
   The Director General of Income-tax (I&CI) (By Name)
   All the Chief Commissioners of Income-tax (By Name)
   All Principal Directors of Income-tax (Investigation), DsIT (Inv.) (By Name)
   All Principal Commissioners of Income-tax, CsIT, CsIT (Admn & TPS) (By Name)

Subject: Launch of Income Tax Business Application (ITBA) – Proceedings u/s 275(1A) – Reg.

Madam/Sir,

This is with reference to the subject mentioned above. Penalty Module of ITBA was rolled out on 31.10.2016. This module provides facility for initiation of penalty and passing of penalty orders under different sections of the I. T. Act, 1961. In this regard, ITBA/Penalty Module Instruction No. 1 dated 31.10.2016 was issued to apprise users about functionalities available in the Module. A new functionality with regard to passing of orders for imposing/ enhancing/ reducing/ cancelling penalty, u/s 275(1A) based upon assessment as revised by giving effect to the appellate order of the CIT (Appeals)/ ITAT/ High Court/ Supreme Court and orders for revision u/s 263 and 264 of the I. T. Act, has been introduced with effect from 31.07.2018.

2.   The Penalty Module of ITBA can be accessed by entering the following URL in the browser: http://itba.incometax.gov.in
The path for Penalty module is**: ITBA Portal →Login → Modules → Penalty → Menu → Proceedings u/s 275(1A)**

3.   Following are the functionalities provided in Proceedings u/s 275(1A) of Penalty module:
   (i)   **Initiation of Proceedings u/s 275(1A):** Facility for initiation of proceedings u/s 275(1A) has been provided to AO, Range Head, PCIT, CIT(A), CIT(Exmp.) and PCIT(Intl. Taxation). User can initiate Proceedings u/s 275(1A) for a case where the original penalty order has been passed in ITBA. In case the original penalty order has not been passed in ITBA, the user can enter the original order through 'Manual to System' facility of Penalty Module to be able to pass order u/s 275(1A). User can navigate to the screen for initiating proceedings u/s 275(1A) and enter the PAN and AY. User will need to select the already passed penalty order in respect of the PAN and AY. In case the order for giving-effect to the modification in the assessment order by CIT(A), ITAT, High Court, Supreme Court or revision of assessment u/s 263 or 264 has been passed in system, then user will select the same. If such order has not been passed in ITBA, facility has been provided to enter the details of such order which was passed outside system.. User will then need to issue show cause notice for initiation of proceedings u/s 275(1A). Once initiated, pendency will be created for Proceedings u/s 275(1A) in the worklist of the user.

    (ii)   **Recomputation of Penalty:** Facility to re-compute penalty has been provided in the workitem of Proceedings u/s 275(1A). On click of re-compute penalty button, screen with details as per original penalty order will be displayed. User may change and save the recomputed penalty amount.

    (iii)   **Passing of Order for Proceedings u/s 275(1A):** After re-computation of penalty, user can pass the order for Proceedings u/s 275(1A). In cases where approval of Range head is required as per section 274(2) read with second proviso to section 275(1A), the officer concerned can submit the draft order to the Range head who can grant approval online. The Range head also has option to reject the proposal or send back the same to his subordinate in case he wants to have some clarification or the revised draft.

    (iv)   **Generation of Computation sheet:** Once the order for Proceedings u/s 275(1A) is passed, details will be shared with CPC-ITR for computation. Further, computation sheet, intimation sheet/ demand notice (whichever is applicable) can be downloaded from View/ Download Letter/Notices/Order screen.

    (v)   In case of Refund, a separate process would be initiated through the CPC-ITR for adjustment of demand, if any, after issue of intimation u/s 245. Refund will be issued through refund banker in all cases.

4.   Training material including user manual, help content and frequently asked questions (FAQs) are available on the Penalty Module Home Page and on **ITBA Portal → Online Training on ITBA.** Users can refer these in case of any issues.

5.   Users are advised to contact helpdesk in case of any issues in respect of the ITBA.

    a.   URL of helpdesk - http://itbahelpdesk.incometax.net
    b.   Help desk number – 0120-2811200
    c.   Email ID – helpdesk_messaging@incometax.gov.in
    d.   Help desk Timings – 8.30 A.M. – 7.30 P.M. (Monday to Friday)

6.   This Instruction has been issued with the prior approval of the Pr. Director General of Income Tax (Systems).

Yours sincerely,

(Ramesh Krishnamurthi)
Addl.DGIT(S)-III, New Delhi

Copy to:
1. The P.P.S to Chairman, Member(L), Member(Inv.), Member(IT&C), Member(Rev.), Member(A&J) & Member(Admn.),CBDT for information.
2. The P.S. to Pr.DGIT(S) for information.
3. The CIT (investigation), CBDT
4. The Web Manager, for www.irsofficersonline.gov.in website.
5. ITBA Portal

(Ramesh Krishnamurthi)