



### **CBDT amends procedure for identification and processing of prosecution under the Direct Tax Laws**

CBDT, for streamlining the procedure of identifying and processing cases for prosecution under the Direct Tax Laws, has revised the criteria for launching prosecution, providing relief in certain categories of offences from immediate effect (also applicable to all the pending cases where complaint is yet to be filed). A gist of the same is as under:

#### **Failure to pay TDS/TCS – Sections 276B and 276BB**

Cases involving non-payment of TDS/TCS of INR 25 Lakhs or below, and the delay in deposit of tax is not more than 60 days from the due date, shall not be processed for the prosecution in normal circumstances. In exceptional cases like, habitual defaulters, based on the particulars facts and circumstances of each case, prosecution may be only initiated only with the previous administrative approval of the Collegium of two CCIT/DGIT rank officers.

#### **Willful attempt to evade tax – Section 276C(1)**

Cases where amount sought to be evaded, or tax on under reported income is INR 25 Lakhs or below, shall not be processed for prosecution without the

previous administrative approval of the Collegium of two CCIT/DGIT rank officers.

#### **Failure to furnish returns on income – Section 276CC**

Cases where the amount of tax, which would have been evaded if the failure had not been discovered, is INR 25 Lakhs or below, shall not be processed for prosecution, except with the previous administrative approval of the Collegium of two CCIT/DGIT rank officers.

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