

DIRECT TAXES PROFESSIONALS' ASSOCIATION

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URGENT

Ref. No. DTPA/Rep/22-23/

25th July, 2022

To,
The Chairman,
Central Board of Direct Taxes,
North Block,
New Delhi-110001

Respected Sir,

Sub: Humble Representation for modification of Section 151 of the Income Tax Act relating to Sanction for issue of Notice under sec. 148/148A w.e.f. 1st April, 2021

At the outset, we would like to convey our thanks and gratitude for substituting the provisions relating to re-assessment w.e.f. 1st April, 2021 and also for inserting section 148A allowing opportunity to taxpayer to furnish explanation with regard to material/ information shared by way of Notice under sec. 148A(b). We would like to make the following representation for your honour's kind consideration.

1. Section 148A(d) provides that the Assessing Officer shall decide on the basis of material available on record including reply of the assessee, whether or not it is a fit case to issue a notice under sec. 148, by passing an order, **with the prior approval of specified authority**, within one month from the end of the month in which the reply referred to in clause (c) is received by him., or where no such reply is furnished, within one month from the end of the month, in which time or extended time allowed to furnish a reply as per clause (b) expired.
2. Section 151 of the Income Tax Act is reproduced here regarding Sanction for Issue of Notice: 151. Specified Authority for the purposes of section 148 and sec. 148A shall be, -
 - (i) Principal Commissioner or Principal Director or Commissioner or Director, if three years or less than 3 years have elapsed from the end of the relevant assessment year;
 - (ii) Principal Chief Commissioner or Principal Director General or where there is no principal Chief Commissioner or Principal Director General, Chief Commissioner or Director General, if more than three years have elapsed from the end of the relevant assessment year.
3. Your honour, considering practical difficulties and also the fact that the appeal against assessment under section 147/ 143(3) is decided by Commissioner (Appeal), the sanction

by Principal Chief Commissioner or Principal Director General is not desirable, as the rank of sanctioning authority under sec. 151 is much higher than Commissioner (Appeal). Therefore section 151 needs to be reviewed. Our suggestion is that section 151 may be considered for substitution as per suggestion here below:

Suggested section 151 for substitution:

Section 151. Specified Authority for the purposes of section 148 and sec. 148A shall be, -

- (i) Additional Commissioner or Joint Commissioner or Additional Director or Joint Director, if three years or less than 3 years have elapsed from the end of the relevant assessment year;
- (ii) Principal Commissioner or Principal Director or Commissioner or Director, if three years or less than 3 years have elapsed from the end of the relevant assessment year.

4. We humbly request your Honour to kindly consider the above representation as early as possible.

Thanking your honour in anticipation,



Adv Kamal Kumar Jain

President, DTPA

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Narayan Jain

Chairman, Representation Committee

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CC to :

- 1. Smt. Nirmala Sitharaman**
Hon'ble Minister of Finance and Corporate Affairs
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- 2. The Principal Chief Commissioner of Income Tax,**
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