

All communication with taxpayers to be from NeAC under faceless assessment

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NEW DELHI: The Income Tax department has issued guidelines for the demarcation of roles of officers for the implementation of faceless assessment, making the National e-Assessment Centre (NeAC) as the main gateway for communication with a taxpayer.

The Central Board of Direct Taxes (CBDT) has notified the National e-Assessment Center (NeAC) at Delhi and various Regional e-Assessment Centres (ReACs) across 20 cities for implementing the faceless assessment scheme.

In detailed guidelines on implementation of the scheme the CBDT said, "The NeAC/ReACs hierarchy will be tasked with management of Faceless Assessment proceedings".

All the functions would be through electronic means for which the NeAC will be the gateway and will function as such for all the flow of information.

"The officers and the staff in the ReACs will perform the functions relating to the assessment and verification function under the Income Tax Act, but all communications from the department to the taxpayer/assessee/third-party for the purposes of the Act will be in the name of the NeAC. No communication of any nature such as above will be made by any of the ReACs," the CBDT said.

The guidelines further said the power of survey under the Income Act henceforth will be exercised by the Investigation Directorates and the TDS charges only.

"In cases of surveys of the International Taxation charge or any other charges, the same will be conducted in collaboration with the Investigation Directorates," the CBDT added. IN an I-T Survey, tax officers visit business premises of the taxpayer to gather information by way of examination of books of accounts, data stored electronically and also access email communication.

Nangia & Co LLP Partner Shailesh Kumar said in this detailed guidance note, clear demarcation of roles and responsibilities of NeAC, ReACs and other filed formations have been defined. "Further, it is also clarified that apart from assessment proceedings, a large number of other functions such as rectification proceedings, demand collection management, tax recovery proceedings, proceedings to give effect to appellate orders, etc. shall remain with the field officers," he said. This would also provide a lot of clarity to other field jurisdictions, on their powers, functions, roles and responsibilities, Kumar said. Under faceless scrutiny assessment, a central computer picks up tax returns for scrutiny based on risk parameters and mismatch and then allots them randomly to a team of officers. This allocation is reviewed by officers at another randomly selected location and only if concurred, a notice is sent by the centralized computer system. All such notices need to be responded electronically without the requirement of visiting a tax office or meeting any official.

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