

NDA Update on period of limitation under Income Tax for filing appeals etc

CBDT, vide its Circular No 10 of 2021 dated 25-05-2021 has clarified that if different relaxations are available to the taxpayers for a particular compliance, the taxpayer is entitled to the relaxation which is more beneficial to him. Thus, for the purpose of counting the period(s) of limitation for filing of appeals before the CIT (Appeals) under the Act, the taxpayer is entitled to a relaxation which is more beneficial to him. Hence the tax payer is entitled to take benefit of extended time period for filing appeals etc as ordered by the Hon'ble Supreme Court in Suo Motu Writ Petition (Civil) NO.3 of 2020 vide order dated 27th April 2021.

It may be noted that no cut-off date has been prescribed by the Supreme Court till now on which the period of extension will end.

On 27th April 2021, Hon'ble Supreme Court ordered as under:

“We, therefore, restore the order dated 23rd March, 2020 and in continuation of the order dated 8th March, 2021 direct that the period(s) of limitation, as prescribed under any general or special laws in respect of all judicial or quasi-judicial proceedings, whether condonable or not, shall stand extended till further orders”.

It may be noted that earlier it was directed vide order dated 23rd March, 2020 that the period of limitation in filing petitions/ applications/ suits/ appeals/ all other proceedings, irrespective of the period of limitation prescribed under the general or special laws, shall stand extended with effect from 15th March, 2020 till further orders. Thereafter on 8th March, 2021 it was noticed that the country is returning to normalcy and extension of limitation should be brought to an end.

https://www.incometaxindia.gov.in/communications/circular/circular_10_2021.pdf

https://main.sci.gov.in/supremecourt/2021/10651/10651_2021_31_1_27776_Order_27-Apr-2021.pdf