



Circular No. 11/2024

**F. No. 312/63/2023-OT
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes**

Dated 1st October 2024

Sub: Order authorizing Income-tax authorities to admit an application or claim for refund and carry forward of loss and set off thereof under section 119(2)(b) of the Income-tax Act, 1961 reg-

In supersession of all earlier Instructions/Circulars/Guidelines issued by the Central Board of Direct Taxes (the Board) from time to time to deal with the applications for condonation of delay in filing returns claiming refund and returns claiming carry forward of loss and set off thereof under section 119(2)(b) of the Income-tax Act, 1961 (the Act), the present Circular is being issued to deal with the applications for condonation of delay in filing returns claiming refund and returns claiming carry forward of loss and set off thereof containing comprehensive guidelines on the conditions for condonation and the procedures to be followed for deciding such matters.

2. (i) The Principal Commissioners of Income-tax/Commissioners of Income-tax (Pr. CsIT/CsIT) shall be vested with the powers of acceptance/rejection of such applications/claims if the amount of such claims is not more than Rs.1 crore for any one assessment year.
- (ii) The Chief Commissioners of Income-tax (CCsIT) shall be vested with the powers of acceptance/rejection of such applications/claims if the amount of such claims exceeds Rs.1 crore but is not more than Rs.3 crores for any one assessment year.
- (iii) The Principal Chief Commissioners of Income-tax (Pr. CCsIT) shall be vested with the powers of acceptance/rejection of such applications/claims if the amount of such claims exceeds Rs.3 crores for any one assessment year.

2.1 Further, it is also provided that the Commissioner of Income-tax, Central Processing Centre (CPC), Bengaluru shall be vested with the powers for acceptance/rejection of petitions under section 119(2)(b) of the Act seeking condonation of delay in verifying the return of income by sending the ITR-V to centralized processing Cell (CPC), Bengaluru within the prescribed time limit.

3. No condonation application for claim of refund/loss shall be entertained beyond five years from the end of the assessment year for which such application/claim is made. The time limit for filing of such application within five years from the end of assessment year will be applicable for applications filed on or after 01.10.2024. This limit of five years shall be applicable to all authorities having powers to condone the delay as per the above prescribed monetary limits. A condonation application should be disposed of, as far as possible, within six months from the end of the month in which the application is received by the competent authority.

4. In view of the amendment in Section 139(9A) of the Act vide Finance Act, 2024, the powers of acceptance/rejection of the application within the monetary limits delegated to the authorities in case of such claims will be subject to following conditions:

- i. At the time of considering the case under Section 119(2)(b) of the Act, it shall be ensured that assessee was prevented by reasonable cause from filing the return of income within the due date and that the case is of genuine hardship on merits.
- ii. The authorities dealing with the case shall be empowered to direct the jurisdictional Assessing Officer to make necessary inquiries in accordance with the provisions of the Act to ensure that the application is dealt on merits in accordance with law.

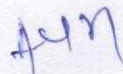
5. In a case where refund claim has arisen consequent to a Court order, the period for which any such proceedings were pending before any Court of Law shall be ignored while calculating the said period of five years, provided such condonation application is filed within six months from the end of the month in which the Court order was issued or the end of financial year whichever is later.

6. A belated application for supplementary claim of refund (claim of additional amount of refund after completion of assessment for the same year) can be admitted for condonation provided other conditions as referred above are fulfilled. The powers of acceptance/rejection within the monetary limits delegated to the Pr.CCsIT/CCsIT/Pr.CsIT/CsIT in case of returns claiming refund and supplementary claim of refund would be subject to the following further conditions;

- i. The income of the assessee is not assessable in the hands of any other person under any of the provisions of the Act.
- ii. No interest will be admissible on belated claim of refunds.
- iii. The refund has arisen as a result of excess tax deducted/collected at source and/or excess advance tax payment and/or excess payment of self assessment tax as per the provisions of the Act.

7. The delegation of powers, as per para 2 of this Circular shall also cover all such applications/claims for condonation of delay under section 119(2)(b) of the Act which are pending as on the date of issue of the Circular i.e. 01.10.2024.

8. The Board reserves the power to examine any grievance arising out of an order passed or not passed by the authorities mentioned in para 2 above and issue suitable direction to them for proper implementation of this Circular.


(Ashish Kumar Agrawal)
Deputy Secretary to Government of India

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