

INTERIM BOARD

- Section 245DD of the act gives powers to the settlement commission to order provisional attachment to protect the interest of the revenue; The newly inserted section 245DD(3) provides that on and from the 1st day of February, 2021, the power of the Settlement Commission under this section shall be exercised by the Interim Board and the provisions of this section shall mutatis mutandis apply to the Interim Board as they apply to the Settlement Commission.
- The Interim Board shall conduct e-settlement of pending applications allocated or transferred to it by central board of Direct Taxes.
- The Interim Board shall consist of three members, each being an officer of the rank of chief commissioner, as may be nominated by the Board. If the member of the Interim Board differs in opinion on any point, the point shall be decided according to the majority.

APPLICABILITY

This Scheme shall be applicable to pending applications in respect of which the applicant has not exercised the option under sub-section (1) of section 245M of the Act and which has been allotted or transferred by Central Board of Direct Taxes to an Interim Board. The Principal Director General of Income-tax (Systems) or the Director General of Income tax (Systems), as the case may be, shall, with the approval of Central Board of Direct Taxes, devise a process to randomly allocate or transfer the pending applications.

PROCEDURE

- i. the Interim Board shall intimate the applicant about the allocation or transfer, as the case may be, of his case to it;
- ii. the Interim Board may call for the records from the Principal Commissioner or the Commissioner and may forward the necessary information, document, evidence, report and additional facts to the Principal Commissioner or the Commissioner and direct it to make or cause to be made further enquiry or investigation and furnish a report in accordance with and within the time allowed.

- iii. where the Principal Commissioner or the Commissioner fails to furnish the report as referred to in clause (ii), within the time, the Interim Board may proceed to pass the order under sub-section (4) of section 245D of the Act, without waiting for that report;
- iv. where the report as referred to in clause (ii) has been furnished by the Principal Commissioner or the Commissioner, the Interim Board shall forward such report to the applicant and request the applicant to submit written response to such report within the date and time specified or such extended date and time as may be allowed on the basis of an application made in this behalf;
- v. where the applicant fails to furnish the response as referred to in clause (iv) within the specified time, or within the extended time, the Interim Board may proceed to pass the order under sub-section (4) of section 245D of the Act, without waiting for that response;
- vi. the opportunity referred to in sub-section (4) of section 245D of the Act shall be provided by the Interim Board through video conferencing or video telephony;
- vii. the Interim Board shall before providing opportunity referred to in clause (vi), forward the response referred to in clause (iv), if received from the applicant, to the Principal Commissioner or the Commissioner;
- viii. an authorised representative appearing for the applicant at the time of hearing of an application shall file before the commencement of the hearing a document authorising him to appear for the applicant and if he is a relative of the applicant, the document shall state the nature of his relationship with the applicant, or if he is a person regularly employed by the applicant, the capacity in which he is employed at that point in time;
- ix. the Interim Board may, on such terms as it thinks fit and at any stage of the proceedings, adjourn the hearing of the application or any matter arising therefrom;
- x. after hearing the applicant and the Principal Commissioner or the Commissioner, through video conferencing or video telephony, and after examination of all the information, document, record, report and evidence with it, the Interim Board shall pass order under sub-section (4) of section 245D of the Act;
- xi. the order passed under clause (x) shall be delivered to the applicant vide the registered e-mail address along with a copy to the Principal Commissioner or the Commissioner;

- xii. the order passed under clause (x) may be rectified by the Interim Board under sub-section (6B) of section 245D of the Act either suo motu or on an application made by the applicant or the Principal Commissioner or the Commissioner;
- xiii. the provisions of Chapter XIX-A of the Act shall mutatis mutandis apply to pending applications allotted or transferred, to the Interim Boards.

VERIFICATION OF ADDITIONAL FACTS

Where in the course of any proceedings before the Interim Board any facts not contained in the settlement application (including the annexure and the statements and other documents accompanying such annexure) are sought to be relied upon, they shall be submitted to the Interim Board in writing and shall be verified in the same manner as provided for in the settlement application.

PROCEEDINGS NOT OPEN TO THE PUBLIC

The proceedings before the Interim Board shall not be open to the public and no person (other than the applicant, his employee, the concerned officers of the Interim Board or the Income-tax authority or the authorised representatives) shall, without the permission of the Interim Board, remain present during such proceedings, even on video conferencing or video-telephony.

COMMUNICATION BY ELECTRONIC MODE

- a. all communications between the Interim Board and the applicant, or his authorised representative, shall be exchanged by electronic mode;
- b. all communications between the Interim Board and the Principal Commissioner or the Commissioner shall be exchanged by electronic mode: Provided that any application received in a mode other than electronic mode by the Interim Board may be forwarded to the Principal Commissioner or the Commissioner electronically, to the extent technologically feasible.
- c. every notice or order or any other electronic communication under this Scheme from the Interim Board shall be delivered to the addressee, being the applicant by sending

an e-mail to the registered email address of the applicant or his authorised representative;

- d. the applicant or the authorised representative shall file his response to any notice or order or any other electronic communication, under this Scheme, to the Interim Board through his registered e-mail address; and
- e. the Principal Commissioner or the Commissioner shall file his response to any notice or order or any other electronic communication, under this Scheme, to the Interim Board through official electronic mail facility.