**FILING OF APPEAL OR APPLICATION FOR REFERENCE** **BY INCOME TAX AUTHORITY– SECTION 268A OF THE** **INCOME TAX ACT, 1961 [238 TAXMAN (st.) 5]** The monetary limits for filing appeals before the Income Tax Appellate Tribunals and High Courts were raised to ` 10 lakh and ` 20 lakh respectively by Circular 21 of 2015, dated 10/12/2015.  
  
 The CBDT *vide* letter F.No.279/MISC/M-142/2007-ITJ (PART) dated 08/03/2016, clarified that monetary limits of ` 10 lakh for filing appeals before the Income Tax Appellate Tribunals would apply equally to cross objections under section 253(4) of the Act. Cross objections below this monetary limit, already filed, should be pursued for dismissal as withdrawn/not pressed.  
  
 The filing of cross objections below the monetary limit may not be considered henceforth.  
  
 Similarly, references to High Courts below the monetary limit of ` 20 lakh should be pursued for dismissal as withdrawn/ not pressed. References below this limit may not be considered henceforth.  
  
 **ASSOCIATION OF PERSON – ASSESSABLE AS –** **CLARIFICATION REGARDING TAXABILITY OF** **CONSORTIUM MEMBERS – SECTION 4 OF THE INCOME** **TAX ACT, 1961 [238 TAXMAN (st.) 6]** 1) The CBDT *vide* Circular No. 7/2016 dated 7/3/2016 clarified with a view to avoid tax–disputes and to have consistency in approach while handling these cases, the Board has decided that a consortium arrangement for executing EPC/Turnkey contracts which has the following attributes may not be treated as an AOP.  
  
 a) Each member is independently responsible for executing its part of work through its own resources and also bears the risk of its scope of work i.e., there is a clear demarcation in the work and costs between the consortium members and each member incurs expenditure only in its specified area of work.  
  
 b) Each member earns profit or incurs losses, based on performance of the contract falling strictly within its scope of work. However, consortium members may share contract price at gross level only to facilitate convenience in billing.  
  
 c) The men and materials used for any area of work are under the risk and control of respective consortium members.  
  
 d) The control and management of the consortium is not unified and common management is only for the *inter* *se* co-ordination between the consortium members for administrative convenience.  
  
 2) There may be other additional factors also which may justify that consortium is not as AOP and the same shall depend upon the specific facts and circumstances of a particular case, which need to be taken into consideration while taking a view in the matter.  
  
 3) It is further clarified that this circular shall not be applicable in cases where all or some of the members of the consortium are Associated Enterprises within the meaning of section 92A of the Act. In such cases, the Assessing Officer will decide whether an AOP is formed or not keeping in view the relevant provisions of the Act and judicial jurisprudence on this issue.