

Sec 144C [Reference to Dispute

Resolution Panel

[Collegium of 3 CIT] [majority opinion will be taken]

Additional procedure for

1) A foreign company / non-resident

2) Variation arises due to transfer pricing order.



Procedure.



A.O. issues draft order to applicable assessee before passing final order.



Assessee can, within 30 days from the receipt of draft order.

Accepts the order Raises the objection before DRP.



A.O. No issue, Passes the order with 1 month from the end of month in which reply was received.



After considering the draft order, DRP will issue cross objections by assessee, Any evidence



DRP will issue directions within a month from the end of month in which draft

confirming

enhancing

Reducing (OOBH)

order was forwarded

↓

After receiving the orders,
The A.O. will pass Assessment
order, within one month from
the end of month in which ~~def~~
direction were received.

Notes:

If assessee was not given the
reply to filed objection, The A.O. will pass
order within 1 month from the end of month
in cross objection was expired.

- 2)
- 1) Assessee can file appeal to ITAT if cross objections were raised before DRP
 - 2) Assessee can file appeal to CIT(A) if no objections were raised before DRP

Sec 156 Demand notice

Issues separate notice
containing the amount of demand
payable by assessee

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to be paid within 30 days
from the service of notice

↓
30 days can be reduced with
the approval of J.C. if detrimental
to revenue.

not required
separate notice in
case of 143C(1),
200A(1) & 206CB(1)
Intimation order
↓
Intimation order
is deemed to be
demand notice
u/s 156.

Note: If demand amount not paid by assessee
within 30 days, then assessee will be
treated as assessee in default &
interest is payable @ 1% p.m or part of month.
of delay u/s 220(2).

Protective Assessment

↓
when ownership of income is in dispute

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The AO assesses income in hands of all
persons who are claiming ownership.

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The objective is to protect the interest of
revenue & cannot recover the taxes until
the dispute is resolved.