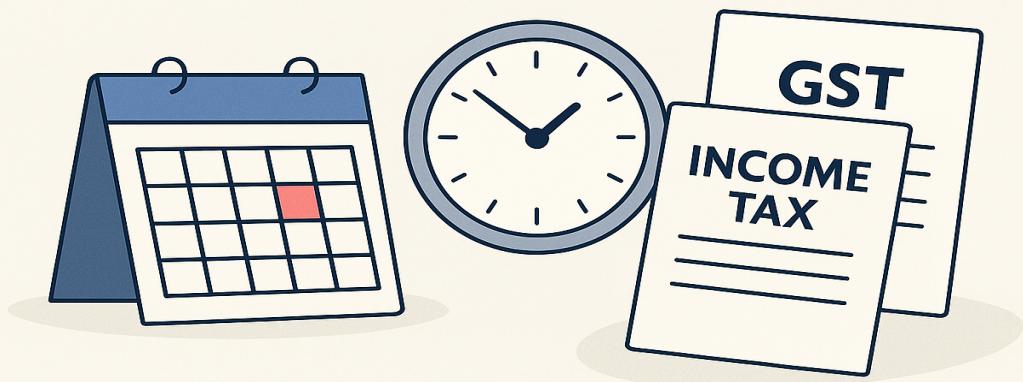


NOTICE REPLY

Why Timely Compliance with GST & Income Tax Notices Matters

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Legal, Financial & Practical Consequences (2025 Guide)

Prepared by NOTICE REPLY

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Legal, Financial & Practical Consequences (2025 Guide)

Timely compliance with GST and Income Tax notices is a legal obligation and a crucial part of maintaining a clean tax profile. Delays can trigger automatic tax demands, penalties, interest, and even ex parte assessments.

1. GST Law – Why Timely Compliance Matters

- Sections 73 and 74 prescribe strict timelines for notices.
- Non-response may lead to best-judgment assessment, ITC blocking, refund withholding, and penalty exposure.
- New AI-based scrutiny systems escalate mismatches automatically.

2. Income Tax Law – Why Timely Compliance Matters

- Notices under Sections 139(9), 143(1), 142(1), and 148 carry fixed statutory deadlines.
- Faceless proceedings automatically close response windows after due dates.
- Non-compliance can result in ex parte assessment under Section 144.

3. Practical Reasons Timely Compliance is Essential

- Avoids auto-generated tax demands.
- Protects right to be heard.
- Prevents cash-flow disruptions such as ITC blocks.
- Reduces scrutiny and builds a low-risk compliance profile.

4. What To Do When A Notice Arrives

- Download and read the notice immediately.
- Prepare documentation, reconciliations, and reply drafts.
- Upload the response within time or request extension where permissible.