

Minutes of the Meeting held on 10/03/08 at Hotel Aurora Towers-Pune with the members from the Pune Chartered Accountants Society, Western Maharashtra Tax Practitioners Association

A meeting was held on 10/03/2008 at Hotel Aurora Towers, Pune to discuss various issues/ grievances of the Associations of Chartered Accountants and Tax Practitioners. The following were present :

Present from the Department :-

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| 1) | Shri M. Narasimhappa | - | Chief CIT, Pune |
| 2) | Shri Kalyan Chand | - | Chief CIT-II, Pune |
| 3) | Shri Raj Kumar | - | CIT-I, Pune |
| 4) | Shri Raminder Kaushal | - | CIT-II, Pune |
| 5) | Shri S.K. Misra | - | CIT-III, Pune |
| 6) | Shri S.K. Pandey | - | CIT-IV, Pune |
| 7) | Shri S.M. Mishra | - | CIT-V, Pune |
| 8) | Shri M.K. Singh | - | CIT(Audit), Pune |
| 9) | Shri K.K. Tiwari | - | CIT(TDS), Pune |
| 10) | Shri G.S. Singh | - | DIT(Transfer Pricing), Pune |
| 11) | Shri A.C. Shukla | - | CIT(A)-I, Pune |
| 12) | Shri Tejinder Singh | - | CIT(A)-II, Pune |
| 13) | Shri M.C. Dubey | - | CIT(A)-III, Pune |
| 14) | Shri Sandip Pradhan | - | Addl.CIT(HQ)(Admn), Pune |
| 15) | Smt. Sunita Billa | - | Addl. CIT(HQ)(Coord.), Pune |
| 16) | Shri Sangram Gaikwad | - | Addl. CIT(Systems), Pune. |

Present from Pune Chartered Accountants Society

- 1) Shri Nilesh Khandelwal
- 2) Shri Challani

Other Chartered Accountants Present

- 1) Shri L.B. Laddha
- 2) Shri Chandrakant Doshi

Present from Western Maharashtra Tax Practitioners Association

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| 1) | Shri Suresh Agarwal | - | President |
| 2) | Shri Santosh Sharma | - | secretary |
| 3) | Smt. Nalini Kulkarni | - | Jt. Secretary |
| 4) | Shri Sunil Shenoy | - | Convener |

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- 5) Shri A.V. Kulkarni - Member
- 6) Shri V.G. Shah - Member
- 7) Shri Dinesh Chhajed - Member
- 8) Shri Kewal Sonigara - Member

Smt. Sunita Billa, Addl. CIT(HQ)(Coord.), welcomed the members of Chartered Accountants and Tax Practitioners Association followed by introduction of the members present.

Shri M. Narasimhappa, Chief CIT, Pune, has expressed his happiness over the attendance of the members of the various associations in such a large number. The CCIT said that this is the second meeting to have interactions with each other. He has given an assurance to the members that the issues / grievances will be attended to and they should feel free to put forth the problems which will be sorted out at the earliest. He has also requested that every one should be transparent and honest in representing the assesses since in the long run honesty definitely pays. He said that we have opened up to a global economy and we should all work towards this way by being honest and helpful.

Shri Suresh Agarwal ,President of the Western Maharashtra Tax Practitioners Association thanked the CCIT Pune for taking a great step by way of introduction of TAX PAYERS SERVICES . He further thanked the CCIT for the active steps taken for meeting their various demands placed before the department in the earlier meeting held in October -07. Shri Santosh Sharma, Secretary, started the meeting by thanking the CCIT, Pune for the various steps taken by the department for improvement of the work conditions. He further discussed all the issues which were put forth in the earlier meeting of October 2007 and the compliance done by the department on those issues.

He further read out the issues / grievances which needed to be attended in future .This was followed by the grievances of the Chartered Accountant's Association which were read out by Shri Nilesh Khandelwal, Chartered Accountant

After all the issues were read out the point wise replies were given to these queries by the CCIT Pune and the other senior officers. The issues raised during the interaction and the replies given have been elaborated as follows:

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1. The A.O. CIB has made orders u/s. 144 making huge additions even in case of assesseees who have filed regular returns and intimated the same to the CIB cell. The AO be directed that no recovery proceedings should be initiated in such cases. The appeals in this matter should be fixed on priority and disposed off at the earliest.

*Ans : The CCIT assured that in genuine cases where the return of income has been filed and the information disclosed in the return, recovery will not be enforced. Appeals can be disposed off on priority wherever the information is already available in the return of income filed by the assessee. (**Instructions have been issued to the field Officers**)*

2. In cases where the appeal is pending before the CIT(A), he should be directed to decide the stay application and he should also be directed to decide the appeal within 3 months from the grant of the stay.

Ans : There is no such provision for grant of stay by the CIT(A) provided by the legislature. However, wherever demand is more than Rs. 10 lakhs, the CIT(A) may be requested to take up the case on priority. Wherever necessary the assesses should approach the concerned CIT .The CIT in turn will discuss the issues with the CIT(A)'s and decide the stay application.

3. In case where the CIT(A) has heard the appeal but the order is pending, then the recovery should be stopped till the decision of the appeal is received by the assessee.

The list of heard appeals and date of orders should be made available to the assessee. Currently, the orders for appeals heard are not being received even for a period of 2 months to 12 months. The disposal status of the appeals should be displayed which will solve most of the issues

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*Ans : The CIT(A)-I, Pune has stated that no such information if asked for is being refused till date and will not be refused hence forth. The details of heard appeals and the date of orders as requested, can be made available to the assessee if required but the disposal status will not be displayed. (**Action all C'sIT (A)**)*

4. The AO holds proprietary information in respect of assessment of various assessees. He should refrain from discussing the information with other assessees.

Ans: *There is no doubt that the AO is bound to maintain secrecy and refrain from discussing any information about any assessee with the other assesseees. The AOs will be instructed accordingly.*

(Action Addl CIT Co-ord)

5. There are lot of Scrutiny assessments coming up this year. The staff of the AO refuses to accept letters of submissions even when the AO is not there (many a times they are busy in meeting either with the Addl. CIT or the CIT). The representatives have to wait there till the time the AO returns and deals with the matter or face penal consequences. This amounts to a lot of waste of time. A proper method be put in place to avoid such situations. It is requested that the different Associations be involved to formulate such administrative methods so that it is suitable to all concerned.

Ans : *Tapal should not be refused. Officials should accept the Tapal by duly acknowledging the receipt even in the absence of the A.O.Steps to give immediate adjournment and necessary Instructions will be given accordingly. .(Action Addl CIT Co-ord)*

6. Office the Commissioner (Appeals), Commissioners, Addl. Commissioners, Assessing Officers give only stamp as token of

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acknowledgment. There is no system of giving ack. No. to the papers filed. The receiving Clerk does not even put his signature on the papers filed. This is true even for office of CCIT.

Ans : *This will be considered. The official receiving Tapal will be instructed to give acknowledgement number and append his initials.*

7. Full list of Jurisdiction should be made available to professional bodies. It should also be displayed on Department's Web Site and updated. The list should bear a note displaying the date upto which the list has been updated.

Ans: *Jurisdiction chart is being displayed in all the Buildings. Jurisdiction booklets are available in the Tax Payers Lounges. The same would be made available to all the professional bodies.*

.(Action Addl CIT Co-ord)

8. Tax payments in Banks is a very big problem .The employees of the bank behave in a very arrogant manner. he challans are not received immediately.

Ans : We would take up the issue with the banks.Meanwhile the Associations may also explore appropriate channels,forums to vent their grievances before the Department of Banking for redressal

9. The Electronic processing of returns software is not giving credit of TDS, set off of losses etc.

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*Ans : This is not a local problem. It has to be solved from the DIT(Systems) at Delhi. This will be brought to their notice and solutions sought at the earliest.
.(Action CIT- CO)*

10. The ITAT pronounces the Judgment in the open Court However the order takes atleast three months time. When the decision is in the favour of the assessee ,due to the above delay the assessee has to face the recovery proceedings.

Ans Where ever necessary the assesses should approach the concerned CIT .The CIT in turn will discuss the issues with the CI(ITAT)/D.R's and decide accordingly.

11. There are various problems due to the data mismatch .A system should be done where such demands created can be kept in abeyance

Ans . In 30% of the challans the mistake is due to wrong C.I.N. It is therefore requested that it should be ensured that correct C.I.N is mentioned. As far as Wrong AY is mentioned, the AO has the power to modify the AY. The AO will be given directions accordingly. In TDS cases the deductor is supposed to give the PANos of all the deductees .If the same is not given in a single case also then credit cannot be given. Hence the same may also be ensured by all the deductors.

11. Refunds are signed by the Assessing Officers ,However the same are not received by the assessee in time since they are not dispatched immediately.

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Ans : This will be considered. The Officers/official will be instructed to dispatch the refunds immediately without any delay. Specific instances of delay may be brought to the notice of the concerned AddlCIT/CIT for necessary action.

13. When enquiry about the returns is to be done many times the reason given is that there is no connectivity.

Ans. Connectivity is not such a problem any more. .Hence if any specific queries are there the assessee or their representatives should take the benefit of the time fixed for meeting the officers without appointment i.e. 3 to 4 p.m. on every Wednesday and seek redressal.

14. The applications u/s 12A and u/s 80G are not being processed. There is lot of delay in the processing. Further the condition that any change in the constitution/amendment should be done with the permission of the Department should be removed since the Trust function as per the rules/regulations laid down by the Charity Commissioner and the Department should not insist for the same.

Ans : This will be considered after obtaining the views of the committee for this purpose. Regarding the pendency of the 12A and 80G applications ,we will call for the CIT wise pendency and take action accordingly.

15. Regarding the Deduction certificate u/s 197 of the I.T.Act the circular no 4 dated 16.07.02 is not being followed by the department.

Ans : *This will be considered on case to case basis .*

16. Applications u/s 154 of the I.T.Act when made by the assessee they should be properly acknowledged and Serial nos should be given to such applications. If proper acknowledgement number is

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given then it will solve the problem since the status of the said application is always challenged in appeal.

Ans : *Necessary instructions will be issued to the officers.*

17. The scrutiny assessments are done without any Time Management.

Ans .*We will discuss on this issue and necessary instructions will be given to AOs.*

After all the issues were heard from the various institutes and a satisfactory reply given on all the issues the meeting was concluded with Shri Nilesh Khandelwal thanking the CCIT and the department for the various services extended by the department and for showing a friendly and helping approach towards the masses. He has also thanked the department for bringing the Tax Payers Services Scheme which will remove various inhibitions that exists in the Tax Payers

(Sunita Billa)

Addl. Commissioner of Income Tax(HQ)(Coord.)
For Chief Commissioner of Income Tax, Pune.