

Instruction No. 4/2017

Government of India

Ministry of Finance

Department of Revenue

Central Board of Direct Taxes

New Delhi, the 3rd March, 2017

Subject: - Issue of notice under section 133(6) of the Income-tax Act, 1961 for verification of cash deposits under 'Operation Clean Money' - regd.

Vide Instruction No. 3/2017 dated 21.02.2017, in file of even number, CBDT has issued a SOP to be followed by the Assessing Officer(s) for Online Verification of Cash Transactions pertaining to the demonetisation period. In continuation thereof, the Board hereby prescribes a Template, to be used for issue of notices under section 133(6) of the Income-tax Act, 1961 ('Act') in appropriate cases, for Online Verification of Cash Deposits. The format is enclosed herewith as Annexure.

2. Following issues may kindly be kept into consideration while issuing notices under section 133(6) of the Act, in applicable cases:

i. Notice under section 133(6) of the Act is required to be issued, after obtaining prior approval of Pr. CIT/CIT/Pr. DIT/DIT as provided in the Act, in cases where the 'person under verification' fails to file Online response in a timely manner in spite of issue of reminder by the Assessing Officer. The approval would be taken Online once the facility in ITBA module gets operationalised;

ii. Notice shall be generated through the ITD System only. Hence, no hand written/typed notice is required to be issued by the Assessing Officer in an individual case;

iii. Response to notice under section 133(6) of the Act has to be furnished within the stipulated period by the 'person under verification' only through the Online mode;

iv. It is re-iterated that verification under 'Operation Clean Money' is to be made through the Online Verification Portal only in accordance with SOP dated 21.02.2017;

v. In case no response is furnished within the specified timeframe, Assessing Officer may form a view that 'person under verification' has no plausible explanation to offer regarding the cash deposits in his/her bank account(s) and consequentially, the case may be escalated as 'Not-Acceptable' for further action in accordance with the procedure prescribed in the SOP of CBDT vide Instruction No. 3/2017 dated 21.02.2017.

3. This may be brought to the notice of all for necessary compliance.

4. Hindi version to follow.

(F. NO. 225/100/2017-ITA.II)

(Rohit Garg)

Director (ITA.II), CBDT

Enclosure: as above

(Annexure)

Subject: Furnishing information under section 133(6) of the Income-tax Act, 1961 ('Act') regarding cash transactions made during 9th November to 30th December, 2016-regd.-

Dear

Income-tax Department has received..... information record(s) showing total cash deposits of Rs..... relating to you. The information in respect of these transactions has already been made available in the online verification portal.

2. You are hereby required to furnish the requisite information/particulars in the matter above, under section 133(6) of the Act, within 5 days of receipt of this communication. The response has to be furnished online only and there is no need to visit the Income-tax office for submitting the same. The steps for furnishing the response are as under:

Step 1: Login to e-filing portal at <https://incometaxindiaefiling.gov.in>. If you are not registered with the e-filing portal, use the 'Register Yourself' link to register.

Step 2: Click on "Cash Transactions 2016" link under "Compliance" section.

Step 3: The details of transaction(s) related to cash deposits during 9th November to 30th December, 2016 will be displayed.

Step 4: Submit your online response for each transaction and keep acknowledgement for record.

3. Non-compliance of this notice may lead to forming a view that there is no plausible explanation in respect of cash so deposited and the matter may be further dealt with in accordance with the relevant provisions under the Act. Please also note that non-compliance within the prescribed time may attract penal proceedings under section 272A of the Act.

4. This issues with prior approval of Pr. CIT/CIT/Pr. DIT/DIT.

Note:

- Please refer to the User Guide and Frequently asked Questions ('FAQs') which is available in the help section of the e-filing portal home page.
- Kindly verify and update the email address and mobile number on the e-filing portal to receive electronic communication.

- Please ignore this notice, if response has already been furnished in the matter.

ITO/ACIT/DCIT