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Taxation

Types of Assessment

Self-Assessment (Section 140A): -

Where any tax is payable on the basis of any return required to be furnished under section 115-WD or section 115WH or section 139 or section 142 or section 148 or section 153A or as the case may be s. 158 BC after taking into account —

- (i) the amount of tax (if any) already paid under (section) any provisions of this Act;
- (ii) any tax deducted or collected at source;
- (iii) any relief of tax or deduction of tax claimed under Section 90 or section 91 on account of tax paid in a country outside India;
- (iv) any relief of tax claimed under Section 90-A on account of tax paid in any specified territory outside India referred to in that section; and

(d)

(v) any tax credit claimed to be set off in accordance with the provisions of Section 115-JAA;

(b) in sub-section (1-A) for clause (i) the following clause shall be substituted, namely:—

"(i) under Section 234-A shall be computed on the amount of the tax on the total income as declared in the return as reduced by the amount of:—

(a) advance tax, if any, paid;

(b) any tax deducted or collected at source;

(c) any relief of tax or deduction of tax claimed under Section 90 or Section 91 on account of tax paid in a country outside India;

(d) any relief of tax claimed under Section 90 A on account of tax paid in any specified territory outside India referred to in that section; and

(e) any tax credit claimed to be set off in accordance with the provisions of Section 115-dAA;"

he liable to pay such tax together with interest payable under any provision of this Act for any delay in furnishing the return or any default or delay in payment of advance tax, before furnishing the return and the return shall be accompanied by proof of payment of such tax and interest.

Where the amount paid by the assessee under this sub-section falls short of the aggregate of the tax and interest as aforesaid, the amount so paid shall first be adjusted towards the interest payable as aforesaid and the balance, if any, shall be adjusted towards the tax payable;

According to sub-section (1A), for the purposes of sub-section (1) interest payable under section 234-A shall be computed on the amount of the tax on the total income as declared in the return as reduced by the advance tax (if any) paid and any tax deducted or collected at source.

Sub-section (1A) also provides that for the purposes of sub-section (1) interest payable under Section 115-WK shall be computed on the amount of tax on the value of fringe benefits as declared in the return as reduced by the advance tax paid (if any).

Sub-section (1B) provides that for the purposes of sub-section (1) interest payable under section 234B shall be computed on an amount equal to the assessed tax or, as the case may be, on the amount by which the advance tax paid falls short to the assessed tax.

Explanation:- For the purposes of this sub-section, "assessed tax"

means the tax on the total income as declared in the return as reduced by the amount of -

(i) tax deducted or collected at source in accordance with the provisions of Chapter XVII, on any income which is subject to such deduction or collection and which is taken into account in computing such total income;

(ii) any relief of tax or deduction of tax claimed under section 90 or Section 91 on account of tax paid in a country outside India;

(iii) any relief of tax claimed under Section 90-A on account of tax paid in any specified territory outside India referred to in that section and

(iv) any tax credit claimed to be set off in accordance with the provisions of Section 115-JAA.

After a regular assessment or assessment, as the case may be under section 115-WF or section 115WF or section 143 or section 144 or an assessment under section 153A or section 158BC has been made, any amount paid under sub-section (1) shall be deemed to have been paid towards such regular assessment or an assessment as the case may be.

(5)

If any assessee fails to pay the whole or any part of such tax or interest or both in accordance with the provisions of sub-section (1) he shall, without prejudice to any other consequences which he may incur, be deemed to be an assessee in default in respect of the tax or interest or both remaining unpaid and all the provisions of this Act shall apply accordingly.

The provision of this section as they stood immediately before the amendment by the D.T.L. (Amendment) Act 1987 shall apply to and in relation to any assessment for the assessment year commencing on 1-4-88 or any earlier assessment year and reference in this section to the other provision of this Act shall be construed as references to those provisions as for the time being in force and applicable to the relevant assessment year.
