

**F. No.225/132/2023/ITA-II**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Direct Taxes**  
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North Block, the 1<sup>st</sup> December, 2023

**Order under section 119 of the Income-tax Act, 1961**

**Subject: Processing of returns of income validly filed electronically with refund claims under section 143(1) of the Income-tax Act, 1961 beyond the prescribed time limits in non-scrutiny cases-regd.**

It has been brought to the notice of the Central Board of Direct Taxes ('Board') that due to certain technical issues or for other reasons not attributable to the assessee concerned, several returns for assessment years (AYs) **2018-19, 2019-20 and 2020-21**, which were otherwise filed validly under section 139 or 142(1) or 119 of the Income tax Act, 1961 ('Act') could not be processed under sub-section (1) of section 143 of the Act. Consequently, intimation regarding processing of such returns could not be sent within the timeframe prescribed under sub-section (1) of section 143 of the Act. This has led to a situation where the taxpayers are unable to get their legitimate refund in accordance with provisions of the Act, although the delay may not be attributable to them.

2. To resolve the grievances of such taxpayers, the Board had earlier issued instructions/orders u/s 119 of the Act from time to time relaxing the prescribed statutory time limit for processing of such validly filed returns with refund claims in non-scrutiny cases. As per the latest order dated 16<sup>th</sup> October, 2023, time frame was given till **31.01.2024** to process returns of income validly filed electronically with refund claims **upto AY 2017-18**.

3. The matter has been considered by the Board in view of pending grievances of taxpayers related to issue of refund for **AYs 2018-19, 2019-20 and 2020-21**. To mitigate genuine hardship being faced by the taxpayers on this issue, the Board, by virtue of powers vested with it under section 119 of the Act, hereby relaxes the time-frame prescribed in second proviso to sub-section (1) of section 143 and directs that all **returns of income validly filed electronically with refund claims** for **AYs 2018-19, 2019-20 and 2020-21**, for which date of sending intimation under sub-section (1) of section 143 of the Act has lapsed, subject to the exceptions mentioned in para 5 below, can be processed now with prior administrative approval of Pr.CCIT/CCIT concerned. The intimation of such processing under sub-section (1) of section 143 of the Act can be sent to the assessee concerned by **31.01.2024**.

4. All subsequent effects under the Act including issue of refund shall also follow as per the prescribed procedures. To ensure adequate safeguards, it has been decided that once administrative approval is accorded by the Pr.CCIT/CCIT, the Pr.CIT/CIT concerned would make a reference to the DGIT (Systems) to provide necessary enablement to the Assessing Officer on a case to case basis. The progress of disposal of such cases shall be monitored by the Pr.CIT/CIT concerned.

5. The relaxation accorded above **shall not be applicable** to the following returns:
- returns selected in scrutiny;
  - returns remain unprocessed, where either demand is shown as payable in the return or is likely to arise after processing it;
  - returns remain unprocessed for any reason attributable to the assessee.
6. This may be brought to the notice of all for necessary compliance.
7. Hindi version to follow.

*sd-*  
(Dr. Castro Jayaprakash.T)  
Under Secretary to Government of India

**Copy for information to:**

- Chairman (CBDT) and all Members of CBDT
- All Pr.CCsIT/DsGIT
- DGIT(Systems),Delhi & DGIT (Systems),Bengaluru with request for further necessary action in the matter
- ADG (TPS)-1 and ADG(TPS)-2 with request for further necessary action in the matter
- ADG(Systems)-4 with request for uploading on department's official website
- JCIT, Database Cell for uploading on IRS Officers website
- Guard file

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(Dr. Castro Jayaprakash.T)  
Under Secretary to Government of India

