

F. No. 275/92/2024-IT (B)
Government of India/ भारत सरकार
Ministry of Finance/ वित्त मंत्रालय
Department of Revenue/(राजस्व विभाग)
Central Board of Direct Taxes/(केन्द्रीय प्रत्यक्ष कर बोर्ड)

North Block, New Delhi

Dated: 1st July, 2025

Subject: Clarification regarding CBDT's Circular No. 5/2025 dated 28.03.2025 for waiver on levy of interest under section 201(1A)(ii)/ 206C(7) of the Income-tax Act, 1961, as the case may be, in specific cases- reg.

In respect of Circular No. 5/2025 dated 28.03.2025, representations have been received from field authorities to clarify whether the prescribed authority empowered to pass waiver orders under this circular is deemed to be effective from the date of issuance of the circular or whether waiver applications are to be entertained only in cases where the interest under section 201(1A)(ii)/ 206C(7) of the Income-tax Act, 1961 ("the Act") is charged on or after the date of issuance of the said circular.

2. The matter has been examined and it is hereby clarified that:

(i) The prescribed authority (i.e. CCIT/ DGIT/ Pr.CCIT) is empowered to pass order for waiver after the date of issue of the said Circular.

(ii) As mentioned in Para 6 of the said Circular, applications for waiver of interest can be entertained within one year from the end of the financial year for which the interest is charged. For instance, if the interest charged pertains to FY 2023-24, the application for waiver of such interest can be filed by 31.03.2025 i.e. one year from the end of FY 2023-24.

(iii) Further, it is also clarified that waiver applications can be entertained for interest u/s 201(1A)(ii)/ 206C(7) of the Act charged even before the issuance of the said Circular, subject to (ii) above.



(Rubal Singh)

Deputy Secretary, IT-Budget
CBDT

Copy to:-

1. The Chairman & Members, CBDT.
2. All Pr.CCsIT, CCsIT/ DGsIT.
3. All Joint Secretaries/CsIT, CBDT.
4. Commissioner of Income-tax (Media & TP) and official Spokesperson, CBDT, New Delhi.
5. ADG (PR, P&P) for necessary action.
6. JCIT, Database Cell, with a request to upload the order on the website www.irsofficeronline.gov.in.
7. Web Manager, O/o DGIT(Systems) with request to upload on the departmental website of www.incometaxindia.gov.in.
8. The Institute of Chartered Accountants of India, IP Estate, New Delhi
9. All Chambers of Commerce.
10. Hindi Cell for translation.
11. The Guard File.



(Rubal Singh)

Deputy Secretary, IT-Budget
CBDT