

F.No. 225/261/2015/ITA.II
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

North Block, New Delhi, the 28th of October, 2015

To
All Pr.CCsIT/CCsIT/Pr.DsGIT/DsGIT

Subject: Representation of cases before Authority for Advance Ruling-reg.-

Sir/Madam

As per provisions of sub-section (6) of section 245R of the Income-tax Act, 1961 ['Act'], the Authority for Advance Ruling (AAR) [hereinafter referred to as 'Authority'] is required to pronounce its advance ruling, on an application made by an applicant desirous of obtaining such ruling, within six months from the date of its receipt. However, it has been brought to the notice of the Board that the Authority is finding it difficult to adhere to the prescribed time-frame in pronouncing the advance ruling, partly due to reasons largely attributed to the following -

- Departmental Representatives seeking adjournment on unjustified grounds;
- Departmental Representatives not committing to a particular position on the ground of seeking further instructions from the field authorities
- All the questions raised in an application not properly responded to, while furnishing the report.

2. The matter has been considered by the Board. Attention is invited to the Rule 13 of the AAR (Procedure) Rules, 1996 which provides that:

"On receipt of an application, the AAR shall notify the applicant and the Commissioner of the date and place of hearing the application and forward a copy of the application to the Commissioner calling upon him to furnish the relevant records of the case along with his comments, if any, on the contents of the application and nominate his authorized representative if he desires to be heard".

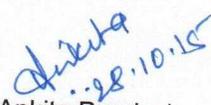
3. Although Instruction in F.No. 500/98/2015-FT&TR-V dated 14th August, 2015 has already been issued by the Board highlighting the necessity for improving the quality of representation before the Authority and sending of reports/paper books in time, following further instructions are being issued in order to streamline the process of Departmental representation before the Authority:

- (i) It would be desirable that the reports of the jurisdictional authorities are invariably furnished within the time mentioned in para 3 of Board's aforesaid Instruction. The report must be complete in all respects, giving a clear finding/submission on the issue(s) raised in the application. The report of the field authorities, duly approved by the Pr. CIT/CIT, should be self-contained and necessary supporting documents must be made a part of it.
- (ii) Any instance of non co-operation on the part of the applicant in providing the information required for preparing the report by the field authorities or any other constraint being faced in framing the same, should invariably be brought to the notice of the Authority. However, even in such instances, the jurisdictional authorities must submit an interim report within the stipulated time-frame.

- (iii) The officer from the field, who would be representing the case before the AAR (i.e. JCIT/Addl. CIT/Pr. CIT/CIT) should be identified at the stage of receipt of the application itself and his name must be informed to the Authority/CIT(DR) immediately to ensure proper coordination between the two. If the case is to be argued by the CIT(DR), AAR, the jurisdictional Pr. CIT/CIT would be required to inform the CIT(DR), AAR about the name of the Officer preparing the report on Departmental response. The officer concerned must co-ordinate with CIT(DR), AAR to brief him about the facts the case. In important cases, it would also be desirable that the officer concerned remains present in the Court when the case is being heard by the Authority. Any instance of lack of co-operation from the field authorities should be brought to the notice of Pr. CCIT(Int. tax)/CCIT(Int. tax) concerned by the CIT(DR) for further necessary action.
- (iv) It is also stressed that any adjournment should be taken only in unavoidable circumstances and the Authority must be informed about the same in advance. It should be ensured that the paper book is also submitted in advance (as per the time-frame prescribed in Board's Instruction in F.No. 500/98/2015-FT&TR-V dated 14th August, 2015) and not on the date of hearing. The Pr. CCIT concerned should personally monitor the compliance in this regard.

4. The above directions of the Board may kindly be brought to the notice of Officers working under you Charge for strict compliance.

Yours faithfully


(Ankita Pandey)
DCIT(OSD)(ITA-II)

Copy to:

- i. Chairperson, CBDT and all Members, CBDT
- ii. All JS/CsIT, CBDT
- iii. Secretary, Authority for Advance Ruling, N.Delhi
- iv. CIT(DR), Authority for Advance Ruling, N.Delhi
- v. ITCC division (3 copies)
- vi. Addl./Jt. CIT, Data base Cell for uploading on the Departmental Website
- vii. Guard file