

Instruction No. ...<sup>9</sup>.../2017

**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes**

North Block, New Delhi, the <sup>th</sup> 11 of October, 2017

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

**Subject: Processing of returns in Form ITR-1 under section 143(1) of the Income-tax Act, 1961- applicability of section 143(1)(a)(vi) - reg.-**

Clause (vi) of sub-section (a) of section 143(1) of the Income-tax Act, 1961 ('Act') as introduced vide Finance Act, 2016, w.e.f. 01.04.2017, while processing the return of income prescribes that the total income or loss shall be computed after making adjustment of addition of income appearing in Form 26AS or Form 16A or Form 16 (the three Forms) which has not been included in computing the total income in the return.

2. In this regard, while processing income-tax returns filed in Form ITR-1, doubts have arisen regarding the nature, extent and scope of comparison of information as contained in the return of income with the three Forms which might lead to issuance of intimation proposing adjustments to the returned income.
3. The matter has been examined by the Central Board of Direct Taxes (the Board). In returns filed in ITR-1 Form, information about a particular head/item of income is only on net basis and thus, complete data/information may not be available therein which may enable comparison with the data/information as contained in the three Forms in a meaningful manner. Therefore, in exercise of its powers under section 119 of the Act, the Board hereby directs that provision of section 143(1)(a)(vi) of the Act would not be invoked to issue intimation proposing adjustment to the income/loss so filed in ITR-1 Form in such situations.
4. However, where any head/item of income has been altogether omitted to be included in the return of income filed in ITR-1 while the three Forms contain specific detail in this regard pertaining to that item/head of income, section 143(1)(a)(vi) of the Act shall continue to apply. Further, for purpose of section 143(1)(a)(vi) of the Act, only the three Forms specified therein would be taken into consideration.
5. The pending intimations proposing adjustments under section 143(1)(a)(vi) wherein the taxpayer has tendered an explanation without revising the return or has not tendered any response till now shall be dealt with in accordance with the above direction. However, in cases

where on receiving the intimation u/s 143(1)(a)(vi) of the Act, the concerned assessee has already filed a revised return, such returns shall be treated as valid and handled accordingly.

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

7. Hindi version to follow.

*Ankita*  
11.10.17  
(Ankita Pandey)

Under Secretary (ITA.II), CBDT

(F.No. 225/333/2017-ITA.II)

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11.10.17  
(Ankita Pandey)

Under Secretary-ITA.II,CBDT