

Circular No. 15/2024

F.No. 400/08/2024-IT(B)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

New Delhi, 4th November, 2024

Subject: Order under section 119(1) of the Income-tax Act, 1961 fixing monetary limits of the income-tax authorities in respect of reduction or waiver of interest paid or payable under section 220(2) of the Income-tax Act- reg.

Section 220(2) of the Income-tax Act ('the Act') deals with the consequences of non-payment of income tax by a taxpayer. As per Section 220(2) of the Act, if a taxpayer fails to pay the amount specified in any notice of demand under section 156 of the Act, she shall be liable to pay simple interest at the rate of 1% per month or part of the month for the period of delay in making the payment. Further, section 220(2A) of the Act empowers the Principal Chief Commissioner (Pr.CCIT) or Chief Commissioner (CCIT) or Principal Commissioner (Pr.CIT) or Commissioner (CIT) for reduction or waiver of the amount paid or payable under section 220(2) of the Act in the circumstances specified therein.

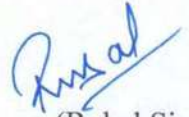
2. In accordance with the powers vested with the income-tax authorities specified in section 220(2A) of the Act in respect of reduction or waiver of the interest paid or payable under section 220(2) of the Act, the Central Board of Direct Taxes, for the proper administration of the Act, hereby specifies the following monetary limits as under:

S.No	Income-tax Authority	Monetary Limits for reduction or waiver of interest
1.	Pr.CIT/ CIT	Upto Rs.50 lacs
2.	CCIT/ DGIT	Above Rs. 50 lacs to Rs. 1.5 crore
3.	Pr.CCIT	Above Rs. 1.5 crore

3. The powers of reduction or waiver of the interest paid or payable under section 220(2) of the Act in respect of any income-tax authority shall continue to be subject to satisfaction of all the following conditions specified under section 220(2A) of the Act-

- (i) payment of such amount has caused or would cause genuine hardship to the assessee ;
- (ii) default in the payment of the amount on which interest has been paid or was payable under the said sub-section was due to circumstances beyond the control of the assessee ; and
- (iii) the assessee has co-operated in any inquiry relating to the assessment or any proceeding for the recovery of any amount due from him.

4. The above shall come into effect from the date of issue of this Circular. Hindi version shall follow.

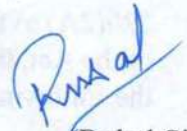


(Rubal Singh)

Deputy Secretary (IT-Budget),
CBDT, New Delhi

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.irs-officersonline.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)

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