

Criteria-Guidelines for IT Scrutiny for AY 2010-11-FY 2009-2010

Guidelines for selection of cases for Scrutiny During 2010-11

1. Selection of cases for scrutiny during the financial year 2010-11 will be done primarily through CASS this year. Manual Selection for scrutiny this year will be limited only to a few cases listed below.
2. List of cases selected during each month in accordance with selection criteria mentioned below shall be submitted by the Assessing officers to their respective Range heads by the 15th of the following month and also displayed on the notice Board of their offices .
3. These guidelines are meant only for the use of officers of the Income Tax Department .These are not to be disclosed even if a request is made under Right to Information Act, In view of the decision of the Central Information Commission in the case of Shri Kamal Vs Director (ITA-II), CBDT (order no CIC/AT/2007/00617 dated 21.02.2008)

Selection criteria Applicable to all return at all stations

- a) Value of International transaction as defined in 92B exceeds 15 Crore.
- b) Cases involving addition in an earlier assessment year in excess of Rs 10 lacs on a substantial and recurring question of law or fact which is confirmed in appeal or is pending before on appellate authority.
- c) Cases involving addition in an earlier assessment year on the issue of transfer pricing in excess of Rs 10 Lakh or more.
- d) Assessment in survey cases for the financial year in which survey was carried out. This criteria will not apply if all of the following conditions are fulfilled:
 - i. There are no impounded books or documents.
 - ii. There is no retraction of disclosure, if any, made during the survey.
 - iii. Declared income, excluding any disclosure made during the survey, is not less than the declared income of the preceding year.
- e) Assessment in search & Seizure cases to be made under section 158B, 158BC, 158BD, 153A, 153C & 143(3) of the IT Act.
- f) Assessment Initiated under section 147/148 of the IT Act.

g) Assessing officer may select any return for scrutiny after recording the reason and obtaining approval of the CCIT/DGIT. The cases under this category should be selected if, there are compelling reasons and the case is not selected through CASS. These cases should be watched by CCIT/CIT in respect of the quality of assessment.

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