

## **Instruction No. 2/2012**

**Section 119 of the Income-tax Act, 1961 - Instructions to subordinate authorities - Condonation of delay in filing return of income under section 119(2)(b) in case of applicants who have made investment in 8% Savings (Taxable) Bonds, 2003 issued by Government of India and opted for scheme of cumulative interest**

Dated 22-2-2012

Representations have been received regarding matters of allowance of refund on the above subject. The board has decided that the time limit prescribed in clause 4 of CBDT Instruction No. 13/2006, dated 22.12.2006 for entertaining application u/s 119(2)(b) of the Act shall not apply if :

(i) the applicant has made investment in 8% Savings (Taxable) Bonds, 2003 issued by the Government of India opting for cumulative interest on maturity but has accounted interest earned on mercantile basis, and

(ii) the intermediary bank at the time of maturity has made deduction of tax at source (TDS) on the entire amount of interest paid without apportioning the accrued interest/TDS for various financial years involved.

However, other conditions prescribed in CBDT Instruction No. 13/2006 shall continue to apply.

**[F. No. 312/79/2010-OT]**