

## **SCN isn't valid if AO wasn't sure whether assessee concealed income or furnished inaccurate details: HC**

INCOME TAX : Where Assessing Officer was not sure while issuing show cause notice under section 271(1)(c) whether he had proceeded on basis that assessee had concealed his income or he had furnished inaccurate particulars of such income, such show cause notice would indicate non-application of mind and thus penalty order was liable to be set aside

Section [271\(1\)\(c\)](#), read with section [274](#), of the Income-tax Act, 1961 - Penalty - For concealment of income (Recording of satisfaction) - Assessment year 2006-07 - Assessee was subjected to penalty under section 271(1)(c) - Whether since Assessing Officer was not sure while issuing show-cause notice whether he had proceeded on basis that assessee had concealed his income or he had furnished inaccurate particulars of such income, show cause notice would indicate non-application of mind and thus impugned penalty order was to be quashed - Held, yes [Paras 7 and 10] [In favour of assessee]

Click below link for the judgment:

<https://www.taxmann.com/research/direct-tax-laws/top-story/101010000000340691/scn-isnt-valid-if-ao-wasnt-sure-whether-assessee-concealed-income-or-furnished-inaccurate-details-hc-caselaws>