

## **HC sets aside scrutiny notice not issued as per CBDT's instruction for selection of a case for assessment**

*INCOME TAX : Scrutiny notice not valid if it's not issued as per CBDT's instruction for selection of a case for assessment*

Section [143](#), read with section [119](#), of the Income-tax Act, 1961 - Assessment (Scrutiny assessment) - Assessment year 2006-07 - Assessee's case was selected for scrutiny - Assessing Officer passed assessment and made certain disallowances - Tribunal noted that there was no disallowance of Rs. 5 lakhs or more pending in appeal and no finding to effect was available that an identical issue had arisen in current year - Tribunal thus, quashed notice under section 143(2) and scrutiny assessment framed on ground that instructions issued by CBDT for selection of cases for scrutiny was not satisfied in instant case - Whether since instructions issued by CBDT had not been complied with, Tribunal had rightly quashed notice under section 143(2) and scrutiny assessment - Held, yes [Para 14] [In favour of assessee]

Click below link for the judgment:

<https://taxmann.com/research/direct-tax-laws/top-story/101010000000333776/hc-sets-aside-scrutiny-notice-not-issued-as-per-cbdts-instruction-for-selection-of-a-case-for-assessment-caselaws>

*Source: Taxmann.com*