

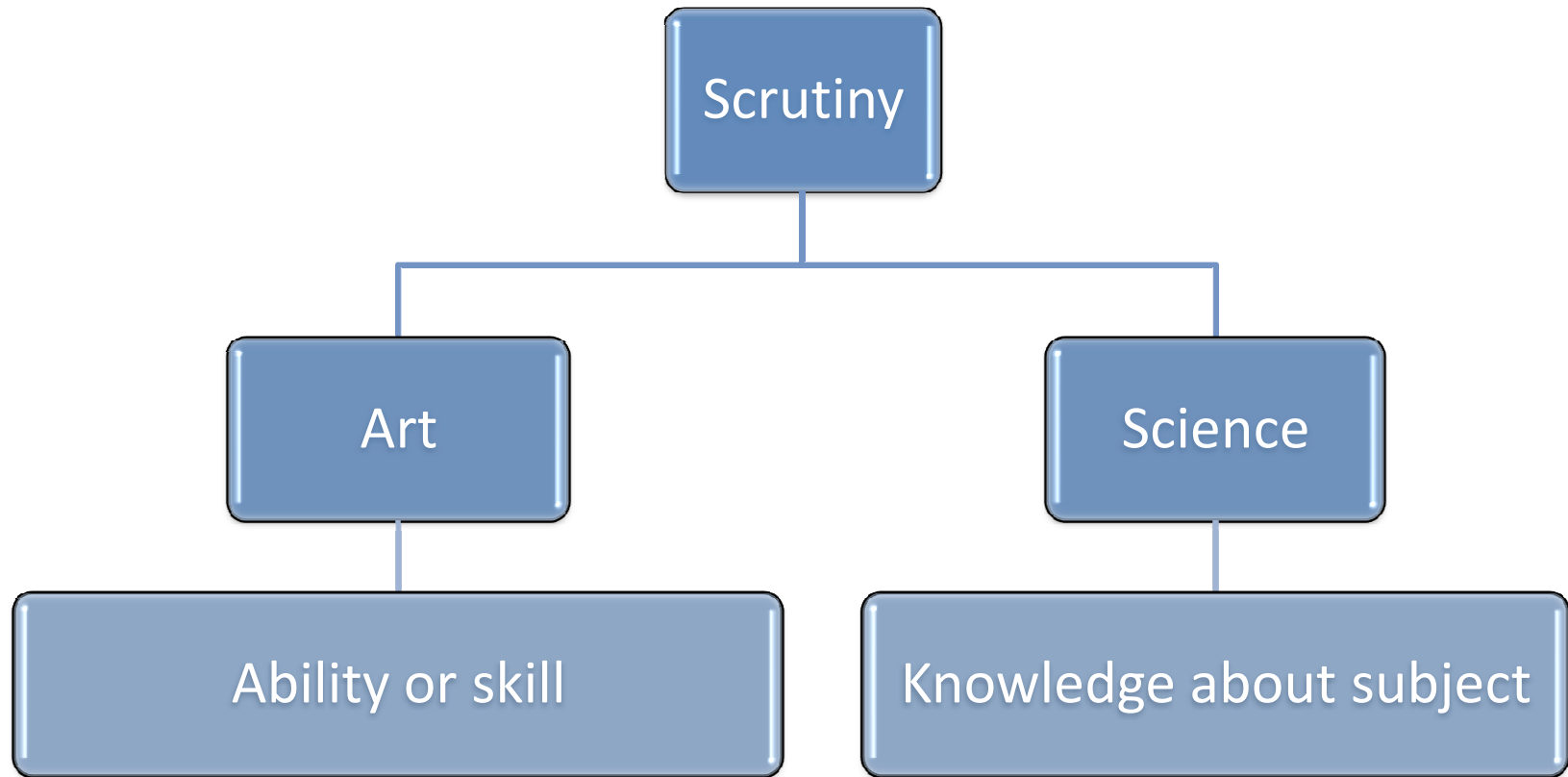
The Art and Science of handling scrutiny cases to go to the next level

by

CA. Pramod Jain

FCA, FCS, AICWA, DISA, MIMA

LUNAWAT & CO.





Art



ENTRANCE

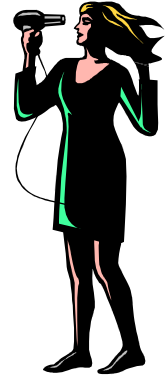


A smile confuses an approaching
frown.

Don't tell your friends about your
indigestion. "How are you" is a
greeting, not a question.

Arthur Guiterman

APPEARANCE



Appearance rules the world

Friedrich Schiller

Clothes and manners do not make the man; but when he is made, they greatly improve his appearance

Arthur Ashe

- **Mobile manners**
- **Be a good listener**
- **Use of language**

- **Keeping of files**
- **Be effective speaker**
- **Taking along someone**

POLITENESS

"To be humble
to superiors is duty,
to equals courtesy,
to inferiors nobleness."

Benjamin Franklin

"Be calm in arguing;
for fierceness makes error a fault,
and truth discourtesy."

George Herbert

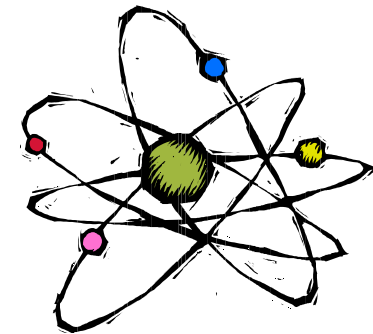
CONFIDENCE

"You have to expect things of yourself
before you can do them."

Michael Jordan



Science



Technicalities

- **Knowledge of Subject**
- **Knowledge of Procedure**
- **Knowledge of Terminologies**
- **Teaching the Authority**
- **Telling mistake of other assesses**
- **Don't miss the dates**



**SAY WHAT YOU HAVE WRITTEN
AND
WRITE WHAT YOU SAY**

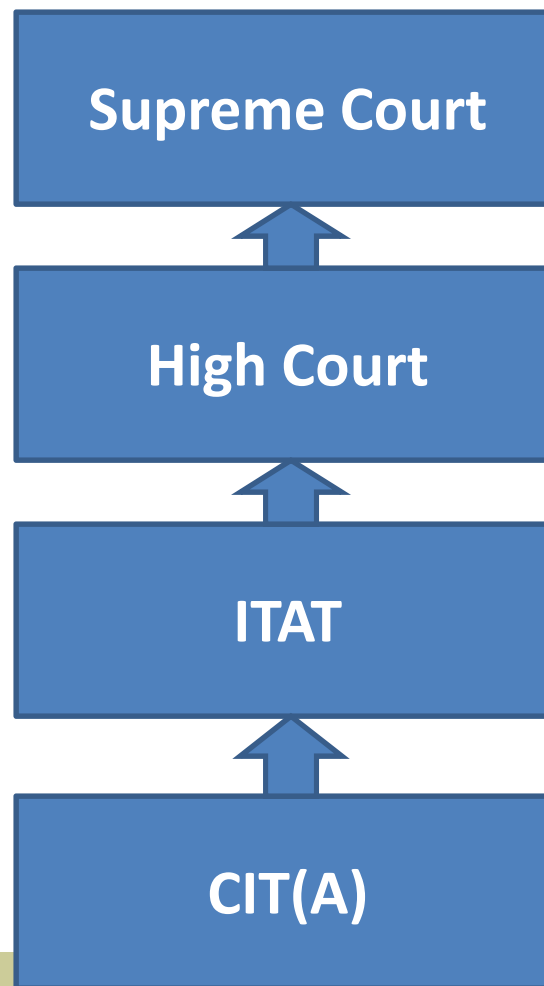
Written representations

- Use PAN, subject, year..
- Positive approach
- Negate Specific question
- To address
 - Factual position
 - Legal position



IT'S A MIND GAME

Stages of Appeal





Appeal before Commissioner

Appealable Orders before CIT(A) – S. 246A

- Intimation u/s 143(1) / 143 (1B)
- Assessment order u/s 143(3) (except DRP) or 144
- Assessment /Reassessment / recomputation u/s 147 (except DRP) / 150
- Rectification order u/s 154 / 155
- Assessment / reassessment order u/s 153A
- Assessment order in respect of fringe benefits u/s 115WE(3) or 115WF or 115WG
- Order u/s 201(1) / 201(1A) / 206C(6A) / 237levying interest for delay in remitting TDS or failure to deduct TDS
- Block assessment order in case of search or requisition u/s 158BC
- Order imposing penalty u/s 221 or 271 ... or imposing penalty under chapter XXI
- Order u/s 158BFA(2) for concealment in case of block assessment.
- Order u/s 163 treating assessee as agent of non-resident
- Order u/s 170(2) / 170(3) / 171

Preparation of appeal

- Appeal to be filed in 2 sets before CIT(A) of own Range
- Assessed tax must be paid before filing appeal – stay for contested demand can be made.
- Grounds of appeal should be precise & non-agrumentative
- Statement of facts should be concise – detailed paper book may be filed while hearing
- Additional grounds can be filed if omission not willful or unreasonable

Preparation of appeal

- **Use of clear & easy language should be preferred while drafting**
- **Appeal to be filed within 30 days of service of order / intimation**
- **Appeal can be represented by assessee or his designated attorney**
- **Must be signed by the authorised signatory u/s 140**
- **Fee from Rs. 250-500-1000**

Documents to be filed

- **Form 35**
- **Grounds of appeal**
- **Statement of facts**
- **Original notice of demand**
- **Certified true copy of impugned order**
- **Letter of authority / POA**
- **Original counterfoil of appeal filing fee**

Hearing and disposal

- Can have number of hearings before disposal
- Can ask for additional documents, details as deems fit
- Additional evidence can be placed at the time of hearing if the assessee did not have opportunity to present before lower authorities
- CIT(A) has wide & plenary powers, wider than of Tribunal
- CIT(A) may confirm, reduce, enhance or annul the A.O's order
- He has to pass a speaking order

Appeal before Income-tax Tribunal

Preparation of appeal

- **Appealable orders:**
 - Order of CIT(A)
 - Order of chief commissioner u/s 272A
 - Order u/s 12AA, 80G
 - Order under DRP
- **Appeal to be filed in 3 sets**
- **Grounds of appeal should be precise & non-agrumentative**
- **Statement of facts should be concise**
- **Additional grounds can be filed if omission not willful or unreasonable**
- **Appeal to be filed within 60 days of service of order**
- **Appeal can be represented by assessee or his designated attorney**
- **Must be signed by the authorised signatory u/s 140**
- **Fee from Rs. 500-1500- (1% maximum 10000)**

Documents to be filed

- **Form 36**
- **Grounds of appeal**
- **Certified true copy of impugned order**
- **Entire set of appeal filed before CIT(A)**
- **Letter of authority / POA**
- **Original counterfoil of appeal filing fee**

Court room – the real test

- ITAT – highest fact finding body
- To observe the code of formal dressing & conduct.
- Paper book may be filed 3 sets at least 15 days in advance
- Application of judicial decisions to your facts
- Adverse judicial decisions
- Tax department represented by ‘Departmental Representative’ – meet his arguments
- No informal arguments can be placed

**Get ready
to graduate
to
next level**



Why you can do it best?

- **You know the facts at its best.**
- **You know the strengths and weakness of the matter.**
- **You know the law, its just a matter of practice.**

THANK YOU

CA. PRAMOD JAIN
pramodjain@lunawat.com
9811073867