

TAX FLASH NEWS

28 April 2021

CBDT issues notifications extending certain timelines due to COVID-19 pandemic

In view of the challenges faced by taxpayers in meeting the statutory and regulatory compliances due to the outbreak of COVID-19, the government introduced the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 (the Taxation Act) to give various reliefs to taxpayers. Subsequently, the government issued Notifications to extend various time limits.

Recently, the Central Board of Direct Taxes (CBDT) has issued notifications¹ extending the time limits to 30 June 2021 in the following cases where the time limit was earlier extended to 30 April 2021 through various notifications issued under the Act:

- Time limit for passing of any order for assessment or reassessment under the Income-tax Act, 1961 (the Act) the limit for which is provided under Section 153 or Section 153B thereof.
- Time limit for passing an order consequent to direction of DRP under Section 144C(13).
- Time limit for issuance of notice under Section 148 for reopening the assessment where income has escaped assessment
- Time limit for sending intimation of processing of equalisation levy under Section 168(1) of the Finance Act 2016.

Further the time for payment of amount under the Direct Tax Vivad se Vishwas Act, 2020, without an additional amount, shall also be further extended to 30 June 2021.

Various extended timelines are summarised as follows:

For assessment and reassessment under Section 153/153B

Particulars	Year/Period	Original due date	Extended due date by CBDT Notification No. 10/2021, dated 27 February 2021	Extension by CBDT Notification No. 38/2021, dated 27 April 2021	Remarks
Order for assessment under Section 143/144	AY 2018-19	30 September 2020	30 April 2021	30 June 2021	The original due date of 30 September 2020 was extended to 31 March 2021 by the Taxation Act read with Notification

¹ CBDT Notification No. 38 of 2021 and Notification No. 39 of 2021, dated 27 April 2021

					93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by CBDT Notification No. 10/2021, dated 27 February 2021
	AY 2019-20	31 March 2021	30 September 2021	No change	
Where a reference under Section 92CA(1) (transfer pricing) is made [Section 153(4)]	AY 2017-18	31 December 2020	30 April 2021	30 June 2021	The original due date of 31 December 2020 was extended to 31 March 2021 by the Taxation Act read with Notification 93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by CBDT Notification No. 10/2021, dated 27 February 2021
	AY 2018-19	30 September 2021	No change	No change	-
Order of assessment, reassessment or recomputation under Section 147	Notice served during FY 2018-19	31 December 2019	No change	No change	Since original due date of 31 December 2019 does not fall under the period 20 March 2020 to 30 March 2021, it does not get extended.
	Notice served during FY 2019-20	31 March 2021	30 September 2021	No change	
An order of fresh assessment in pursuance of an order under Section 254/263/264.	Order received by prescribed authority in FY 2019-20	31 March 2021	30 September 2021	No change	
Where effect to an order under Section 250/254/260/262/263/264 is to be given by the AO, wholly or partly, otherwise than by making a fresh assessment or reassessment	Effect shall be given within a period of three months from the end of the month in which respective order is received by the specified authorities or order under Section 263/264 is	If period expires between 20 March 2020 to 30 March 2021	30 April 2021	30 June 2021	The original due date was extended to 31 March 2021 by the Taxation Act read with Notification 93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by CBDT Notification No. 10/2021, dated 27 February 2021.

	passed by the Principal Commissioner or Commissioner:				The due date was further extended to 30 April 2021 by CBDT Notification No. 10/2021, dated 27 February 2021.
Order of assessment in the case of search under Section 132 or for requisition under section 132A (Section 153B)	Last of the authorisation for search under Section 132 or for requisition under Section 132A was executed in FY 2018-19	30 September 2020	30 April 2021	30 June 2021	The original due date of 30 September 2020 was extended to 31 March 2021 by the Taxation Act read with Notification 93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by CBDT Notification No. 10/2021, dated 27 February 2021. The due date was further extended to 30 April 2021 by CBDT Notification No. 10/2021, dated 27 February 2021.
	Last of the authorisation for search under Section 132 or for requisition under Section 132A was executed in FY 2019-20	31 March 2021	30 September 2021	No change	-
Order of assessment in the case of search under Section 132 or for requisition under section 132A [Section 153B – where a reference under Section 92CA(1) (transfer pricing) is made]	Last of the authorisation for search under Section 132 or for requisition under Section 132A was executed in FY 2017-18	31 December 2020	30 April 2021	30 June 2021	The original due date of 31 December 2020 was extended to 31 March 2021 by the Taxation Act read with Notification 93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by CBDT Notification No. 10/2021, dated 27 February 2021.
In case where during the course of the proceedings for the assessment or reassessment of total income in case of other person referred to in Section 153C, a reference under Section 92CA(1) is	The period available for making an order of assessment or reassessment in case of such other person shall be	If such period expires between 20 March 2020 to 30 March 2021	30 April 2021	30 June 2021	The original due date was extended to 31 March 2021 by the Taxation Act read with Notification 93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by

made [Section 153B - where a reference under Section 92CA(1) (transfer pricing) is made]	extended by twelve months.				CBDT Notification No. 10/2021, dated 27 February 2021.
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Extension of other timelines

Particulars	Year/Period	Original due date	Extended due date by CBDT Notification No. 20/2021, dated 31 March 2021	Extension by CBDT Notification No. 38/2021, dated 27 April 2021	Remarks
Time limit for passing an order consequent to direction of DRP under Section 144C(13) of the Act	If the due date falls within 20 March 2020 to 31 March 2021	Within one month from the end of the month in which DRP direction is received	30 April 2021	30 June 2021	The original due date was extended to 31 March 2021 by the Taxation Act read with Notification 93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by CBDT Notification No. 20/2021, dated 31 March 2021.
Time limit for issuance of notice under Section 148 of the Act for reopening the assessment where income has escaped assessment	AY 2013-14 (within six years)	31 March 2020	30 April 2021	30 June 2021	Notice for re-assessment is to be issued within 4 or 6 years from end of relevant assessment year depending on certain conditions. In respect of AY 2013-14 and 2015-16, the specified time limit for issue of notice expires on 31 March 2020. This time limit was first extended to 30 June 2020 by the Ordinance. Subsequently, it has been extended to 31 March 2021 by the Taxation Act read with Notification 93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by CBDT Notification No. 20/2021, dated 31 March 2021.
	AY 2015-16 (within four years)				
	AY 2014-15 (within six years)	31 March 2021	30 April 2021	30 June 2021	In respect of AY 2014-15 and AY 2016-17, the specified time limit for issue of notice expires on 31 March 2021.

	AY 2016-17 (within four years)				This time limit was extended to 30 April 2021 by CBDT Notification No. 20/2021, dated 31 March 2021.
Time Limit for sending intimation of processing of Equalisation Levy under Section 168(1) of the Finance Act 2016.	If the due date falls within 20 March 2020 to 31 March 2021	-	30 April 2021	30 June 2021	The original due date was extended to 31 March 2021 by the Taxation Act read with Notification 93/2020, dated 31 December 2020. The due date was further extended to 30 April 2021 by CBDT Notification No. 20/2021, dated 31 March 2021.

Time limit extension under the 'Vivad se Vishwas Scheme'

Particulars	Extended due date by CBDT Notification No. 9/2021, dated 26 February 2021	Extension by CBDT Notification No. 39/2021, dated 27 April 2021	Remarks
Time for payment of amount under the Direct Tax Vivad se Vishwas Act, 2020, without an additional amount	30 April 2021	30 June 2021	The due date was earlier extended to 30 April 2021 by CBDT Notification No. 9/2021, dated 26 February 2021.
Date on or after which the amount payable under the Direct Tax Vivad se Vishwas Act, 2020 shall be paid along with additional amount	1 May 2021	1 July 2021	The date was earlier extended to 1 May 2021 by CBDT Notification No. 9/2021 dated 26 February 2021.

Our comments

The CBDT through these notifications, has extended the time frame for finalising assessment orders, issuing reassessment notices, etc. along with extension of time for payment of the amount of disputed tax payable under the Direct Tax Vivad Se Vishwas Act without an additional charge of 10 per cent. This extension comes amid the second wave of the coronavirus pandemic across the country which will provide some relief to taxpayers.

KPMG in India addresses:

Ahmedabad

Commerce House V, 9th Floor,
902, Near Vodafone House, Corporate
Road,
Prahlad Nagar,
Ahmedabad – 380 051.
Tel: +91 79 4040 2200

Bengaluru

Embassy Golf Links Business Park,
Pebble Beach, 'B' Block,
1st & 2nd Floor,
Off Intermediate Ring Road, Bengaluru –
560071
Tel: +91 80 6833 5000

Chandigarh

SCO 22-23 (1st Floor),
Sector 8C, Madhya Marg,
Chandigarh – 160 009.
Tel: +91 172 664 4000

Chennai

KRM Towers, Ground Floor,
1, 2 & 3 Floor, Harrington Road,
Chetpet, Chennai – 600 031.
Tel: +91 44 3914 5000

Gurugram

Building No.10, 8th Floor,
DLF Cyber City, Phase II,
Gurugram, Haryana – 122 002.
Tel: +91 124 307 4000

Hyderabad

Salarpuria Knowledge City,
6th Floor, Unit 3, Phase III,
Sy No. 83/1, Plot No 2, Serilingampally
Mandal,
Ranga Reddy District,
Hyderabad – 500 081.
Tel: +91 40 6111 6000

Jaipur

Regus Radiant Centre Pvt Ltd.,
Level 6, Jaipur Centre Mall,
B2 By pass Tonk Road,
Jaipur – 302 018.
Tel: +91 141 - 7103224

Kochi

Syama Business Centre,
3rd Floor, NH By Pass Road,
Vytila, Kochi – 682 019.
Tel: +91 484 302 5600

Kolkata

Unit No. 604,
6th Floor, Tower – 1,
Godrej Waterside,
Sector – V, Salt Lake,
Kolkata – 700 091.
Tel: +91 33 4403 4000

Mumbai

1st Floor, Lodha Excelus,
Apollo Mills,
N. M. Joshi Marg,
Mahalaxmi,
Mumbai – 400 011.
Tel: +91 22 3989 6000

Noida

Unit No. 501, 5th Floor,
Advant Navis Business Park,
Tower-A, Plot# 7, Sector 142,
Expressway Noida,
Gautam Budh Nagar,
Noida – 201 305.
Tel: +91 0120 386 8000

Pune

9th floor, Business Plaza,
Westin Hotel Campus, 36/3-B,
Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
Pune – 411 001.
Tel: +91 20 6747 7000

Vadodara

Ocean Building, 303, 3rd Floor,
Beside Center Square Mall,
Opp. Vadodara Central Mall,
Dr. Vikram Sarabhai Marg,
Vadodara – 390 023.
Tel: +91 265 619 4200

Vijayawada

Door No. 54-15-18E,
Sai Odyssey,
Gurunanak Nagar Road, NH 5,
Opp. Executive Club, Vijayawada,
Krishna District,
Andhra Pradesh – 520 008.
Tel: +91 0866 669 1000

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KPMG Assurance and Consulting Services LLP, Lodha Excelus, Apollo Mills Compound, NM Joshi Marg, Mahalaxmi, Mumbai - 400 011
Phone: +91 22 3989 6000, Fax: +91 22 3983 6000

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