

Section - 10A, Interest-Tax Act, 1974

[Time limit for completion of assessments and reassessments.

10A. (1) No order of assessment shall be made under section 8 at any time after the expiry of two years from the end of the assessment year in which the interest was first assessable.

(2) No order of assessment or reassessment shall be made under section 10 after the expiry of two years from the end of the financial year in which the notice under that section was served.

(3) Notwithstanding anything contained in sub-sections (1) and (2), an order of fresh assessment in pursuance of an order passed under section 15, section 16, section 19 or section 20, setting aside or cancelling an assessment, may be made at any time before the expiry of two years from the end of the financial year in which the order under section 15 or section 16 is received by the Commissioner or, as the case may be, the order under section 19 or section 20 is passed by the Commissioner.

(4) The provisions of sub-sections (1) and (2) shall not apply to the assessment or reassessment made in consequence of, or to give effect to, any finding or direction contained in an order under section 15 or section 16 or section 19 or section 20 of this Act or section 256 or section 260 of the Income-tax Act as applicable to this Act by virtue of section 21 of this Act or in an order of any court in a proceeding otherwise than by way of appeal or reference under this Act and such assessment or reassessment may, subject to the provisions of sub-section (3), be completed at any time.

Explanation 1.—In computing the period of limitation for the purposes of this section—

- (i) the time taken in reopening the whole or any part of the proceeding; or
- (ii) the period during which the assessment proceeding is stayed by an order or injunction of any court,

shall be excluded.

Explanation 2.—Where, by an order referred to in sub-section (4), any interest is excluded from the chargeable interest for an assessment year in respect of an assessee, then, an assessment of such interest for another assessment year shall, for the purposes of section 10 and this section, be deemed to be one made in consequence of, or to give effect to, any finding or direction contained in the said order.]