

Section - 12B, Interest-Tax Act, 1974

Interest for deferment of interest-tax payable in advance.

12B. (1) Where in any financial year, the assessee who is liable to pay interest-tax in advance under section 11 has failed to pay the interest-tax and where such tax paid by the assessee on his chargeable interest on or before the 15th day of September is less than twenty per cent of the interest-tax due on the returned chargeable interest or the amount of such interest-tax paid on or before the 15th day of December is less than fifty per cent of the tax due on the returned chargeable interest, then, the assessee shall be liable to pay simple interest at the rate of one and one-half per cent per month of the shortfall for a period of three months on the amount of shortfall from twenty per cent or, as the case may be, fifty per cent of the interest-tax due on the returned chargeable interest.

(2) The provisions of this section shall apply in respect of assessments for the assessment year commencing on the 1st day of April, 1992 and subsequent assessment years.