

No.402/92/2006-MC (07 of 2011)
Government of India / Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

New Delhi dated the 14th March 2011

PRESS RELEASE

Streamlining procedure for scrutiny of income-tax returns

Scrutiny of income tax returns is an important mechanism for ensuring taxpayer compliance and to counter tax-evasion. However, it has evoked some concern from small taxpayers and senior citizens about prolonged enquiries. Concerns have also been raised about selection of the same cases in scrutiny year after year.

Appreciating the concern of these taxpayers and with a view to mitigate their hardships, Central Board of Direct Taxes has reviewed its scrutiny selection procedure. In order to redress the grievance, it has been decided that during the financial year 2011-12, cases of senior citizens and small taxpayers, filing income-tax returns in ITR-1 and ITR-2 will be subjected to scrutiny only where the Income Tax department is in possession of credible information.

Senior citizens for this purpose would be individual taxpayers who are 60 years of age or more. Small taxpayers would be individual and HUF taxpayers whose gross total income, before availing deductions under Chapter VIA, does not exceed Rupees ten lakh.
