

INCOME-TAX ACT, 2025

A: Procedure for assessment

Section 269 - Estimation of value of assets by Valuation Officer.

(1) The Assessing Officer may, for the purposes of assessment or reassessment, make a reference to a Valuation Officer to estimate the value, including the fair market value, of any asset, property or investment and submit a copy of report to him.

(2) The Assessing Officer may make a reference to the Valuation Officer under sub-section (1) whether or not he is satisfied about the correctness or completeness of the accounts of the assessee.

3) (a) For estimating the value, including the fair market value, of the asset, property, or investment, the Valuation Officer or any engineer, overseer, surveyor, or assessor authorized by such Valuation Officer, may, subject to any rules made in this regard and at such reasonable times, as may be prescribed,—

(i) enter any land within the limits of the area assigned to the Valuation Officer; or

(ii) enter any land, building, or other place belonging to or occupied by any person in connection with whose assessment a reference has been made to the Valuation Officer; or

(iii) inspect any asset, property, or investment in respect of which a reference has been made to the Valuation Officer.

(b) The Valuation Officer or any engineer, overseer, surveyor, or assessor, may require any person in charge of, or in occupation or possession of, such land, building, or other place or such asset, property, or investment to afford the necessary facility to:—

(i) survey or inspect such land, building, or other place or such asset, property, or investment;

(ii) estimate its value; or

(iii) inspect any books of account, document, or record relevant for the valuation of such asset, property, or investment and gather other particulars relating to it.

(c) The Valuation Officer, engineer, overseer, surveyor, or assessor shall enter any land, building or place referred to in clause (a)(ii), or inspect any asset, property, or investment referred to in clause (a)(iii), with the consent of the person in charge of, or in occupation or possession of, such land, building, place, or asset, property, or investment, after providing such person at least two days' notice in writing of his intention to do so.

(d) If a person who, under this sub-section, is required to afford any facility to the Valuation Officer or the engineer, overseer, surveyor, or assessor, either refuses or evades to afford such facility, the Valuation Officer shall have all the powers as are vested in a court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters,—

(i) discovery and inspection;

(ii) enforcing the attendance of any person, including any officer of a banking company, and examining him on oath;

(iii) compelling the production of books of account and other documents; and

(iv) issuing commissions.

(4) The Valuation Officer shall, estimate the value of the asset, property or investment after taking into

account such evidence as the assessee may produce and any other evidence in his possession gathered, after giving an opportunity of being heard to the assessee.

(5) The Valuation Officer may estimate the value of the asset, property or investment to the best of his judgment, if the assessee does not co-operate or comply with his directions.

(6) The Valuation Officer shall send the report of the estimate made under sub-section (4) or (5), to the Assessing Officer and the assessee.

(7) With a view to rectifying any mistake apparent from the record, the Valuation Officer may amend any report made by him, as per section 287.

(8) The Assessing Officer may, on receipt of the report from the Valuation Officer, and after giving the assessee an opportunity of being heard, take into account such report in making the assessment or reassessment.

(9) The Valuation Officer shall send the report referred to in sub-section (6) within six months from the end of the month in which the reference is made under sub-section (1).

(10) For the purposes of this Act,--

(a) the Central Government may appoint as many Valuation Officers, as necessary; and

(b) subject to the rules and orders of the Central Government regulating the conditions of service of persons in public services and posts, a Principal Chief Commissioner, or a Chief Commissioner, or a Principal Commissioner or a Commissioner may appoint as many engineers, overseers, surveyors and assessors as may be necessary to assist the Valuation Officers in the performance of their functions.