

## INCOME-TAX ACT, 2025

### A: Procedure for assessment

#### **Section 280 - Issue of notice where income has escaped assessment.**

- 1) (a) Before making the assessment, reassessment or recomputation under section 279, the Assessing Officer shall, subject to the provisions of section 281, issue a notice to the assessee, along with a copy of the order passed under section 281(3);
- (b) the notice referred to in clause (a) shall require the assessee to furnish, within such period as may be specified therein, a return of his income or income of any other person in respect of whom he is assessable under this Act during the relevant tax year; and
- (c) the period specified in the notice referred to in clause (a) shall not exceed three months from the end of the month in which such notice is issued.
- (2) The return of income required under sub-section (1) shall be furnished in such form, verified in such manner and setting forth such other particulars, as may be prescribed, and the provisions of this Act shall apply accordingly, as if such return were a return required to be furnished under section 263.
- (3) Any return of income required to be furnished under sub-section (1), furnished after the expiry of the period specified in the notice under the said sub-section, shall not be deemed to be a return under section 263.
- (4) No notice under this section shall be issued unless there is information with the Assessing Officer which suggests that the income chargeable to tax has escaped assessment in the case of the assessee for the relevant tax year.
- (5) No notice under this section shall be issued without prior approval of the specified authority, where the Assessing Officer has received--
- (a) information under the scheme notified under section 260; or
- (b) directions from the Approving Panel under section 274(6); or
- (c) any finding or direction contained in an order passed by any authority, Tribunal or court in any proceeding under this Act by way of appeal, reference or revision or by a Court in any proceeding under any other law.
- (6) For the purposes of this section and section 281, the information with the Assessing Officer which suggests that the income chargeable to tax has escaped assessment means—
- (a) any information in the case of the assessee for the relevant tax year as per the risk management strategy formulated by the Board from time to time;
- (b) any audit objection to the effect that the assessment in the case of the assessee for the relevant tax year has not been made as per this Act;
- (c) any information received under an agreement referred to in section 159 of this Act;
- (d) any information made available to the Assessing Officer under the scheme notified under section 260;
- (e) any information which requires action in consequence of the order of a Tribunal or a Court;
- (f) any information in the case of the assessee emanating from the survey conducted under section 253, other than under sub-section (4) of the said section;

(g) any directions in the case of the assessee given by the Approving Panel under section 274(6);

(h) any finding or direction contained in an order passed by any authority, Tribunal or court in any proceeding under this Act by way of appeal, reference or revision, or by a Court in any proceeding under any other law.