

## INCOME-TAX ACT, 2025

A: Allotment of Permanent Account Number

**Section 262 - Permanent Account Number.**

(1) Every person who has not been allotted a Permanent Account Number shall, within such time as may be prescribed, apply to the Assessing Officer for its allotment if he fulfils any of the following conditions:—

(a) his total income or the total income of any other person for which he is assessable under this Act during any tax year exceeded the maximum amount not chargeable to income-tax; or

(b) he is carrying on any business or profession whose total sales, turnover or gross receipts are or is likely to exceed ₹ 500000 in any tax year; or

(c) he is required to furnish a return of income under section 263 for any tax year; or

(d) he is a resident, other than an individual, which enters into a financial transaction aggregating to ₹ 250000 or more in a tax year; or

(e) he is the managing director, director, partner, trustee, author, founder, *karta*, chief executive officer, principal officer or office bearer of the person referred to in clause (d) or any person competent to act on behalf of the person referred to in clause (d); or

(f) he intends to enter into such transaction as may be prescribed by the Board in the interest of revenue.

(2) Any person, not covered under sub-section (1) may apply to the Assessing Officer for the allotment of a Permanent Account Number after which the Assessing Officer shall allot a Permanent Account Number to such person.

(3) Every person shall quote Permanent Account Number in all his returns to, or correspondence with, any income-tax authority and in all challans for the payment of any sum due under this Act.

(4) Every person shall intimate the Assessing Officer of any change in his address or in the name and nature of his business on the basis of which the Permanent Account Number was allotted to him.

(5) Every person who is eligible to obtain Aadhaar number shall quote such number in the application form for allotment of Permanent Account Number and in the return of income.

6) (a) For the cases other than sub-section (5), every person who has been allotted Permanent Account Number and who is eligible to obtain Aadhaar number, shall intimate his Aadhaar number to the prescribed income-tax authority in such form and manner, as may be prescribed;

(b) if a person fails to intimate his Aadhaar number as per clause (a), the Permanent Account Number allotted to that person shall be made inoperative in such manner as may be prescribed.

(7) Every person who is required to furnish or intimate or quote his Permanent Account Number under this Act, and who—

(a) has not been allotted a Permanent Account Number but possesses the Aadhaar number, may furnish or intimate or quote his Aadhaar number *in lieu* of the Permanent Account Number, and such person shall be allotted a Permanent Account Number in the manner, as may be prescribed;

(b) has been allotted a Permanent Account Number, and who has intimated his Aadhaar number as per sub-section (6) may furnish or intimate or quote his Aadhaar number *in lieu* of the Permanent Account Number.

(8) A person who has already been allotted a Permanent Account Number cannot apply, obtain or possess another Permanent Account Number.

9) (a) Every person entering into such transaction, as may be prescribed, shall quote his Permanent Account Number or Aadhaar number, in the documents pertaining to such transactions and also authenticate such Permanent Account Number or Aadhaar number, in the manner, as may be prescribed;

(b) every person receiving any document relating to the transactions referred to in clause (a), shall ensure that Permanent Account Number or Aadhaar number, has been duly quoted in such document and that such Permanent Account Number or Aadhaar number is authenticated as may be prescribed.

10) The Board may make rules providing for—

(a) the form, manner and time in which an application may be made for the allotment of Permanent Account Number and the particulars which such application shall contain;

(b) class or classes of persons who shall be required to apply for allotment of Permanent Account Number;

(c) categories of documents pertaining to business or profession in which Permanent Account Number shall be quoted by every person;

(d) the form and manner in which the person who has not been allotted a Permanent Account Number shall make his declaration;

(e) manner of authentication of Permanent Account Number or Aadhaar number;

(f) class or classes of persons to whom the provisions of this section shall not apply having regard to the transactions or the circumstances.

11) (a) The Central Government may, by notification, specify any class or classes of persons who shall apply to the Assessing Officer for the allotment of Permanent Account Number within such time as mentioned in such notification;

(b) the class or classes of persons in clause (a) may include such persons--

i) by whom tax is payable under this Act; or

ii) by whom any tax or duty is payable under any other law in force; or

iii) being importers and exporters, even when no tax is payable by them.

12) The provisions of sub-sections (5) and (6) shall not apply to such person or class or classes of persons or any State or part of any State, as may be notified by the Central Government.

13) For the purposes of this section,—

(a) “Aadhaar number” shall have the same meaning as assigned to it in section 2(a) of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016;

(b) “Assessing Officer” includes an income-tax authority who is assigned the duty of allotting Permanent Account Number;

(c) “authentication” means the process by which the Permanent Account Number or Aadhaar number along with demographic information or biometric information of an individual is submitted to the income-tax authority or such other authority or agency as may be prescribed for its verification and such authority or agency verifies the correctness, or the lack thereof, on the basis of information available with it.

