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INCOME-TAX ACT, 2025

2: Representative assesses—General provisions

Section 304 - Liability of representative assessee.

(1) Every representative assessee, as regards the income in respect of which he is a representative assessee, shall be subject to the same duties, responsibilities and liabilities as if the income were income received by or accruing to or in favour of him beneficially and for this purpose,––

(a) the representative assessee shall be liable to assessment in his own name in respect of that income and any such assessment shall be deemed to be made upon him in his representative capacity only; and

(b) the tax on such income shall, subject to the other provisions contained in this Chapter, be levied upon and recovered from the representative assessee in like manner and to the same extent as it would be leviable upon and recoverable from the person represented by him.

(2) If any person, in respect of any income is assessable under this Chapter in the capacity of a representative assessee, then he shall not, in respect of that income, be assessed under any other provisions of this Act.

(3) Irrespective of the provisions of this Chapter, the Assessing Officer may directly assess the person on whose behalf or for whose benefit income therein referred to is receivable, or may recover from such person the tax payable in respect of such income.

(4) If only part of the income of a trust is chargeable under this Act, then the proportion of income receivable by a beneficiary from such trust derived from the chargeable part shall be determined as follows:—

$$\frac{A}{B} \times C,$$

Where,—

A = the chargeable part of the income of the trust;

B = the whole income of the trust; and

C = the income receivable by the beneficiary from the trust.

(5) The Assessing Officer shall have the same remedies in the same manner against all property of any kind vested in or under the control or management of any representative assessee as he would have against the property of any person liable to pay any tax, whether the demand is raised against the representative assessee or against the beneficiary direct.

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