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INCOME-TAX ACT, 2025

16: Liability of partners of limited liability partnership in liquidation

Section 331 - Liability of partners of limited liability partnership in liquidation.

Irrespective of anything contained in the Limited Liability Partnership Act, 2008, where any tax including penalty, interest, fee or any other sum payable under the Act is due and cannot be recovered from––

(a) the limited liability partnership in respect of any income of any tax year; or

(b) any other person in respect of any income of any tax year during which such other person was a limited liability partnership,

then, in such case, every such person who was a partner of such limited liability partnership at any time during the relevant tax year, shall be jointly and severally liable for the payment of such tax due unless he proves that the non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the limited liability partnership.

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