

Procedure on receipt of application

245R. (1) On receipt of an application, the Authority shall cause a copy thereof to be forwarded to the [Principal Commissioner or]¹ Commissioner and, if necessary, call upon him to furnish the relevant records:

Provided that where any records have been called for by the Authority in any case, such records shall, as soon as possible, be returned to the [Principal Commissioner or]² Commissioner.

(2) The Authority may, after examining the application and the records called for, by order, either allow or reject the application:

Provided that the Authority shall not allow the application where the question raised in the application,—

- (i) is already pending before any income-tax authority or Appellate Tribunal except in the case of a resident applicant falling in sub-clause (iii) of clause (b) of section 245N or any court;
- (ii) involves determination of fair market value of any property;
- (iii) relates to a transaction or issue which is designed *prima facie* for the avoidance of income-tax except in the case of a resident applicant falling in sub-clause (iii) of clause (b) of section 245N¹ or in the case of an applicant falling in sub-clause (iiia) of clause (b) of section 245N²:

Provided further that no application shall be rejected under this sub-section unless an opportunity has been given to the applicant of being heard:

Provided also that where the application is rejected, reasons for such rejection shall be given in the order.

(3) A copy of every order made under sub-section (2) shall be sent to the applicant and to the [Principal Commissioner or]³ Commissioner.

(4) Where an application is allowed under sub-section (2), the Authority shall, after examining such further material as may be placed before it by the applicant or obtained by the Authority, pronounce its advance ruling on the question specified in the application.

(5) On a request received from the applicant, the Authority shall, before pronouncing its advance ruling, provide an opportunity to the applicant of being heard, either in person or through a duly authorized representative.

Explanation.—for the purposes of this sub-section, “authorized representative” shall have the meaning assigned to it in sub-section (2) of section 288, as if the applicant were an assessee.

¹ Substituted w.e.f June 1st, 2013

² Substituted w.e.f June 1st, 2013

³ Substituted w.e.f June 1st, 2013

(6) The Authority shall pronounce its advance ruling in writing within six months of the receipt of application.

(7) A copy of the advance ruling pronounced by the Authority, duly signed by the Members and certified in the prescribed manner shall be sent to the applicant and to the [Principal Commissioner or]⁴ Commissioner, as soon as may be, after such pronouncement.

⁴ Substituted w.e.f June 1st, 2013