

**Section 132, read with section 132A of the income-tax Act, 1961 - search & seizure -
Assessment of preceding years in search cases during election period**

CIRCULAR NO. 10/2012 [F. NO. 282/22/2012-IT (INV. V)], DATED 31-12-2012

As per provisions contained in section 153A and 153C of the Income Tax Act, 1961, the Assessing Officer is required to issue notice for assessing or reassessing the total income for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made.

2. In consequence of the powers conferred by clauses (64) and (66) of the Finance Act, 2012 the Central Government amended the Income Tax Rules, 1962, to insert a new Rule 112F after the existing Rule 112E, specifying the class or classes of cases in which the Assessing Officer shall not be required to issue notice for assessing or reassessing the total income for six assessment years immediately preceding the assessment year relevant to the previous year in which search is conducted or requisition is made.

3. The aforesaid amendment was introduced with a view to reduce infructuous and unnecessary proceedings under the Income Tax Act, 1961 in cases where a search is conducted u/s 132 or requisition made u/s 132A and cash or other assets are seized during the election period, generally on a single warrant, and no evidence is available, or investigation required, for any assessment year other than the assessment year relevant to the previous year in which search is conducted or requisition is made.

4. In such cases, the officer investigating the case, with the approval of the Director General of Income Tax, shall certify that -

(i) the search is conducted under section 132 or the requisition is made under section 132A of the Act in the territorial area of an assembly or parliamentary constituency in respect of which a notification has been issued under section 30, read with section 56 of the Representation of the People Act, 1951; or

(ii) the assets seized or requisitioned are connected in any manner to the ongoing election process in an assembly or parliamentary constituency; and

(iii) no evidence is available or investigation is required for any assessment year other than the assessment year relevant to the previous year in which search is conducted or requisition is made.

5. The certificate of the investigating officer shall be communicated to the Commissioner of Income Tax and the Assessing Officer having jurisdiction over the case of such person.