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POWER TO CALL FOR INFORMATION AND CONDUCT SURVEY

SECTION 133: POWER TO CALL FOR INFORMATION

The Assessing Officer or the CIT (Appeals) may

- require **any assessee** to furnish a statement of **names and addresses of all persons** to whom he has **paid** in any previous year **rent, interest, commission, royalty or brokerage or annuity** together with the particulars of all such payments.

- require **any dealer, broker or agent or director of a stock or commodity exchange** to furnish a statement of the names and addresses of all persons who has purchased or sold shares or commodities.

- require **any person,** including **a banking company or any officer thereof**, to furnish information or furnish statement of accounts giving information on various matters which will be useful for or **relevant to any *INQUIRY OR* proceedings under the Act.** This power can also be exercised by the Director General, the Chief CIT, Director and the CIT. ***[Section 133(6)]***

Note: REQUISITION under section 133(6) can be made even if no proceeding is pending against the assessee. Therefore, requisition can be made for making an inquiry.

Note: However the power in respect of an inquiry, in a case where no proceeding is pending, shall not be exercised by any income tax authority below the rank of Director or the Commissioner, without the prior approval of Director or Commissioner, as the case may be.

SECTION 133B: POWER TO COLLECT INFORMATION

An **income-tax authority may** for the purpose of **collecting any information enter**

(a) **any building or place** within the limit of the **area assigned** to such authority, or
(b) any building or place occupied by any person in respect of whom **he exercises jurisdiction**,
at which a business or profession is carried on, and require any proprietor, employees or any other person to furnish the prescribed information.

NOTES: 1. The income-tax authority may enter any place of business or profession **only during the working hours.**

2. The income tax authority shall on no account, remove or cause to be removed from the building or place wherein he has entered, any books of account or other documents or any cash, stock or other valuable article.

SECTION 133A: POWER OF SURVEY

Notwithstanding anything contained in any other provision of the Income-tax Act, an income-tax authority may enter –

(a) any place within the limits of the area assigned to him, or

(b) any place occupied by any person in respect of whom he exercises jurisdiction, or

(c) any place in respect of which he is authorised for the purpose of this section by such income tax authority who is assigned the area within which such place is situated or who exercises jurisdiction in respect of any person occupying such place,

at which a business or profession is carried on, and require any proprietor, employee or any other person -

(i) to afford him the necessary facility to inspect such books of account or other documents,

(ii) to afford him the necessary facility to check or verify the cash, stock or other valuable articles, and

(iii) to furnish such information as he may require.

NOTES:

1. For the purposes of this section, a place where a business or profession is carried on shall also include any other place, in which the person carrying on the business profession states that any of his books of account or other valuable articles etc. are kept.

2. An income-tax authority may enter any place of business or profession referred to above only during the hours at which such place is open for conduct of business or profession and in case of any other place, ***only after sunrise and before sunset***.

3. An income-tax authority acting under this section may, -

   (i) If he so deems necessary, place marks of identification on the books of account or other documents inspected by him and make or copies therefrom,

   (ia) **impound and retain in his custody any books of account or other documents inspected by him:**

   Provided that such income-tax authority shall not—

   (a) impound any books of account or other documents except after recording his reasons for so doing; or

   (b) retain in his custody any such books of account or other documents for a period exceeding ten days (exclusive of holidays) without obtaining the approval of the Chief Commissioner or Director General;

   (ii) make an inventory of any cash, stock or other valuable article or thing checked or verified by him,

(iii) record the statement of any person which may be useful for, or relevant to, any proceeding under this Act.

4. An income-tax authority acting under this section shall, on no account remove or cause to be removed from the place wherein he has entered, stock or other valuable article or thing.

5. Where, having regard to the nature and scale of expenditure incurred by an assessee, in connection with any function, ceremony or event, the income-tax authority is of the opinion that it is necessary or expedient so to do, he may, at any time **after such function, ceremony or event**, require the assessee, to furnish such information as he may require and may have the statements of the assessee or any other person recorded.

6. If a person under this section is required to afford facility to the income-tax authority to inspect books of account or other documents or to check or verify any cash, stock or other valuable article or thing or to furnish any information or to have his statement recorded either refuses or evades to do so, the income-tax authority shall have all the powers under sub-section (1) of section 131 for enforcing compliance with the requirement made. [Non-compliance with a summon under section 131(1) results in authorization of search and seizure on the assessee].