Section of the Income-tax Act	*Circumstances under which interest is payable or receivable by an assessee*	*Rate of interest and period for which interest is payable/receivable*	*Amount on which interest is to be calculated*
234A[38]	For delay or failure in furnishing return of income u/s. 139(1) or 139(4) or 142(1)	1% [1¼% (from 1-6-2001 to 7-9-2003)/ 1½% (from 1-6-1999 to 31-5-2001)/2% (upto 31-5-1999)] for every month or part of a month from the date immediately following the due date specified u/s. 139(1) to the date of furnishing the return of income and where the return is not furnished, to the date of completion of assessment u/s. 144	Amount of tax on total income determined u/s. 143(1) or on regular assessment and as reduced by advance tax paid and/or tax deducted or collected at source. Interest is not payable on additional income-tax, if any, determined u/s. 143(1A) [Refer *Example* on page 191].
234B[38]	Failure to pay advance tax or advance tax paid is less than 90% of the assessed tax[39]	1% [1¼% (from 1-6-2001 to 7-9-2003)/ 1½% (from 1-6-1999 to 31-5-2001)/2% (upto 31-5-1999)] for every month or part of the month from 1st April of the assessment year to the date of determination of total income u/s. 143(1) or regular assessment	Amount of difference between assessed tax[39] and the advance tax paid, if any. Interest is not payable on additional income-tax, if any, determined u/s. 143(1A) [Refer *Examples* to sub-item (i) of item (7) on page 306].
	In relation to assessment year 1995-96 & onwards: *(i.e., advance tax payable during the financial year 1994-95 and subsequent years):*		
234C[38]	(1) *IN THE CASE OF AN ASSESSEE BEING AN ASSESSEE OTHER THAN A COMPANY:*		
	(a) Deferment or shortfall in payment of advance tax on 15th September and/or 15th December [leviable even in cases where an assessee is liable to pay advance tax u/s. 208 and has failed to pay such tax]	1% [1¼%, from 1-6-2001 to 7-9-2003; 1½%, upto 31-5-2001] per month for a period of 3 months	Amount of difference between: (1) 30% of the "tax due on the returned income[40]" and advance tax paid or payable on or before 15th September, (2) 60% of the "tax due on the returned income[40]" and advance tax paid or payable on or before 15th December [Refer *Illustration* to sub-item (ii) of item (7) on page 307].
	(b) Shortfall in payment of advance tax on or before 15th March [leviable even in cases where an assessee is liable to pay advance tax u/s. 208 and has failed to pay such tax]	1% [1¼%, from 1-6-2001 to 7-9-2003; 1½%, upto 31-5-2001]	Amount of shortfall i.e., amount of difference between "tax due on the returned income[40]" and advance tax paid or payable on or before 15th March [Refer *Illustration* to sub-item (ii) of item (7) on page 307].
	(2) *IN THE CASE OF AN ASSESSEE BEING A COMPANY:*		
	(a) Deferment or shortfall in payment of advance tax on 15th June and/or 15th September and/or 15th December [leviable even in cases where company is liable to pay advance tax u/s. 208 and has failed to pay such tax]	1% [1¼%, from 1-6-2001 to 7-9-2003; 1½%, upto 31-5-2001] per month for a period of 3 months	Amount of difference between: (1) 15%[41] of the "tax due on the returned income[40]" and advance tax paid or payable on or before 15th June, (2) 45%[41] of the "tax due on the returned income[40]" and advance tax paid or payable on or before 15th September, (3) 75% of the "tax due on the returned income[40]" and advance tax paid or payable on or before 15th December.
	(b) Shortfall in payment of advance tax on or before 15th March [leviable even in cases where company is liable to pay advance tax u/s. 208 and has failed to pay such tax]	1% [1¼%, from 1-6-2001 to 7-9-2003; 1½%, upto 31-5-2001]	Amount of shortfall i.e., amount of difference between "tax due on the returned income[40]" and advance tax paid or payable on or before 15th March.

38. Interest payable u/s. 234A, 234B, and 234C has to be paid alongwith self-assessment tax payable u/s. 140A.

39. "assessed tax" means, the tax on the total income determined u/s. 143(1) or on regular assessment as reduced by the amount of tax deducted and/or collected at source on any income, which is subject to such deduction and/or collection under Chapter XVII, and which is taken into account in computing such total income [*Explanation* 1 to section 234B(1)]. **For the notes on substituted *Explanation* 1 by the Finance Act, 2006, refer para 8.3 on page 48.**

40. "tax due on the returned income" means tax chargeable on the total income declared in the return and reduced by the amount of tax deductible and/or collectible at source on any income which is taken into account in computing such total income [*Explanation* to section 234C(1)]. **For the notes on substituted *Explanation* by the Finance Act, 2006, refer para 8.4 on page 48.**

41. If the advance tax paid by the company on its current income on or before the 15th June or the 15th September, is not less than 12% (as against 15%) or, as the case may be, 36% (as against 45%) of the "tax due on the returned income[40]", then, the company shall not be liable to pay any interest u/s. 234C(1)(a)(i) on the amount of shortfall on those dates [vide proviso to section 234C(1)(a)].