

Power to make rules.

295. (1) The Board may, subject to the control of the Central Government, by notification in the Gazette of India, make rules for the whole or any part of India for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters :—

(a) the ascertainment and determination of any class of income;

(b) the manner in which and the procedure by which the income shall be arrived at in the case of—

(i) income derived in part from agriculture and in part from business;

(ii) persons residing outside India;

[(iii) an individual who is liable to be assessed under the provisions of sub-section (2) of section 64;]

(c) the determination of the value of any perquisite chargeable to tax under this Act in such manner and on such basis as appears to the Board to be proper and reasonable;

(d) the percentage on the written down value which may be allowed as depreciation in respect of buildings, machinery, plant or furniture;

[(dd) the extent to which, and the conditions subject to which, any expenditure referred to in sub-section (3) of section 37 may be allowed;]

[(dda) the matters specified in sub-sections (2) and (3) of section 44AA;]

[¹(e) the conditions or limitations subject to which any payment of rent made by an assessee shall be deducted under section 80GG;

(ee) ²the matters specified in Chapter X-A;

(eea) the cases, the nature and value of assets, the limits and heads of expenditure and the outgoings, which are required to be prescribed under sub-section (6) of section 139;

(eeb) the time within which any person may apply for the allotment of a permanent account number, the form and the manner in which such application may be made and the particulars which such application shall contain and the transactions with respect to which permanent account numbers shall be quoted on documents relating to such transactions under section 139A;

¹ Renumbered by Finance Act 2013 from “ee” to “e” with effect from April 1, 2016.

² Inserted with effect from April 1, 2016.

[(*eeba*) the documents, statements, receipts, certificates or audited reports which may not be furnished along with the return but shall be produced before the Assessing Officer on demand under section 139C;

(*eebb*) the class or classes of persons who shall be required to furnish the return of income in electronic form; the form and the manner of furnishing the said return in electronic form; documents, statements, receipts, certificates or reports which shall not be furnished with the return in electronic form and the computer resource or electronic record to which such return may be transmitted under section 139D;]

(*eec*) the form of the report of audit and the particulars which such report shall contain under sub-section (2A) of section 142;\

(*eed*) ³remuneration of Chairperson and members of the Approving Panel under sub-section (18) and procedure and manner for constitution of, functioning and disposal of references by, the Approving Panel under sub-section (21) of section 144BA;

(*f*) the manner in which and the period to which any such income as is referred to in section 180 may be allocated;

[(*fa*) the form and manner in which the information relating to payment of any sum may be furnished under sub-section (6) of section 195;]

(*g*) the authority to be prescribed for any of the purposes of this Act;

(*h*) the procedure for giving effect to the terms of any agreement for the granting of relief in respect of double taxation or for the avoidance of double taxation which may be entered into by the Central Government under this Act;

(*i*) the form and manner in which any application, claim, return or information may be made or furnished and the fees that may be levied in respect of any application or claim;

(*j*) the manner in which any document required to be filed under this Act may be verified;

(*k*) the procedure to be followed on applications for refunds;

[(*kk*) the procedure to be followed in calculating interest payable by assesseees or interest payable by Government to assesseees under any provision of this Act, including the rounding off of the period for which such interest is to be calculated in cases where such period includes a fraction of a month, and specifying the circumstances in which and the extent to which petty amounts of interest payable by assesseees may be ignored;]

(*l*) the regulation of any matter for which provision is made in section 230;

³ Inserted with effect from April 1, 2016.

(*m*) the form and manner in which any appeal or cross-objection may be filed under this Act, the fee payable in respect thereof and the manner in which intimation of any such order as is referred to in clause (*c*) of sub-section (2) of section 249 may be served;

[(*mm*) the circumstances in which, the conditions subject to which and the manner in which, the [* * *] [Commissioner (Appeals)] may permit an appellant to produce evidence which he did not produce or which he was not allowed to produce before the [Assessing] Officer;]

[(*mma*) the form in which the statement under section 285B shall be delivered to the [Assessing] Officer;]

(*n*) the maintenance of a register of persons other than legal practitioners or accountants as defined in sub-section (2) of section 288 practising before income-tax authorities and for the constitution of and the procedure to be followed by the authority referred to in sub-section (5) of that section;

(*o*) the issue of certificate verifying the payment of tax by assessees;

(*p*) any other matter which by this Act is to be, or may be, prescribed.

(3) In cases coming under clause (*b*) of sub-section (2), where the income liable to tax cannot be definitely ascertained, or can be ascertained only with an amount of trouble and expense to the assessee which in the opinion of the Board is unreasonable, the rules made under this section may—

(*a*) prescribe methods by which an estimate of such income may be made; and

(*b*) in cases coming under sub-clause (*i*) of clause (*b*) of sub-section (2) specify the proportion of the income which shall be deemed to be income liable to tax,

and an assessment based on such estimate or proportion shall be deemed to be duly made in accordance with the provisions of this Act.

[(4) The power to make rules conferred by this section shall include the power to give retrospective effect, from a date not earlier than the date of commencement of this Act, to the rules or any of them and, unless the contrary is permitted (whether expressly or by necessary implication), no retrospective effect shall be given to any rule so as to prejudicially affect the interests of assessees.]