

Rectification of mistake.

154. [(1) With a view to rectifying any mistake apparent from the record an income-tax authority referred to in section 116 may,—

(a) amend any order passed by it under the provisions of this Act ;

[(b) amend any intimation or deemed intimation under sub-section (1) of section 143;]]

[(c) amend any intimation under sub-section (1) of section 200A.]

¹(d) amend any intimation under sub-section (1) of section 206CB.

[(1A) Where any matter has been considered and decided in any proceeding by way of appeal or revision relating to an order referred to in sub-section (1), the authority passing such order may, notwithstanding anything contained in any law for the time being in force, amend the order under that sub-section in relation to any matter other than the matter which has been so considered and decided.]

(2) Subject to the other provisions of this section, the authority concerned—

(a) may make an amendment under sub-section (1) of its own motion, and

(b) shall make such amendment for rectifying any such mistake which has been brought to its notice by the assessee [or by the deductor] ²[or by the collector], and where the authority concerned is the [***] [Commissioner (Appeals)], by the [Assessing] Officer also.

[* * *]

(3) An amendment, which has the effect of enhancing an assessment or reducing a refund or otherwise increasing the liability of the assessee [or the deductor] ³[or the collector], shall not be made under this section unless the authority concerned has given notice to the assessee [or the deductor] ⁴[or the collector] of its intention so to do and has allowed the assessee [or the deductor] ⁵[or the collector] a reasonable opportunity of being heard.

(4) Where an amendment is made under this section, an order shall be passed in writing by the income-tax authority concerned.

[(5) Where any such amendment has the effect of reducing the assessment or otherwise reducing the liability of the assessee or the deductor ⁶[or the collector], the Assessing Officer shall make any refund which may be due to such assessee or the deductor ⁷[or the collector].]

(6) Where any such amendment has the effect of enhancing the assessment or reducing a refund [already made or otherwise increasing the liability of the assessee or the deductor ⁸[or the collector], the Assessing Officer shall serve on the assessee or the deductor, ⁹[or the collector] as the case may be] a notice of demand in the prescribed form specifying the sum payable, and such

¹ Inserted with effect from June 1, 2015

² Inserted with effect from June 1, 2015

³ Inserted with effect from June 1, 2015

⁴ Inserted with effect from June 1, 2015

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⁷ Inserted with effect from June 1, 2015

⁸ Inserted with effect from June 1, 2015

⁹ Inserted with effect from June 1, 2015

notice of demand shall be deemed to be issued under section 156 and the provisions of this Act shall apply accordingly.

(7) Save as otherwise provided in section 155 or sub-section (4) of section 186 no amendment under this section shall be made after the expiry of four years [from the end of the financial year in which the order sought to be amended was passed.]

[(8) Without prejudice to the provisions of sub-section (7), where an application for amendment under this section is made by the assessee [or by the deductor] ¹⁰[or by the collector] on or after the 1st day of June, 2001 to an income-tax authority referred to in sub-section (1), the authority shall pass an order, within a period of six months from the end of the month in which the application is received by it,—

- (a) making the amendment; or
- (b) refusing to allow the claim.]

¹⁰ Inserted with effect from June 1, 2015