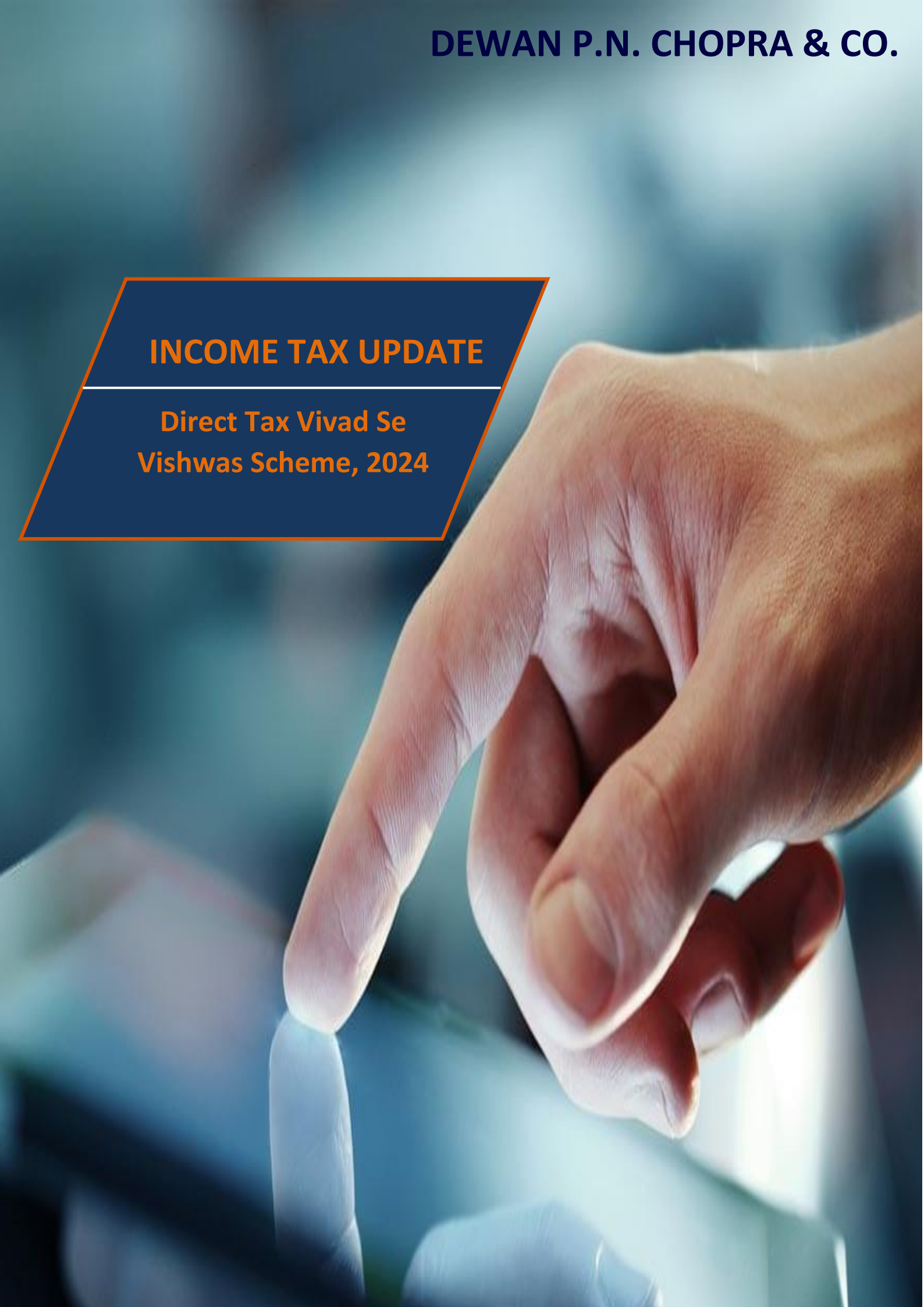


**INCOME TAX UPDATE**

**Direct Tax Vivad Se  
Vishwas Scheme, 2024**



**Clarification with regard to eligibility of appeals filed within due date as per Income Tax Act, 1961 but after date specified under VSV Scheme, 2024**

Under the Scheme, introduced through Finance (No. 2) Act, 2024 ('the Act'), difficulties with regard to following situation were brought to the notice of the tax department:

- a. An order against the assessee was passed on or before the specified date i.e., July 22, 2024;
- b. Time for filing appeal against such order has not lapsed as on the specified date;
- c. An appeal against such order is preferred after the specified date but with the time limit prescribed under provisions of the Income Tax Act, 1961 ('the IT Act, 1961'); and
- d. No condonation request has been filed along with such appeal by the assessee.

Due to the ambiguity regarding eligibility of above situation (i.e., appeal not pending on specified date) under the Scheme, the assessee was facing difficulty in filing declaration against such appeal preferred with the appellate authority within due time specified under the IT Act, 1961 but after the specified date i.e., July 22, 2024.

Addressing the above difficulty, CBDT, in exercise of the powers conferred by section 98(1) of the Act, through order number 8/2025 dated 20th January, 2025, clarifies that:

- a. such appeal as preferred by the assessee **shall be considered as pending** as on the specified date i.e., July 22, 2024;
- b. such assessee shall be considered as an Appellant under the Scheme;
- c. disputed tax in such case shall be computed on basis of such appeal; and
- d. the provisions of the Scheme and Rules specified thereunder shall continue to apply in such case

Accordingly, pursuant to such clarification, an appeal preferred by an assessee against an impugned order with the time limit prescribed under the IT Act, 1961, but after the date specified under the Scheme i.e., July 22, 2024, shall be eligible for filing declaration under the Scheme.

For details, please refer the following:

Finance (No. 2) Act, 2024 dated 16.08.2024

<https://egazette.gov.in/WriteReadData/2024/256436.pdf>

CBDT Notification No. 103/2024 dated 19.09.2024

<https://incometaxindia.gov.in/communications/notification/notification-103-2024.pdf>

CBDT Notification No. 104/2024 dated 20.09.2024

<https://incometaxindia.gov.in/communications/notification/notification-104-2024.pdf>

CBDT DIT (Systems), Bengaluru Notification No. 4/2024 dated 30.09.2024

<https://incometaxindia.gov.in/communications/notification/notification-no-4-2024-25.pdf>

CBDT Circular No. 12/2024 dated 15.10.2024

<https://www.incometax.gov.in/iec/foportal/sites/default/files/2024-10/circular-12-2024.pdf>

CBDT Circular No. 20/2024 dated 30.12.2024

<https://incometaxindia.gov.in/communications/circular/circular-no-20-2024.pdf>

CBDT Order No. 8/2025 dated 20.01.2025

[https://egazette.gov.in/\(S\(2vx2tmgj4zzmsudigukv5qmb\)\)/ViewPDF.aspx](https://egazette.gov.in/(S(2vx2tmgj4zzmsudigukv5qmb))/ViewPDF.aspx)

*DISCLAIMER: - The information herein is based on the Act, the IT Act, CBDT Order No. 8/2025, CBDT Circular No. 20/2024, 12/2024, CBDT Notification No. 103/2024, 104/2024 and 4/2024. While the information is believed to be accurate, we make no representations or warranties, express or implied, as to the accuracy or completeness of it. Readers should conduct and rely upon their own examination and analysis and are advised to seek their own professional advice. This note is not an offer, advice or solicitation. We accept no responsibility for any errors it may contain, whether caused by negligence or otherwise or for any loss, howsoever caused or sustained, by the person who relies upon it.*