



# SBC

LOCAL CONNECT. GLOBAL OUTLOOK.

## **Tax Alert**

02<sup>nd</sup> November 2021

- CBDT notifies e-Settlement Scheme 2021 for electronic settlement of cases pending before Settlement Commission

Vide Notification No. 129/2021, CBDT on 01st November 2021 has notified the e-Settlement Scheme 2021 that lays down the procedure for electronic settlement of pending applications by the Interim Board constituted through the Finance Act 2021



---

## Executive Summary

To ease out the process of settlement of pending applications before the Income-tax Settlement Commission (ITSC), the Central Government (CG) had earlier introduced the Interim Board in Finance Act 2021.

Further, as stated during the introduction of the Finance Bill, the CG has now laid down the e-Settlement Scheme 2021 which would help in electronic disposal of pending applications providing ease, transparency and, complete control over the judicious disposal of all eligible pending applications for Settlement

---

## Background

- ▶ The 2021-22 Budget, through the Finance Act, amended the provisions of the Income-Tax Act, 1961 to provide that the Income-tax Settlement Commission (ITSC) shall cease to operate from February 1, 2021.
- ▶ To dispose off the pending settlement applications as of January 31, 2021, the CG had constituted an Interim Board for Settlement.
- ▶ Now, the CBDT Vide Notification No. 129/2021 has notified this e-Settlement which provides for detailed procedure and manner for such settlement.

---

## Key features of the e-Settlement Scheme - 2021

- ▶ The Interim Board shall conduct e-settlement of pending applications allocated or transferred to it by CBDT randomly with the help of Principal Director General of Income-tax (Systems) or the Director General of Income tax (Systems)
- ▶ Intimation would be sent to the applicant by the Interim Board on allocation
- ▶ The interim Board shall call for reports from the Principal Commissioner/Commissioner and the Applicant and shall provide an opportunity of being heard to both against each others' submissions/reports.
- ▶ The proceedings before the Interim Board shall not be open to the public and only persons as authorized in Scheme shall remain present before the Board
- ▶ All communications are to be exclusively by electronic mode only and there shall be no personal appearance before the Interim Board





### Our Corporate Office

Suite 5, Level 3,  
Reliance Cyber Ville,  
Image hospital lane, Madhapur,  
Hitech City, Hyderabad – 500081

Level 3,  
Kupilli Arcade,  
Akkayyapalem, Visakhapatnam,  
Andhra Pradesh, 530016

### Other Locations

UAE, USA,  
Delhi, Chennai, Mumbai, Bangalore, Vijayawada, Tirupati, Kurnool

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither SBC nor any other member of the SBC organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.