

Government of India
Ministry of Finance
Department of Revenue
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PRESS RELEASE

Launch of faceless assessment in Income Tax Department and inauguration of the National e-Assessment Centre(NeAC)

It may be recalled that, in her budget speech, the Hon'ble Finance Minister, Smt. Nirmala Sitharaman had announced launching of a scheme in 2019 that would provide e-Assessment of Income-tax in electronic mode, in a phased manner, with no human interface. Delivering on the promise made to the taxpayers in the budget speech of the Hon'ble Finance Minister, the Revenue Secretary, Dr. Ajay Bhushan Pandey launched the faceless assessment in the Income Tax Department by inaugurating the National e-Assessment Centre (NeAC) on Monday, the 7th of October 2019 at New Delhi, in the presence of officers of the Income Tax Department located at Delhi, Mumbai, Chennai, Kolkata, Ahmedabad, Hyderabad, Bengaluru and Pune, connected through Multimedia Video Conference.

Speaking on the occasion, the Chairman, CBDT, Shri P.C. Mody said that this was a historic occasion for the Income Tax Department when the Department would be able to translate into reality the vision of Hon'ble PM and FM in providing a transparent, efficient and faceless assessment procedure to the taxpayers.

While inaugurating the NeAC, the Revenue Secretary, Dr. Pandey said that it was a matter of great pride for the Department to have set up the NeAC in such a short span of time. He informed the august audience that the seed of faceless assessment was actually sown by the Hon'ble PM in 2017 in the Rajaswa Gyan Sangam. He complimented the Department in taking the vision of Hon'ble PM and FM forward in bringing out the scheme expeditiously. He also exhorted the officers and officials of the Department to keep working harder to meet the high expectations and challenges cast upon them.

Under e-Assessment scheme 2019:-

- (i) There would be state of the art Digital Technology for Risk Management by way of automated examination tool, Artificial Intelligence and Machine Learning, with a view to review the scope of discretion of the officers of Income Tax Department.
- (ii) The e-Assessment Scheme introduces the concept of team based assessment with dynamic jurisdiction which would bring about transparency, efficiency and standardisation of procedures by eliminating the human interface between the taxpayer and the Income-tax Department.

- (iii) There would be a NeAC in Delhi to be headed by Principal Chief Commissioner of Income-tax,
- (iv) 8 Regional e-Assessment Centres (ReAC) at Delhi, Mumbai, Chennai, Kolkata Ahmedabad, Pune, Bengaluru and Hyderabad which would comprise Assessment unit, Review unit, Technical unit and Verification units.
- (v) Cases for the specified work shall be assigned by the NeAC to different units by way of automated allocation systems.

In view of the dynamic and all India jurisdiction of all officers of NeAC and ReAC, this kind of connective and collaborative effort of officers is likely to lead to better quality of assessments.

In the first phase, the Income Tax Department has selected 58,322 cases for scrutiny under the e-Assessment Scheme 2019 and the e-notices have been served before 30th of September 2019 for the cases of Assessment Year 2018-19.

The taxpayers have been advised to check their registered e-filing accounts/ email ids and have been requested to furnish reply within 15 days. The Department hopes that with the ease of compliance for taxpayers, the cases would be disposed off expeditiously.

This new initiative of faceless assessment is expected to increase ease of compliance for taxpayers as the cost and anxiety of taxpayers are likely to be greatly reduced. No human interface with the Department would be a game changer. Transparency and efficiency would lead to reduced litigation. Functional Specialisation would lead to certainty in tax matters which would lead to increased ease of doing business. Adoption of risk based and focussed approach in team based assessment is expected to standardise procedures by eliminating human interface. The grievances of over pitched assessment by the taxpayers is likely to be greatly reduced and better assessment of income is expected to lead to greater revenue mobilization, thus greater resources for undertaking welfare work for people of India. It is also likely to lead to quicker disposal of cases underlining the fact that "It is a government that works faster!"

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