

Comprehensive Note on Form 103

(Notice of demand under section 289 of the Income-tax Act, 2025 read with Rule 179 of the Income-tax Rules, 2026)

Name of form as per I.T. Rules, 1962	Form 7	Name of form as per I.T. Rules, 2026	Form 103
Corresponding section of I.T. Act, 1961	156	Corresponding section of I.T. Act, 2025	289
Corresponding Rule of I.T. Rules, 1962	15	Corresponding Rule of I.T. Rules, 2026	179

Purpose:

Form No. 103 is a Notice of demand issued by the Assessing Officer to an assessee under Section 289 of the Income Tax Act, 2025, to notify the assessee of any tax, interest, penalty or any other sum payable for a tax year or block period. Form No. 103 is prescribed under Rule 179 of the Income-tax Rules, 2025.

Who uses Form 103:

Form 103 is issued by the Assessing Officer.

Frequency & Due Dates:

Form 103 is issued when Assessing Officer has to notify the assessee of a tax demand. The demand is to be paid by the date mentioned on the form. This date, by default is 30 days of the service of notice, but the same may be modified by the Assessing Officer. The prior approval of Joint Commissioner is required in case the due date needs to be made less than 30 days.

Structure of Form 103:

- **Period detail:** The form mentions the tax year or block period for which the demand is due.
- **Payable Amount:** Amount payable by the assessee.
- **Appellate Authority:** For demands arising from the orders of Joint Commissioner of Income-tax/Commissioner of Income-tax (Appeals)/Chief Commissioner or Commissioner of Income-tax, the ITAT bench where the appeal is to be filed, is provided.

What documents form the basis of issuing the Form 103?

Form 103 is issued pursuant to an assessment order, penalty order, or any other order under the Act that results in a demand which is required to be communicated to the assessee.

When is Form 103 issued?

The form 103 may be issued when an assessing officer notices that a demand is collectible due to passing of an order, such as an assessment order, penalty order, TDS defaults, rectification or Order Giving Effect etc.

Outcome of Form 103 to the assessee:

Upon receipt of the Form 103 notice, the assessee is required to pay the demand digitally or through cheque. The assessee can also seek an extension or payment in installments by making an application to the assessing officer before the expiry of the period specified for payment of demand.

Brief note on broad or qualitative changes proposed:

Key updates include the following

- Inclusion of Joint Commissioner of Income Tax (Appeals) as an appellate authority.
- Changing in the explanatory notes of the details of payment process to include digital payment medium.

Common Changes made across Forms:

1. Assessment / Financial / Previous year or years have been replaced with Tax year or years, wherever appearing in the Form/Annexure.
2. Sections, Clauses and Schedules changed as per the Income-tax Act, 2025.
3. Currency symbol “Rs.” has been replaced with “₹”.