

INCOME TAX APPELLATE TRIBUNAL (ITAT)

Origin:

Section 252 of the Income-tax Act, 1961 provides that the Central Government shall constitute an Appellate Tribunal consisting of as many Judicial Members and Accountant Members as it thinks fit, to exercise the powers and discharge the functions conferred on the Appellate Tribunal by the said Act. The Income-tax Appellate Tribunal was established on 25th January, 1941, in pursuance of a similar provision contained in the erstwhile Indian Income-tax Act, 1922.

Bench Strength:

The Tribunal as constituted presently, consists of 63 Benches comprising of sanctioned strength of one (01) President, who is assisted by ten (10) Zonal Vice-Presidents and 115 Members (i.e. Accountant Members and Judicial Members). The present sanctioned strength of Members is 126 (including President and Vice Presidents) for 63 Benches as spread over 30 cities throughout the country.

Powers and Functions:

The Income-tax Appellate Tribunal, constituted under the Income-tax Act, deals with second appeals in all matters of direct taxes, including appeals against the revisionary orders of Administrative Commissioners as well as orders denying registration under Section 12A or under Section 80G of the Income-tax Act 1961, etc. The Appellate Tribunal also deals with second appeals in all matters of the Black Money (Undisclosed foreign income and assets) and imposition of Tax Act, 2015 including any revisionary order passed by the Principal Commissioner/Commissioner under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

The powers and functions of the Appellate Tribunal are exercised and discharged by the Benches constituted by the President of the Tribunal from amongst the Members thereof. Generally, a Bench consists of one Judicial Member and one Accountant Member. However, in appropriate cases, at the discretion of the President, a Bench may consist of more than two Members. The President or any other Member of Tribunal authorised in this behalf by the Central Government may, sitting singly, dispose of any case which has been allotted to the Bench of which he is a Member and which pertains to an assessee whose total income as computed by the Assessing Officer in that case does not exceed fifty (50) lakhs rupees and the President may, for the disposal of any particular case, constitute a Special Bench consisting of three or more Members, one of whom shall necessarily be a Judicial Member and one Accountant Member, subject to the provisions of the Income-tax Act, 1961.

Procedure and Rules:

The Appellate Tribunal has the power to regulate its own procedure and the procedure of its Benches in all matters arising out of the exercise of its powers or in the discharge of its functions, including the places at which the Benches shall hold their sittings.

The Appellate Tribunal has, accordingly, framed its own rules called the Income-tax (Appellate Tribunal) Rules, 1963. The said Rules are best suited for the expeditious disposal of all matters pending before the Appellate Tribunal. The Appellate Tribunal functions not only as the final fact finding authority in the matters concerning Income-tax but also in all matters of taxation such as Wealth-tax, Gift-tax, etc. The Appellate Tribunal is manned by efficient personnel discharging their functions to the best of their ability and holding the scales of justice evenly between the tax payer and the Revenue without fear or favour.

The matters which the Appellate Tribunal disposes are of vital importance involving revenue to the tune of several crores. The Tribunal is entrusted with the responsible task of deciding intricate questions of law and fact. The presence of both the Judicial and Accountant Members ensures that Questions of Law and facts, which arise for consideration are properly enquired into and that the accountancy point, as also the legal angle, are weighed properly. The Appellate Tribunal allows the representatives of both the parties to appear before it and invariably hears them before passing any order. The Members hear the parties, peruse the evidence on record, make their own notes, refer to the authorities cited at the Bar, confer among themselves and then pass final orders. The procedure is, by itself, a succor that Questions of fact and law are properly and judicially decided and inference drawn by the Tribunals are beyond reproach.
