

Additional claim can be made only by filing a revised return and not by filing a revised computation

Summary – The High Court of Karnataka in a recent case of Axa Business Services (P.) Ltd., (the Assessee) held that where revenue raised a question as to whether assessee could file revised computation for making additional claim for deduction other than filing a revised return of income, in interest of justice, assessee was to be directed to file a revised return of income raising additional claim along with an application for condonation of delay under section 119(2)(b).

ORDER

Short question raised in this appeal is whether an assessee can file revised computation for making additional claim for deduction other than filing a revised return of income. In other words, whether in the course of scrutiny of a return or revised return of income, an assessee can make additional claim for deduction by filing revised computation. In view of the question raised by the revenue, learned counsel for the respondents-assessee submitted that the respondents would be satisfied if they are allowed to file revised return seeking set-off of loss of U.K. Branch with an application for condonation of delay under Section 119 (2) (b) of the Income Tax Act.

In view of the submissions advanced by the learned counsel for the parties, we are satisfied that the following order would meet the ends of justice:

- (i) It is open to the respondent-assessee to file revised return of income claiming set-off of loss of U.K. Branch within a period of four weeks from today along with an application for condonation of delay before the appropriate authority.
- (ii) If the assessee files revised return of income and the application for condonation of delay, as aforementioned, the appropriate authority and assessing officer shall consider the application for condonation of delay and the revised return on merits and in accordance with law expeditiously. While considering the application for condonation of delay, the appropriate authority shall take into account the time spent by the assessee in seeking set-off in these proceedings.
- (iii) In view of this order, the orders passed by the first appellate authority and the Tribunal render ineffective.

The appeal is accordingly disposed of.