

F No 279/Misc. 142/2007-ITJ (Pt)  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board Direct Taxes

New Delhi the 20<sup>th</sup> August, 2018

To,

All the Principal Chief Commissioners of Income Tax

Subject: Amendment to para 10 of the Circular No. 3 of 2018 dated 11.07.2018-reg:

Madam/Sir,

Kindly refer to the above.

2. The monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal, High Courts and SLPs/appeals before Supreme Court have been revised by Board's Circular No. 3 of 2018 dated 11.07.2018.

3. Para 10 of the said Circular provides that adverse judgments relating to the issues enumerated in the said para should be **contested on merits** notwithstanding that the tax effect entailed is less than the monetary limits specified in para 3 thereof or there is no tax effect. Para 10 of the Circular No. 3 of 2018 dated 11.07.2018 is hereby amended as under:

*"10. Adverse judgments relating to the following issues should be **contested on merits** notwithstanding that the tax effect entailed is less than the monetary limits specified in para 3 above or there is no tax effect:*

*(a) Where the Constitutional validity of the provisions of an Act or Rule is under challenge, or*

*(b) Where Board's order, Notification, Instruction or Circular has been held to be illegal or ultra vires, or*

*(c) Where Revenue Audit objection in the case has been accepted by the Department, or*

*(d) Where addition relates to undisclosed foreign income/undisclosed foreign assets (including financial assets)/ undisclosed foreign bank account.*

*N Bansal*  
*20/08/2018*

(e) Where addition is based on information received from external sources in the nature of law enforcement agencies such as CBI/ ED/ DRI/ SFIO/ Directorate General of GST Intelligence (DGGI).

(f) Cases where prosecution has been filed by the Department and is pending in the Court.”

4. The said modification shall come into effect from the date of issue of this letter.
5. The same may be brought to the knowledge of all officers working in your region.
6. This issues with the approval of the Hon'ble Finance Minister.

*N Bansal*  
*28/08/2018*  
**(Neetika Bansal)**  
**Director (ITJ), CBDT, New Delhi.**

Copy to:

1. The Chairman, Members and all other officers in CBDT of the rank of Under Secretary and above.
2. ADG (PR, PP& OL), Mayur Bhawan, New Delhi for printing in the quarterly Tax Bulletin and for circulation as per usual mailing list.
3. The Comptroller and Auditor General of India.
4. ADG (Vigilance), Mayur Bhawan, New Delhi.
5. The Joint Secretary & Legal Advisor, Ministry of Law & Justice, New Delhi.
6. All Directorates of Income-tax, New Delhi and DGIT (NADT), Nagpur.
7. ITCC (3 copies).
8. The ADG (System)-4, for uploading on the Department's website.
9. Data Base Cell for uploading on irsofficersonline.gov.in.
10. njrs\_support@nsdl.co.in for uploading on NJRS.
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*N Bansal*  
*28/08/2018*  
**(Neetika Bansal)**  
**Director (ITJ) CBDT, New Delhi**