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F.No.292/62/2012- IT (Inv. III)/44
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

A. R. A. Centre (Ground Floor),
E-2; Jhandewalan Extension, New Delhi – 110055
Dated, 02.05.2018

To,
All Principal Chief Commissioners of Income Tax (CCA)
All Directors General of Income Tax (Investigation)

Sir/Madam,

**Subject: Guidelines for Departmental officers for dealing with information under the
Income Tax Informants Rewards Scheme, 2018**

The undersigned is directed to refer to the Income Tax Informants Rewards Scheme, 2018 (hereinafter referred to as 'the Scheme') issued by the CBDT vide F. No. 292/62/2012-IT (Inv. III)/26 dated 23.4.2018.

2. While the said scheme has been circulated publicly, the broad guidelines on internal procedure for dealing with the matters under the scheme are outlined below with a view to ensure timely and proper handling of the matters therein.
3. **Procedure of receiving information from Informant:**
 - 3.1. After completing the procedure for receiving the information as per the scheme, the JDIT (Inv) shall forward the Annexure – A to his PDIT (Inv) who may allot an Informant Code, if not allotted earlier. The same shall be recorded in Annexure – A and Informant Code Register (Annexure – C) and communicated to JDIT (Inv). The Annexure – A shall remain in custody of PDIT (Inv). On receipt of the Code, JDIT (Inv) shall communicate it to the Informant. Such informant code will be different from the code allotted under Benami Transaction Informants Reward Scheme, 2018. An Informant shall be allotted only one Informant Code under this Scheme in his lifetime.
 - 3.2. With a view to standardize and make the Informant Codes under this Scheme unique and to distinguish it from the Code allotted under Benami Transaction Informants Reward Scheme, 2018, the Informant Codes shall have 4 components. The first will represent the place where PDIT/DIT (Inv) is posted; second will represent the reward scheme (letters IT will be used for Income Tax Informants Reward Scheme, 2018); third will represent serial number allotted to the informant and fourth will represent the year in which Code is allotted, e.g., Ahmedabad/IT/01/2018. An indicative list is given below:

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Sl.	Informant Code allotting authority	Composition of Informant Code
1	PDIT/DIT (Inv), Ahmedabad	Ahmedabad/IT/Serial no./Year of allotment
2	PDIT/DIT (Inv), Surat	Surat/IT/Serial no./Year of allotment
3	PDIT/DIT (Inv), Bangalore	Bangalore/IT/Serial no./Year of allotment
4	PDIT/DIT (Inv), Panaji	Panaji/IT/Serial no./Year of allotment
5	PDIT/DIT (Inv), Bhopal	Bhopal/IT/Serial no./Year of allotment
6	PDIT/DIT (Inv), Raipur	Raipur/IT/Serial no./Year of allotment
7	PDIT/DIT (Inv), Chandigarh	Chandigarh/IT/Serial no./Year of allotment
8	PDIT/DIT (Inv), Ludhiana	Ludhiana/IT/Serial no./Year of allotment
9	PDIT/DIT (Inv), Chennai	Chennai/IT/Serial no./Year of allotment
10	PDIT/DIT (Inv), Delhi - 1	Delhi1/IT/Serial no./Year of allotment
11	PDIT/DIT (Inv), Delhi - 2	Delhi2/IT/Serial no./Year of allotment
12	PDIT/DIT (Inv), Hyderabad	Hyderabad/IT/Serial no./Year of allotment
13	PDIT/DIT (Inv), Bhubaneswar	Bhubaneswar/IT/Serial no./Year of allotment
14	PDIT/DIT (Inv), Jaipur	Jaipur/IT/Serial no./Year of allotment
15	PDIT/DIT (Inv), Kochi	Kochi/IT/Serial no./Year of allotment
16	PDIT/DIT (Inv), Kolkata	Kolkata/IT/Serial no./Year of allotment
17	PDIT/DIT (Inv), Guwahati	Guwahati/IT/Serial no./Year of allotment
18	PDIT/DIT (Inv), Lucknow	Lucknow/IT/Serial no./Year of allotment
19	PDIT/DIT (Inv), Kanpur	Kanpur/IT/Serial no./Year of allotment
20	PDIT/DIT (Inv), Mumbai - 1	Mumbai1/IT/Serial no./Year of allotment
21	PDIT/DIT (Inv), Mumbai - 2	Mumbai2/IT/Serial no./Year of allotment
22	PDIT/DIT (Inv), Patna	Patna/IT/Serial no./Year of allotment
23	PDIT/DIT (Inv), Pune	Pune/IT/Serial no./Year of allotment
24	PDIT/DIT (Inv), Nagpur	Nagpur/IT/Serial no./Year of allotment

4. All information provided by him under the scheme at any point of time shall be recorded against this Informant Code.

4.1 In case where the same Informant provides specific information about substantial tax evasion under this Scheme as well as about benami properties under Benami Transaction Informants Reward Scheme, 2018, he shall be required to fill in Annexure - A under both the schemes separately. He shall also be allotted the Informant code separately under both the schemes.

5. **Broad modalities of receiving of information from a foreign person:** Where a foreign person gives information, efforts would be made to ascertain the nature, usefulness, etc. of the information available with the foreign person through email exchange/telephonic conversation etc. If Income Tax Overseas Unit (ITOU) is attached to the Indian Mission in the country where such foreign person is located or in a nearby country and it is considered appropriate, the foreign person may be asked to contact First Secretary (FS) of the ITOU through email/phone for a meeting. FS may assess and ascertain the nature, usefulness, etc. of the information available with such foreign person and furnish a report to the Member (Inv.) along with his recommendation. If it is considered appropriate to take the process forward, the Member (Inv.) may ask the foreign person to contact a

specific DGIT (Inv.) for completing further modalities as required in the scheme for reward to informants and taking further appropriate action, if necessary in consultation with the Member (Inv).

6. Procedure for processing interim reward & timelines:

- (i) The DDIT (Inv.) concerned shall prepare the proposal for granting interim reward based upon the undisclosed Income detected, as a result of investigation, which is directly attributable to the information furnished by the informant. Such proposal shall be submitted to the JDIT (Inv.) concerned along with the investigation report (appraisal report/final survey report/final investigation report in case of other investigations) along with supporting evidences within 30 days of approval of the investigation report by the Investigation Directorate. The JDIT (Inv.) concerned shall examine the proposal vis-à-vis facts on record and put up within 30 days of its receipt to the authority competent to grant interim reward for its consideration.
- (ii) The authority competent to grant interim reward shall give its decision within 45 days of receipt of complete reward proposal.

7. Procedure for processing final reward & timelines:

- (i) The JDIT (Inv) concerned shall keep track of cases relevant for processing of final reward with a view to ascertain fulfillment of any of the conditions mentioned in the reward scheme. The PDIT (Inv) concerned shall review the position on half yearly basis. On receipt of any query regarding fulfillment of the abovementioned conditions, the PCIT concerned shall ensure appropriate response within 30 days of receipt of such query.
- (ii) Within 3 months of receipt of intimation of fulfillment of any of the conditions mentioned in the reward scheme, the DDIT (Inv) concerned shall prepare the proposal for granting final reward in the prescribed format and submit to the JDIT (Inv) concerned who shall examine the proposal and put up within 30 days of its receipt to the authority competent to grant final reward for its consideration.
- (iii) The authority competent to grant final reward shall give its decision within 45 days of receipt of complete reward proposal.

8. Processing of interim or final reward proposal not to be delayed: It is clarified that processing of reward proposal cannot be delayed or withheld on the ground that some proceeding is pending, if such proceeding is not material for determination of the reward and conditions for grant of reward are otherwise fulfilled.

9. Preparation of reward proposal:

9.1. Interim reward:

- (i) The proposal for interim reward shall be accompanied by, *inter alia*:
 - (a) Information received;
 - (b) How the information led to detection of undisclosed income or assets;
 - (c) Fulfilment of conditions mentioned in the scheme for interim reward;

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- (d) In case of reward for information acted upon under the Black Money (Undisclosed Foreign Income & Assets) and Imposition of Tax Act, 2015, true copy of the assessment order certified by Assessing Officer;
 - (e) In case of reward for information acted upon under the Income-tax Act, 1961, true copy of the final Investigation Report along with supporting evidences;
 - (f) Analysis of the information including extent of specific nature, precision, usefulness, quality of evidence furnished by the informant;
 - (g) Extent and nature of assistance rendered by the informant;
 - (h) Risk and trouble undertaken and the expenses incurred by the informant in securing and furnishing the information;
 - (i) In case of reward for information acted upon under the Income-tax Act, 1961, particulars as per format in Annexure – D to show how much of the additional taxes realizable (along with basis of arriving at the same) is directly attributable to information provided by the informant;
 - (j) In case of reward for information acted upon under the Black Money (Undisclosed Foreign Income & Assets) and Imposition of Tax Act, 2015, the amount of additional taxes assessed to the extent directly attributable to the information received
 - (k) Percentage of interim reward proposed along with basis thereof;
 - (l) Total amount of interim reward proposed (subject to the ceiling in the scheme);
 - (m) Copy of receipt against payment of reward for the same information under Benami Transactions Reward Scheme, 2018, if any;
 - (n) In case the informant is deceased and reward is to be paid to nominees or legal heirs, details of such nominees or legal heirs along with supporting documents and their respective shares at which payment is to be made;
 - (o) In case more than one informant have given information collectively and reward is to be paid to more than one person, details of such informants and their respective shares at which payment is to be made;
 - (p) If the informant is a foreign national, details of bank accounts, if any, to which payment is to be made;
- (ii) Such proposal shall be submitted by the DDIT (Inv) through the JDIT (Inv) concerned [who is Secretary of the reward committee] and the PDIT (Inv) concerned to the DGIT (Inv) concerned (who heads the reward committee) for consideration.

9.2. Final reward –

- (i) The proposal shall be accompanied by, *inter alia*:
 - (a) Information received;
 - (b) How the information led to detection of undisclosed income or assets;
 - (c) Fulfilment of conditions mentioned in the scheme for final reward;
 - (d) True copy of the relevant assessment orders certified by Assessing Officer;

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- (e) True copies of the relevant orders of rectification/revision/appeal effect, as the case may be, certified by Assessing Officer, showing final demand;
- (f) Evidence of payment or recovery of demand to the extent directly attributable to the information received as has become final;
- (g) Analysis of the information including extent of specific nature, precision, usefulness, quality of evidence furnished by the informant;
- (h) Extent and nature of assistance rendered by the informant;
- (i) Risk and trouble undertaken and the expenses incurred by the informant in securing and furnishing the information;
- (j) Detailed particulars as per format in **Annexure – D** to show how much of the additional taxes realized is directly attributable to information provided by the informant;
- (k) Percentage of final reward proposed along with basis thereof;
- (l) Total amount of final reward proposed (subject to the ceiling in the scheme);
- (m) Total amount of interim reward paid, if any, reward paid under the Benami Transactions Informants Reward Scheme, 2018 for the same information, if any, and the net amount of final reward proposed under this scheme (subject to the ceiling under the scheme);
- (n) Copy of receipt against payment of interim reward and reward under Benami Transactions Reward Scheme, 2018, if any;
- (o) In case the informant is deceased and reward is to be paid to nominees or legal heirs, details of such nominees and legal heirs along with supporting documents and their respective shares at which payment is to be made;
- (p) In case more than one informant have given information collectively and reward is to be paid to more than one person, details of such informants and their respective shares at which payment is to be made;
- (q) If the informant is a foreign national, details of bank accounts, if any, to which payment is to be made;
- (ii) Such proposal shall be submitted by the DDIT (Inv) through the JDIT (Inv) concerned [who is Secretary of the reward committee] and the PDIT/DIT (Inv) concerned to the DGIT (Inv) concerned (who heads the reward committee) for consideration.

10. Authority competent to grant reward:

- (i) The authority competent to grant interim reward shall be a Committee consisting of the concerned (i) DGIT (Inv.), (ii) PDIT (Inv.) & (iii) JDIT (Inv.). The JDIT (Inv.) concerned shall also act as Secretary of the Committee. Formal sanction order for payment of reward shall be issued by the PDIT (Inv.) concerned.
- (ii) The authority competent to grant final reward shall be a committee consisting of the concerned: (i) DGIT (Inv.), (ii) PDIT (Inv.); (iii) PCIT & (iv) JDIT (Inv.). The JDIT (Inv.) concerned shall also act as Secretary of the Committee. Formal

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sanction order for payment of reward shall be issued by the PDIT (Inv.) concerned. The PCIT here refers to the PCIT under whose charge the cases relevant for determination of reward are assessed to tax pursuant to receipt of the report from the Investigation Directorate. Where the cases relevant for determination of reward are assessed across many PCIT charges, the PCIT for the purpose of the Committee shall be the PCIT of whose charge the assessed cases contribute maximum amount of relevant additional taxes. However, inputs of all other PCsIT would be taken and considered by the Committee before grant of reward.

- (iii) In case of any difficulty in deciding the composition of the Committee, the DGIT (Inv.) concerned may refer the matter to the Member (Investigation), CBDT and form the Committee in consultation with him.

11. Cases where jurisdiction pertains to multiple Investigation directorates - Where the information given by an informant leads to additional taxes (realizable or realized) in cases spread across more than one Investigation Directorate, the JDIT (Inv.), PDIT (Inv.) and DGIT (Inv.) concerned for the purpose of reward committee shall be the JDIT (Inv.) receiving the information and his PDIT (Inv.) and DGIT (Inv.). However, in such situations, inputs from all relevant DsGIT (Inv.) would be obtained and considered before taking any decision regarding interim reward or final reward.

12. Grant and payment of reward:

- (i) The reward committee shall consider all relevant material and record its decision. If found eligible for reward, the committee shall decide the percentage of reward and the total amount of the reward payable (subject to the ceiling in the scheme) along with the basis thereof and record the same.
- (ii) The order/decision of the authority competent to grant interim or final reward issued by the Secretary of the Committee, granting the reward shall constitute sufficient authority for issuing formal sanction order by the PDIT (Inv.) concerned which, in turn, shall constitute sufficient authority for drawing the bill on the treasury against the sanctioned allocation.
- (iii) After verifying identity and other particulars of the informant or his nominees or legal heirs mentioned in Annexure – A, the JDIT (Inv) shall disburse the reward within one month from the date of sanction order. He shall obtain receipt thereof and ensure that necessary entries are made in the relevant files and Informant Reward Register in Annexure - E.

13. Control and Audit of Expenditure Relating to Reward: The control and audit of expenditure incurred on payment of reward will be governed by the instructions specifically issued by the Government for the purpose from time to time.

14. Responsibility for overall management, retention of files etc: The responsibility for overall coordination and adherence to timelines in the matter of reward to informants under the scheme shall lie with the JDIT (Inv) concerned. Annexure – A submitted by

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Informant and Informant Code Register as per Annexure - C shall remain in the custody of PDIT/DIT (Inv) concerned. Other records including files containing information received from the Informant and collected from other sources, file (s) containing proposals for interim reward and final reward and all related correspondence shall be kept in the personal custody of JDIT (Inv) concerned. Such records and files would be dealt with as confidential records.

- 15. Monitoring Mechanism:** While the above guidelines shall be followed, all DsGIT (Inv.) shall put in place a suitable mechanism to monitor cases in their jurisdictions for timely investigation into the information given by informants and payment of reward. DsGIT (Inv) shall submit quarterly report to CBDT by 10th of the month following the quarter in the format prescribed in this regard.

Encl: Annexure – C, D and E

Yours faithfully,



(Syamal Datta)

Director

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Copy to:-

1. The PS to the Finance Minister/ OSD to the Finance Minister
2. The PS to the MoS (Finance)(Revenue)
3. The PPS to the Finance Secretary
4. The Chairman, CBDT
5. All Members, CBDT
6. All Principal Directors General of Income Tax
7. All Chief Commissioners of Income Tax/ Directors General of Income Tax
8. All officers of the rank of Deputy Secretary and above in CBDT
9. The CIT (Media & Technical Policy), CBDT.
10. Additional DIT, Database cell, for uploading in www.irsofficersonline.gov.in

ANNEXURE – C

INCOME TAX INFORMANTS CODE REGISTER

[To be maintained by PDIT (Inv)]

Sl. No.	Name of informant	Father's name and address of Informant	Aadhar No. /Passport No	Date of birth	Date of furnishing information in Annexure - A	Informant Code allotted	Date of allotment of Informant Code	Bank Account details (A/c No, Bank, branch, IFSC Code, BIC/SWIFT Code, if any)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

ANNEXURE - D

**STATEMENT SHOWING HOW MUCH OF ADDITIONAL TAXES IS
DIRECTLY ATTRIBUTABLE TO INFORMATION PROVIDED BY INFORMANT**

Sl.	Particulars	Details to be furnished
1.	Name of the case	:
2.	PAN	:
3.	Assessment Year	:
4.	Total Income as per original return	:
5.	Total income as per return filed u/s 148/ 153A/C, if any	:
6.	Assessed income	:
7.	Total addition made (6-4 or 5) [4 where no return filed u/s 148/ 153A/C]	:
8.	Addition directly attributable to information provided	:
9.	Tax on (6)	:
10.	Tax on (5 or 4) [4 where no return filed u/s 148/ 153A/C]	:
11.	Additional tax on total addition made [9 - 10]	:
12.	Additional tax on addition directly attributable to information provided [(8/7) x 11] (amount of demand that bears the same ratio as between "Addition directly attributable to information provided" and "Total Addition made")	:
13.	Whether any appeal or revision is pending	:
14.	Whether time for appeal or revision has expired	:
15.	Whether tax on assessed income is fully recovered	:
16.	Whether there is any likelihood of variation or demand due to any reason in future	:

Date:

Signature of ADIT/DDIT (Investigation):

Place:

Name:

Designation:

Official stamp:

ANNEXURE – E

INCOME TAX INFORMANTS REWARD REGISTER

[To be maintained by JDIT (Inv)]

Sl. No.	Informant Code	Date of furnishing information	Name of assessee(s) about whom information provided	PAN of assessee(s)	Action taken on information
(1)	(2)	(3)	(4)	(5)	(6)

Amount of additional taxes directly attributable to information	Nature of reward (Interim/ Final)	Date of proposal	Date of granting reward by competent authority
(7)	(8)	(9)	(10)

Amount of reward granted by competent authority	Date of sanction order of reward	Date of payment	Mode of payment	Signature of paying officer [JDIT (Inv.)]
(11)	(12)	(13)	(14)	(15)