

**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes**

**PRESS RELEASE**

New Delhi, 15<sup>th</sup> December, 2015

**Subject: Initiatives for reducing litigation- regarding.**

The Central Board of Direct Taxes has issued a Circular revising the monetary limits for filing of appeals by the Department with the objective of reducing litigation as a part of its initiatives to reduce grievances of the taxpayers.

The monetary limits for filing of appeals by the Department before the Income Tax Appellate Tribunal and the High Courts have been revised to tax effect of Rs. 10 Lakhs and Rs. 20 Lakhs, respectively, from the present limits of tax effect of Rs. 4 Lakhs and Rs. 10 Lakhs. The revised limits have been made applicable retrospectively to pending appeals also. Directions have been issued that pending appeals which are below the revised monetary limits may be withdrawn or not pressed.

In another noteworthy decision, the CBDT has issued an Office Memorandum directing Principal Chief Commissioners to constitute a collegium of Chief Commissioners of Income Tax comprising of two officers in their respective Regions. This collegium will consider withdrawal of appeals filed by the Department in cases involving tax effect above the revised monetary limit from the High Courts if no question of law is involved, the issue is considered settled by the Department or the appeal is no longer relevant in view of subsequent amendment.

These two decisions are expected to reduce pending litigation filed by the Department by 50 percent and provide relief to taxpayers facing long standing litigation.

Circular No.21/2015 and O.M. bearing F.no.279/Misc/52/2014-(ITJ) are available on the website of the Department [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in) .

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