



ALL INDIA BHARAT SANCHAR NIGAM LIMITED RETIRED EXECUTIVES' ASSOCIATION

Central Headquarters

Registered under Societies Registration Act XXI of 1860 vide Govt. of NCT Delhi No. S/RS/SW/1161/2014

[Registered under Pensioners Portal vide DoP&PW letter No. 4(4)/2021-P&PW(H)7311 dated 04.01.2024]

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No. AIBSNLREA/CHQ/2025/8

Date: 22nd January 2025

To

Shri Dhruvajyoti Sengupta,
Joint Secretary (Pension),
Department of Pension & Pensioners' Welfare,
New Delhi

Sub: Request to impress upon CBDT for closure of notice issued under Section 220 (2) of Income Tax Act to Shri Madhusudhan Mukherjee Retd Junior Telecom Officer, BSNL, Kolkata

Ref: 1. Our letter No. AIBSNLREA/CHQ/2024/78 dated 25th October 2024

2. ITO Hooghly letter No. ITBA/ADM/S/26/2024-25/1070177936(1) dated 07.11.2024

Sir,

We are constrained to draw your kind attention to the difficult situation a fragile pensioner has been put in, because of notice under section 220 (2) of Income Tax Act 1961 issued by the IT authorities although TDS has been recovered by BSNL, his employer, but not fully deposited with IT department during AY 2009-10 & 2011-12.

2. **Shri Madhusudhan Mukherjee (PAN No. xxxxxxxxxx)** received a notice from CPPC Bangalore on 13.9.2021 under section 220 (2), asking him to pay outstanding demand of Rs.71690 after adjusting Rs.14090 the refund due to him, on the plea that he has not paid Income Tax for the AY 2009-10 & 2011-12. Since then, Shri Madhusudhan Mukherjee has been repeatedly representing to the authorities pointing out that Rs.30002 & Rs.13683/- had been recovered as TDS by BSNL for the said assessment years which reflects in the Form 16, but without success.

3. We took up the matter with Chairman, CBDT vide our letter cited under Ref.1 above [**copy enclosed as Annexure-A**], pointing out that when section 205 of IT Act 1961 clearly mentions that "*Where tax is deductible at the source under the foregoing provisions of this Chapter, the assessee*

shall not be called upon to pay the tax himself to the extent to which tax has been deducted from that income." We had also drawn attention to the clear instructions from CBDT vide F.No. 275/29/2014-IT (B) dated 11th March 2016, reiterating its earlier instructions contained in its letter dated 01.06.2015 that "***in case of an assessee whose tax has been deducted at source but not deposited to the Government's account by the deductor, the deductee assessee shall not be called upon to pay the demand to the extent tax has been deducted from his income. It was further specified that section 205 of the Income-tax Act, 1961 puts a bar on direct demand against the assessee in such cases and the demand on account of tax credit mismatch in such situations cannot be enforced coercively.***" We had also highlighted the fact that there are also court directions preventing such coercion, with a latest judgement dated 01.10.2024 by Hon'ble Delhi High Court in WP (C) 13765/2024 between Satwant Singh Sanghera vs The Asst. Commissioner of Income Tax & Anr, setting aside the notices issued and adjustment of demands by IT department in a similar instance pertaining to AY 2009-10, 2010-11 and 2011-12 and also directing passing of necessary consequential orders and processing the refund amount due if already adjusted.

4. But CBDT had simply forwarded our letter to the IT official Hooghly, who has repeated his earlier stand that "*Until and unless the TDS is reflected in 26 AS, the credit of the same TDS cannot be given by the Income Tax Department. Please note that any mismatch in TDS can be rectified by the concerned DDO/deductor only by filing a revised TDS return.*" [copy enclosed as Annexure-B]. Our appeal filed immediately on the same day remains undisposed till date.

5. We would therefore request you to kindly take up the matter with the Chairman, CBDT and impress upon him to direct the concerned authorities to close the notice issued to Shri Madhusudhan Mukherjee, to refund the amount which has been adjusted from his tax refunds and thus render justice to an aged pensioner in his 70's and who has been made to suffer unnecessarily for more than three years now.

With kind regards,

Yours sincerely,



(R.R. Balasubramanian)

General Secretary

Encl: As stated

Copy to: Shri Ravi Agrawal,
Chairman, CBDT.