

## Section - 16, Wealth-Tax Act, 1957

### [Assessment.

**16.** [(1) Where a return has been made under section 14 or section 15 or in response to a notice under clause (i) of sub-section (4),—

- (i) if any tax or interest is found due on the basis of such return, after adjustment of any amount paid by way of tax or interest, then, without prejudice to the provisions of sub-section (2), an intimation shall be sent to the assessee specifying the sum so payable, and such intimation shall be deemed to be a notice of demand issued under section 30 and all the provisions of this Act shall apply accordingly; and
- (ii) if any refund is due on the basis of such return, it shall be granted to the assessee and an intimation to this effect shall be sent to the assessee :

**Provided** that except as otherwise provided in this sub-section, the acknowledgement of the return shall be deemed to be an intimation under this sub-section where either no sum is payable by the assessee or no refund is due to him :

**Provided further** that no intimation under this sub-section shall be sent after the expiry of two years from the end of the assessment year in which the net wealth was first assessable.]

(1A) [Omitted by the Finance Act, 1999, w.e.f. 1-6-1999.]

(1B) [Omitted by the Finance Act, 1999, w.e.f. 1-6-1999.]

(2) [Where a return has been made under section 14 or section 15, or in response to a notice under clause (i) of sub-section (4) of this section, the Assessing Officer shall, if he] considers it necessary or expedient to ensure that the assessee has not understated the net wealth or has not underpaid the tax in any manner, [\* \* \*] serve on the assessee a notice requiring him, on a date to be specified therein, either to attend at the office of the Assessing Officer or to produce, or cause to be produced there, any evidence on which the assessee may rely in support of the return :

[**Provided** that no notice under this sub-section shall be served on the assessee after the expiry of twelve months from the end of the month in which the return is furnished.]

(3) On the day specified in the notice issued under sub-section (2) or as soon afterwards as may be, after hearing such evidence as the assessee may produce and such other evidence as the Assessing Officer may require on specified points, and after taking into account all relevant material which he has gathered, the Assessing Officer shall, by order in writing, assess the net wealth of the assessee and determine the sum payable by him on the basis of such assessment.

(4) For the purposes of making an assessment under this Act, the Assessing Officer may serve, on any person who has made a return under section 14 or section 15 or in whose case the time allowed under sub-section (1) of section 14 for furnishing the return has expired, a notice requiring him, on a date to be specified therein,—

- (i) where such person has not made a return [within the time allowed under sub-section (1) of section 14] to furnish a return of his net wealth or the net wealth of any other person in respect of which he is assessable under this Act on the valuation date, in the prescribed form and verified in the prescribed manner, setting

forth the particulars of such net wealth and such other particulars as may be prescribed, or

(ii)  $\tilde{A}, \hat{A}$  to produce or cause to be produced such accounts, records or other documents as the Assessing Officer may require.

(5) If any person,  $\tilde{A}, \hat{A}$  •

(a)  $\tilde{A}, \hat{A}$  fails to make the return required under sub-section (1) of section 14 and has not made a return or a revised return under section 15, or

(b)  $\tilde{A}, \hat{A}$  fails to comply with all the terms of a notice issued under sub-section (2) or sub-section (4),

the Assessing Officer, after taking into account, all relevant material which he has gathered, shall, after giving such person an opportunity of being heard, estimate the net wealth to the best of his judgment and determine the sum payable by the person on the basis of such assessment :

**Provided** that such opportunity shall be given by the Assessing Officer by serving a notice calling upon the person to show cause, on a date and time to be specified in the notice, why the assessment should not be completed to the best of his judgment :

**Provided further** that it shall not be necessary to give such opportunity in a case where a notice under sub-section (4) has been issued prior to the making of the assessment under this sub-section.]

[(6) Where a regular assessment under sub-section (3) or sub-section (5) is made,  $\tilde{A}, \hat{A}$  •

(a)  $\tilde{A}, \hat{A}$  any tax or interest paid by the assessee under sub-section (1) shall be deemed to have been paid towards such regular assessment ;

(b)  $\tilde{A}, \hat{A}$  if no refund is due on regular assessment or the amount refunded under sub-section (1) exceeds the amount refundable on regular assessment, the whole or the excess amount so refunded shall be deemed to be tax payable by the assessee and the provisions of this Act shall apply accordingly.

(7) [Omitted by the Finance Act, 1999, w.e.f. 1-6-1999.]

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