

## Section - 17B, Wealth-Tax Act, 1957

### [Interest for defaults in furnishing return of net wealth.]

**17B.** (1) Where the return of net wealth for any assessment year under sub-section (1) of section 14 or section 15, or in response to a notice under clause (i) of sub-section (4) of section 16, is furnished after the due date, or is not furnished, the assessee shall be liable to pay simple interest at the rate of [one] per cent for every month or part of a month comprised in the period commencing on the date immediately following the due date, and,

(a) where the return is furnished after the due date, ending on the date of furnishing of the return, or

(b) where no return has been furnished, ending on the date of completion of the assessment under sub-section (5) of section 16,

on the amount of tax payable on the net wealth as determined [under sub-section (1) of section 16 or] on regular assessment.

*Explanation 1.* In this section, "due date" means the date specified in sub-section (1) of section 14 as applicable in the case of the assessee.

*[Explanation 2.* In this sub-section, "tax payable on the net wealth as determined under sub-section (1) of section 16" shall not include the additional wealth-tax, if any, payable under section 16.]

*Explanation 3.* Where, in relation to an assessment year, an assessment is made for the first time under section 17, the assessment so made shall be regarded as a regular assessment for the purposes of this section.

*[Explanation 4.* In this sub-section, "tax payable on the net wealth as determined under sub-section (1) of section 16 or on regular assessment" shall, for the purposes of computing the interest payable under section 15B, be deemed to be tax payable on the net wealth as declared in the return.]

(2) The interest payable under sub-section (1) shall be reduced by the interest, if any, paid under section 15B towards the interest chargeable under this section.

(3) Where the return of net wealth for any assessment year, required by a notice under sub-section (1) of section 17, issued [after the determination of net wealth under sub-section (1) of section 16 or] after the completion of an assessment under sub-section (3) or sub-section (5) of section 16 or section 17, is furnished after the expiry of the time allowed under such notice, or is not furnished, the assessee shall be liable to pay simple interest at the rate of [one] per cent for every month or part of a month comprised in the period commencing on the day immediately following the expiry of the time allowed as aforesaid, and,

(a) where the return is furnished after the expiry of the time aforesaid, ending on the date of furnishing the return ; or

(b) where no return has been furnished, ending on the date of completion of the reassessment under section 17,

on the amount by which the tax on the net wealth determined on the basis of such reassessment exceeds the tax on the net wealth as determined [under sub-section (1) of section 16 or] on the basis of the earlier assessment aforesaid.

*Explanation.* • [\*\*\*]

(4) Where, as a result of an order under section 23 or section 24 or section 25 or section 27 or section 29 or section 35 or any order of the Wealth-tax Settlement Commission under sub-section (4) of section 22D, the amount of tax on which interest was payable under this section has been increased or reduced, as the case may be, the interest shall be increased or reduced accordingly, and, •

(i) • in a case where the interest is increased, the Assessing Officer shall serve on the assessee a notice of demand in the prescribed form specifying the sum payable, and such notice of demand shall be deemed to be a notice under section 30 and the provisions of this Act shall apply accordingly, and

(ii) • in a case where the interest is reduced, the excess interest paid, if any, shall be refunded.

(5) The provisions of this section shall apply in respect of assessments, for the assessment year commencing on the 1st day of April, 1989 and subsequent assessment years.]