

Liability in Special Cases

- ① The assessee of shipliner has to file return of Income in India before it leaves for outward journey (Shipping Business of NR)
- ↳ As per sec 172, where AO is satisfied that it was not possible to file RoI.
 - ↳ It must be filed within 30 days of departure of ship.
 - ↳ The assessment must be completed within 9 months.
- ② sec 179 → liability of directors of a private comp in case of winding up,
- ↳ where tax due from a private comp can't be recovered,
 - ↳ Every person who was director of the comp shall be jointly & severally liable for the payment of tax.
 - ↳ He will not be liable if he proves that non recovery can't be attributed to breach of duty on his part.
 - ↳ Tax due includes penalty, interest (or) any other sum payable.
 - ↳ There is no need to issue any notice to the director.
 - ↳ Notice u/s 156 is issued in case of Partnership Firm →

where assets of a partnership firm can be recovered only after issue of notice.

② Sec 174 → Assessment of Person leaving India

where it appears to AO that any person may leave India

and has no intention of returning.

the total income of such person upto the date of his departure is taxable in that AY.

The AO may serve notice

to furnish the ROI within 7 days.

Non compliance of notice may lead to BJA.

③ Sec 174A → Assess. of AOP/BOI formed for a Particular purpose

where AO is of opinion that AOP/BOI is likely to be dissolved in AY.

the income upto the date of dissolution is taxable in AY.

④ Sec 175 → Assess of person likely to transfer property to avoid tax

the income of assesse is chargeable to tax in AY.

⑤ Sec 176 → Discontinued Business

where any business is discontinued, it's chargeable to tax as per AO.