

Assessment order cannot be passed only against one Legal Heir

Delhi HC

Darpan Kohli Versus Assistant Commissioner Of Income Tax

Case No.: W.P.(C) 7904/2023 & CM APPLS. 30514/2023 & 30515/2023

Facts:

1. The petitioners are the legal heirs of the deceased assessee, Kuldip Kohli. The petitioner received an aggrieved Reassessment Notice after the date of his death in the name of a deceased person or deceased assessee. The respondent passed the assessment order with a demand of Rs 10 crores against the deceased assessee on his PAN without bringing on record all his legal heirs and/or transferring the proceedings to their PAN.

2. The petitioner contended that the death of the Assessee was duly communicated by his legal heirs. However, in ignorance of the facts available on record, the scrutiny proceedings have been wrongly conducted in the name of the deceased assessee on the PAN of the petitioner without bringing on record all his legal heirs or representatives as per the law.

Hon Delhi HC held as below:

1. An assessment order cannot be directed against only one of the legal heirs of a deceased assessee.
2. The assessment order is set aside and AO is directed to issue notice to the petitioners and grant them the opportunity of a hearing.