

सीए. चरणजोत सिंह नंदा
अध्यक्ष

CA. Charanjot Singh Nanda
President



भारतीय सनदी लेखाकार संस्थान
(संसदीय अधिनियम द्वारा स्थापित)
THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

ICAI/DTC/2025-26/Rep-10

17th September 2025

Shri Ravi Agrawal

Chairman, Central Board of Direct Taxes
Ministry of Finance, Government of India
North Block, New Delhi – 110001

Respected Sir,

Subject: Request for addressing the concern on account of levy of interest under section 234C for failure/delay in making advance tax payment due to Portal glitches on 15th September, 2025

As you are kindly aware, the Institute of Chartered Accountants of India (ICAI) is a statutory body established by the Chartered Accountants Act, 1949 for regulating and developing the profession of Chartered Accountancy. ICAI, being a partner in nation building, plays a pivotal role in strengthening the relationship between the taxpayers and the Department; by bringing to the notice of the Department genuine hardship being faced by the taxpayers so that the same can be resolved timely for effective tax compliance.

Background

We wish to bring to your kind attention the concern faced by many taxpayers while attempting to make payment of advance tax on 15th September 2025, the due date for payment of advance tax for the second quarter of F.Y.2025-26.

Although payments were initiated timely through authorized banking channels, and the taxpayers bank accounts were debited, they encountered technical issues while accessing or completing transactions on the Income-tax portal, due to which the challans were not generated or downloadable. In some instances, technical glitches prevented taxpayers from completing the payment process. Also, there are instances where, on 16th September 2025, the debited amounts were automatically reversed by banks, citing instructions from the Reserve Bank of India (RBI) regarding auto-return protocols triggered either by the tax portal or no response from the government portal.

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This scenario has led to concern amongst taxpayers and professionals, particularly due to the technical issues in the Income-tax portal. Through there has been a time-line extension of 1 day for income-tax filing, there is no relaxation for advance tax payment, consequent to which interest liability under Section 234C may be triggered—even though the delay was not attributable to any fault of the taxpayer.

Suggestion

It is requested that a circular be issued to clarify that no interest under section 234C shall be imposed in instances where taxpayers initiated payments on or before 15th September, 2025 but were unable to complete the process owing to technical issues on the portal. It is requested that they be given time upto 3 days after issuance of circular to make the advance tax payment which fell due on 15th September, 2025 without attracting interest under section 234C.

Without prejudice to the above, advance tax payments made on 16th September, 2025 may be treated as having been made on 15th September, 2025.

Thanking you,

Yours sincerely,

CA. Charanjot Singh Nanda