STATUTORY COMPARISON / MAP-904D2BCFA96F

Pre-notice hearing: preserve the ordinary safeguard and test the enlarged exceptions

SPLIT | SUBSTANTIVELY CHANGED

1961 ACT / 148A - PROCEDURE BEFORE ISSUANCE OF NOTICE UNDER SECTION 148

Section 148A requires disclosure of escapement information, an opportunity to respond and an approved fit-case determination; subsection (4) excludes specified scheme information.

2025 ACT / 281 - PROCEDURE BEFORE ISSUANCE OF NOTICE UNDER SECTION 280

Section 281 restates the hearing process but additionally excludes Approving Panel directions and specified appellate, revisional or judicial findings or directions. Section 284 identifies the sanctioning authority.

READING CHRONOLOGY

01 Operative provisions / 02 Change analysis / 03 Transition / 04 Compliance / 05 Disputes / 06 Expert Commentary

02 PRECISE CHANGE ANALYSIS

Section 281(2) places the information-accompaniment requirement with the reply provision, instead of within old 148A(1). The duty to supply information remains; this rearrangement is not a deletion.

Section 281(4)(b) adds directions under 274(6), and paragraph (c) adds the specified findings or directions in appellate, reference, revision and other-law court proceedings. These are material textual differences from the displayed 148A(4), which refers only to section 135A scheme information.

The mapper separately links the old explanation concerning specified authority to section 284. The latter names Additional or Joint Commissioner/Director ranks; sanction and hearing are distinct requirements.

03 TRANSITION AND EFFECTIVE DATES

Section 536(2)(c) preserves the 1961 Act and its procedure for pending proceedings and proceedings initiated on or after 1 April 2026 concerning tax years beginning before that date. The date of a notice or order alone does not determine the governing Act.

04 COMPLIANCE IMPACT

For an ordinary case, check that the actual information accompanies the show-cause notice, reconcile it to transaction-level records and respond within the notice period. Preserve proof of submission.

Where the hearing is bypassed, obtain and identify the exact scheme information, Panel direction or finding/direction relied upon. Record its operative language and connection to the taxpayer and year.

05 ASSESSMENT AND LITIGATION IMPACT

A claimed exception should be tested against its precise statutory category. A reference to some earlier proceeding is not itself the same as demonstrating receipt of the finding or direction described in 281(4).

Dispensing with section 281 under an exception does not, by that language alone, dispense with all other notice, limitation or sanction requirements. Those must be tested under the provisions governing the particular route.

06 AKHB EXPERT COMMENTARY

The new exception architecture changes the focus of an effective challenge. In ordinary cases, disclosure and consideration of the reply remain central. In exceptional cases, the preliminary issue becomes whether the asserted source of power actually falls within the statutory exception.

The taxpayer's response should therefore separate objections to the asserted exception from the substantive explanation of the transaction. Combining them into a general denial risks leaving the Department's stated basis for bypassing the hearing unanswered.

STATUTORY SOURCES AND PINPOINTS

1961 Act, section 148A - subsections (1)-(4) and Explanation

2025 Act, section 281 - subsections (1)-(4)

2025 Act, section 284 - specified authority

2025 Act, section 536 - subsection (2)(c)

SOURCE AND ANALYTICAL SCOPE

Comparison of CBDT consolidated 2026 section texts retrieved locally on 5 October 2026, checked against official section pages on 18 October 2026. This is a current-text comparison, not a claim that every difference was introduced by the 2025 Act as originally enacted. No case-law propositions or professional signoff are asserted. Direct headless API revalidation was denied; source-page access succeeded.

Status labels describe the analysed provision and may coexist: a provision can be renumbered and substantively changed. Retained does not certify every surrounding rule or notification. Commentary is separate from the legislation.

AI-assisted statutory research; no independent professional sign-off is represented. General information, not a signed legal opinion. The applicable enacted text, amendments and facts control.