

## Finance Act 1994

### Section 72 - Best Judgment Assessment

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#### 2[72. Best judgment assessment.

If any person, liable to pay service tax,--

(a) fails to furnish the return under section 70;

(b) having made a return, fails to assess the tax in accordance with the provisions of this Chapter or rules made thereunder, the Central Excise Officer, may require the person to produce such accounts, documents or other evidence as he may deem necessary and after taking into account all the relevant material which is available or which he has gathered, shall by an order in writing, after giving the person an opportunity of being heard, make the assessment of the value of taxable service to the best of his judgment and determine the sum payable by the assessee or refundable to the assessee on the basis of such assessment.]

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1. Omitted by Finance (No.2) Act, 2004 w.e.f 10.09.2004. Prior to omission it read as under:-

"71. Verification of tax assessed by the assessee, etc.--

(1) The Superintendent of Central Excise may, on the basis of information contained in the return filed by the assessee under section 70, verify the correctness of the tax assessed by the assessee on the services provided.

(2) The Superintendent of Central Excise may require the assessee to produce any accounts, documents or other evidence as he may deem necessary for such verification as and when required.

(3) If on verification under sub-section (2), the Superintendent of Central Excise is of the opinion that service tax on any service provided has escaped assessment or has been under-assessed, he may refer the matter to the Assistant Commissioner of Central Excise or, as the case may be, the Deputy Commissioner of Central Excise, who may pass such order of assessment as he thinks fit.]]

72. Best judgment assessment.--

If--

10 [(a) any person fails to make the return under section 70, or]

(b) any person having made a return fails<sup>11</sup> [to comply with the provisions of section 71,]  
or

(c) the<sup>12</sup> [Assistant Commissioner of Central Excise or, as the case may be, Deputy Commissioner of Central Excise] is not satisfied with the correctness or the completeness of the accounts of the assessee,

the<sup>12</sup> [Assistant Commissioner of Central Excise or, as the case may be, Deputy Commissioner of Central Excise], after taking into account all the relevant material which he has gathered, shall, by an order in writing, make the assessment of the value of taxable service to the best of his judgment and

determine the sum payable by the assessee or refundable to the assessee on the basis of such assessment."

2. Inserted by the Finance Act, 2008 after omission in 2004 "1 [\*\*\*]".