Polity & Governance · GS - II

Examine how tax reassessment mechanisms can strengthen public accountability while safeguarding due process and the rule of law.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 02/11/2026	GS - II	Polity & Governance

MARKS	WORD LIMIT
10	~150 words

Answer Hint

Tax compliance; unexplained income; statutory safeguards; judicial review; presumption of innocence; transparency; institutional accountability

Model Answer

Introduction

Tax reassessment enables authorities to examine potentially under-reported income when statutory conditions are satisfied. Its legitimacy depends on lawful procedures, credible evidence and impartial enforcement.

Role in Public Accountability

1. Detecting Tax Irregularities: Reassessment can help investigate income that may have escaped assessment and examine suspicious financial transactions.

2. Promoting Compliance: Effective enforcement discourages concealment of income, strengthens public confidence in taxation and supports revenue mobilisation.

3. Upholding Equality Before Law: Tax laws must apply consistently, irrespective of a person's social status, family connections or previous public office.

Safeguards and Challenges

Reassessment must comply with statutory conditions, limitation periods, procedural requirements and the taxpayer's right to respond. Authorities should rely on relevant evidence rather than speculation. Judicial review provides a mechanism to challenge unlawful administrative action.

Importantly, permission to reassess income does not itself establish tax evasion or criminal liability. Allegations must be distinguished from proven findings.

Way Forward

Improve digital audit trails, strengthen evidence-based risk assessment, ensure reasoned orders and provide timely appellate remedies. Independent oversight can help prevent selective or arbitrary enforcement.

Conclusion

A fair reassessment system must combine effective investigation with procedural fairness. Consistent enforcement and judicial oversight strengthen both tax compliance and the rule of law.

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