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DIGITAL JUSTICE AND DUE PROCESS: AN ANALYSIS OF THE FACELESS TAX REGIME IN INDIA

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I. ABSTRACT

India has transitioned from in-person tax administration to a virtual, faceless system. This change marks a significant advancement in contemporary governance, yet it poses a critical inquiry: can technological efficiency coexist harmoniously with the constitutional guarantee of equitable procedures.

This study examines that question in detail. It claims that the anonymous tax system, which currently includes assessments, appeals, and penalties, is having difficulty adequately safeguarding constitutional rights. Issues such as tight deadlines, scarce chances for hearings, technical issues, and the decline of natural justice highlight deficiencies in due process.

The main issue is not that digital transformation is negative, rather, technology has the potential to enhance tax administration. However, the manner in which the system has been implemented prioritizes the convenience of the tax department over the fairness for taxpayers. The paper concludes by proposing ways for India to establish a system that incorporates digital tools while honouring constitutional protections.

Keywords: *Faceless assessment, digital justice, due process, natural justice, constitutional law, tax administration*

II. INTRODUCTION

India's taxation system has experienced a significant transformation. What was once an in-person procedure, occasionally sluggish, occasionally dishonest, has been supplanted by a nameless, digital framework. The government implemented this system with noble aims: eliminate corruption, enhance transparency, and accelerate decision-making.¹ In theory, it appears to be a wise advancement. However, in reality, it has sparked a separate discussion: are taxpayers still receiving the equitable treatment guaranteed by the Constitution.

¹ See *Justice K.S. Puttaswamy v. Union of India*, (2017) 10 S.C.C. 1

The updated framework was established under Section 144B of the Income Tax Act, 1961, along with a set of subsequent regulations.² It is a component of the wider "*Digital India*" vision. However, when you eliminate human interaction and substitute it with algorithms and digital alerts, you also eliminate certain fundamental protections that shield individuals from unjust treatment. This paper examines the tension between fairness and efficiency. It examines the entire system and asks: does it comply with Articles 14 and 21 of the Constitution, which require equality and justice, and if it does not, how it can be resolved.

For that purpose, doctrinal legal approach has been applied. This involves consolidating constitutional case law, statutes, and court decisions to evaluate the system against constitutional benchmarks. The article proceeds gradually: initially explaining the concepts of "*digital justice*" and "*due process*," subsequently outlining the operation of the anonymous tax system, then evaluating it in light of constitutional principles, and finally examining judicial responses and potential reforms to enhance both efficiency and fairness in the system.

III. DIGITAL JUSTICE AND DUE PROCESS

In essence, digital justice means going over the old constitutional guarantees of equality, fairness, and the right to be heard again and seeing if they hold up in a time when the government functions online. Due process used to mean direct engagement: you get a notice, you show up, and you make your case in person. However, when automated systems and algorithms make decisions, we have to ask whether those same rights are still protected.³

A number of components are necessary for digital justice to be successful. The platforms must be accessible to everyone. People should actually receive notices and information in a timely and comprehensible manner. Taxpayers should be given a real chance to participate in the process, both technically and significantly. Algorithms must be transparent, and just because something happens on a screen does not mean that the right to appeal should be ignored.⁴

In the *Puttaswamy* privacy case, the Supreme Court recognised that constitutional rights evolve in tandem with technology breakthroughs.⁵ The key takeaway is that we cannot compromise

² Income Tax Act, 1961, § 144B; see also Finance Minister's Budget Speech 2018

³ See *Maneka Gandhi v. Union of India*, A.I.R. 1978 S.C. 597 (establishing expansive due process requirements under Article 21).

⁴ See generally Susan Brenner, *Law in an Era of Smart Technology* (2007).

⁵ *Id.*; see also *Justice K.S. Puttaswamy v. Union of India*, (2017) 10 S.C.C. 1

on our rights just because we are going digital. The structure may change, but the core needs to stay the same. Articles 14 and 21 of the Indian Constitution are the main sources of the due process principle. According to Article 14, the government must guarantee that everyone is treated equally and fairly and cannot act arbitrarily. Courts have consistently interpreted Article 21 protection of life and individual liberty to include fair procedures in all governmental decisions, not only those pertaining to criminal law.⁶

Natural justice lies at the heart of due process in tax matters: the right to an unbiased ruling (*nemo iudex in causa sua*) and the right to be heard (*audi alteram partem*). This implies that you should be given enough notice before anything is done, a fair chance to defend yourself, and an impartial officer to watch over your case. In the *Maneka Gandhi v. Union of India* ruling, the Supreme Court broadened the scope of Article 21 to include all administrative tasks, including tax assessments.⁷ This raises the bar: the government must guarantee equity at every level, even in a nameless, digital system.

The Constitution is dynamic and adapts to new situations. "*Evolutive interpretation*," in which rights are construed in light of evolving circumstances, is a common practice used by courts.⁸ Due process is maintained when tax administration moves online. This can entail creating stricter notice guidelines, making websites more accessible, or improving oversight when algorithms are used. It cannot mean that natural justice is completely disregarded.⁹ Constitutional rights cannot be compromised by digital governance just because it is more efficient. Making sure that technology upholds constitutional ideals rather than the other way around is the difficult part.¹⁰

IV. FACELESS TAX REGIME EVOLUTION

India did not abruptly adopt faceless tax assessments. Years of complaints about corruption, inefficiency, and excessive personal contact between taxpayers and officials led to the creation of the system. Reducing direct interaction was one way to streamline the process, according to

⁶ *E.P. Royappa v. State of Tamil Nadu*, A.I.R. 1974 S.C. 555, ¶ 85

⁷ *Maneka Gandhi v. Union of India*, A.I.R. 1978 S.C. 597, ¶ 7.

⁸ See *Kesavananda Bharati v. State of Kerala*, A.I.R. 1973 S.C. 1461

⁹ *Russell v. Duke of Norfolk*, [1949] 1 All E.R. 109, 118

¹⁰ See generally M.P. Jain, *Indian Constitutional Law* 1247-52 (8th ed. 2018).

reports from the Tax Administration Reform Commission¹¹ and the Direct Tax Code Committee.¹²

In 2006, the journey started with electronic filing. Centralized processing hubs took its place, and the administration finally unveiled the full faceless assessment system in 2019. At that point, "*Digital India*" had expanded into a broader governmental vision, and one aspect of that modernization push was the promotion of faceless tax administration.¹³

The Finance Ministry outlined three main goals: reducing personal contacts to eradicate corruption; improving accountability; and boosting the effectiveness and transparency of the system.¹⁴ Section 144B of the Income Tax Act, 1961, which was added by the Finance Act of 2019, serves as the system's true legal foundation.¹⁵ This section led to the creation of a hierarchy of organizations. Leading the charge and overseeing all coordination is the National Faceless Assessment Center (NFAC).¹⁶ Further, cases are handled by Regional Anonymous Evaluation Centers (RAECs) in different regions. The taxpayer's return is currently being examined by Assessment Units (AUs). Additionally, technical Units (TUs) that specialize in particular fields are also utilised. Also units (EUs) are evaluated in order to determine the quality of preliminary orders.¹⁷

To ensure that taxpayers are not aware of who is handling their case and that police are not acquainted with the taxpayers, cases are assigned to officers at random. The objective is to stay away from bias and deceit. The issue, though, is that the law does not always specify precise dates or procedures. For example, Section 144B(1)(ii) sets deadlines for certain notices but leaves open how long taxpayers have to respond to show-cause notices. The right to a fair hearing may be jeopardized by unduly short timelines brought on by such ambiguity.¹⁸

Moreover, in the Faceless Assessment Scheme, a case is automatically picked up by the system and it is sent to an Assessment Unit at random.¹⁹ Then the taxpayer receives electronic

¹¹ See Tax Administration Reform Commission Report (2014), available at <https://www.incometaxindia.gov.in>.

¹² Direct Tax Code Committee Report (2009), ch. 15.

¹³ See Economic Survey 2021-22, ch. 4, at 4-15.

¹⁴ Finance Minister's Budget Speech 2018, ¶ 67.

¹⁵ Income Tax Act, 1961, § 144B, inserted by Finance Act, 2019, § 26.

¹⁶ Id. § 144B(2)-(4).

¹⁷ Id. § 144B(3); Income Tax Rules, 2014, Rule 12A(3).

¹⁸ Compare Income Tax Act, 1961, § 144B(1)(ii) with § 144B(13)(xvi).

¹⁹ See Faceless Assessment Scheme, 2019, Notification No. 76/2019, dated Sept. 12, 2019.

notifications from the AU. The e-filing site is used by the taxpayer to reply and if required, the AU consults a Technical Unit for advice then an order is drafted by the AU. The draft is checked for accuracy and quality by a Review Unit and the final order is then issued by the NFAC. From announcements to submissions, everything is done online.²⁰ This suggests that there is a unique electronic record, but it also assumes that every taxpayer has access to a reliable internet connection and is digitally literate. This can be a real barrier for people who live in remote areas or who do not have good technical skills.

The administration extended the same system to appeals and sanctions following the implementation of the faceless assessments. The Faceless Appeal Scheme 2020²¹ and the Faceless Penalty Scheme 2020 established comparable frameworks for disagreement and penalty processes.²² This creates, in principle, a completely "faceless ecosystem" that covers every stage of the tax process.²³ However, in most cases, taxpayers have the chance to make a strong case during appeals, often in person. The elimination of a vital protection that is necessary for fairness is threatened by turning this into a faceless, exclusively online process. Even the extension of faceless processes to the level of the Income Tax Appellate Tribunal (ITAT) was contemplated by the government.²⁴

IV. ARTICLES 14 AND 21

Justice and equality are the main topics of Article 14. It declares that the government must implement the law consistently and cannot act arbitrarily. Not every taxpayer has equal access to digital resources, which is a problem in the field of faceless tax administration. When everything is made exclusively digital, taxpayers are divided into two groups: those who have access to digital information and those who do not. According to Article 14, that is a constitutional concern.

Inequality may inadvertently result from the automated mechanism designed to advance justice through random case allocations. A less experienced officer might be assigned a difficult case, whereas a more experienced officer would be assigned a similar case. The Supreme Court made

²⁰ Income Tax Act, 1961, § 144B(6).

²¹ See Faceless Appeal Scheme, 2020, Notification No. 38/2020, dated June 25, 2020.

²² See Faceless Penalty Scheme, 2020, Notification No. 39/2020, dated June 26, 2020.

²³ See Manoj Chauhan, *The Faceless Regime in the Income-tax Department and Its Impact on Principles of Natural Justice*, 5 Int'l J.L. Mgmt. & Humanities 618, 625 (2022).

²⁴ See Kushagra Gahlot, *Challenges in Implementing Faceless Assessment Under the Income-Tax Act, 1961*, Metalegal (June 27, 2024).

it clear in *E.P. Royappa v. State of Tamil Nadu* that equality and arbitrariness are incompatible.²⁵

This means that algorithms and automation must be transparent and accountable for the anonymous regime. Otherwise, seemingly unbiased decision-making could result in arbitrary results.²⁶

Courts have construed Article 21 protection of life and personal freedom to include fair procedures. The Supreme Court held in *Olga Tellis v. Bombay Municipal Corporation* that "life" includes means of subsistence.²⁷ This suggests that Article 21 obviously covers tax issues, which directly affect people's income and standard of living. Due process in an online setting means that taxpayers must be given prompt notice, a real chance to argue their case, and outcomes that are just as good as those they would expect from an in-person process.²⁸ Having an internet gateway alone is not enough. The process must have the same sense of fairness as traditional hearings.

On the internet, being listened to is very difficult. In-person hearings give taxpayers the opportunity to clarify complex issues, remove ambiguities right away, and respond to questions from officials.²⁹ Often, written documentation and the rare video conference fall short of that. The government risks eroding a crucial component of due process if it views written communication as a total replacement.

Digital systems must address a number of crucial issues in order to satisfy constitutional requirements. Only reliable, well-written emails and portal alerts that provide taxpayers enough time to respond are deemed to be legitimate notice. Tight timeframes or technical difficulties jeopardize equity. Online hearings must be accessible and functional. A taxpayer's right to be heard is violated if they are unable to log in because of a system malfunction. Even in a virtual environment, taxpayers should have the chance to provide evidence and receive sufficient legal representation, just like in a face-to-face hearing. Even in a fully online setting, taxpayers should continue to have a significant chance to challenge decisions.³⁰

²⁵ *E.P. Royappa v. State of Tamil Nadu*, A.I.R. 1974 S.C. 555, ¶ 85.

²⁶ *Francis Coralie Mullin v. Administrator*, A.I.R. 1981 S.C. 746, ¶ 6.

²⁷ *Olga Tellis v. Bombay Municipal Corporation*, A.I.R. 1986 S.C. 180, ¶ 33.

²⁸ See H.M. Seervai, *Constitutional Law of India* 2156-58 (4th ed. 2016).

²⁹ *L. Hirday Narain v. ITO*, (1970) 78 ITR 26, 29 (S.C.).

³⁰ *Daujee Abhushan Bhandar Pvt. Ltd. v. Union of India*, Writ Tax No. 78 of 2022 (Allahabad H.C.).

Although effectiveness is advantageous, Articles 14 and 21 impose stringent restrictions. Notice periods cannot be shortened by the state for time-saving reasons. When fairness demands it, oral hearings cannot be refused. Access cannot be hampered by technical issues. Furthermore, it cannot weaken the right to appeal. Constitutional principles can, in fact, change to adapt to new technologies. Adaptation does not, however, mean lowering expectations. Even in the digital sphere, the fundamental components of justice, the chance to respond, the true chance to express oneself, the lack of bias, and the availability of solutions, must remain. For the faceless tax system to continue to be constitutionally acceptable, it must adhere to those requirements.

V. JUDICIAL VIEWPOINTS

When faceless assessments were first introduced, they were immediately challenged in court. The taxpayers argued that the method violated due process and natural justice. High Courts responded with a mix of support and caution.³¹ In *Sapna Flour Mills v. Union of India*, the court upheld the scheme's constitutionality, noting that its goals of efficiency, transparency, and the fight against corruption were justifiable.³² It did, however, serve as a reminder to the tax department that execution must be fair and free from rights violations. In other words, the Court stressed that the system should operate in a way that respects constitutional safeguards, but they were not against the idea of faceless assessment.³³

Courts have often ruled that it is unfair to give taxpayers just one or two days to respond to notices. The Delhi High Court overturned a decision in *RKKR Foundation v. NFAC* in which the taxpayer was given very little time to reply.³⁴ The Bombay High Court overturned a ruling that gave the taxpayer just one working day during the COVID lockdown in the case of *Parag Kishorchandra Shah v. NFAC*.³⁵ The court further asked the assessing officer to disburse Rs. 25,000 to the PM Cares Fund as an indication of its discontent.

As to the taxpayers right to private hearings under faceless assessment has also been a debated issue.³⁶ Since, personal hearings were denied, the Delhi High Court postponed assessment

³¹ *Lemon Tree Hotels Ltd. v. National Faceless Assessment Centre*, [2021] 128 taxmann.com 409 (Delhi H.C.).

³² See *Sapna Flour Mills v. Union of India*, [2022] 145 taxmann.com 557 (Allahabad H.C.).

³³ *KBB Nuts (P.) Ltd. v. National Faceless Assessment Centre*, [2021] 127 taxmann.com 194 (Delhi H.C.).

³⁴ *RKKR Foundation v. National Faceless Assessment Centre*, [2021] 127 taxmann.com 643 (Delhi H.C.).

³⁵ *Parag Kishorchandra Shah v. National Faceless Assessment Centre*, Writ Petition (L) No. 11052 of 2021 (Bombay H.C.).

³⁶ *Id.*; see also *Raja Builder v. NFAC*, [2021] 127 taxmann.com 339 (Bombay H.C.).

rulings in *Lemon Tree Hotels Ltd. v. NFAC*.³⁷ The court stated that, especially in complex situations, written statements cannot always take the place of oral hearings. In the digital sphere, earlier ideas, like those set forth in *L. Hirday Narain v. ITO*, that authorities must use their discretion properly when evaluating constitutional rights are now being applied.³⁸ The Delhi High Court ruled in *Balco Limited v. Union of India* that, when requested, personal hearings are actual rights rather than just discretionary privileges.³⁹

Technical issues that effectively exclude taxpayers have also been addressed by courts. The Delhi High Court revoked an order in *Faqir Chand v. NEAC* because the taxpayer was unable to respond due to portal issues.⁴⁰ The Calcutta High Court took a similar stance in *Neerja Rateria v. NFAC*, where a taxpayer was refused access to the password for a video hearing.⁴¹ These rulings highlight a crucial point, procedural obstacles are nonetheless considered violations of due process regardless of whether the government intended to exclude taxpayers. A system can only be considered just if it actually works for the people who need to use it.

Courts have actively pushed the tax department to make adjustments, extending deadlines, clarifying hearing rights, and promoting more reliable procedures. The large number of cases, however, suggests that the problems are systematic rather than the result of isolated mistakes.⁴² Although it cannot change the system, judicial monitoring can correct certain wrongs. Instead of relying on the courts to address problems after the fact, the government must ensure that digital tax administration is constitutional by integrating justice into the process from the start.⁴³

VI. CRITICAL ANALYSIS

The faceless regime's handling of notifications is one of its main weaknesses. Emails, portal communications, and online uploads are all digital. In theory, that works, but it neglects people who do not have dependable internet connection or computer skills. Furthermore, the law does

³⁷ *Lemon Tree Hotels Ltd. v. National Faceless Assessment Centre*, [2021] 128 taxmann.com 409 (Delhi H.C.).

³⁸ *L. Hirday Narain v. ITO*, (1970) 78 ITR 26 (S.C.).

³⁹ *Balco Limited v. Union of India*, W.P.(C) 14528/2021 (Delhi H.C. Jan. 14, 2022).

⁴⁰ *Faqir Chand v. NEAC*, (2021) 283 Taxman 51 (Delhi H.C.).

⁴¹ *Neerja Rateria v. National Faceless Assessment Centre*, W.P. 969 of 2021 (Calcutta H.C.).

⁴² See CBDT Instruction No. 20/2015, dated Dec. 29, 2015.

⁴³ See Manoj Chauhan, *supra* note 29, at 628.

not set deadlines for each notification.⁴⁴ While Section 144B sets deadlines for some acts, it is unclear how to respond to show-cause notifications and other actions.⁴⁵ This enables authorities to enforce unreasonable deadlines, which courts have repeatedly ruled are unconstitutional due to their violation of natural justice. The system as a whole also depends on taxpayers keeping their phone numbers and email addresses up to date. Essential notices may not reach the taxpayer as a consequence of a routine administrative error.

As per Section 144B (7), the system does allow for in-person hearings through video conference. In actuality, those hearings are not considered rights but rather exceptions. Many hearing requests are denied without providing a valid reason. Oral hearings should be a fundamental component of justice, but instead it has turned them into privileges. For simple issues, written submissions may work well, but tax disputes are usually complicated. They include conversations, clarifications, and timely responses, aspects that are difficult to manage with written materials alone, hence, without real communication opportunities, taxpayers are at a disadvantage, especially when it comes to the revenue department. Hearings can only be effectively utilized by taxpayers with sufficient connectivity and technological support. People may feel totally alienated, particularly in rural or impoverished areas. The equality guarantee of Article 14 is directly violated by such discrepancy in access.

The faceless regime was designed to reduce bias by keeping officers identities hidden. However, it could have created new type of bias in the process. Because cases are assigned at random, a complex case may end up in the hands of an inexperienced person who is unable to handle it successfully. The faceless system's assessment officers usually do not have access to comprehensive historical information, which is another problem. Without the larger picture, people may base their decisions on incomplete knowledge. There have been "*excessive and unjust*" assessment orders throughout the system, according to the Central Board of Direct Taxes, this acts as formal acknowledgement that the quality of decision-making is declining.⁴⁶ Although faceless tax regime was introduced to counter corruption, it has also made the system less transparent.⁴⁷ When problems occur, taxpayers have no idea who is handling their case, how it was assigned, or who is at fault. Although there are multiple review levels in the system, responsibility is so scattered that no officer is held directly accountable for mistakes. This

⁴⁴ See Kushagra Gahlot, *supra* note 30.

⁴⁵ Income Tax Act, 1961, § 144B(1)(ii).

⁴⁶ CBDT Instruction F.No.225/290/2015-ITA-II, dated Nov. 9, 2015.

⁴⁷ See Faceless Assessment Scheme, 2019, para. 5.

dispersion of accountability makes it more difficult for taxpayers to successfully challenge injustice.

The situation has worsened because the faceless tax regime was expanded to include appeals.⁴⁸ The purpose of appeals is to protect against unfair assessments. Taxpayers do not receive a meaningful remedy if the appeals process has the same structural problems as the assessment phase, such as limited hearings, brief notifications, and technical barriers. At any point, taxpayers may be presented with a fully anonymous system with few constitutional protections if the government takes this matter all the way to the Income Tax Appellate Tribunal. The only practical remedy in this case would be to file writ petitions in the High Courts, which is time-consuming, expensive, and not accessible to everyone. This violates the due process guaranteed under Article 21.

VII. COMPARATIVE ANALYSIS

Digital tax management is being tested in other countries besides India. Many sophisticated systems have made the switch to digital platforms, but they often give efficiency and security more careful consideration than India's faceless assessment. While not "*digital only*" tax administration in the UK is "*digital first*."⁴⁹ The technology ensures that taxpayers can continue to interact personally, especially in complex situations, and integrates human supervision.

In Australia, taxpayers have the choice of using traditional techniques as needed or opting for digital options.⁵⁰ This flexibility guarantees that people who struggle with technology are not left behind. This is a good way to prevent the issues with the digital divide that India is currently facing. Singapore has used digital tax administration solutions while upholding strong security measures.⁵¹ Taxpayers continue to have robust rights to challenge rulings and to request individual hearings. This proves that it is possible to combine due process compliance with technology-based efficiency. India, on the other hand, takes a completely digital approach, leaving little room for other solutions or human connection. That rigidity is at the heart of many of its problems.

⁴⁸ See Faceless Appeal Scheme, 2020.

⁴⁹ See HM Revenue & Customs, Digital Strategy (2017).

⁵⁰ Australian Taxation Office, Digital Service Strategy (2018).

⁵¹ Inland Revenue Authority of Singapore, Digital Transformation Plan (2019).

Other countries build digital frameworks that prioritize the safeguarding of rights from the start rather than just developing tax technology and hoping it works. For instance, Canada allows taxpayers to return to traditional techniques when digital solutions are not enough and mandates human monitoring in complex tax circumstances.⁵² In this way, no one is denied justice just because they depend on a computer.

In terms of ensuring that digital systems respect rights, Germany has made more progress.⁵³ Strict data protection laws and strong due process requirements are ingrained in the legislation for its electronic tax administration. Courts take an active role in making sure rules are followed. The result is a system where constitutional rights and efficiency are not seen as mutually exclusive.

The primary difference between these systems is that they consider constitutional protections to be a necessary component rather than an afterthought.⁵⁴ On the other hand, India first adopted faceless tax administration and is now using judicial action to address rights issues. That is a disjointed approach compared to the built-in protections we see abroad.

VIII. RECOMMENDATION

Without a strong foundation in constitutional equity, the faceless tax regime will not be able to maintain its legitimacy over time. As required by law, notices must have precisely stated minimum response times. Officials should not impose arbitrary deadlines on taxpayers. One crucial component of natural justice is the chance to prepare a response.⁵⁵

Second, it is incorrect to consider in-person hearings to be uncommon. They should be regarded as available anytime a taxpayer requests them, especially in complex cases or when substantial additions are involved. Simple written submissions aren't always enough, and the system needs to recognize that fact.⁵⁶

⁵² Canada Revenue Agency, Digital Government Strategy (2018).

⁵³ German Federal Central Tax Office, Digitalization Strategy (2019).

⁵⁴ See comparative analysis in OECD, Tax Administration 2019: Comparative Information on OECD and Other Advanced and Emerging Economies (2019).

⁵⁵ See *E.P. Royappa v. State of Tamil Nadu*, A.I.R. 1974 S.C. 555.

⁵⁶ See *Olga Tellis v. Bombay Municipal Corporation*, A.I.R. 1986 S.C. 180.

Third, human oversight is necessary for key judgments. Although algorithms can increase productivity, they should not be used in place of human judgment when it comes to constitutional rights. Before final orders are issued, human checks would act as protections, ensuring impartiality.⁵⁷

The digital gap is a constitutional issue rather than just a technical one. The promise to equality in Article 14 is violated if some taxpayers are unable to participate completely because of poor internet, a lack of digital skills, or budgetary constraints. In order to address this problem, the system must offer many participation options. In exceptional circumstances, this may entail written options, support access through facilitation centers, or even phone hearings. Poor internet or antiquated technology should not cause anyone to lose their rights.⁵⁸

Technical help desks, better digital infrastructure in underserved areas, and targeted assistance for vulnerable groups like senior citizens or rural taxpayers are just a few examples of the support systems that the government must fund. Finally, rather than being just random, case assignment should be more intelligent. By matching cases with officers based on their level of competence and complexity, unfair outcomes from improper assignments could be avoided.

Taxpayers need more information about how the impersonal system works in order to rely on it. This entails outlining the criteria for case assignments, providing the justification for judgments, and identifying the responsible parties for errors. While the faceless tax regime can reduce corruption, accountability should not be jeopardized. The government should conduct regular audits and publish reports evaluating whether the system satisfies constitutional requirements. Performance measurements need to evaluate justice in addition to efficiency. There should be effective and readily available solutions for breaches. This includes compensation when rights have been clearly violated and accelerated appeal procedures for due process issues.

The most important lesson is that, rather than the other way around, technology should be created to be consistent with constitutional ideals. A "*constitutional impact evaluation*" must be conducted before any new tax administration technology or process is put into use. By doing this, problems would be identified earlier rather than waiting for the courts to

⁵⁷ See *S.L. Kapoor v. Jagmohan*, A.I.R. 1981 S.C. 136.

⁵⁸ See *Union of India v. Cynamide India Ltd.*, (1987) 2 S.C.C. 720.

intervene. Additionally, the system needs to be adaptable. Ongoing improvements and modifications should be facilitated by input from courts and taxpayers. In the end, the people in charge of the system are equally as crucial as the technology.⁵⁹ Officers need to be trained in both safeguarding constitutional rights and using the digital platform. Fairness and efficiency should be seen as two facets of the same idea.

IX. CONCLUSION

One of the boldest efforts in digital governance is India's faceless tax system. It promises efficiency, speed, and freedom from corruption. However, the way it has been applied suggests that efficiency alone is not enough. The current system falls short of the equity required by the Constitution. The analysis identifies several clear flaws, including: hearings that are deemed optional, rulings that may be hurried or insufficient, notifications that are sent too late or with little notice, and appeals that do not sufficiently protect taxpayers. These are not only technical problems; they go against the fundamental principles of equality and due process guaranteed by Articles 14 and 21.

Several of these problems have been addressed by judicial systems, but relying solely on legal action is not a workable answer. In order to prevent taxpayers from having to repeatedly appear in court just to exercise their fundamental rights, the government must integrate fairness into the system itself. The message is clear when looking at other nations: the best digital tax systems, such as those in the UK, Australia, Singapore, or Germany, see efficiency and fairness as complementing goals. They design technologies with basic safeguards at its core.

Better safeguards for hearings and notifications, better accessibility for those affected by the digital divide, greater accountability and transparency in decision-making, and technologies developed from the ground up with constitutional principles in mind are all necessary for the future. In conclusion, how quickly cases are handled will not be the real test of the faceless regime; rather, how fairly taxpayers are treated along the process will be. In addition to being more legitimate, a system that balances effectiveness with constitutional observance will also win the respect and confidence of the people it serves.

⁵⁹ See CBDT Instruction No. 20/2015, dated Dec. 29, 2015.