SCN and tax order against deceased proprietor were quashed with liberty to proceed against legal heir :

The **High Court** held that a **show cause notice (SCN), assessment order, and consequential recovery actions issued in the name of a deceased proprietor are legally invalid and unenforceable**.

Key findings:

- The department issued the SCN and passed the tax order **after the death of the sole proprietor**.
- The GST registration had already been cancelled, and there were no outstanding dues at the time of cancellation.
- Proceedings initiated against a deceased person are **void in law**, as a dead person cannot be subjected to assessment or adjudication.
- The petitioner's widow had **no connection with the business operations** and could not be proceeded against merely because she was the legal heir.
- Consequently, the Court quashed the SCN, tax order, and all consequential actions, including **freezing of bank accounts**.
- However, the Court granted liberty to the department to initiate **fresh proceedings against the legal heir**, if such action is otherwise permissible under the applicable statutory provisions and within the limits of law.

Key Takeaway

Tax authorities cannot continue or initiate proceedings in the name of a **deceased proprietor**