

**Consequences of Non deduction of tax at source,
deposit of TDS & Filing of Return of TDS
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Section 201 – Consequences of Non-Compliance to TDS



Consequence of Non Deduction of Income Tax at Source

Sr. No.	Consequence	Section
1.	Assessee in Default	201
2.	Interest	201(1A)
3.	Penalty	201(1),271C,271CA,271H, 272A,272BB
4.	Fees	234E
5.	Prosecution	276B, 276BB
6	Disallowance of expenses	40(a)(i)/(ii)

Payment of Income Tax

Direct payment of tax [Section 191(1)]- Section 191 provides that in the following cases, tax is payable by the assessee directly –

- (i) in the case of income in respect of which tax is not required to be deducted at source; and
- (ii) income in respect of which tax is liable to be deducted but is not actually deducted.

In view of this provision, the proceedings for recovery of tax necessarily had to be taken against the assessee whose tax was liable to be deducted, but not deducted.

In order to overcome this difficulty, the *Explanation* to this section provides that if any person, including the principal officer of a company

- (i) who is required to deduct tax at source; or
- (ii) an employer paying tax on non-monetary perquisites under section 192(1A),

does not deduct , or after deducting fails to pay such tax, or does not pay, the whole or part of the tax, then, such person shall be deemed to be an assessee-in-default.

However, if the assessee himself has paid the tax, this provision will not apply.

Payment of Income Tax

Direct payment of tax, where income of the assessee includes value of specified security or sweat equity shares allotted or transferred free of cost or at a concessional rate to the assessee by an employer being an eligible start up [Section 191(2)] – In a case where the income of the assessee includes the value of any specified security or sweat equity shares allotted or transferred, directly or indirectly, by the current employer, being an eligible start-up referred to in section 80-IAC, free of cost or at concessional rate to the assessee, the income-tax on such income has to be paid by the assessee within 14 days from the earliest of the following dates -

- after the expiry of 48 months from the end of the relevant assessment year; or
- from the date of the sale of such specified security or sweat equity share by the assessee; or
- from the date of the assessee ceasing to be the employee of the employer who allotted or transferred him such specified security or sweat equity shares.

Person to be Assessee in Default

Non-specification of time limit where tax has been deducted but not paid

Section 201(1) deems a person to be an assessee-in-default if he –

- (i) does not deduct tax; or
- (ii) does not pay; or
- (iii) after so deducting fails to pay

the whole or any part of the tax, as required by or under this Act.

Thus, section 201(1) contemplates three types of defaults. The default contemplated in (ii) is covered by the default contemplated in (iii). However, the time limit has been specified only for passing of orders relating to default contemplated in (i) above. There is no time limit specified in respect of the other defaults.

Therefore, no time-limits have been prescribed for the order under section 201(1) where –

- (i) the deductor has deducted but not deposited the tax deducted at source, as this would be a case of defalcation of government dues,
- (ii) the employer has failed to pay the tax wholly or partly, under section 192(1A), as the employee would not have paid tax on such perquisites,
- (iii) the deductee is a non-resident as it may not be administratively possible to recover the tax from the non-resident.

Person to be Assessee in Default

Time limit for deeming a person to be an assessee-in-default for failure to deduct tax at source

No order under section 201(1), deeming a person to be an assessee-in-default for failure to deduct the whole or any part of the tax from a person resident in India, shall be passed at any time after the expiry of

- seven years from the end of the financial year in which the payment is made or credit is given; or
- two years from the end of the financial year in which the correction statement is delivered under the proviso to section 200(3)

whichever is later.

Provision applicable to a person not to be treated as “assessee in default”

- ❑ **A deductor shall not be deemed to be an assessee-in-default if the Deductee:**
 - ❖ has furnished his return of income under section 139 ;
 - ❖ has taken into account such sum for computing income in such return of income; and
 - ❖ has paid the tax due on the income declared by him in such return of income, and the deductor furnishes a certificate to this effect in Form No.26A from a chartered accountant. (CBDT Notification No. 37/2012 dated 12-9-2012, and amended Rule 31ACB)

- ❑ **Levy of interest:** Levy of interest u/s. 201(1A) is mandatory in nature and that the interest is to be paid whether the Assessee is an assessee in default or not.

- ❑ **Levy of Penalty:** Penalty u/s 221 is not payable where a person is not deemed to be an Assessee in default.

Provision applicable to a person not to be treated as “assessee in default”

Hindustan Coca Cola Beverage (P.) Ltd. v. Commissioner of Income-tax, [2007] 163 Taxman 355 (SC)/[2007] 293 ITR 226 (SC)

□ The Circular No. 275/201/95-IT(B), dated 29-1-1997 issued by the Central Board of Direct Taxes would put an end to the controversy. The circular declares that no demand visualized under section 201(1) should be enforced after the tax deductor has satisfied the officer-in-charge of TDS that taxes due have been paid by the deductee-assessee. However, this will not alter the liability to charge interest under section 201(1A) till the date of payment of taxes by the deductee-assessee or the liability for penalty under section 271C. [Para 10]

□ In the instant case, the assessee had paid the interest under section 201(1A) and there was no dispute that the tax due had been paid by 'P'. It was not disputed that the circular was applicable to the facts situation at hand. [Para 11]

□ Hence, the judgment of the High Court was, accordingly, set aside. The appeal was to be allowed.

Provision applicable to a person not to be treated as “assessee in default”

Commissioner of Income Tax (TDS), Lucknow v. Sahara India Commercial Corpn. Ltd.[2017] 88 taxmann.com 719 (Allahabad)/[2017] 395 ITR 734 (Allahabad).

□ The assessee was engaged in the business of real estate development, construction and media activities, etc. It made payment to SAL for advertisement activity without deducting tax at source. The Assessing Officer treated assessee as 'assessee-in-default' under section 201 and had made assessee liable to pay entire amount of tax which it had failed to deduct from payments made to SAL.

□ Held that if the assessing authority found that SAL was not liable to pay any tax during the relevant assessment year or had actually paid tax, the assessee could not be held to be 'assessee-in-default' merely for the reason that it had failed to deduct tax or had short deducted tax and for that reason alone the assessing authority could not raise demand of tax from the assessee. Since this aspect was not examined by the assessing authority, therefore, the Tribunal has rightly remanded the matter to the assessing authority to examine this aspect.

Provision applicable to a person not to be treated as “assessee in default”

Ghaziabad Development Authority v. Union of India, [2017] 88 taxmann.com 689 (Allahabad)/[2017] 395 ITR 597 (Allahabad) / [2017]

- ❑ The petitioner development authority paid interest to the 'PNBHFL' and 'LICHFL' on borrowed funds without deducting TDS. The Assessing Officer treated the assessee as the 'assessee-in-default' and demanded the amount of TDS as tax, and, interest under section 201(1A).
- ❑ *Held* that since whatever tax was due on the amount of interest paid by petitioner to PNBHFL and LICHFL, the same had been paid by two recipient companies to the revenue, if again tax was allowed to be recovered from petitioner, it would amount to realizing tax twice, which was not permissible in law and, therefore, demand of tax was patently illegal and without jurisdiction

Provision applicable to a person not to be treated as “assessee in default”

Commissioner of Income-tax (TDS)-I, Chandigarh v. Punjab Infrastructure Dev. Board [2017] 88 taxmann.com 704 (Punjab & Haryana)/[2017] 394 ITR 216 (Punjab & Haryana) / [2017] 88 taxmann.com 704 (Punjab & Haryana)

□ Where the deductee in the case of TDS had paid the tax or filed a 'nil' return, the demand for the principal amount cannot be enforced. However, this would not alter the liability of deductor to pay interest under section 201(1A) or for penalty under section 271C. For the same reasons, therefore, even assuming that the liability to collect tax at source cannot be enforced on account of the deductee having paid the tax, the liability of assessee for interest under sub-section (7) would not be affected.

Provisions applicable to person deemed to be an “assessee in default” Levy of interest

Deductor fails to deduct tax at source or after the deducting the same fails to deposit it to the Government’s account then he shall be deemed to be an assessee-in-default and liable to pay simple interest as follows:

- ❑ i. at 1% for every month or part of a month on the amount of such tax from the date on which such tax was deductible to the date on which such tax is deducted; and**
- ❑ ii. at 1.5% for every month or part of a month on the amount of such tax from the date on which such tax was deducted to the date on which such tax is actually paid.**

Provisions applicable to person deemed to be an “assessee in default” Levy of interest

Deductor fails to deduct tax at source or after the deducting the same fails to deposit it to the Government’s account then he shall be deemed to be an assessee-in-default and liable to pay simple interest as follows:

- **Levy of interest is mandatory in nature:** Levy of interest u/s. 201(1A) is mandatory and that the interest is to be paid whether the Assessee is an assessee in default or not.
- **Interest – deduction as business expenditure:** interest paid u/s 201(1A) takes colour from its principal amount i.e., income tax and hence such interest cannot assume the character of business expenditure and not allowable.

Calculation of Interest – TDS Default

An amount of ₹ 40,000 was paid to Mr. X on 1.7.2020 towards fees for professional services without deduction of tax at source. Subsequently, another payment of ₹ 50,000 was due to Mr. X on 28.2.2021, from which tax @7.5% (amounting to ₹ 6,750) on the entire amount of ₹ 90,000 was deducted. However, this tax of ₹ 6,750 was deposited only on 22.6.2021. Compute the interest chargeable under section 201(1A).

SOLUTION

Interest under section 201(1A) would be computed as follows –

Particulars	₹
1% on tax deductible but not deducted i.e., 1% on ₹ 3,000 for 8 months	240
1½% on tax deducted but not deposited i.e. 1½% on ₹ 6,750 for 4 months ²	405
	645

Certain peculiar TDS related issues

Month for the calculation of Interest

Interest payable under section 201(1A) should be computed by taking a period of 30 days as a month instead of British calendar month.

Navayuga Quazigund Expressway (P.) Ltd v. Dy CIT [2015] 64 taxmann.com 212 (Hyd-tri)

Oil & Natural Gas Commission v.s Asst. CIT [2015] 62 taxmann.com 133/155 ITD 603 (Ahd-Trib.)

Guidelines for waiver of interest charged under section 201(1A) of the Income-tax Act, 1961 – [Circular No. 11/2017, dated 24.03.2017]

In exercise of the powers conferred under section 119(2)(a), the CBDT has directed that the Chief Commissioner of Income-tax and Director General of Income-tax may reduce or waive interest charged under section 201(1A)(i) in the classes of cases specified below for the period and to the extent the Chief Commissioner of Income-tax/Director General of Income-tax may deem fit. However, no reduction or waiver of such interest shall be ordered unless the principal demand under sections 200A, 201(1) or 234E, as the case may be, stands fully paid or satisfactory arrangements for payment of the principal demand under these sections have been made. The Chief Commissioner of Income-tax or Director General of Income-tax may also impose any other condition as deemed fit for the said reduction or waiver of interest.

The class of cases in which the reduction or waiver of interest under section 201(1A)(i) can be considered, are as follows:

- (i) Where during the course of proceedings for search and seizure under section 132, or otherwise, the books of account and other documents necessary for making deduction under Chapter XVII-B of the Act were seized and the assessee was not able to, within the time specified, deduct tax at source from any sum credited to any account (whether called "suspense account" or by any other name) in his books of account.

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- (ii) Where any sum paid or payable was not liable for deduction of tax at source in the case of a deductor on the basis of any order passed by the jurisdictional High Court, and as a result, he did not deduct tax at source in relation to such sum, and subsequently, in consequence of any retrospective amendment of law or a decision of the Supreme Court of India or a decision of a Larger Bench of the jurisdictional High Court (which was not challenged before the Supreme Court and has become final) in any proceedings, as the case may be, tax was held to be deductible or the tax deducted by the deductor during such financial year was found to be less than the tax deductible on such sums paid or payable.
- (iii) Where the default under section 201 relates to non-deduction or a lower deduction of tax under section 195 in respect of a payment made to a non-resident (including a foreign company) being a resident of a country or specified territory outside India with whom India has entered into an agreement referred to in section 90 or 90A of the Act, and where —

- (a) a dispute regarding the tax payable in India in respect of the said payment had been referred to the Competent Authority in India mentioned in Rule 44H of the Income-tax Rules, 1962 under the said agreement under section 90 or 90A of the Act;
- (b) such reference had been received by the Competent Authority in India within a period of two years of the date on which the notice of demand determining the tax payable was received by the person in default under section 201;
- (c) the dispute has been settled by way of a resolution arrived at under the Mutual Agreement Procedure (MAP) provided in the said agreement; and
- (d) the person in default under section 201 has given his acceptance to the resolution and has withdrawn his appeal(s) pending on the issue, within the meaning of Rule 44H(4) of the Income-tax Rules, within a period of one month of the date on which the resolution is communicated to him.

Even if the interest under section 201(1A)(i) has already been paid by the deductor, the same can be considered for waiver, subject to the conditions above and a refund may be given to the deductor, if waiver is ordered.

The Chief Commissioner of Income-tax or Director General of Income-tax examining an application for waiver of interest under this order shall pass a speaking order after providing adequate opportunity of being heard to the applicant.

The CBDT reserves the power to examine any grievance arising out of an order passed or not passed by Chief Commissioner of Income-tax or Director General of Income-tax, as the case may be, and issue suitable directions to these authorities for proper implementation of this order. However, no review of or appeal against the orders passed on merits by such authorities would be entertained by the CBDT.

Fee for default in furnishing TDS/TCS Statements [Section 234E]

- (1) **Quantum of fee:** A fee of ₹ 200 for every day would be levied under section 234E for late furnishing of TDS/TCS statement from the due date of furnishing of TDS/TCS statement to the date of furnishing of TDS/TCS statement. However, the total amount of fee shall not exceed the total amount of tax deductible/collectible and such fee has to be paid before delivering the TDS/TCS statement.
- (2) **Penalty:** In addition to said fee, a penalty ranging from a minimum of ₹ 10,000 to a maximum of ₹ 1,00,000 shall also be levied under section 271H for not furnishing TDS/TCS statement within the prescribed time or furnishing incorrect information in the said statements in respect of tax deducted or collected at source.
- (3) **Fee and penalty where TDS/TCS statement is furnished after one year :** Since late furnishing of TDS/TCS statements would attract levy of fees under section 234E, no penalty under section 271H shall be levied for delay in furnishing of TDS/TCS statement, if the TDS/TCS statement is furnished within one year of the prescribed due date after payment of tax deducted or collected along with applicable interest and fee. However, if the delay is beyond the period of one year, both fee under section 234E and penalty under section 271H would be leviable.

Penalties, whether the Assessee is in default or not

Fails to deduct the Tax -Section 271C - Amount of the tax which the person has failed to deduct. Penalty u/s. 271C is not imposable if the Assessee proves the reasonable cause u/s 273B for the failure of the person to deduct TDS.

Issue: Where there is default in deduction of TDS penalty is payable under sec.271C or sec. 221 or both?

❖ Section 271C is a specific provision dealing with assessee's failure of non-deduction or short-deduction of tax, therefore, to the extent a default is covered by the specific provision of section 271C, such default cannot be subject-matter of penalty under section 221(1) (default in making payment of tax).

Fails to collect the tax at source – Section 271CA –
100% Tax which the person fails to collect

Penalties, whether the Assessee is in default or not

☐ **Section 272A (1)**

Person, who is legally bound, refuses to answer to any of the question put up by the Income Tax Authority; or

- ❖ Refuses to sign the statement, which is made by him in the course of any proceedings, under the Income Tax Act; or**
- ❖ Person, to whom the summons is issued, fails to attend or produce the required books of accounts or documents at the given time and place; or**

☐ **Penalty for first part i.e. section 272A (1) - INR 10,000 for each default / failure**

Penalties – Failure under TDS Provisions

- ❑ **Section 272A(2)**
 - ❖ **Fails to furnish in prescribed time any of the returns or statements or particulars**
 - ❖ **Section 133 – Power to call for information,**
 - ❖ **Section 206 – TDS returns,**
 - ❖ **Section 206C – TCS returns**
- ❑ **Penalty for second part i.e. section 272A (2)- INR 100 per day till the failure continues**

Penalty u/s 272BB – Non compliance of Section 203A

- ❑ **Section 203A: Person responsible for TDS / TCS Is required**
 - ❖ to apply for 'tax deduction account number' or 'tax collection account number' within the time limit.
 - ❖ to quote the 'tax deduction account number' or the 'tax collection account number' or the 'tax deduction and collection account number' on the following documents –
 - In all the challans for the payment of TDS / TCS.
 - In all the certificates furnished for tax deducted (i.e. TDS certificate) or certificate furnished for collection of tax (i.e. TCS certificate).
 - In all the TDS return or TCS returns.
 - In any other documents pertaining to such transactions as may be prescribed in the interest of revenue.
- ❑ **Amount of penalty payable under section 272BB**
 - ❖ The defaulter in complying with the provisions of section 203A, is liable to pay a sum of INR 10,000 as a penalty.
 - ❖ However, as per provisions of section 273B, the penalty cannot be imposed under section 272BB in case the defaulter proves the reasonable cause for the said failure.

Penalty u/s 271- I – For non furnishing of information in prescribed format

☐ Particulars Furnishing of relevant Forms for remittance – Sec 195

- ❖ When the payment made is less than INR 5 Lakhs - Part A of Form 15CA
- ❖ When the payment made is more than INR 5 Lakhs - Part B of Form 15CA;
- ❖ Chartered Accountant certificate in Form 15CB; and Part C of Form 15CA.
- ❖ When the payment made is not chargeable to income tax Part D of Form 15CA

☐ Amount of penalty payable u/s 271-I

- ❖ Fails to duly furnish information in Form 15CA and 15CB or files the forms with inaccurate information, then penalty u/s 271-I - INR1 Lakhs as a penalty.
- ❖ However, as per provisions of section 273B of the Income Tax Act, no penalty can be imposed under section 271-I, in case the defaulter proves the reasonable cause for the failure.

Prosecutions for Non Compliance of TDS Provisions

☐ Prosecution U/S 276B :

- ❖ for the noncomplying with the requirements of deducting and paying the TDS.
- ❖ Rigorous imprisonment for at least 3 months and up to 7 years along with amount to be paid as fine.
- ❖ Criminal proceedings can be initiated only when the default is of non-payment and not where the default is restricted to non- deduction of TDS.
- ❖ No Prosecution where Penalty dropped.

☐ Prosecution U/S 276B :

- ❖ If a person fails to pay the tax collected by him to the credit of the Government, then as per section 276BB he shall be punishable with rigorous imprisonment for a period of which shall not be less than 3 months but which may extend to 7 years and with fine.

Cases where no Penalty is leviable

- ❑ Once a default occurs, penalty is payable even where the Assessee has subsequently paid the tax in arrears, whether before or after the imposition of the penalty.
- ❑ However, the Assessee is to be granted a reasonable opportunity of being heard to prove to the satisfaction of the ITO that the default was for good and sufficient reason.
- ❑ The term 'good and sufficient reasons' is not defined and depends upon the facts of each case. The following reasoning / circumstances have been considered as a good and sufficient reason by the courts:
 - ❖ TDS post deduction was not paid by the Assessee on account of a financial stringency. It was held as a good and sufficient reason in the matter of Sequoia Construction Co. Limited (Delhi High Court) (158 ITR 496).
 - ❖ Fair and honest estimate based on backdrop of various judicial decisions is a good and sufficient reason – Nestle India (ITAT Delhi)
 - ❖ However, TDS not deducted based on the ignorance – it was 'not' held to be a case of good and sufficient ground – Tata Chemicals Limited (Mum ITAT).

Tax Deduction at Source and timely deposit of TDS / Equalisation Levy / Royalty / Levy

Payment made without deduction of tax at source

- ❑ *When recipient is Non Resident – Section 40(a)(i) - Interest, Royalty, technical fee and other sum (other than salary)*
- ❑ *Salary Payable Outside India Section 40(a)(iii)– Resident or Non Resident / In India to Non Resident*
- ❑ *Non deduction of Equalisation Levy 40(a)(ib) -Salary Payable Outside India without deduction of tax at source-40(a)(iii) Chargeable to tax, paid / payable in India or Outside India*
- ❑ *Dis-allowances of Royalty, licence fees etc in case of State Government Undertakings – Sec 40(a)(iib)*
- ❑ *Provident Fund payment without TDS – 40(a)(iv) –*
- ❖ *Management of the Company to draw attention of the Trust that TDS to be deducted as per provision of IT Act and to be confirmed by the Secretary of the PF Trust: CIT v. Delhi Cloth Mills Co Ltd [1981] 127 ITR 22 (Delhi)*
- ❑ *Any sum payable to a Resident – 40(a)(ia) - Expenses covered under TDS provisions except Sections 192 / 195*
 - ❖ *Salary*
 - ❖ *Interest*
 - ❖ *Dividend*
 - ❖ *Payment to contractor*
 - ❖ *Commission / brokerage*
 - ❖ *Rent*
 - ❖ *Payment on purchase of Immovable property*
 - ❖ *Technical / professional fee, royalty, fees to part time Director*
 - ❖ *Payment of compensation on acquisition of immovable property*

Tax Deduction at Source and timely deposit of TDS / Equalisation Levy / Royalty / Levy

❑ Consequences in TDS default:

❖ *Disallowances of Expenses:*

- *100% disallowances of expenditure / payment to Non Residents & allowable during year of deduction / deposit of TDS*

- *30% disallowances of expenditure / payment to Residents & allowable of balance during the year of deduction / deposit of TDS*

❖ *Assesee in default u/s section 201(1)*

- ❖ *Levy of Penalty (Sec-271C/ Prosecution 276B / Interest 201(1A) –*

- ❑ *No penalty / imprisonment / disallowances if tax deposited by the Payee and Income taken in filling return u/s 139(1).*

- ❑ *Interest is only Payable.*

- ❑ *Notification No. 37/2012 dated 12-9-2012, (Rule 31ACB & Form No. 26A for submission of Certificate)*

- ❖ *Hindustan Coca cola Beverage (P) Ltd. v. CIT (2007) 163 Taxman 355(SC)*

- ❖ *CIT v. Sahara India Commercial Corporation Ltd (2017) 395 ITR 734 (All)*

- ❖ *Gaziabad Development Authority V. Union of India (2017) 395 ITR 597 (All)*

- ❖ *CIT v. Punjab Infa. Development Board (2017) 394 ITR 216 (P & H)*

Tax Deduction at Source and timely deposit of TDS / Equalisation Levy / Royalty / Levy

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| <ul style="list-style-type: none"> ❑ Disallowability applicable to capital / revenue expenses ❑ TDS default u/s 194A for interest, depreciation on interest component capitalized cannot be denied by involving the provisions of section 40(a)(ia) ❖ <i>Sonic Biochem Exraction (P) V.ITO (2013) 59 SOT 4 (Mumbai)</i> ❖ <i>Kawasaki Microelectronics Inc. V.DCIT(2015) taxmann.com 256 (Bang- Trib)</i> ❖ <i>SAB Miller India Ltd. V.CIT (2015) 63 taxmann.com 341 (Mumb)</i> ❑ TDS Defaults is applicable on amount paid or payable: ❖ <i>Palm Gas Service v. CIT [2017] 81 taxmann.com 43 (SC)</i> | <ul style="list-style-type: none"> ❑ <i>Short deductions—not treated as assessee in default u/s 201(1)</i> ❖ <i>CIT V. S.K.Tekeriwal(2011) 15 taxmann.com 289(Kol Trb)</i> ❖ <i>CIT V. chandabhoy & Jassobhoy (2012) 49 SOT 448 (Mumb)</i> ❖ <i>UE Trade Corpn (India) Ltd. V. C.I.T.(2012) 54 SOT 596 (Delhi)</i> ❖ <i>Three star Grantees(P)Ltd. V. CIT(2014) 49 Taxmann.com 578 (Coachin)</i> ❖ <i>C.I.T. V. KK. Builders(P)Ltd. (2015) 62 taxmann.com 187(Patna)</i> ❖ <i>C.IT V. Kishore Rao(2016) 387 ITR 196(Kar)</i> ❖ <i>Dish TV India Ltd. V. CIT (2017) 86 taxman.com 117(Mumb)</i> ❖ <u>Contrary Ruling</u> <i>CIT V. PVS Memorial Hospital Ltd. (2015) 234 Taxman 46(Ker)</i> |
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Claiming deduction of increase in profit due to disallowances under Chapter VIA of Income Tax Act

- ❑ ***Increase in Profit due to disallowances Section 32, 40(a)(ia), 40A(3), 43B– eligible for deduction under Chapter VIA***
- ❖ ***Circular No. 37/2016- Dated: November 2, 2016***
- ❖ ***ITO, Ward 5(1) vs. Keval Construction (Tax Appeal No. 443 of 2012, December 10, 2012), (Gujarat) -***
- ❖ ***CIT -IV, Nagpur vs. Sunil Vishwambharnath Tiwari, (IT Appeal No. 2 of 2011, September 11, 2015) (Mub)***
- ❖ ***Principal CIT, Kanpur vs. Surya Merchants Ltd., (I.T. Appeal No. 248 of 2015, May 03, 2016) (All.)***
- ❑ **Whether above benefit is available to other expenses disallowed?**

DEPOSIT OF TDS

Deposit of TDS within Time-Limit [Sec. 200 read with Rule 30]

Tax deducted by the deductor shall be deposited electronically through internet banking facility to the credit of the Central Government within following time limit –

TDS	Time limit
(a) Tax is deducted on behalf of the Government	
<ul style="list-style-type: none">Where the tax is paid without production of an income-tax challan	On the same day
<ul style="list-style-type: none">Where the tax is paid with production of an income-tax challan	On or before 7 days from the end of the month in which tax is deducted
(b) When the Assessing Officer (after obtaining prior approval from Joint Commissioner) permits quarterly payment of tax:	
<ul style="list-style-type: none">Where deduction is made u/s 192, 194A, 194D or 194H	Within July 7 (for Quarter ending on June 30), October 7 (for Quarter ending on September 30), January 7 (for Quarter ending on December 31) & April 30 (for Quarter ending on March 31)
(c) In any other case	
<ul style="list-style-type: none">For the month of March	Within forthcoming 30th April
<ul style="list-style-type: none">For the months other than month of March	Within 7 days from the end of the month in which tax is deducted at source.
Exception: Where tax is deducted u/s 194-IA or 194-IB, tax shall be paid to the credit of the Central Government within a period of 30 days from the end of the month in which the deduction is made and shall be accompanied by a challan-cum-statement in Form No. 26QB (for sec. 194-IA) / 26QC (for sec. 194-IB)	

Payment of TDS Online

- ❑ **Step-1 :** To pay taxes online, login to <http://www.tin-nsdl.com> > Services > e-payment : Pay Taxes Online or [click here](#) on the tab "e-pay taxes" provided on the said website. Provide proper link of e-payment
- ❑ **Step-2:** Select the relevant challan i.e. ITNS 280, ITNS 281, ITNS 282, ITNS 283, ITNS 284 or Form 26 QB demand payment (only for TDS on sale of property) as applicable.
- ❑ **Step-3:** Enter PAN / TAN (as applicable) and other mandatory challan details like accounting head under which payment is made, address of the tax payer and the bank through which payment is to be made etc.
- ❑ **Step-4:** On submission of data entered, a confirmation screen will be displayed. If PAN / TAN is valid as per the ITD PAN / TAN master, then the full name of the taxpayer as per the master will be displayed on the confirmation screen.

Payment of TDS Online

- ❑ **Step-5:** On confirmation of the data so entered, the taxpayer will be directed to the net-banking site of the bank.
- ❑ **Step-6:** The taxpayer has to login to the net-banking site with the user id / password provided by the bank for net-banking purpose and enter payment details at the bank site.
- ❑ **Step-7:** On successful payment a challan counterfoil will be displayed containing CIN, payment details and bank name through which e-payment has been made. This counterfoil is proof of payment being made.
- ❑ For making e-payment of direct tax, [click here,](#)

-
- ❑ [E- Tutorial TDS TCS Demand Payment with Challan ITNS 281.pdf](#)
 - ❑ [e-Tutorial - Refund.pdf](#)
 - ❑ [E-Tutorial- OLTAS Challan Correction.pdf](#)
 - ❑ [e-Tutorial -Online Correction- Add Challan to Statement.pdf](#)

Statement and challan status

- ☐ Deductor has to provide the Financial Year, Quarter and Form Type of the statement to view these details.
- ☐ Deductor can view details of all the challans which have been used in any particular statement.
- ☐ **Deductor logs in to TRACES.**
- ☐ Go to statement/ payment tab.
- ☐ Click on statement status / challan status.
- ☐ Select the option and enter the details.
- ☐ Click on view statement status/ “go” for challan status.

Deposit related to E- Proceedings

□ [26qb demand payment procedure.docx](#)



□ Filing of TDS Return

No Deduction in Certain cases – Sec 197A

- (1) **Enabling provision for filing of declaration for receipt of dividend and NSS payment without deduction of tax [Sub-section (1)]**
- (i) This section enables an individual, who is resident in India and whose estimated total income of the previous year is less than the basic exemption limit, to receive dividends and any sum out of National Savings Scheme Account, without deduction of tax at source under sections 194 and 194EE, on furnishing a declaration in duplicate in the prescribed form and verified in the prescribed manner.
 - (ii) The declaration in the above form is to be furnished in writing in duplicate by the declarant to the person responsible for paying any income of the nature referred to in sections 194 or 194EE. The declaration will have to be to the effect that the tax on the estimated total income of the declarant of the previous year in which such income is to be included in computing his total income will be **Nil**.

No Deduction in Certain cases – Sec 197A

- (2) **Enabling provision for filing of declaration for non-deduction of tax under section 192A or 193 or 194A or 194D or 194DA or 194-I or 194K by persons, other than companies and firms [Sub-section (1A)]**

No deduction of tax shall be made under the above provisions of the Act, where a person, who is not a company or a firm, furnishes to the person responsible for paying any income of the nature referred to in these sections, a declaration in writing in duplicate in the prescribed form to the effect that the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be **Nil**

No Deduction in Certain cases – Sec 197A

(3) Filing declaration not permissible if income/aggregate of incomes exceed basic exemption limit [Sub-section (1B)]

Declaration cannot be furnished as per the above provisions, where -

- (i) payments of dividend; or
- (ii) payments in respect of deposits under National Savings Schemes, etc.; or
- (iii) payment of premature withdrawal from Employee Provident Fund; or
- (iv) income from interest on securities or interest other than “interest on securities” or units; or
- (v) insurance commission; or
- (vi) payment in respect of life insurance policy; or
- (vii) rent; or
- (viii) income from units; or
- (ix) the aggregate of the amounts of such incomes in (i) to (viii) above

credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the basic exemption limit.

No Deduction in Certain cases – Sec 197A

(4) Enabling provision for filing of declaration by resident senior citizens for non-deduction of tax at source [Sub-section (1C)]

For a resident senior citizen, who is of the age of 60 years or more at any time during the previous year, no deduction of tax shall be made under section 192A or section 193 or section 194 or section 194A or section 194D or section 194DA or section 194EE or section 194-I **or section 194K**, if such individual furnishes a declaration in writing in duplicate in Form 15H to the payer, that tax on his estimated total income of the previous year in which such income is to be included in computing his total income is **Nil**. The restriction contained in sub-section (1B) will not apply to resident senior citizens.

Further, declaration in Form 15H can also be made in a case where income of the assessee, who is eligible for rebate of income-tax under section 87A, is higher than the basic exemption limit (after allowing for deduction(s) under Chapter VI-A, if any, or set off of loss, if any, under the head “Income from house property” for which, the declarant is eligible) but his tax liability would be “Nil” after taking into account the rebate available to him under section 87A.

No Deduction in Certain cases – Sec 197A

(5) Non-deduction of tax in certain cases

(i) *Interest payments by an Offshore Banking Unit to a non-resident/not ordinarily resident in India [Sub-section (1D)]*

No deduction of tax shall be made by an Offshore Banking Unit from the interest paid on -

- (a) deposit made by a non-resident/not-ordinarily resident on or after 1.4.2005; or
- (b) borrowing from a non-resident/not-ordinarily resident on or after 1.4.2005.

Applicability of section 197A(1D) and section 10(15)(viii) to interest paid by IFSC Banking Units (IBUs) [Circular No 26/2016 dated 4.7.2016]

The CBDT Circular clarifies that in accordance with the provisions of section 197A(1D), tax is not required to be deducted on interest paid by IFSC Banking Units, on deposit made on or after 1.4.2005 by a non-resident or a person who is not ordinarily resident in India, or on borrowings made on or after 1.4.2005 from such persons.

(ii) *Payment to any person for, or on behalf of, the NPS Trust [Sub-section (1E)]*

No deduction of tax at source shall be made from any payment to any person for, or on behalf of, the New Pension System Trust referred in section 10(44).

No Deduction in Certain cases – Sec 197A

(iii) Specified payments to notified institutions/class of institutions etc. [Sub-section (1F)]

No deduction of tax shall be made or deduction of tax shall be made at such lower rate, from such payment to such person or class of persons, including institution, association or body or class of institutions or associations or bodies as may be notified by the Central Government in the Official Gazette in this behalf. Therefore, in respect of such payments made to notified person or class of persons, no tax is to be deducted at source or tax is to be deducted at lower rate.

6) Time limit for delivery of one copy of declaration [Sub-section (2)]

On receipt of the declaration referred to in sub-sections (1), (1A) or (1C), the person responsible for making the payment will be required to deliver or cause to be delivered to the Chief Commissioner or Commissioner, one copy of the declaration **on or before the 7th of the month following the month in which the declaration is furnished** to him.

Rule 31A – Statement of TDS under section 200(3)

Every person responsible for deduction of tax under Chapter XVII-B shall deliver, or cause to be delivered, the following quarterly statements to the DGIT (Systems) or any person authorized by him, in accordance with section 200(3):

- (i) Statement of TDS under section 192 in Form No.24Q;
- (ii) Statement of TDS under sections 193 to 196D in Form No.26Q in respect of all deductees other than a deductee being a non-corporate non-resident or a foreign company or resident but not ordinarily resident in which case the relevant form would be Form No.27Q.

Such statements have to be furnished within the due date for each quarter specified in Rule 31A(2). Accordingly, quarterly statements of TDS have to be furnished by the due dates specified in column (3) against the corresponding quarter-

Due Date of Filing TDS Returns

Sl. No.	Date of ending of the quarter of the financial year	Due date
1.	30 th June	31 st July of the financial year
2.	30 th September	31 st October of the financial year
3.	31 st December	31 st January of the financial year
4.	31 st March	31 st May of the financial year immediately following the financial year in which the deduction is made.

However, every person responsible for deduction of tax under section 194-IA 194-IB **or 194M** have to furnish to the Principal DGIT (Systems) or DGIT (System) or the person authorised by the Principal DGIT (Systems) or the DGIT (Systems) a challan-cum-statement in Form No.26QB, 26QC **or 26QD**, respectively, within thirty days from the end of the month of deduction of tax.

How to file TDS Return?

- ☐ First of all choose relevant Form applicable in your case (E.g. Form 24Q, Form 26Q, Form 27Q, etc.)
- ☐ You must hold a valid TAN and it should be registered for e-filing
- ☐ Your TDS statements should be prepared using **Return Preparation Utility (RPU)** and validated using **File Validation Utility (FVU)**
- ❖ [JAVA RPU e-Tutorial Version 1.7.pdf](#)
- ☐ If you want to file return in physical form, then each e-TDS return saved in a CD/Pen Drive has to be submitted along with a signed copy of Form 27A to TIN-Facilitation Centres (TIN-FC) established by NSDL
- ❖ [Form 27A TO BE Accompanied with Return.pdf](#)
- ☐ You should have a valid DSC registered for e-filing if you wish to upload using **DSC**

How to upload TDS statements on income tax portal

- ❑ Go to <http://incometaxindiaefiling.gov.in> and click on 'Login Here'.
- ❑ Enter your login credentials and click on 'Login'. Your user ID will be your TAN.
- ❑ Once you've logged in, click on the 'Upload TDS' option under the TDS tab
- ❑ You will be provided with a form where you will need to select the correct details. Once the details are selected, click on Validate.
- ❑ The returns can be validated through DSC or Digital Signature Certificate.
- ❑ To upload using DSC, first upload the TDS zip file and also attach the digital signature file. Then, click on Upload.
- ❑ Once the TDS statement is uploaded, a success message will appear on the screen and a confirmation mail will be sent to your registered email ID.

Points to be remembered while filing your e-TDS Return:

- 1. The quarterly statement should be accompanied by a filled and signed (by any signatory authority) verification Form 27A in physical form.**
 - 2. Each return should be in CD/Floppy . it should be scattered over multiple floppies.**
 - 3. Return should be compressed only by using Winzip 8.1 or Ziptfast 3.0 compression utility to ensure easy and smooth acceptance of file.**
 - 4. Label indicating TAN, name of deductor/ collector , period to which return relates along with the form no is attached on each CD for the purpose of easy identification.**
 - 5. There should not be any overwriting in Form 27A. if there is any it should be rectified by any authorized signatory.**
-

Points to be remembered while filing your e-TDS Return:

-
- 6. All deductors must register themselves at <https://www.tdscpc.gov.in> (TRACES Portal).**
 - 7. Quote correctly PAN of the deductee so that they get their due tax credit.**
 - 8. Quote correctly CIN of the Challan to avoid any short payment default.**
 - 9. Non-quoting of PAN or TAN in TDS statement may lead to levy of penalty,**
 - 10. TDS *certificate* downloaded from TRACES system is the only valid certificate.**
 - 11. If there is no transaction liable to TDS/TCS to report for the quarter, do intimate the same at TRACES Portal using “Declaration for Non-filing” functionality to avoid *notice* for non-filing of TDS statement.**

□ Guide for Uploading TDS Returns on the Income Tax Portal.pdf

TDS on Rent – u/s 194IB

- ❑ **Brief steps for online filing of Form 26QC (Return Cum Challan in case of Section 194-IB):**
 - **Step 1 :** Login to TRACES website with your “**User ID**”, “**Password**” and the “**Verification Code**”. Landing page will be displayed on Screen.
 - **Step 2 :** Select option “ **Request for Correction**” available under “**Statements/ Forms**” tab to initiate correction request. Select the Form Type 26QC for correction, on next screen 26QC Correction checklist will appear. After clicking on “**Proceed**” Pop-Up window will display (If DSC is not registered).

TDS on Rent – u/s 194IB

□ Brief steps for online filing of Form 26QC (Return Cum Challan in case of Section 194-IB):

- **Step 3** : Select “**Financial Year**” and “**Acknowledgement Number**” according to filed Form 26QC, then Click on “**Request for Correction**” button to initiate request for correction. Request number will be generated for correction statement. User can check the requested Status in “**Track Correction Request**” option available under “**Statements/ Forms**” tab.
- **Step 4** : Go to “**Track Correction Request**” option under “**Statements/ Forms**” tab and initiate correction once the status is “**Available**”. Click on “**Available**” status to continue.

TDS on Rent – u/s 194IB

- ❑ **Brief steps for online filing of Form 26QC (Return Cum Challan in case of Section 194-IB):**
 - **Step 5** : Mention CIN details of any one challan paid against 26QC then click on “Proceed” .
 - **Step 6** : After clicking on proceed button details mentioned in 26QC will display on next screen. Select tab accordingly in which user want to do edit details. Click on “**Edit**” button. Pop up will be shown on the screen. Click on “**Save**” to save updated details then click on “**Submit Correction**”.
 - **Step 7** : Screen will display to “**Confirm the Details**” after Submission of Correction Statement (Updated details will be highlighted in Yellow Colour).

TDS on Rent – u/s 194IB

□ Brief steps for online filing of Form 26QC (Return Cum Challan in case of Section 194-IB):

- **Step 8** : Profile details will be populated as updated on TRACES profile. Click on “**Submit Request**” to submit correction request.
- **Step 9** : After submission of Correction Request if **DSC** is not registered user gets the option to validate correction **through E-Verified (Internet Banking) or AO Approval** OR if DSC is registered user gets the option to validate correction **through E-Verified (Internet Banking), AO Approval or DSC**.

TDS on Rent – u/s 194IB

- ❑ **E. Brief Steps to Download Form 16C**
- ❑ **Step 1** : Login to TRACES website with “**User ID**”, “**Password**” and the “**Verification code**”. Landing Page will be displayed on the screen.
- ❑ **Step 2** : Click on “**Form 16B/16C (For Buyer/ Tenant)**” available under “**Downloads**” tab. taxguru.in
- ❑ **Step 3** : Select “**Form Type**” “**Assessment Year**” from drop down list enter “**Acknowledgement Number**” and “**PAN of the Landlord**”.
- ❑ **Step 4**: After clicking on “**Proceed**” list of challan(s) will be available to download “**Form 16C**”.

TDS on Rent – u/s 194IB

□ E. Brief Steps to Download Form 16C

- **Step 5 :** “**Details to be printed on Form 16C**” will reflect as per profile information on “**TRACES**”. Following details will appear-
 - – Full Name of Person Responsible for Deduction of Tax
 - – Father’s Name of Person Responsible for Deduction of Tax
 - – Designation of Person Responsible for Deduction of Tax
- and click “**Submit Request**” to submit request for “**Form 16C**”.
- **Step 6:** “**Request Number**” will be generated after submission of request.

TDS on Rent – u/s 194IB

□ E. Brief Steps to Download Form 16C

- **Step 7** : In order to track the status of the request click on “**Requested Downloads**” available under “**Downloads**” tab.
- Status of the request can be tracked by the search Options “**Request Number**”, “**Date**” or “**View All**”.
- “**Form 16C**” can be downloaded only if the “**Submitted**” status changes to “**Available**”.
- **Step 8** : Click on “**Available**” status row then click on “**HTTP Download**” tab to download Form 16C Zip file. Enter the password to open Zip file of “**Form 16C**”.

Liability to deduct tax ceases when declaration u/s 194C(6) submitted by transporter

Reliance is placed on following decisions

- The State of Madras Vs M/s. Radio and Electricals Ltd (1967) AIR 234, 1966 SCR 198 (S.C).
- CIT Vs Valibhai Khanbhai Mankad 216 Taxman 18 (Guj.).
- CIT Vs Shri Marikamba Transport Co. 379 ITR 129 (Kar.).
- CIT Vs United Rice Land Ltd 322 ITR 0594 (P&H).
- CIT Vs Poompuhar Shipping Corporation Ltd 282 ITR 0003 (Mad)

Procedure to e-File Statement of Form No. 15G/15H with Income Tax Department by Deductor

Registration process

- ❑ To file the “Statement of Form 15G/15H”, user should hold valid TAN and should be registered as “Tax Deductor & Collector” on Income Tax e-filing website . If not already registered, he should Go to Register yourself- >Tax Deductor & Collector and complete the registration process.

Perform the following steps to download the form 15G and 15H, further how to upload the form:

Steps	Description
Step 1	Visit the 'e-Filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to the 'Downloads' located below the login button ⇒ Click 'Offline Utilities' ⇒ Click 'Other Forms Preparation Utilities'
Step 3	Click 'Download' link available under 'Utility' column ⇒ Extract the download ZIP file
Step 4	Update all the mandatory fields ⇒ Click 'Generate XML' located at upper-middle side of the utility ⇒ Save the XML at your desktop
Step 5	After saving the generated XML, Upload the XML file at e-Filing Website
Step 6	Go to the 'e-File' menu located at upper-left side of the page ⇒ Click 'Submit form 15G and 15H (consolidated)'
Step 7	Select 'Financial year', 'Form Name', 'Quarter' and 'Filing Type' from the dropdown list ⇒ click Validate
Step 8	Attach the XML and DSC at the option 'Attach the XML file*', 'Attach the Signature file*' ⇒ Click 'Submit'
	Note: You must have registered Digital Signature Certificate (DSC) to generate and attach a signature file. If you have not registered DSC

How to view uploaded Forms?

Steps	Description
Step 1	Logon to 'e-Filing' Portal www.incometaxindiaefiling.gov.in
Step 2	Go to 'My Account' menu located at upper-left side of the page ⇒ Click 'View form 15G/form 15H(Consolidated)'
Step 3	Select 'Financial Year', 'Form Name' and 'Quarter' to view details.

□ Form 27Q – Non Resident TDS Returns

□ [TDS - 26Q - Npayment to Non Resident.pdf](#)

Filing of Forms – Remittance to NR

❑ FORM 15CA & 15CB

❑ ♣ Form 15CA is a declaration of remitter used as a tool for collecting information in respect of payments which are chargeable to tax in the hands of recipient non-resident. This is starting of an effective information processing system which may be utilized by the Income tax Department to independently track the foreign remittances and their nature to determine tax liability.

❑ ♣ Form 15 CB is required to be signed by a Chartered Accountant. This is a kind of certification regarding rates and right kind of tax paid by you. Certain details are required from Form 15CB at the time of filing Form 15CA. Chargeability can be ascertained and certified by obtaining a certificate known as Form 15CB from a Chartered Accountant.

Information to be submitted

The person responsible for paying to a non-resident, not being a company, or to a foreign company, any sum chargeable under the provisions of the Act, shall furnish the following, namely:—

(i) Part A of Form No.15CA: If amount of payment or the **aggregate of such payments**, as the case may be, **made during the financial year does not exceed five lakh rupees**;

(ii) Payments other than the payments referred in clause (i), the information

- In **Part B of Form No.15CA after obtaining a certificate from the Assessing Officer under section 197; or an order from the Assessing Officer under sub-section (2) or sub-section (3) of section 195.**

In **Part C of Form No.15CA after obtaining a certificate in Form No. 15CB** from an accountant ref: u/s 288.

Remittance - Information to be submitted

☐ The person responsible for paying to a non-resident, not being a company, or to a foreign company, **any sum which is not chargeable under the provisions of the Act**, shall furnish the information in **Part D of Form No.15CA**.

Remittance - Information to be submitted

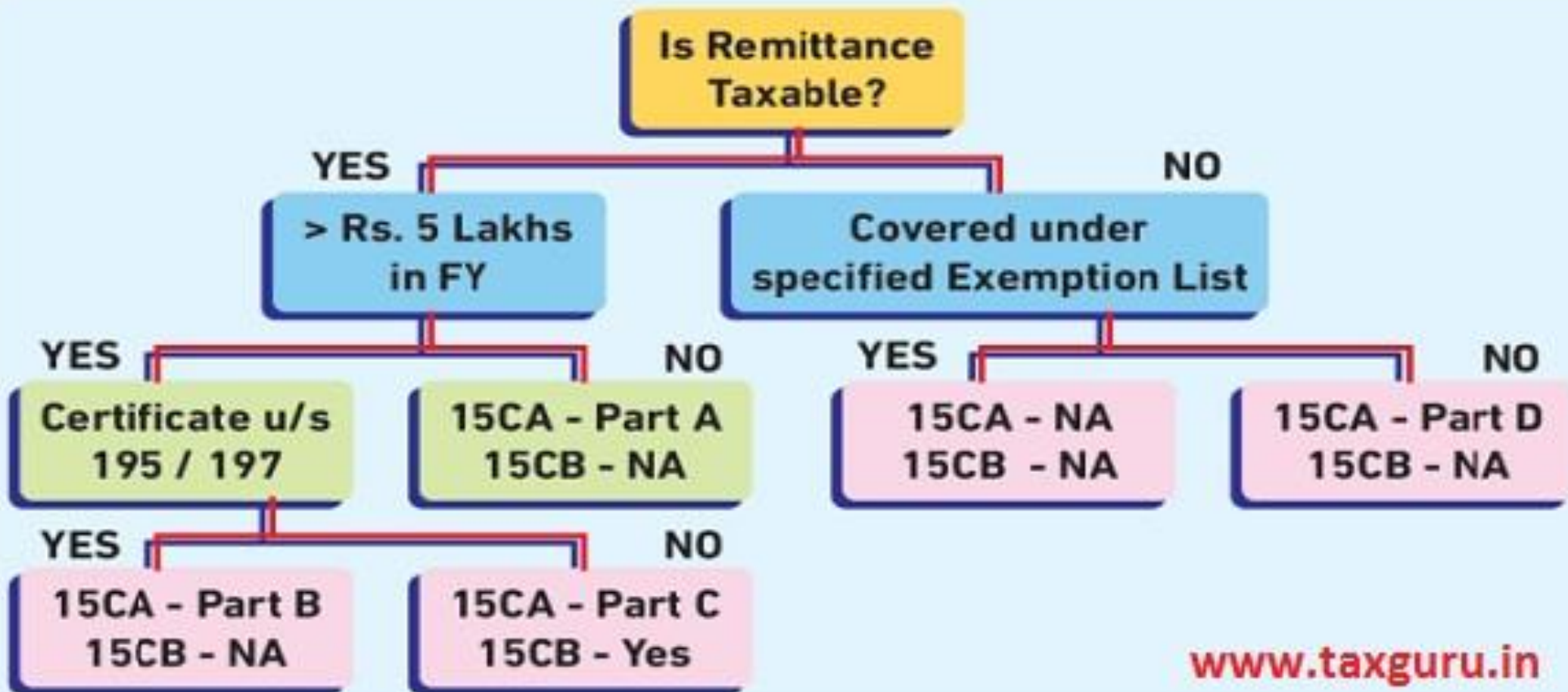
- The remittance is made by an individual and it does not require prior approval of Reserve Bank of India as per the provisions of section 5 of the [Foreign Exchange Management Act, 1999](#) (42 of 1999) read with Schedule III to the Foreign Exchange (Current Account Transaction) Rules, 2000; or list given

▪ [Form-15CA.pdf](#)

[Form-15CB.pdf](#)

[Form-15CC.pdf](#)

Applicability of 15CA & 15 CB



www.taxguru.in

Computerized processing of TDS statements [Section 200A]

- (1) At present, all statements of tax deducted at source are filed in an electronic mode, thereby facilitating computerised processing of these statements. Therefore, in order to process TDS statements on computer, electronic processing on the same lines as processing of income-tax returns has been provided in section 200A.
- (2) The following adjustments can be made during the computerized processing of statement of tax deducted at source or a correction statement –
 - (i) any arithmetical error in the statement; or
 - (ii) an incorrect claim, if such incorrect claim is apparent from any information in the statement.
- (3) The term “an incorrect claim apparent from any information in the statement” shall mean such claim on the basis of an entry, in the statement, –
 - (i) of an item, which is inconsistent with another entry of the same or some other item in such statement;
 - (ii) in respect of rate of deduction of tax at source, where such rate is not in accordance with the provisions of the Act.
- (4) The interest, if any, has to be computed on the basis of the sums deductible as computed in the statement;

Computerized processing of TDS statements [Section 200A]

- (5) The fee, if any, has to be computed in accordance with the provision of section 234E. A fee of ₹ 200 for every day would be levied under section 234E for late furnishing of TDS statement from the due date of furnishing of TDS statement to the date of furnishing of TDS statement. However, the total amount of fee shall not exceed the total amount of tax deductible and such fee has to be paid before delivering the TDS statement.
- (6) The sum payable by, or the amount of refund due to, the deductor has to be determined after adjustment of interest and fee against the amount paid under section 200 or section 201 or section 234E and any amount paid otherwise by way of tax or interest or fee.
- (7) An intimation will be prepared and generated and sent to the deductor, specifying his tax liability or the refund due, within one year from the end of the financial year in which the statement is filed. The refund due shall be granted to the deductor.
- (8) For this purpose, the CBDT is empowered to make a scheme for centralized processing of statements of TDS to determine the tax payable by, or refund due to, the deductor.

Furnishing of statements in respect of payment of any income to residents without deduction of tax [Section 206A]

- (1) This section casts responsibility on every banking company or co-operative society or public company referred to in the proviso to section 194A(3)(i) [i.e., a public company formed and registered in India with the main object of carrying on the business of providing long-term finance for construction or purchase of residential houses in India and which is eligible for deduction under section 36(1)(viii)] to prepare such statement, for such period as may be prescribed –
 - if they are responsible for paying to a resident,
 - the payment should be of any income not exceeding ₹ 40,000, where the payer is a banking company or a co-operative society, and ₹ 5,000 in any other case.
 - such income should be by way of interest (other than interest on securities)
- (2) The statements have to be delivered or caused to be delivered to the prescribed income-tax authority or the person authorised by such authority.
- (3) The statements have to be in the prescribed form, containing such particulars verified in the prescribed manner. The statement has to be filed within the prescribed time.

Furnishing of statements in respect of payment of any income to residents without deduction of tax [Section 206A]

- (4) The CBDT may cast responsibility on any person other than a person mentioned in (1) above, who is responsible for paying to a resident any income liable for deduction of tax at source.
- (5) Such persons may be required to prepare statement for such period as may be prescribed in the prescribed form and deliver or cause to be delivered such statement within the prescribed time to the prescribed income-tax authority or the person authorized by such authority.
- (6) Such statements should be in the prescribed form, containing such particulars and verified in the prescribed manner.
- (7) Such person referred to in (1) and (4) above may also deliver to the prescribed authority, a correction statement -
 - (a) for rectification of any mistake; or
 - (b) to add, delete or update the information furnished in the statement delivered referred in (2) & (5) above.

USE OF TRACE WEBSITE

Uses of the TRACES Website.pdf

Q&A

