

## **DIRECT TAX NOTIFICATION**

**Notification No.-06/2018**

**Date – 6th December 2018**

**TDS deduction under section 194A of the Income-tax Act, 1961 in case of Senior Citizens -reg.**

In case of Senior Citizens, Some Banks/ TDS deductors are making deduction of TDS even the amount of Income not exceeding of Rs. 50,000.

But the above is not according to Income Tax Law since TDS can not be deducted under section 194A in case of Senior Citizens if their income or aggregate of amount of such income credited or paid during any financial year does not exceed of Rs. 50,000.

The Director General of Income-tax (Systems) is the authorized person to specify procedures, formats and standards for the purposes of furnishing and verification of the statements or claim for refund in Form 26B.He is also responsible for the day-to-day administration in relation to furnishing and verification of the statements or claim for refund in Form 26B in the manner so specified.

The Principal Director General of Income-tax (Systems) clarifies that no tax deduction at source under section 194A shall be made in the case of Senior Citizens where the amount of such income or, the aggregate of the amounts of such income credited or paid during the financial year does not exceed fifty thousand rupees.