

Circular No. 13/2021

Guidelines under section 194Q of the Income-tax Act, 1961

Dated – 30th June, 2021

CBDT releases Guidelines under section 194Q of Income-tax Act, as per this Circular Finance Act, 2021 inserted a new section 194Q in the Income-tax Act 1961 (hereinafter referred to as "the Act") which takes effect from 1st day of July, 2021. It applies to any buyer who is responsible for paying any sum to any resident seller for purchase of any goods of the value or aggregate of value exceeding fifty lakh rupees in any previous year. The buyer, at the time of credit of such sum to the account of the seller or at the time of payment, whichever is earlier, is required to deduct an amount equal to 0.1 % of such sum exceeding fifty lakh rupees as income tax.

For more details, please follow:

https://www.incometaxindia.gov.in/communications/circular/circular_13_2021.pdf