

# **DIRECT TAX**

**Notification No. 8/2018**

**Date - 31st December 2018**

Procedure, format and standards for filing an application for grant of certificate for deduction of Income-tax at any lower rate or no deduction of Income-tax under sub-section (1) of Section 197 / collection of the tax at any lower rate under sub-section (9) of Section 206C of the Income-tax Act, 1961 through TRACES

As per sub-section (1) of section 197 of the Income-tax Act, 1961, where, in the case of any income of any person or sum payable to any person, income-tax is required to be deducted at the time of credit at the time of payment at the rates in force under the provisions of sections 192, 193, 194, 194A, 194C, 194D, 194G, 194H, 194-1, 194J, 194K, 194LA [, 194LBB, 194LBC] and 195.

if the Assessing Officer is satisfied that the total income of the recipient justifies the deduction of income-tax at any lower rates or no deduction of income-tax, as the case may be, the Assessing Officer shall, on an application made by the assessee in this behalf, give to him such certificate as may be appropriate.

Further as per sub-section (9) of section 206C of the Income-tax Act, 1961, where the Assessing Officer is satisfied that the total income of the buyer or licensee or lessee justifies the collection of the tax at any lower rate than the relevant rate specified in sub-section (1) or sub-section (1e), the Assessing Officer shall, on an application made by the buyer or licensee or lessee in this behalf, give to him a certificate for collection of tax at such lower rate than the relevant rate specified in sub-section (1) or sub-section (1e).

For more details, please follow -

[https://www.incometaxindia.gov.in/communications/notification/notification\\_8\\_2018\\_tds.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_8_2018_tds.pdf)