

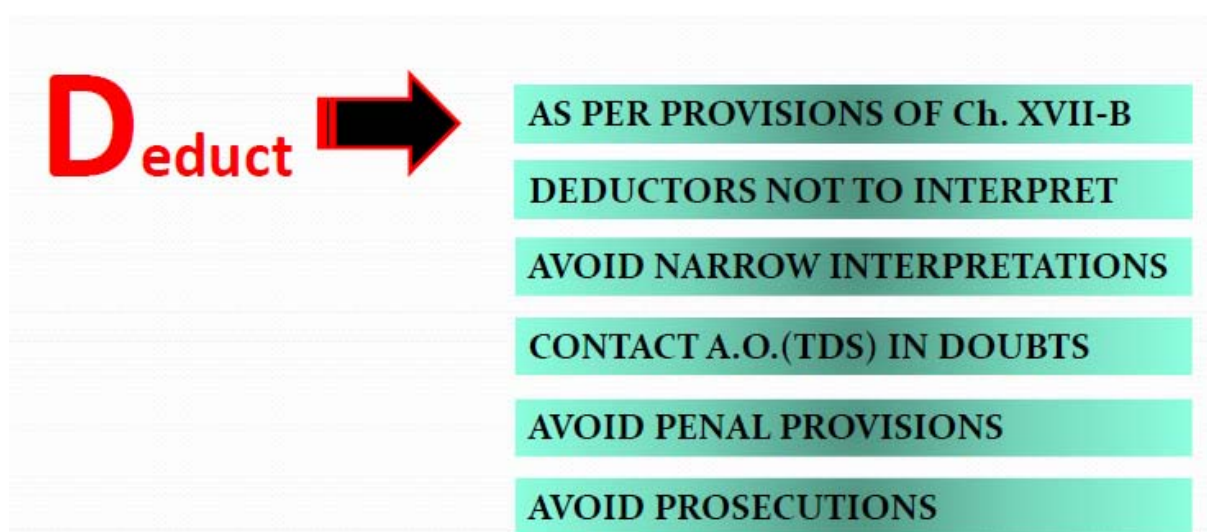
## WHAT IS TDS ?/ parties involved in tds

- Why to deduct?
- Who should deduct?
- When to deduct ?
- Which payment/ receipt/ person is subject to TDS ?
- How to deduct?
- What to do after deducting?
- Deductor/ Deductee/ Bank/ Government.

## THREE BASIC RULES OF TDS (1/5)

- DEDUCT ---- AS PER PROVISIONS OF CHAPTER XVIIIB
- DEPOSIT ---- WITHIN DUE DATES
- DECLARE ---- BY FILING TDS STATEMENT

## THREE BASIC RULES OF TDS (2/5)



Section	Payment Nature	Payment in excess of	TDS Rate for Individual	TDS Rate for Others
194A	Interest from a Banking Company	10,000 p.a.	10%	10%
194A	Interest other than from a Banking Co.	5,000 p.a.	10%	10%
194C	Contractors (including Advertising & Sub-Contractor)	30,000 (per payment) or 75,000 p.a.	1%	2%
194C	Transport Contractors (Providing PAN and engaged in the business of plying, hiring or leasing of goods carriages)	Nil	Nil	Nil
194D	Insurance Commission	20,000 p.a.	10%	10%
194H	<a href="#">Commission or Brokerage</a>	5,000 p.a.	10%	10%
194I	Rent of Land & Building	1,80,000 p.a.	10%	10%
194I	Rent of Plant & Machinery and Other Equipments	1,80,000 p.a.	2%	2%
194IA	Transfer of Immovable Property other than Agriculture Land	50,00,000	1%	1%
194J	Payment for Professional Services, Technical Services & Royalty	30,000 p.a.	10%	10%
194J(1)(ba)	Payment to Directors any remuneration or fees or commission by whatever named called if the same is not covered u/s 192	-	10%	10%

**D**eposit 

**WITHIN DUE DATEs**

Due date of deposit for Non-Government deductors		
Type	Old due date	New Due date
TDS for the months of April to February	07 <sup>th</sup> of Next month	07 <sup>th</sup> of Next month
TDS on normal entries of March	07 <sup>th</sup> of Next month	30 <sup>th</sup> April
TDS on Provisional/Credit entries of March	30 <sup>th</sup> May	30 <sup>th</sup> April

Challan 281- important points

**Points to be remember while depositing TDS/TCS**

- Select correct minor head code (200) while making TDS/TCS deposits
- Select correct minor head code (400) while making regular TDS/TCS payments arising out of Order u/s. 201(1)/201(1A)/271C or 272A(2)(k) etc.
- Ensure due diligence in quoting TAN, section code and assessment year while making TDS/TCS deposits
- For deducting TDS/TCS refer to latest chart/rules for TDS/TCS rates
- On due date deposit tax before 20.00 hours ( i.e. 8:00 p.m.) to avoid interest for late payment.

THREE BASIC RULES OF TDS (4/5)

**D**eclare 

**By FILING TDS STATEMENTS**

Due date for filing TDS statement		
	up to F.Y. 2009-10	F.Y. 2010-11 onwards
Quarter 1	July 15	July 15
Quarter 2	October 15	October 15
Quarter 3	January 15	January 15
Quarter 4	June 15	May 15

### THREE BASIC RULES OF TDS (5/5)

Form no	Particulars	Periodicity
24Q	Statement of TDS from Salary.	Quarterly
26Q	Statement of TDS other than Salary	Quarterly
27Q	Statement of TDS for payment to non resident	Quarterly
27EQ	Statement of TCS	Quarterly
26QB	Challan cum statement for TDS on immovable property.	w.e.f 01/06/13

#### POINTS TO REMEMBER WHILE PREPARING

#### TDS STATEMENT

- You have latest version of RPU/ other software.  
other wise download from NSDL.
- Choose the correct form.
- Ensure you have all the datas/ details.
- Fill in all the details correctly.
- Extra care while entering challan details.
- No mistake can be accepted while entering Dedutee details.
- Keep your deadline one week prior to due date

#### FORM 16/ FORM 16 A/ FORM 16B

- What is form 16/ form 16A/ Form 16B ?
- Form16 [part A] , Form 16A , and Form 16B **DOWNLOADED FROM TRACES** WILL ONLY BE considered as valid TDS certificate :- as per circular number 04/2013.date 17apr 2013.
- To able to view and use the functionalities Deductor/ Tax payer needs to register on TRACES.

## REGISTRATION AND LOG IN ON TRACES

- STEP-1 Visit [www.tdscpc.gov.in](http://www.tdscpc.gov.in)
- STEP -2 click on register as new user-Deductor
- STEP -3 Enter your TAN
- STEP-4 click on proceed.
- STEP-5 Generation of authentication code.
- STEP-6 fill up other organisational details.
- STEP -7 create user ID and password and click on create.

## OTHER POINTS TO REMEMBER

- Password should contain 8 alpha numeric character.
- Activation link will be sent to the e-mail address and mobile number provided during registration.
- Click on the activation link within 24 hours to avoid deactivation.
- You can also add your DSC through profile page.
- Admin user can create 4 more sub –user under him.

## STEPS FOR GENERATING CERTIFICATES

- STEP -1 Log in to TRACES –  
[www. Tdscpc.gov.in](http://www.Tdscpc.gov.in)
- Form 16 can be generated only at the end of the financial year.
- Form 16A can be generated on quarterly basis.
- Form 16 B after 10-15 days from the date of payment of TDS.
- STEP -2 Under “ DOWN LOAD” menu select form 16/ from 16A.
- STEP -3 - Fill in the required details- it should be as per the TDS statement .
- STEP -4 - Add all PAN for which certificate requires.  
Click on GO. Validation screen will be provided.
- STEP- 5 - Click on submit button to submit download request.
- STEP -6 - Generate authentication code.

- STEP -7 - Click on proceed for transaction. A request number will be generated.
- STEP -8 Click on “requested Download “ under Download menu.

Write the request number arrived at STEP -7

or select through search criteria.

- STEP -9 Click on row to proceed.
- STEP -10 Click on HTTP Download / Down load manager.
- STEP -11 Run the TRACE –PDF Converter utility.
- STEP – 12 Select the HTTP Downloaded file as INPUT FILE
- STEP -13 provide TAN in capital as pass word.
- STEP – 14 Select the destination folder to save PDF files.
- STEP -15 Select the digital signature if you want – not mandatory. Option for manual signature is available.
- STEP -16 click on proceed. Certificates will be saved in the output file in PDF format.

#### BRIEF information ON CONTENT OF FORM 16/ FORM 16 A

- Name / address / TAN of Deductor
- Name / address / PAN of Tax Payer
- Certificate Number
- Summary of payment made by deductor
- Summary of tax deducted at source in respect of tax payer
- Details of tax deducted and deposited in Central Government account through challan / Book Adjustment (in case of Government deductor)
- Details of tax deducted and deposited in Central Government account through challan (in case of Non-Government deductor)
- TDS certificate download from TRACES are not editable. if any error is identify in certificate than you will have to fill a correction statement.
- Date of processing will appear on the top and Date of generation will appear at the bottom of the certificate.

TDS certificate download from TRACES are not editable.

If any error is identify in certificate than you will have to file a correction statement.

#### SYSTEM REQUIREMENT

- To RUN TRACES-PDF-CONVERTER V 1.3 Light Version (Needs JRE1.6 or above - Size ~9 MB)
- Form 27D PDF-CONVERTER V 1.0 Light Version (Needs JRE1.6 or above - Size ~9 MB)
- TRACES Justification Report Generation Utility V 2.1 (Needs Excel 2003 or later - Size ~400Kb)
- TRACES Offline Correction Generation Utility V 1.0 (Needs Excel 2003 or later. To work on/open offline correction input file, you will need winzip 17 or below installed in your system.)
- Browser version-
  - Internet explorer 8 & above.
  - Chrome 23
  - Mozilla fire fox latest version.

#### FEW SUGGESTIONS

### **BE PROACTIVE**

- Check status of **CHALLANS** at TDSCPC website
- Check status of **TDS STATEMENTS** at TDSCPC website
- 'Original' return should be accepted at TDSCPC
- File correction return to make changes in the TDS /TCS return filed (original return should be accepted)



## Line of Action

- **Take Note of the Communication and do not ignore the same;**
- **Online Correction facility can be used for such Short Payments and correction of PAN;**
- **Digital Signature is Mandatory for change of PAN in Online Correction;**
- You can make use of the “**Consolidated TAN - PAN File**” that includes all the valid PANs attached with the respective TANs. To avail the facility, please navigate to locate file on “**Dashboard**;
- This has to be completed within 7 days of Intimation. Thereafter Return will be processed by TDS CPC.

## WHAT IS TDS ?

TAX DEDUCTED AT SOURCE

NOT A TEDIOUS

BUT

DOUBLE THREE DEE SYSTEM

DEDUCT –DECLARE – DEPOSIT

DELETE – DEFAULT - DOWNLOAD

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