

SECTION 200 OF THE INCOME-TAX ACT, 1961 - DEDUCTION OF TAX AT SOURCE - DUTY OF PERSON DEDUCTING TAX - EX-POST FACTO EXTENSION OF DUE DATE FOR FILING TDS/TCS STATEMENTS FOR FYs 2012-13 & 2013-14

CIRCULAR NO.7/2014 [F.NO.275/27/2013-IT(B)], DATED 4-3-2014

The Central Board of Direct Taxes ('the Board') has received several petitions from deductors/collectors, being an office of the Government ('Government deductors'), regarding delay in filing of TDS/TCS statements due to late furnishing of the Book Identification Number (BIN) by the Principal Accounts Officers (PAO)/District Treasury Office (DTO)/Cheque Drawing and Disbursing Office (CDDO). This has resulted in consequential levy of fees under section 234E of the Income-Tax Act, 1961('the Act').

2. The matter has been examined. In case of Government deductors, if TDS/TCS is paid without production of challan, TDS/TCS quarterly statement is to be filed after obtaining the BIN from the PAOs/DTOs/CDDOs who are required to file Form 24G (TDS/TCS Book Adjustment Statement) and intimate the BIN generated to each of the Government deductors in respect of whom the sum deducted has been credited. The mandatory quoting of BIN in the TDS/TCS statements, in the case of Government deductors was applicable from 01-04-2010. However, the allotment of Accounts Officers Identification Numbers (AIN) to the PAOs/DTOs/CDDOs (a pre-requisite for filing Form 24G and generation of BIN) was completed in F.Y. 2012-13. This has resulted in delay in filing of TDS/TCS statements by a large number of Government deductors.

3. In exercise of the powers conferred under section 119 of the Act, the Board has decided to, ex-post facto, extend the due date of filing of the TDS/TCS statement prescribed under subsection (3) of section 200 /proviso to sub-section (3) of section 206C of the Act read with rule 31A/31AA of the Income-tax Rules, 1962. The due date is hereby extended to 31.03.2014 for a Government deductor and mapped to a valid AIN for—

(i) FY 2012-13 - 2nd to 4th Quarter

(ii) FY 2013-14 - 1st to 3rd Quarter

4. However, any fee under section 234E of the Act already paid by a Government deductor shall not be refunded.

5. Timely filing of TDS/TCS statements is essential to ensure timely reconciliation of Government accounts and for providing tax credit to the assesseees while processing their Income-tax Returns. Therefore, it is clarified that the above extension is a one time exception in view of the special circumstances referred to above. Since the Government deductor and the associated PAO/ DTO/ CDDO belong to the same administrative setup that regulates the clearance of expenditure, the deductors/collectors may be advised to co-ordinate with the respective PAO/DTO/CDDO to ensure timely receipt of BIN/filing of TDS/TCS statements.

6. This circular may be brought to the notice of all officers for compliance.

■ ■

This document has been compiled as service to our clients. We recommend that you seek professional advise prior to initiating action on specific issues.

Lunawat & Co.

Chartered Accountants

E-mail: ca@lunawat.com, lunawat@vsnl.com.

Website: www.lunawat.com.

SECTION 200 OF THE INCOME-TAX ACT, 1961 - DEDUCTION OF TAX AT SOURCE - DUTY OF PERSON DEDUCTING TAX - EX-POST FACTO EXTENSION OF DUE DATE FOR FILING TDS/TCS STATEMENT

PRESS RELEASE [F.NO.275/27/2013-IT(B)], DATED 4-3-2014

The Central Board of Direct Taxes has ex-post facto, extended the due date of filing of the TDS/TCS statement prescribed under section 200(3)/206C(3) of the Income tax Act, 1961 read with rule 31A/31AA of the Income-tax Rules, 1962 to 31.03.2014, for a Government deductor *mapped to a valid Accounts Officers Identification Number*. This extension is with respect to TDS/TCS statements for FY 2012-13 (2nd to 4th Quarter) and FY 2013-14 (1st to 3rd Quarter).

2. This is in response to several petitions from Government deductors/collectors, regarding charging of fee u/s 234E of the Income-tax Act for delay in filing of TDS/TCS statements. It was found that a major reason for such delay was attributable to late furnishing of the Book Identification Number by the Principal Accounts Officers (PAO)/District Treasury Office (DTO)/Cheque Drawing and Disbursing Office (CDDO) which was stabilized during the financial year only. Fee u/s 234E is mandatory and therefore despite the reason that the delay was attributable to reasons beyond their control, fee was levied in the case of several Government deductors. The current extension of the due date of filing of TDS/TCS statements mitigates the effect of such difficulties faced by such deductors. However, any fee already paid by a Government deductor will not be refunded.

3. This extension is a one time exception in view of the special circumstances.

■ ■

This document has been compiled as service to our clients. We recommend that you seek professional advice prior to initiating action on specific issues.

Lunawat & Co.

Chartered Accountants

E-mail: ca@lunawat.com, lunawat@vsnl.com.

Website: www.lunawat.com.