

**INSTRUCTION NO 1/2010,**

**Dated: February 25, 2010**

**Processing of returns of A.Y. 2008-09 - steps to clear the backlog - regarding.**

The issue of processing of I.T. returns for the A.Y. 2008-09 and giving credit for TDS has recently been considered by the Board and following decisions have been taken, in order to clear the backlog of returns pending for processing:

- i) In all the returns filed in **ITR-1** and **ITR-2** for the **A.Y. 2008-09**, where the aggregate TDS claim does not exceed Rs. **four lakh** and where the refund computed does not exceed **Rs. 25,000**; the TDS claim of the tax payer concerned should be accepted at the time of processing of return.
- ii) In all the returns filed in forms other than **ITR-1** and **ITR-2** for the **A.Y. 2008-09**, where the aggregate TDS claim does not exceed Rs. **four lakh** and the refund computed does not exceed **Rs. 25,000**, and there is **70%** matching of TDS amount claimed, the TDS claim of the tax payer concerned should be accepted at the time of processing of return.
- iii) In all remaining cases, TDS credit shall be given after due verification.

**F.No.225/25/2010/ITA.II**

**(Dr. Sanjay Kumar Lal)**  
**Under Secretary (ITA.II)**