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Government of India / Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

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PRESS RELEASE

All tax deductors / collectors are required to file the TDS/TCS returns in Form No.24Q (for salaries), Form No.26Q (for payments other than salaries) or Form No.27EQ (for TCS). These forms require details of all tax deductions with name and permanent account number (PAN) of parties from whom tax was deducted.

It had earlier been decided that Form No.24Q with less than 90% of PAN data and Form No.26Q & Form No.27EQ with less than 70% of PAN data will not be accepted for the quarter ending on 30.09.2007 and thereafter.

The said decision has since been reviewed. It has now been decided to enhance the threshold limit for PAN quoting without which TDS/TCS returns will not be accepted. The limit has been enhanced to 95% from 90% in case of Form 24Q and to 85% from 70% in case of Forms 26Q and 27EQ. The enhanced limits will be applicable for and from the quarter ending 31.03.2008. These threshold limits will also apply to all those TDS/TCS returns, which are filed for any of the earlier quarters on or after 01/04/2008.

Tax deductors and tax collectors are, therefore, advised to obtain correct PAN of all deductees and quote the same in their TDS / TCS returns. Deductees are also advised to furnish their correct PAN with their deductors, failing which they will not only have difficulty in getting credit of TDS/TCS in their income tax assessments but will also face penal proceedings under the Income Tax Act.

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