

# WORRIED ABOUT PROPER CREDIT OF INCOME TAX DEDUCTED/COLLECTED?



**Income Tax Department**  
**Central Board of Direct Taxes**

**(A) The possible reasons for no credit of TDS/ TCS being displayed in your Form 26AS:**

1. Deductor/ collector has not filed the TDS/ TCS statement
2. You have not provided PAN to the deductor/ collector
3. You have provided incorrect PAN to the deductor/collector
4. The deductor/ collector has made an error in quoting your PAN in the TDS/ TCS return
5. The deductor/ collector has not quoted your PAN in his TDS/ TCS statement;

**(B) To rectify these errors:**



**DO'S FOR TAXPAYERS**

1. Provide correct PAN details to the Deductor.
2. Request the Deductor to file a TDS/TCS statement, if it has not been filed.
3. Request the Deductor to file a correction statement, if your PAN is not quoted or an incorrect PAN has been quoted in the already filed TDS/ TCS statement.
4. View your Form 26AS (Annual Tax Credit Statement) regularly. The taxpayers can check their tax credit by viewing Form 26AS from their e-filing account at [www.incometax.gov.in](http://www.incometax.gov.in), TRACES portal account at [www.tdscpc.gov.in](http://www.tdscpc.gov.in) and internet banking account of most of the scheduled banks. Report any shortfall/wrong TDC/ TCS credit appearing in Form 26AS to the concerned Deductor. Raise online grievance at the TRACES website in case Deductor doesn't take any corrective action.
5. Please ensure that you offer your true and full income in the Income Tax Returns. And remember to file it before the due date prescribed by the Income tax law.

6. Challan applicable for making payment of Advance Tax/ Self Assessment Tax/ Tax on Regular Assessment is ITNS 280. In the challan, following information need to be furnished carefully:
- (i) Head of payment, i.e. Corporation Tax/ Income-tax (other than companies).
    - (0020) Corporation Tax (Companies)
    - (0021) (Income Tax other than companies)
  - (ii) Type of payment (i.e. Advance tax/ Self Assessment Tax / Tax on regular assessment/Tax on Dividend/ Tax on distributed Income to Unit holders/Surtax).
    - (100) Advance Tax
    - (102) Surtax
    - (106) Tax on Distributed Profit
    - (107) Tax on Distributed Income
    - (110) Secondary Adjustment Tax
    - (111) Accretion Tax
    - (300) Self Assessment Tax
    - (400) Tax on Regular Assessment
  - (iii) Assessment year.
  - (iv) PAN (Permanent Account Number) allotted by the Income-tax Department.
  - (v) For proof of payment:
    - (a) If challan paid through bank:
      - Receive and preserve taxpayer's bank stamped counterfoil of the challan.
      - Note: Bank's stamp contains following details:
        - BSR (Banker's Serial Number) code, Date of Deposit,
        - Challan Serial Number.
    - (b) If challan paid Online:
      - Preserve computer-generated copy of the challan.
  - (vi) Online verification of status of challan is available using functionality "Challan Status Enquiry" at TIN NSDL Website at [<http://www.tin-nsdl.com>].



## DO'S FOR DEDUCTOR

To avoid the grievances of the taxpayers, deductor must do the following:

- Obtain the copy of PAN card from taxpayer rather than relying on PAN detail in provided oral/ written format.
- Deduct tax as per the provisions of Income-tax Act 1961. Deduct at higher rate as per provisions of Section 206AA of the Income-tax Act if PAN details are not available, to avoid short deduction default.
- Deposit the tax deducted before the specified due date to avoid Interest on Late Payment. Make sure essential details are filled correctly while paying the challan (ITNS 281) such as TAN of the Deductor, Major Head, Minor Head, AY/FY, Amount etc.
- File TDS statement before the specified due date to avoid Levy of Late Filing Fee and grievances of the taxpayers because of delayed passing on of TDS credit to them.
- Furnish requisite TDS certificate to the taxpayer before the specified due date to avoid penalty and taxpayer grievances.
- Analyse and resolve defaults/ grievances received as a result of the processing of the TDS statement by filing requisite correction in the statement.



- Visit TRACES website regularly for latest updates.
- Keep yourself updated by viewing the advisory mails sent by CPC-TDS on the registered email id.
- Check the appropriate section under which the TDS has to be affected.
- Quote the TAN properly in all TDS/ TCS challans, certificates, statements and other correspondences.
- The PAO of Government Departments shall upload Form 24G on or before 15 days from the end of relevant month and on or before the 30th day of April where the statement relates to the month of March.
- To register TAN on tin.nsdl.com

Furthermore, following are the issues usually reported by the taxpayers. The action that the Deductors needs to take are as follows:

#### **Issue reported 1:**

#### **TDS/TCS credit not received by the taxpayer**

- File TDS/TCS statement by reporting due TDS/ TCS made against the PAN of the taxpayer, if the statement has not been filed;
- File correction in the TDS/ TCS statement by updating the correct PAN of the taxpayer, if incorrect PAN details have been furnished in the earlier filed statement.

#### **Issue reported 2:**

#### **Less TDS/TCS credit received by the taxpayer**

File correction in the TDS/ TCS statement by updating the correct Amount paid/ credited and TDS/ TCS made thereon against the PAN of the deductee.

#### **Issue reported 3:**

#### **Wrong TDS/TCS credit received by the taxpayer**

File correction in the TDS/ TCS statement by updating the correct PAN in place of the PAN of taxpayer if furnished wrongly or nullifying the Amount paid/ credited and TDS/ TCS reported against the PAN of the taxpayer as per its applicability.



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This Brochure should not be construed as an exhaustive statement of the law. For details reference should always be made to the relevant provisions in the Acts and the Rules

[www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)