

Form No. 142 – Frequently Asked Questions

Quarterly statement of tax deposited in relation to transfer of virtual digital asset under section 393(1) [Table: Sl. No. 8(vi)] of the Income-tax Act, 2025 furnished by an Exchange

Name of form as per I.T. Rules, 1962	26QF	Name of form as per I.T. Rules, 2026	142
Corresponding section of I.T. Act, 1961	194S	Corresponding section of I.T. Act, 2025	393(1) [Table: Sl. No. 8(vi)]
Corresponding Rule of I.T. Rules, 1962	31A(1) & (4E)	Corresponding Rule of I.T. Rules, 2026	219

1. What is Form No. 142?

Ans: Form No. 142 is PAN based quarterly form, prescribed under Rule 217 (2) and (3) for furnishing a quarterly statement filed by **Virtual Digital Asset (VDA) Exchanges** that

- Facilitate buying and selling of VDAs (e.g., crypto exchanges), and
- Have **agreed to deposit tax** on behalf of buyers or brokers under section 393(1) [Table: Sl. No. 8(vi)].

This form must be filed electronically on the Income-tax e-Filing portal.

2. Who should file Form No. 142?

Ans: Form No. 142 must be filed by any ‘Exchange’ (who has agreed in accordance with guidelines issued in Circular no. 13/2022 dt. 22.06.2022 to pay tax on transaction of transfer of VDA owned by it as an alternative to tax required to be deducted by the buyer of such asset u/s 393(1) [Table: Sl. No. 8(vi)].

3. Which transactions are reported in Form No. 142?

Ans: Form No. 142 covers VDA transactions where the exchange has deposited tax, including:

- Purchase of crypto assets
- Exchange of one VDA for another
- Transactions settled partly or fully in kind
- Any transaction falling under “transfer of VDA”

4. Is Form No. 142 mandatory?

Ans: Yes. Form No. 142 is mandatory for exchanges referred in FAQ no. 2 above, reporting VDA transactions where TDS was required to be deducted under section 393(1) [Table: Sl. No. 8(vi)].

5. What is the time limit for filing Form No. 142?

Ans: Form No. 142 must be furnished quarterly for the tax year as follows:

Quarter ending June 30	Due by July 31 of the financial year.
Quarter ending September 30	Due by October 31 of the financial year.
Quarter ending December 31	Due by January 31 of the financial year.
Quarter ending March 31	Due by May 31 of the financial year immediately following the tax year.

6. How many times can Form No. 142 be filed in a year?

Ans: Form No. 142 is filed quarterly, requiring four filings per Tax Year, one for each quarter (April-June, July-September, October-December, January-March). Each covers all relevant VDA transactions in that period, including nil statements if applicable.

7. What information is reported in Form No. 142?

Ans: The following information is reported in Form No. 142:

➤ **A. Exchange Details**

- Name and Address
- PAN
- Tax Year and Quarter

➤ **B. Buyer / Broker Details**

- PAN
- Name
- Address

➤ **C. Transaction Details**

- Date of transaction
- Name of VDA
- Value of VDA bought
- Number of VDA bought
- Total consideration

➤ **D. Tax Payment Details**

- Amount of tax deposited
- Challan details:
 - ✓ BSR Code
 - ✓ Challan serial number
 - ✓ Date of deposit

➤ **E. Non-Deduction Information**

- Transactions where tax was not deducted
- Records of transactions exempt from TDS under section 400(2)

8. What documents/details are required to file Form No. 142?

Ans: No physical documents are attached; all data is entered digitally via the e-filing portal. Required details include:

- Buyer/broker details (Name, Address, PAN).
- Transaction-level VDA data (Date, Value of VDA bought, Number of VDAs bought, total consideration).
- TDS computation sheets (1% of total consideration).
- Ledger records showing consideration amounts and VDA quantities.
- Challans and BSR codes for TDS deposits (use Challan ITNS-280 under minor head 'Advance Tax (100)' or 'Self-Assessment Tax (300)').

9. Can I file Form No. 142 after filing a regular TDS return (Form 140)?

Ans: Yes, but separately. Form No. 142 is filed by any 'Exchange' (who has agreed in accordance with guidelines issued in Circular no. 13/2022 dt. 22.06.2022 to pay tax on transaction of transfer of VDA owned by it as an alternative to tax required to be deducted by the buyer of such asset u/s 393(1) [Table: Sl. No. 8(vi)]. Form No. 142 has no linkage to Form No. 140. File both if applicable, ensuring no overlap in reporting.

10. Can I edit Form No. 142 after submission?

Ans: No. Once submitted and acknowledgment is received, edits are not permitted.

11. Do I need to attach proof of tax payment?

Ans: Yes. Enter following challan details in Part B for validation:

- BSR code,
- Date of tax payment,
- Challan Serial Number, and
- Amount paid (in ₹).

All deducted tax payment must match deposits; partial payments invalidate the statement.

12. What if I do not have a PAN?

Ans: Form No. 142 cannot be filed without a valid PAN for the exchange (Part A). In such a case the Exchange needs to obtain PAN before filing Form No. 142.

Further, quoting of Buyers'/brokers' PANs are also mandatory in Parts B/C. If unavailable, follow guidelines for reporting (e.g., 'PANNOTAVBL') but ensure compliance to avoid rejection.

13. I want to declare that no tax was deducted on certain transactions. Where should this be mentioned?

Ans: Report such transactions in Part B(ii), including broker name/address/PAN/TAN, transaction date, VDA value/number, and total consideration.

Affirm completeness and correctness in Verification, signed by the responsible person (full name, designation, PAN).

14. Can Form No. 142 be filed if only part of the tax is deposited?

Ans: No. All tax must be fully deposited before filing, providing complete challan details in Part B.

15. Can Form No. 142 be filed offline?

Ans: No. Form No. 142 must be filed electronically via the Income Tax e-Filing portal after logging in with the valid PAN of the exchange.

16. Why is Form No. 142 important?

Ans: Filing Form No. 142:

- Ensures tax compliance on VDA transfers via “Exchange”.
- Reduces litigation and administrative burden for the taxpayer and department.
- Enhances compliance rating and trust-based tax administration.
- Promotes transparency, enhances trust-based administration, and simplifies compliance through auto-features.