

NOTE ON TDS RETURNS



Type of TDS Return Forms	Particulars of the TDS Return Forms
Form 24Q	Statement for tax deducted at source from salaries
Form 26Q	Statement for tax deducted at source on all payments other than salaries.
Form 27Q	Statement for tax deduction on income received from interest, dividends, or any other sum payable to non residents.
Form 27EQ	Statement of collection of tax at source.

Form 24Q

- It is used for preparing eTDS returns for the TDS deducted on salary under Section 192 of the Income Tax Act, 1961.
- It has to be submitted on a quarterly basis by the deductor.
- It contains details like salaries paid and the TDS deducted of the employees by the employer.
- It contains 2 annexures namely Annexure-I and Annexure II.

- **Annexure-I** contains details of the deductor, deductees and challans, Annexure-I is to be submitted by the deductor for all the four quarters of the financial year
- **Annexure II** contains the salary details of the deductees. Annexure II need not be submitted in the first three quarters of the financial year, but has to be furnished and submitted in the fourth quarter of the financial year with details of the employees' salaries of the entire financial year

Form 26Q

- It is to be submitted for tax deduction at source for all the payments received other than the salary.
- It is submitted on a quarterly basis by the deductor and is applicable for tax deducted at source under section 200(3), 193 and 194 of the Income Tax Act of 1961.
- The income on which the tax is deducted at source includes interest on securities, dividend securities, professional fees, directors' remuneration, etc.
- It is compulsory to furnish PAN by the deductors who are non-government deductors.

Form 27Q

- It is applicable for payments made to non-resident Indians and foreigners other than salary.
- It has to be filled in for the declaration of Tax Deducted at source for the NRIs and Foreigners.
- It is submitted on a quarterly basis by the deductor and is applicable for tax deducted at source under section 200(3) of the Income Tax Act of 1961.
- The income on which the tax is deducted at source includes interest, bonus, any additional income or any other sum owed to non-resident Indian or foreigner.
- It is compulsory for non-government deductors to furnish PAN. For government deductors the code "PAN NOT REQD" has to be mentioned on the form.

Form 27EQ

- It is a quarterly statement that furnishes the details and information of the tax collected at source as per section 206C of the Income Tax Act of 1961.
- The form 27EQ is submitted on a quarterly basis. In this form it is mandatory to furnish TAN.
- It is the statement to show the Tax Collected at Source (TCS), which is the tax collected by the seller. When a buyer purchases certain goods or commodities, the seller collects the tax from the buyer through the TCS route. This tax is collected on the payment received from the buyer either in cash, credit, cheque, demand draft or from any other mode of payment.
- It is to be furnished by corporate deductors and collectors but not by government deductors and collectors. It is compulsory to furnish PAN by the deductors who are non-government deductors. For government deductors, the code “PANNOTREQD” has to be mentioned on the form.

How to Download TDS Return Forms

TDS Return Form has been sub-divided into four categories. A taxpayer needs to choose the particular category for which he/she has to file TDS Returns accordingly. Here are steps through which a taxpayer can download the TDS return forms:

Step 1: Visit the official website of NSDL at <https://www.tin-nsdl.com/>

Step 2: Click the “Downloads” tab and choose E-TDS/E-TCS from the drop down list menu

Step 3: Click “Quarterly Returns” and then choose “Regular”

Step 4: You will be redirected to the new page

Step 5: Choose the TDS Return Form as per the requirement mentioned under section “Form”

TDS CHALLAN CUM STATEMENTS

What is FORM 26QB?

As per section 194 IA of the income tax act, TDS applies to sale of immovable property wherein sales consideration of immovable property is more than Rs 50 lacs.

- Tax @1% shall be deducted by the buyer while making the payment to the Seller of the property and as per the provisions.
- TDS has to be submitted along with duly filled Form - 26QB (which is a challan cum statement of deduction of tax as per Section 194 IA) within 30 days from the end of the month in which TDS was deducted.
- The person deducting TDS shall furnish Form 16B to the payee within 15 days from the due date of furnishing challan cum statement in Form 26QB.

What is FORM 26QC?

As per Section 194IB, individuals and HUFs who pay rent exceeding Rs 50,000 will have to deduct TDS @5%.

- The TDS has to be deducted once in the financial year as per the provisions of the law. TDS deducted is required to be paid within 30 days from the end of the month in which TDS is deducted. It is accompanied by the challan cum statement in Form 26QC.
- According to rule, Taxpayer/Tenant should furnish challan-cum-statement in Form 26QC in following scenarios:-
 - (a). At the end of the FY or in the month when the premise is vacated / termination of agreement.
- Taxpayer has to mandatorily file the Form at the end of each Financial Year (in case the agreement period contains more than one FY and rent has been paid/credited during the year)

(b). In the month when the premise is vacated/ termination of agreement (in case the agreement period falls in the same FY)

- The person deducting TDS shall furnish Form 16C to the payee within 15 days from the due date of furnishing challan cum statement in Form 26QC.

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