Flowchart of TDS:

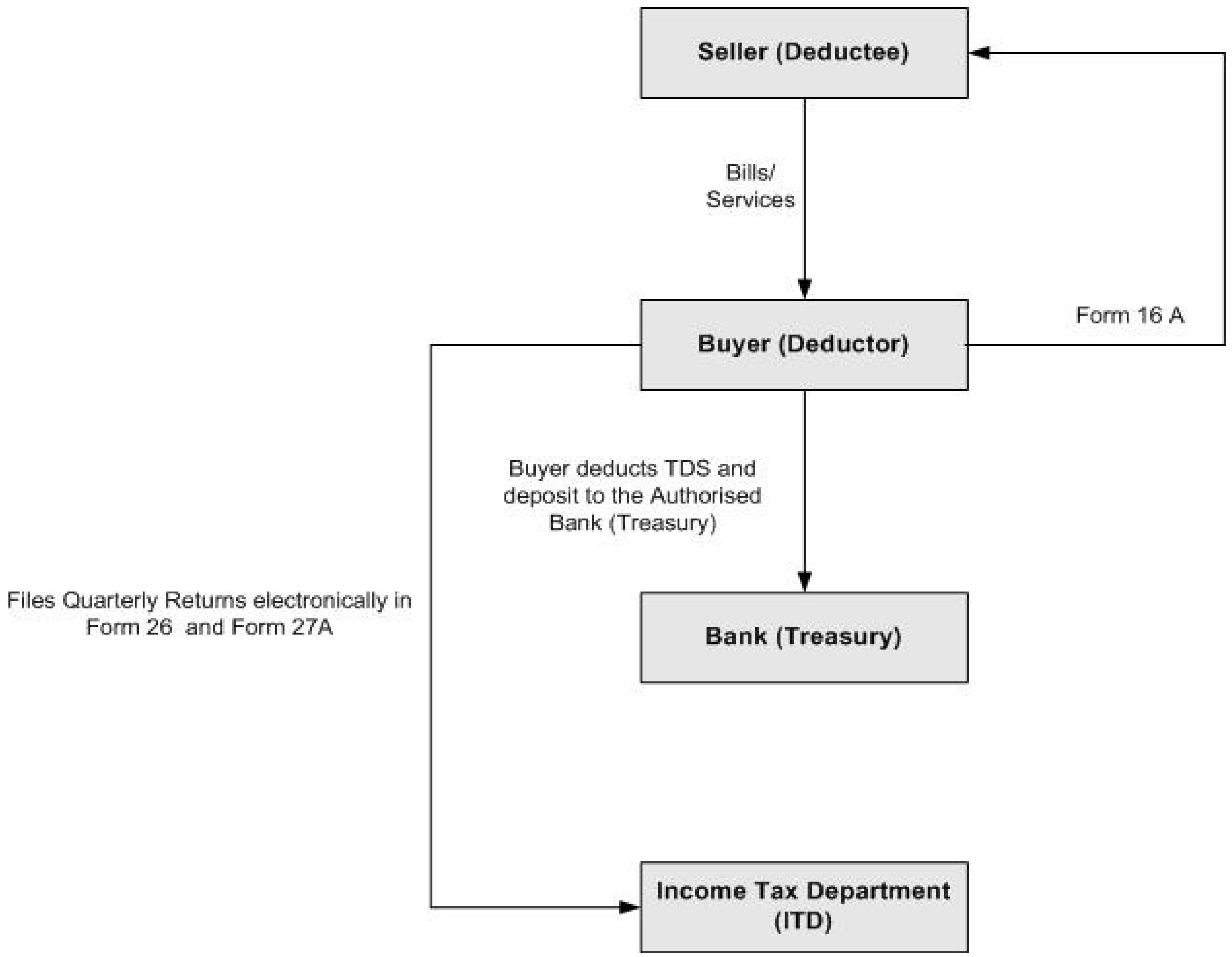
Tax Deducted at Source (TDS) is one of the modes of collecting income tax. The buyer (Deductor) deducts the tax from the payment made to the seller (Deductee) and remits the tax to the Income Tax Department within the stipulated time.

The buyers (Corporate and Non-Corporate) make payments (such as Salary, Rent, Interest on securities, Dividends, Insurance Commission, Professional Fees, Commission on Brokerage, Commission on Lottery Tickets, etc) to the sellers (Services) and deduct the requisite amount from such payments towards tax.

The buyer files the TDS returns containing details of the seller and the bank, where the TDS amount is deposited to the Income Tax Department (ITD).

The Income Tax Department has prescribed the formats for filing these returns electronically, which the buyer does in a CD/floppy.

A seller (Deductee) provides services to the buyer (Deductor). The buyer deducts the amount towards TDS prior to the services or the bills received. The buyer issues **Form No.16A** to the Deductee and deposits the deducted amount to the Authorised Bank (Treasury). The buyer files annual returns electronically to the Income Tax department.

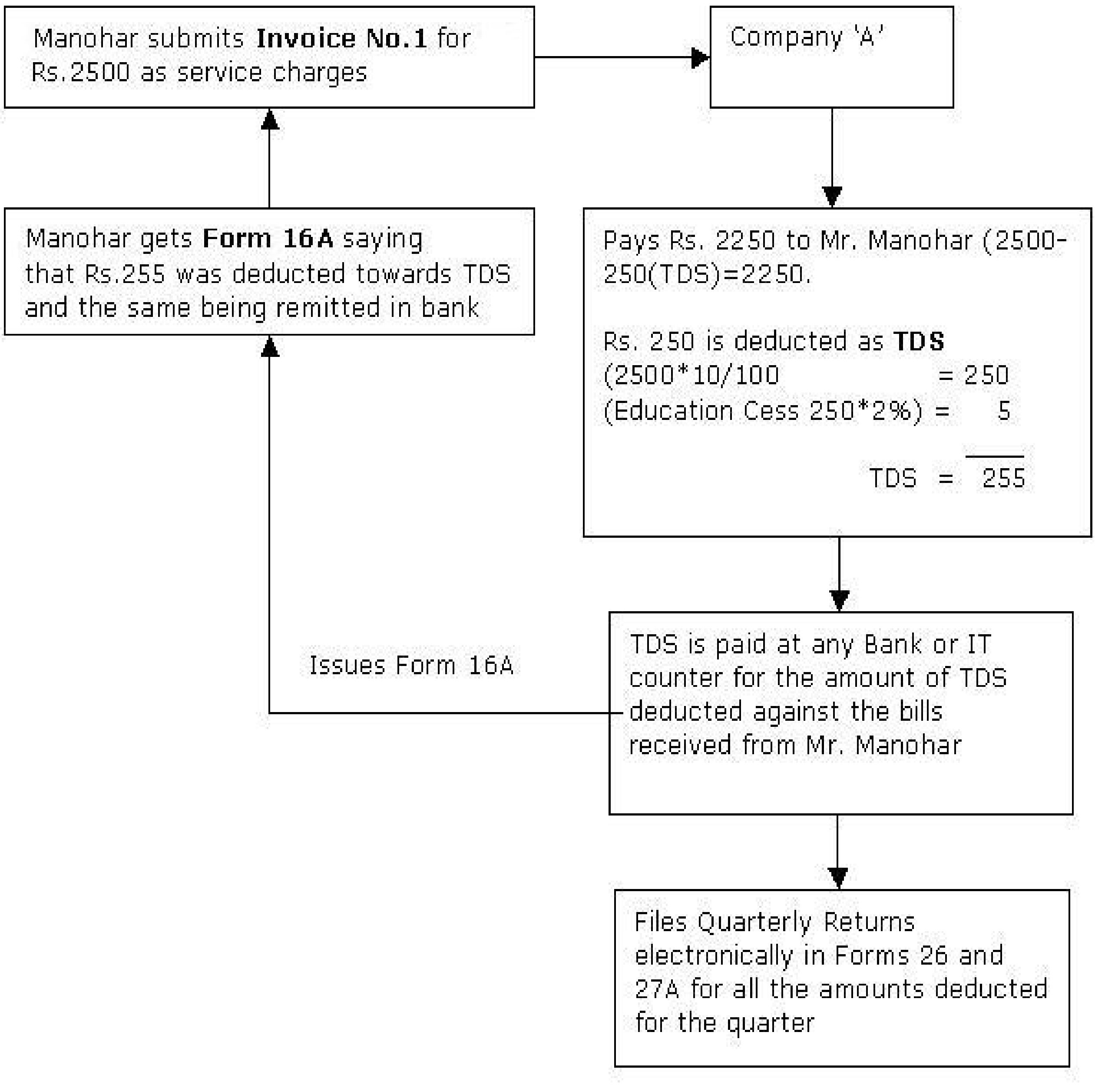


Transaction Flow in Tax Deducted at Source:

Example 1: Indirect Expenses (Fees for Professional or Technical Services (Section 194J)

Manohar is a technical consultant for automobiles. He inspects used cars and prepares a report. Manohar (seller of the service) receives per car, Rs.500 for inspections. He inspects five cars in January 2005. So he has to receive Rs.2500 as service charges. Company 'A' pays him Rs.2250 towards service charges and pays Rs.250 to any Bank or IT counter towards TDS.

The following diagram explains the transaction flow in TDS:



TDS in Tally

TDS (Tax Deducted at Source) in Tally provides an easy-to-use and flexible interface. It helps you to handle intricate cases and calculate the tax payable to the Income Tax Department.

Tally calculates the tax of all parties/ suppliers where TDS deduction is mandatory. It calculates the TDS automatically and prints Form16A certificates, Forms 26Q, 26, 27 and 27A (Cover Note) for Quarterly/ Annual Returns as per statutory requirement.

It allows the user to view and print various TDS reports, Challans and TDS Outstanding statements.

Features of TDS in Tally

The TDS functionality in Tally supports the following features:

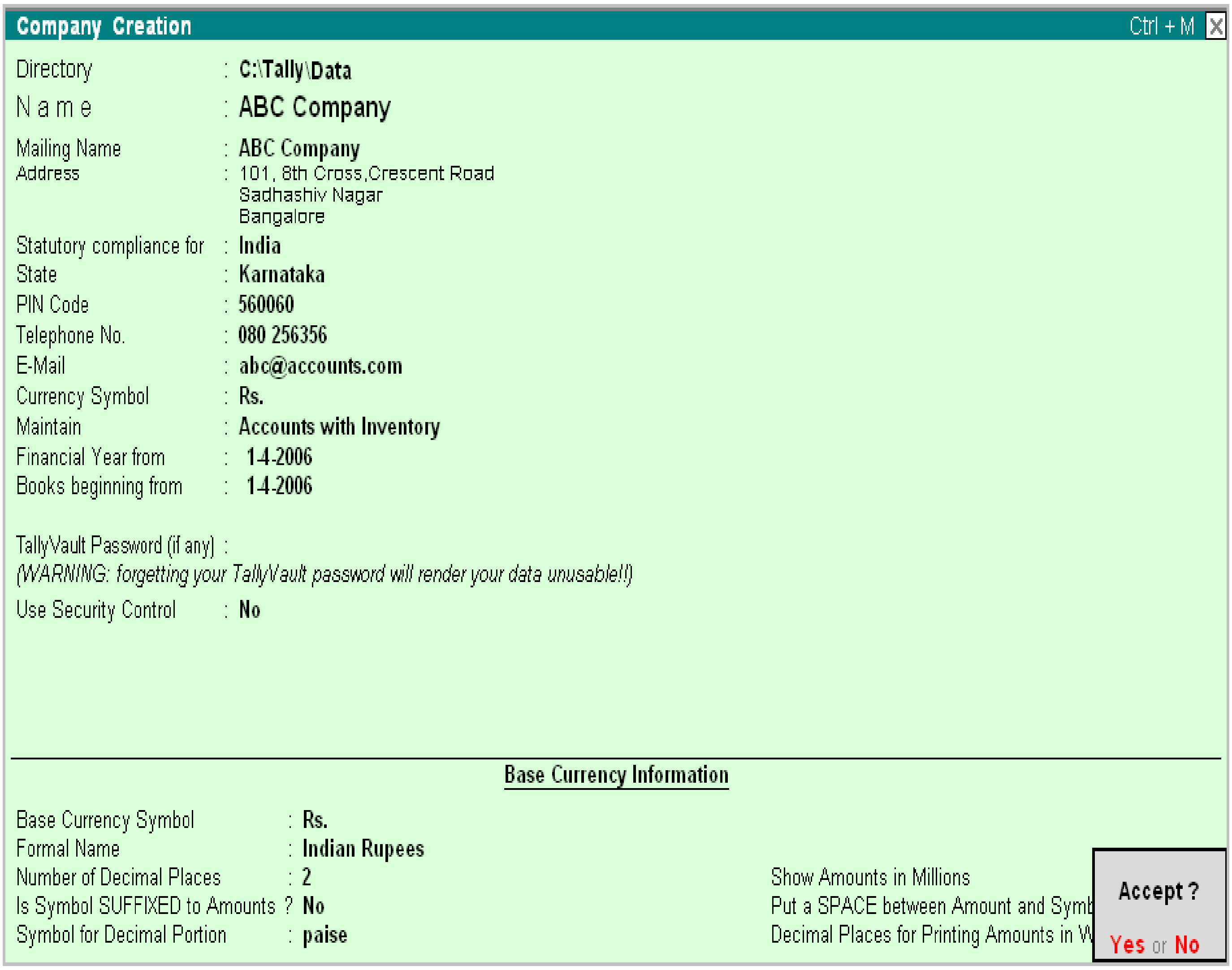
1. Simple and user-friendly
2. Quick and easy to set up and use
3. Accounting for tax on partial/full payment of bills
4. Flexibility for auto and manual calculation of TDS
5. Complete tracking of each transaction from deduction to payment
6. Challan management and printing for prompt and accurate filing of tax
7. The Auto allocation feature prevents error-prone data entry and helps track the transactions faster.
8. **Form 16A** management:
9. Can be printed for a transaction
10. Can be printed for a period
11. Can be printed yearly

9. Allows multi-party printing
10. Exporting of data in **NSDL** compliant TDS file format.
11. Electronic format (e-TDS return) with **Form 26Q**, **Form 26** , **Form 27** and **Form 27A** which will be validated by the utility, provided by the government.
12. Generates **Form 16A**, **TDS Challan**, **TDS Computation** and **TDS Payable** reports.

Company Creation

Company Creation means providing basic information about the company whose books of accounts you want to maintain in Tally.

Gateway of Tally > Alt + F3 > Create Company



Statutory Compliance for

Select the Country from the list of countries.

State

Select the appropriate **State** from the list.

PIN Code

Enter the **Postal Index Number**, which is numerical and of six digits

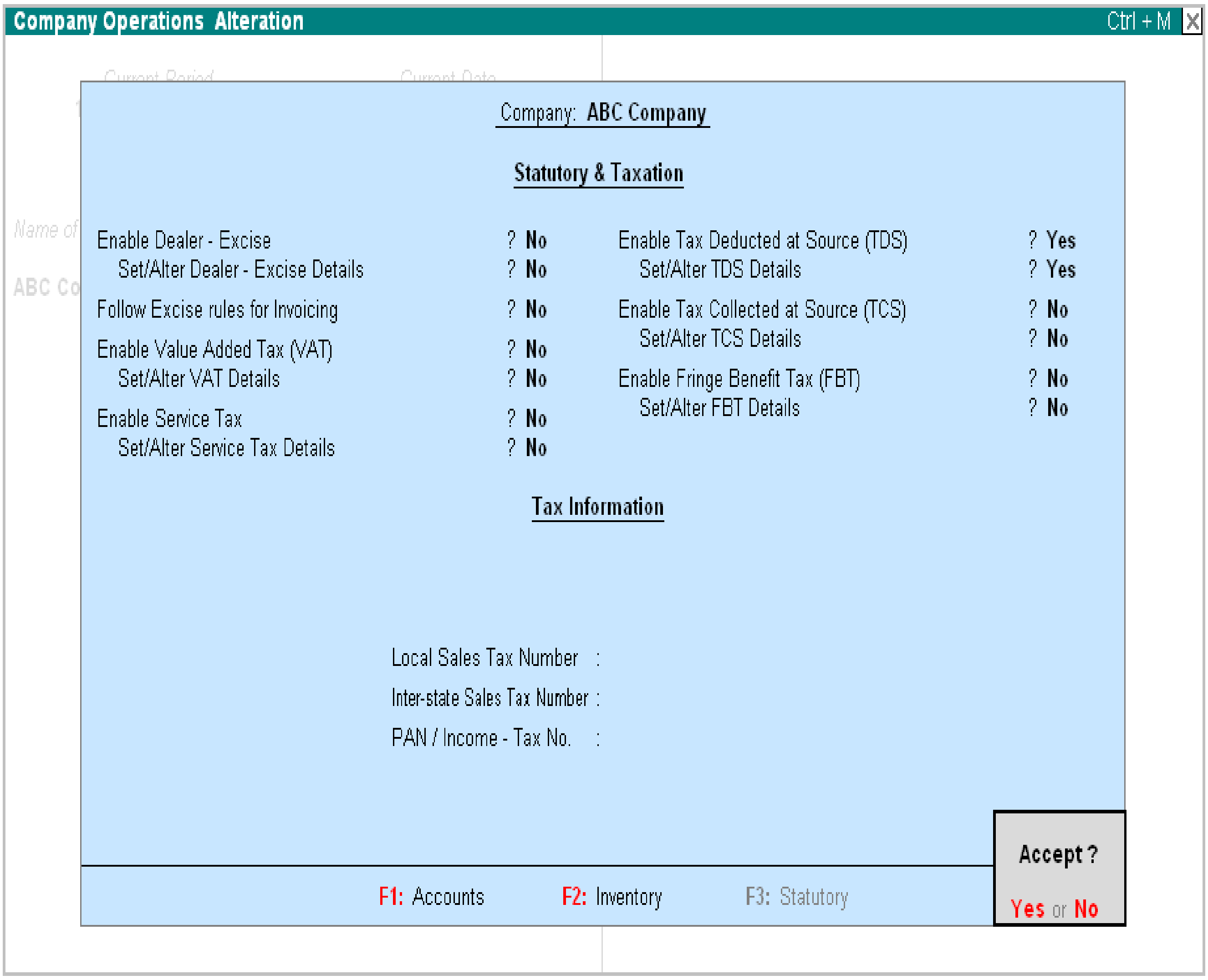
Enabling TDS in Tally

To enable **TDS** in Tally,

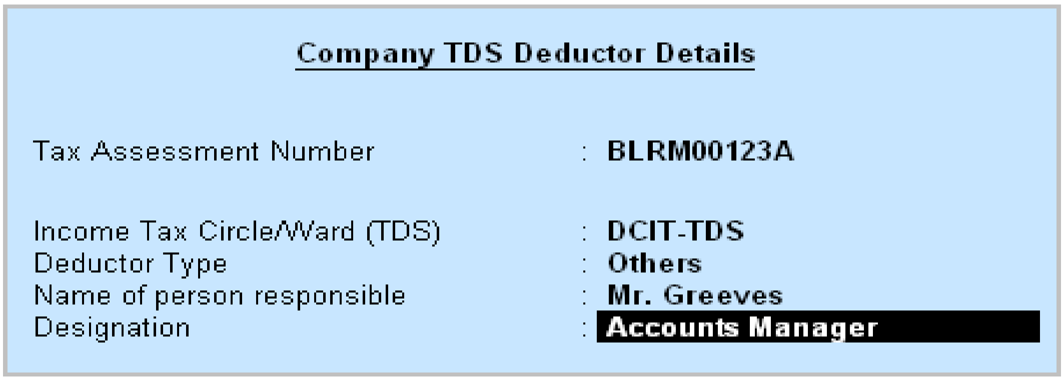
Go to **Gateway of Tally> F11: Features> Statutory & Taxation**

In the Company Operations Alteration screen,

1. Set **Enable Tax Deducted at Source** and **Set/Alter TDS Details** to **Yes**



2. Enter the TDS Deductor details in **Company TDS Deductor Details** screen



Company TDS Deductor Details

Tax Assessment Number	: BLRM00123A
Income Tax Circle/Ward (TDS)	: DCIT-TDS
Deductor Type	: Others
Name of person responsible	: Mr. Greeves
Designation	: Accounts Manager

A brief description on the fields that appear in the Company TDS Deductor Details screen is given below.

Tax Assessment Number

Enter the **Tax Assessment Number** (TAN) in this field.

The Tax Assessment Number (TAN) is a ten-digit alphanumeric number, issued by the Income Tax Department (ITD) to the deductors.

One Tax Assessment Number is adequate for different types of deductions. TAN must be quoted properly on all Challans, Payment for TDS, Returns, All Certificates - Issue in Form No.16/16A, All Returns and in all documents and other correspondences with Income-tax Department.

Income Tax Circle/Ward (TDS)

Enter the Income Tax Circle/Ward (TDS) issued by the Income Tax Department

Deductor Type

According to the nature of the organisation, select the Deductor Type (Government or Others) from the list.

Name of person responsible

Enter the name of the person authorised to file the TDS returns of your company.

Note: If Tally has a security feature enabled then this field is automatically filled with the user name.

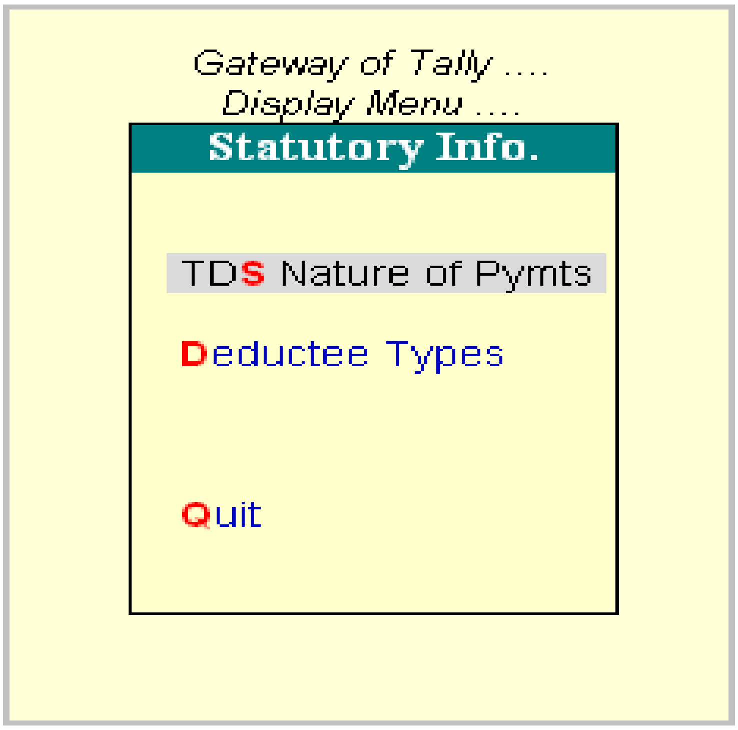
Designation

Enter the designation of the authorised person filing the TDS returns.

Statutory Info.

The **Statutory Info.** Comprises **Deductee Type** and **TDS Nature of Pymts** reports.

Go to **Gateway of Tally** > **Display** > **Statutory Info.**



The **Statutory Info.** Displays the following options:

1. TDS Nature of Payment
2. Deductee Type

Creating TDS Masters

You can create TDS Ledgers under any of these main group heads:

1. Duties and Taxes
2. Sundry Creditors
3. Sundry Debtors
4. All Current Assets (except Bank, Cash-in-hand and Stock-in-hand), Misc. Expenses (Assets), Loans and Advances (Assets) group or sub groups of these main groups
5. Unsecured Loans
6. Loans (Liability) (except Bank OD A/c, Bank OCC A/c)
7. Secured Loans
8. Unsecured Loans
9. Branches/Division
10. Reserves & Surplus
11. Capital Account

12. Fixed Assets

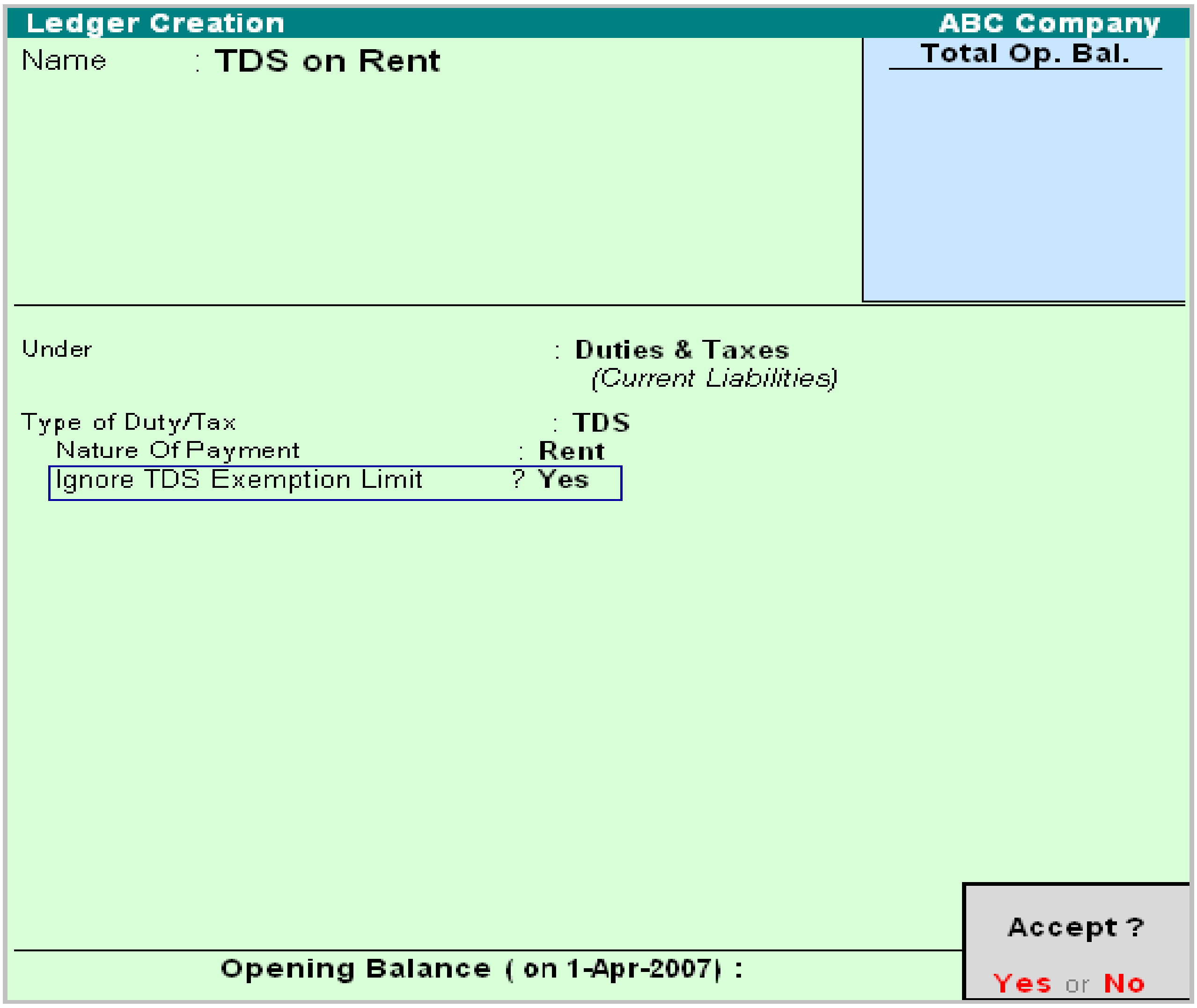
Note: For ledgers created under Groups besides **Duties & Taxes, Sundry Creditors** and **Sundry Debtors**, to obtain the field Is **TDS Applicable**, set **Maintain Bill-wise Details** and **For Non-Trading A/Cs** in **F11: Features** to Yes.

Creating a Tax Ledger

Create the Tax ledger under the group **Duties and Taxes** to calculate TDS at voucher entry levels. You can specify the **Type of Duty/Tax** only for Ledgers created under **Duties and Taxes**.

To create a Tax Ledger for **TDS on Rent**,

Go to **Gateway of Tally> Accounts Info.> Ledgers> Create**



1. Enter the **Name** of the ledger
2. Select **Duties & Taxes** from the **List of Groups** in the **Under** field. On selecting **Duties & Taxes**, you will get a field **Type of Duty/ Tax**
3. Select **TDS** from the **Types of Duty/Tax** list

4. Select the appropriate **TDS Nature of Payment** from the **List of TDS Nature of Payment**
5. If the total transaction limit exceeds the actual limit, set **Ignore TDS Exemption Limit** to **Yes**
6. Accept to save the Ledger

Similarly, you can create different Tax Ledgers.

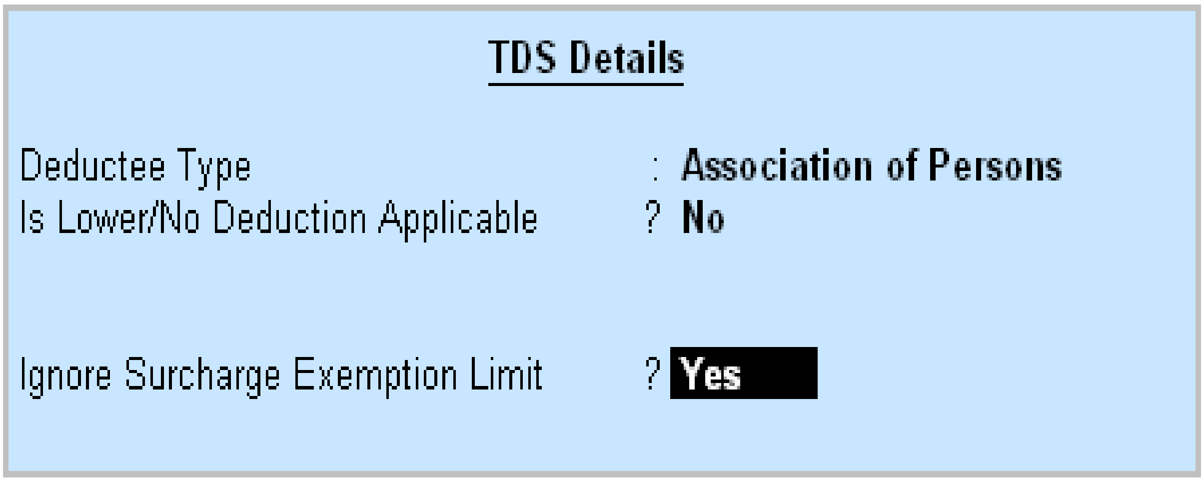
Note: You will find different categories under Tax Deduction. Select the relevant TDS Nature of Payment from the List of TDS Nature of Payment that applies to your company.

Creating a Party Ledger

To create a Party ledger grouped under **Sundry Debtors** or **Sundry Creditors**,

Go to **Gateway of Tally> Accounts Info.> Ledgers> Create**

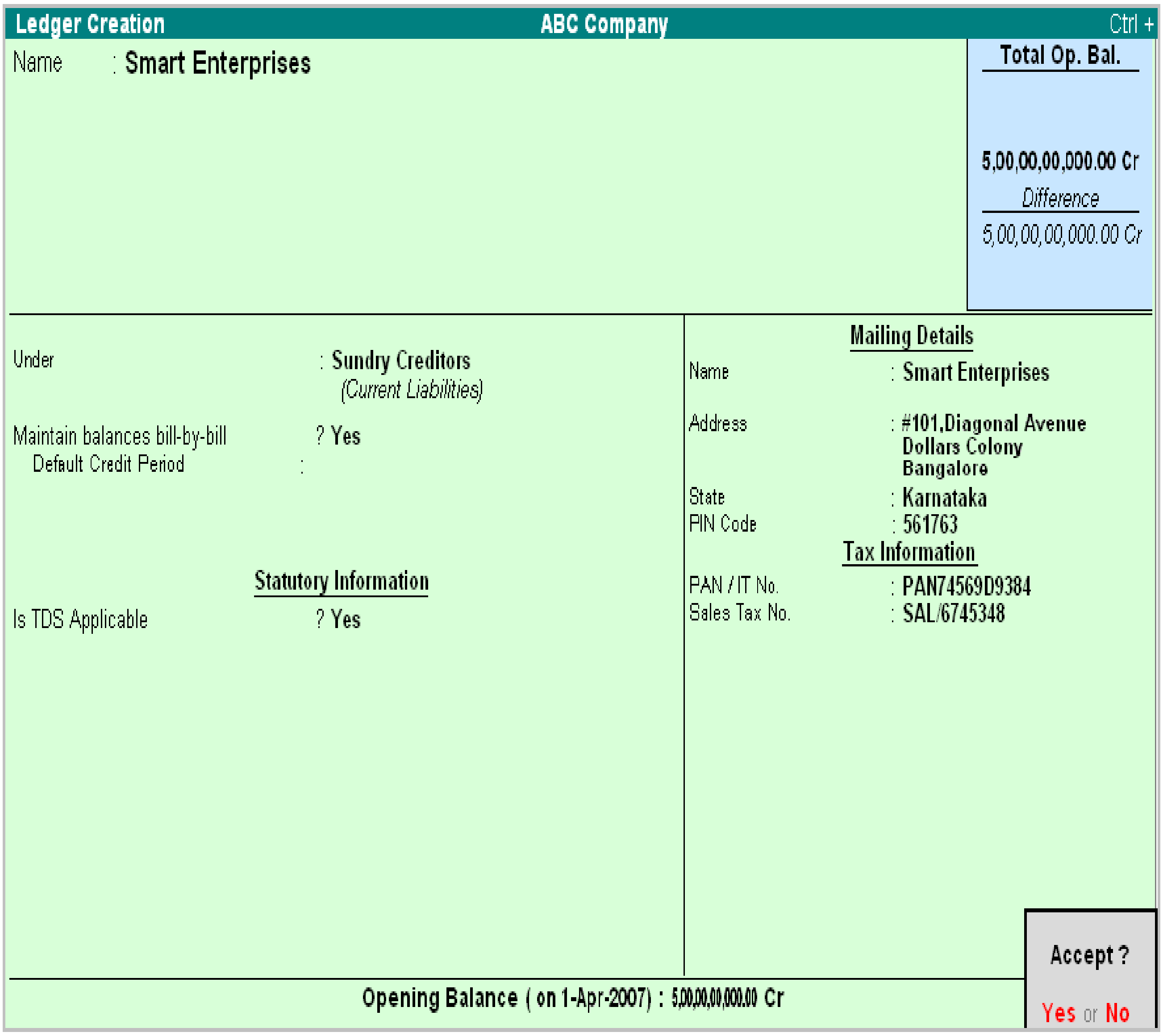
1. Enter the **Name** of the Ledger
2. Select **Sundry Debtors** or **Sundry Creditors** from the **List of Groups** in the **Under** field
3. If required, set **Maintain balances bill-by-bill** to **Yes**
4. Set **Is TDS Applicable** to **Yes**



In the **TDS Details** screen:

- Select the **Deductee Type** from the List of Deductee Types
- Set **Is Lower/No Deduction Applicable** to No if not applicable
- To ignore the exemption limit for surcharge and to calculate the surcharge on the amount specified, set **Ignore Surcharge Exemption Limit** to Yes

5. Enter the **Mailing Details** and **Tax Information**



6. **Accept** to save the Ledger

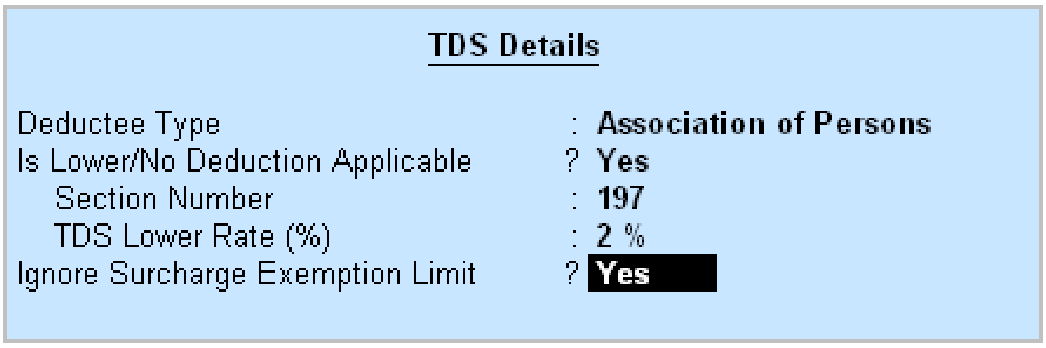
Note: While creating ledgers under Sundry Creditors or Sundry Debtors, ensure Maintain Bill-wise Details is set to Yes. If the party is a Non Resident Deductee type, then PIN Code, State and the Sales Tax Number fields are not applicable.

Creating a Party where Lower/No Deduction is Applicable

To create a TDS Party where **Lower/No Deduction** is applicable,

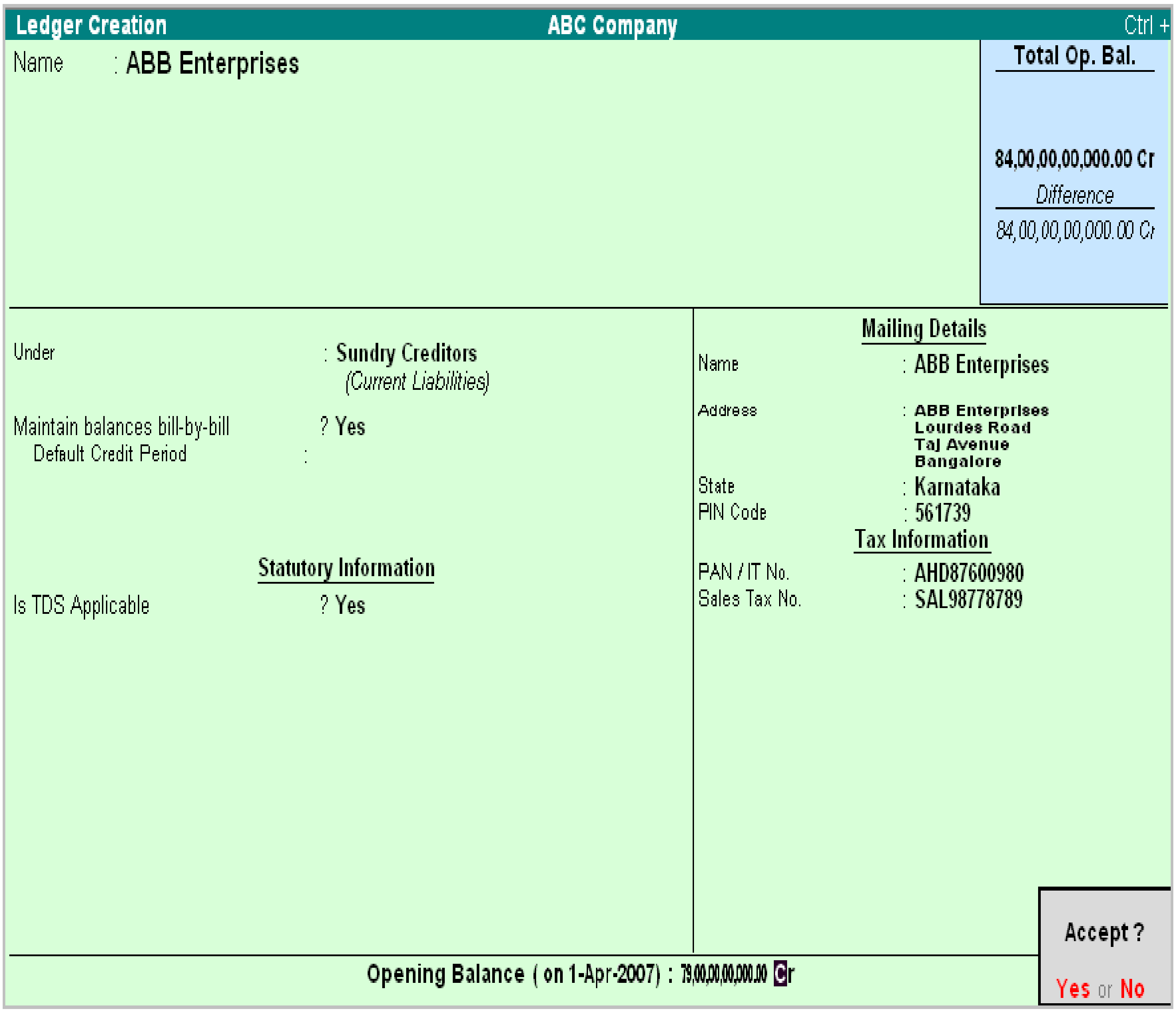
Go to **Gateway of Tally> Accounts Info.> Ledgers> Create**

1. Enter the **Name** of the Party
2. Select the **Group** from the List of Groups at the **Under** field
3. By default **Maintain balances bill by bill** is set to **Yes**
4. Set **Is TDS Applicable** to Yes



In the **TDS Details** Screen,

- Select the **Deductee Type** from the List Of Deductee types
- Set **Is Lower/No Deduction Applicable** to **Yes**
- Select the **Section number** from the list.
    - If **197** is selected, the cursor skips to the **TDS Lower Rate** field and you can enter the **TDS Lower Rate** in this field.
    - If the section number **197A** is selected, the cursor skips to **Ignore Surcharge Exemption Limit?** in the Ledger Creation screen and the **TDS rate** is taken as **zero**.



5. Enter the **Mailing Details** and **Tax Information**
6. Accept to save the ledger

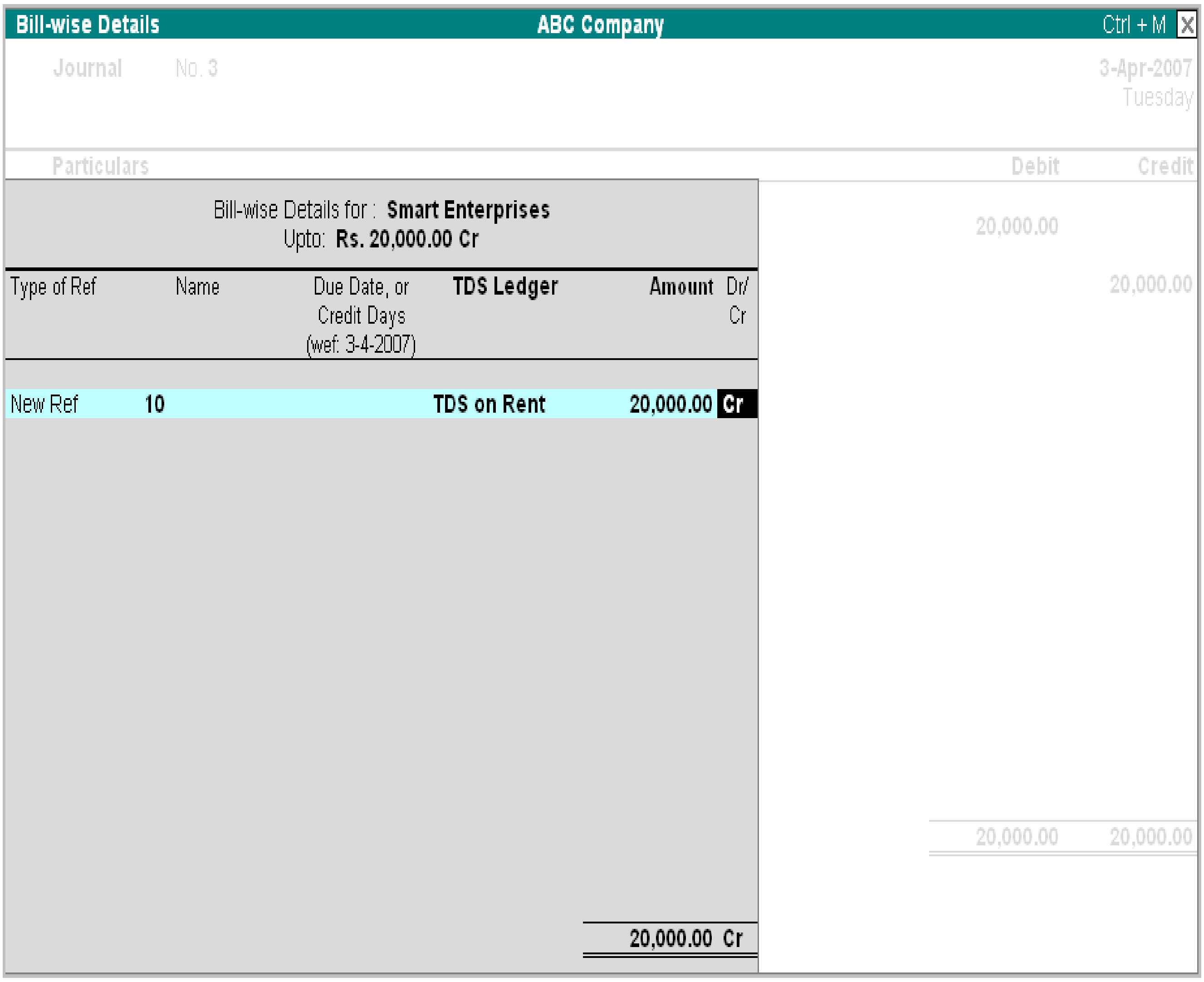
Creating a Journal Voucher to book the TDS Expense

Using the Journal, you can book expenses, deduct the TDS and pay the amount to the party for their services.

To book TDS expenses,

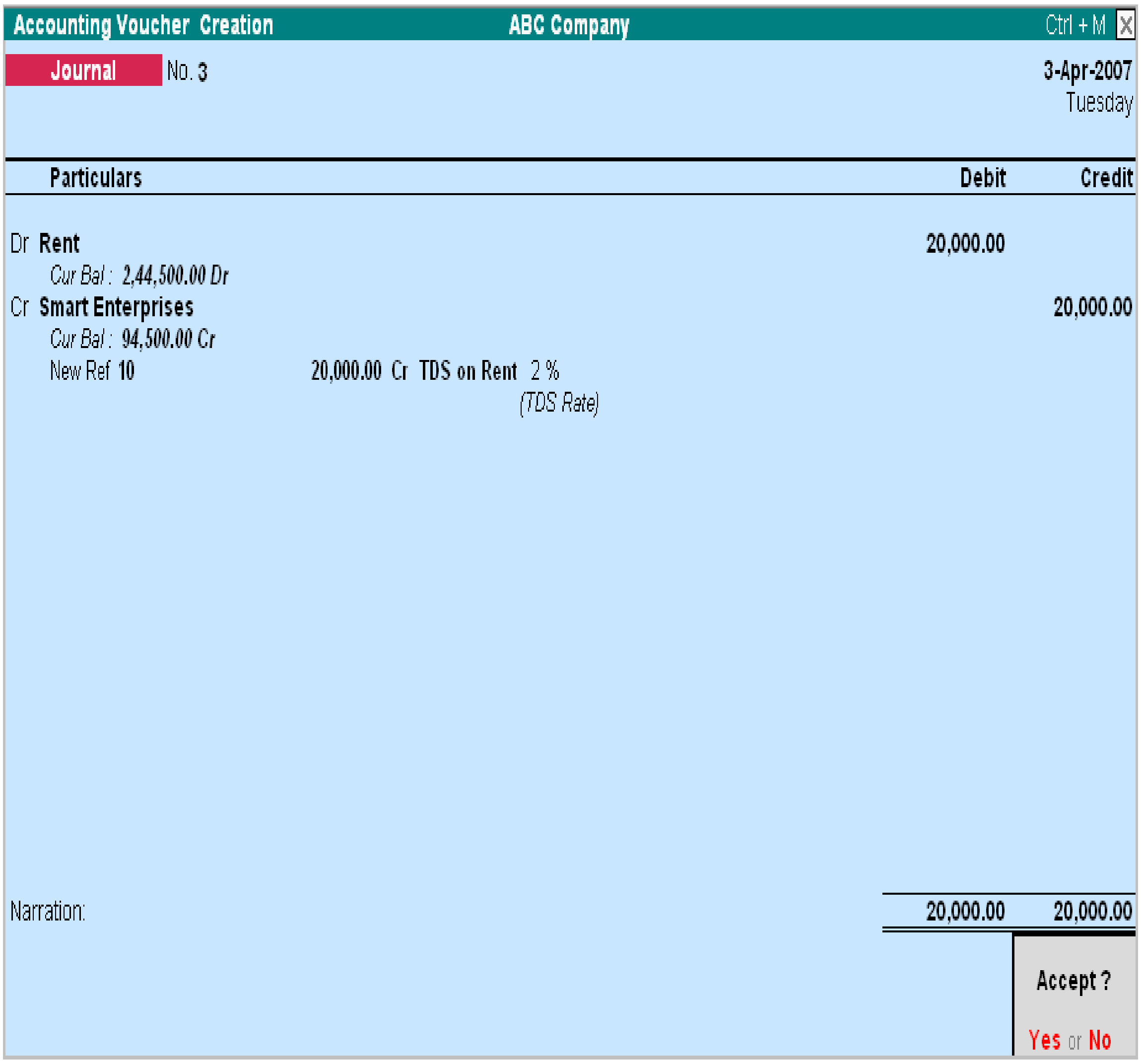
Go to **Gateway of Tally> Accounting Vouchers> Journal Vouchers**

1. Debit the ledger **Rent** grouped under Indirect Expenses from the List of Ledger Accounts and enter the amount
2. Select **Smart Enterprises** from the list and the amount to be credited appears in the Credit column



In the **Bill-wise Details** for screen:

3. Select **New Ref** as the **Type of Ref**
4. Select the **TDS ledger** from the **List of TDS Ledgers** and the **Amount** appears automatically



5. Enter a Narration if required and Accept to save the journal

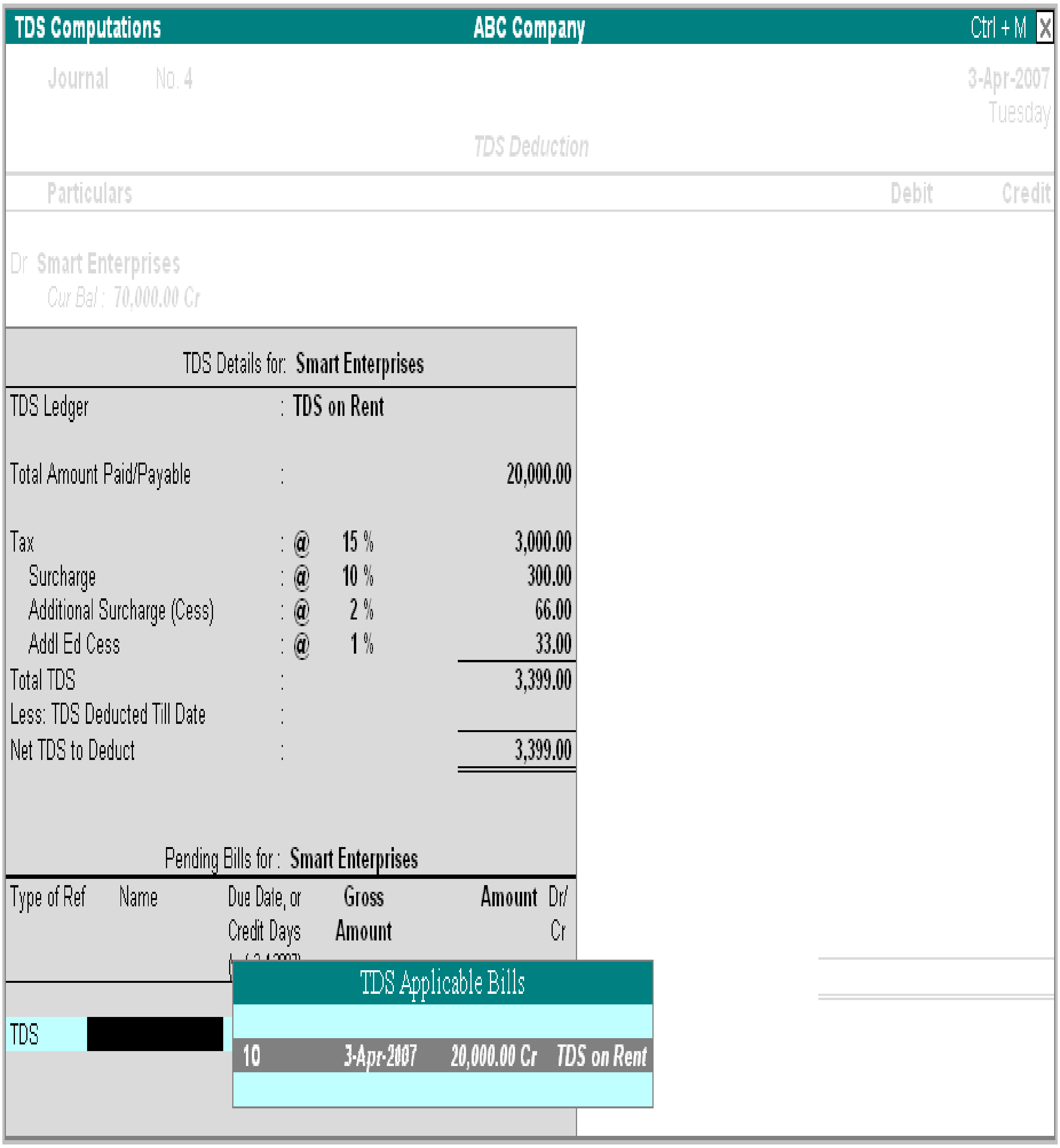
Note: Booking the TDS Expense can be done using the Purchase voucher available in Tally.

Deduction of TDS using Journal voucher with TDS Deduction Button

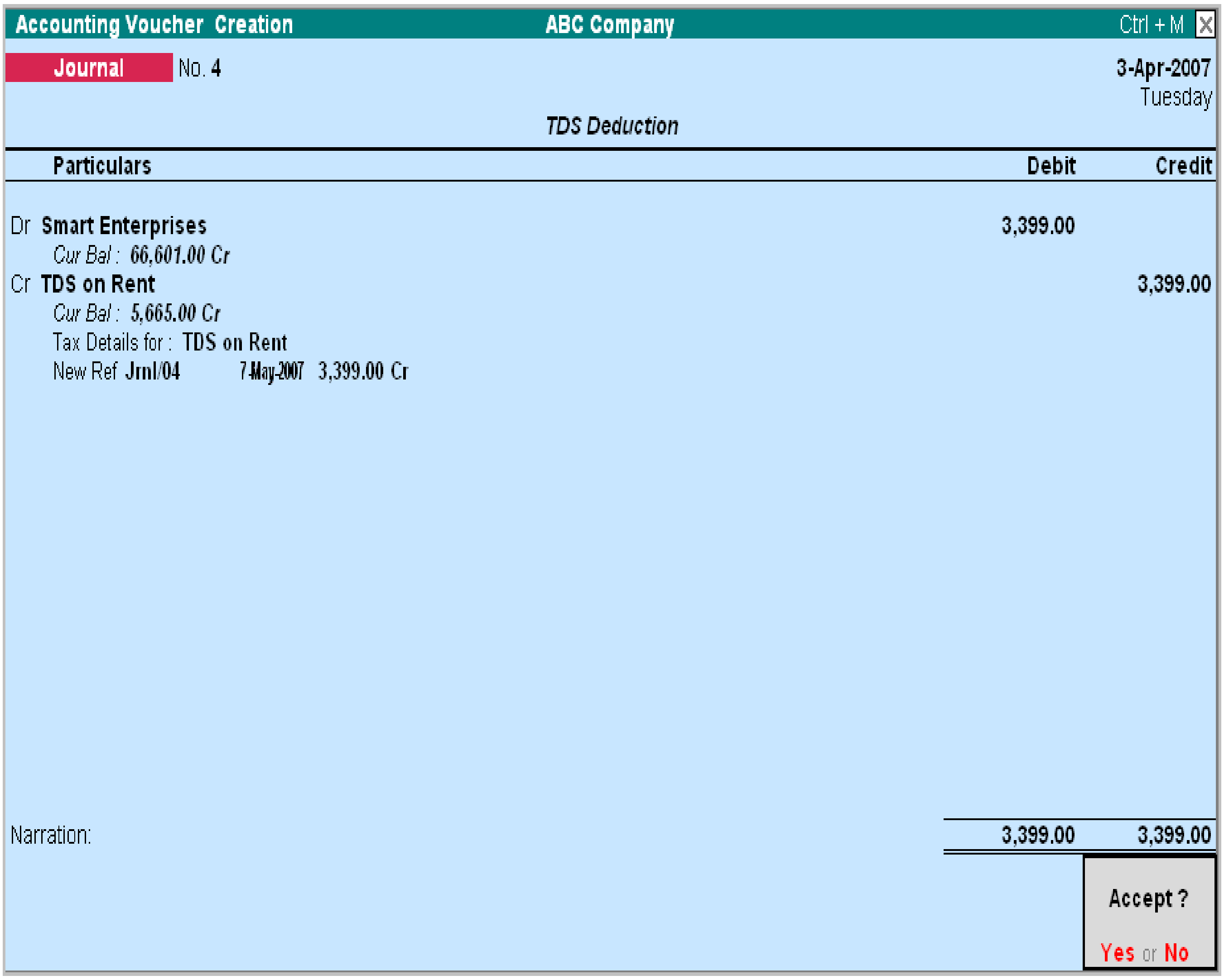
You can create a Journal using the TDS Deduction button, to record all the TDS deductions for parties who provide services. The **List of Ledger Accounts** displays only those ledger accounts which are enabled for TDS and transaction passed where deduction of due.

Go to **Gateway of Tally> Accounting Vouchers> F7: Journal**

1. Click the **TDS Deduction** Button or press **ALT+S**. You will get a list of TDS Ledgers for the party selected
2. Select the **TDS Party Ledger** from the list
3. In the **TDS Details for** screen, select the TDS Ledger from the list (TDS on Rent). The system calculates the **Net TDS to Deduct** amount
4. Select the **TDS Applicable Bills** from the list



5. Accepting the TDS details sub form will post the **Net TDS to Deduct** amount in the Debit column of the Journal Voucher screen
6. Press the **Enter** key to credit the Tax Ledger (TDS on Rent). You may enter the **New Reference** number for identification and accept the screen to save the Journal Voucher

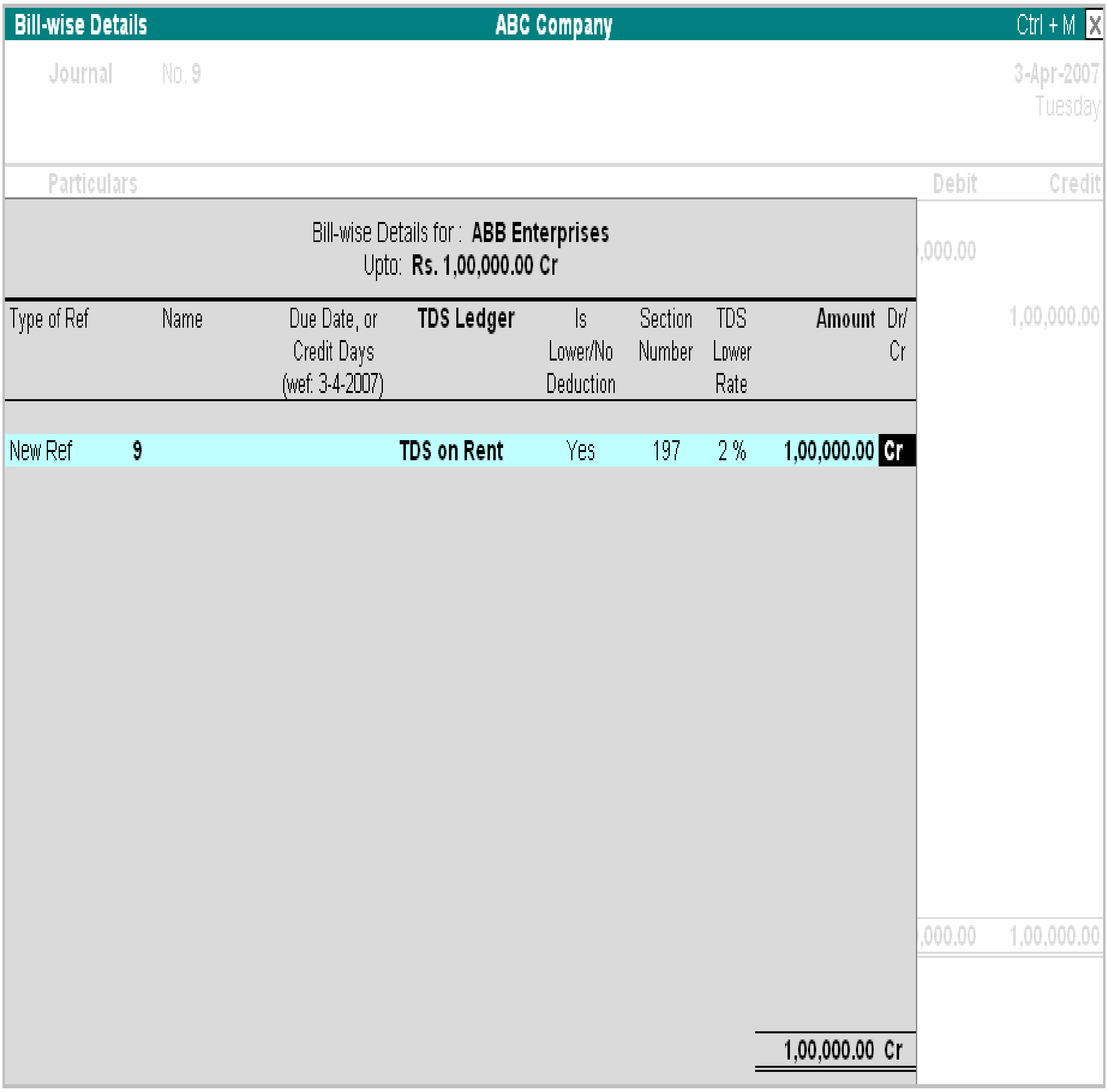


<u>Creating a Journal Voucher to book the TDS Expense for a Lower/No Deduction party</u>

To book TDS Expenses for a **Lower/No Deduction Party**,

Go to **Gateway of Tally> Accounting Vouchers> Journal Vouchers**

1. Debit the ledger **Rent** grouped under **Indirect Expenses** from the **List of Ledger Accounts** and enter the amount
2. Select **ABB Enterprises** from the list and the amount to be credited appears in the Credit column



In the **Bill-wise Details for** screen,

3. Select **New Ref** as the **Type of Ref**
4. Select the **TDS ledger** from the **List of TDS Ledgers** and details in **Is Lower/No Deduction**, **Section Number** and **Amount** will appear automatically.

If you have created the Party and set **Is Lower/No Deduction Applicable** to **Yes**, you can still override the specified **TDS rates** and make changes to the percentage of Income Tax at the voucher entry level by setting **Allow Alteration of TDS Rates** and Values in **F12: Configure** to **Yes**.

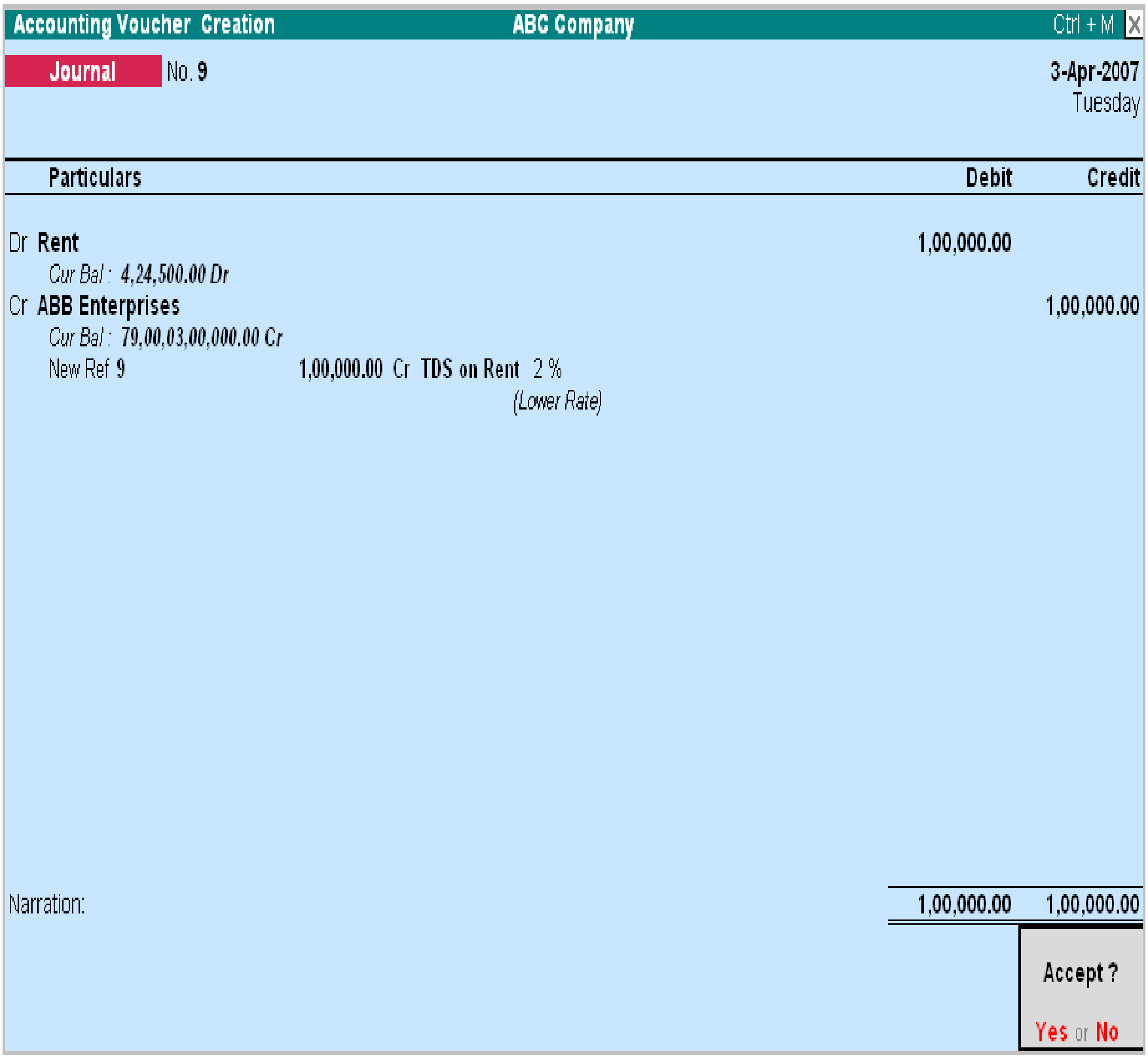
Accounting Vouchers

Skip Date field in Create Mode (faster entry!)	? **Yes**
Use Single Entry mode for Pymt/Rcpt/Contra	? **Yes**
Show Cost Centre Details	? **Yes**
Show Inventory Details	? **Yes**
Show Table of Bill Details for Selection	? **Yes**
Show Bill-wise Details	? **Yes**
Expand into multiple lines	? **Yes**
Show Ledger Current Balances	? **Yes**
Show Balances as on Voucher Date	? **No**
Use Payment/Receipt as Contra	? **No**
Allow Cash Accounts in Journals	? **No**
Use Cr/Dr instead of To/By during entry	? **No**
Warn on Negative Cash Balance	? **Yes**
Pre-Allocate Bills for Payment/Receipt	? **No**
Allow Expenses/Fixed Assets in Purchase Vouchers	? **No**
Allow Income Accounts in Sales Vouchers	? **No**
Allow Alteration of TDS Rates	? **Yes**

Inventory Vouchers

Use Ref. Number in Stock Journal	? **No**
Warn on Negative Stock Balance	? **Yes**
Honor Expiry Dates usage for Batches	? **Yes**
Show Balances as on Voucher Date	? **No**

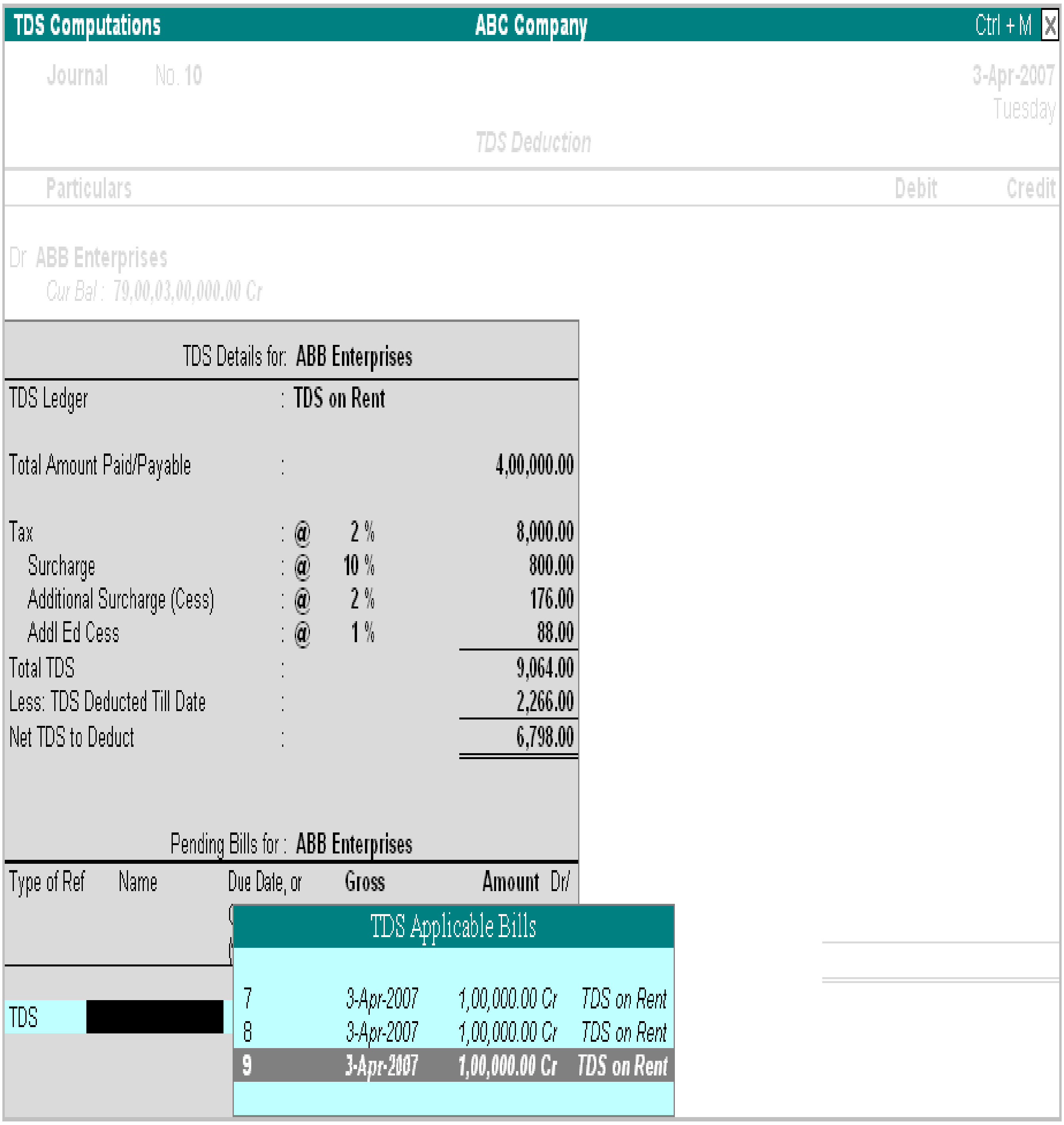
5. Enter a **Narration** if required and **Accept** to save the journal



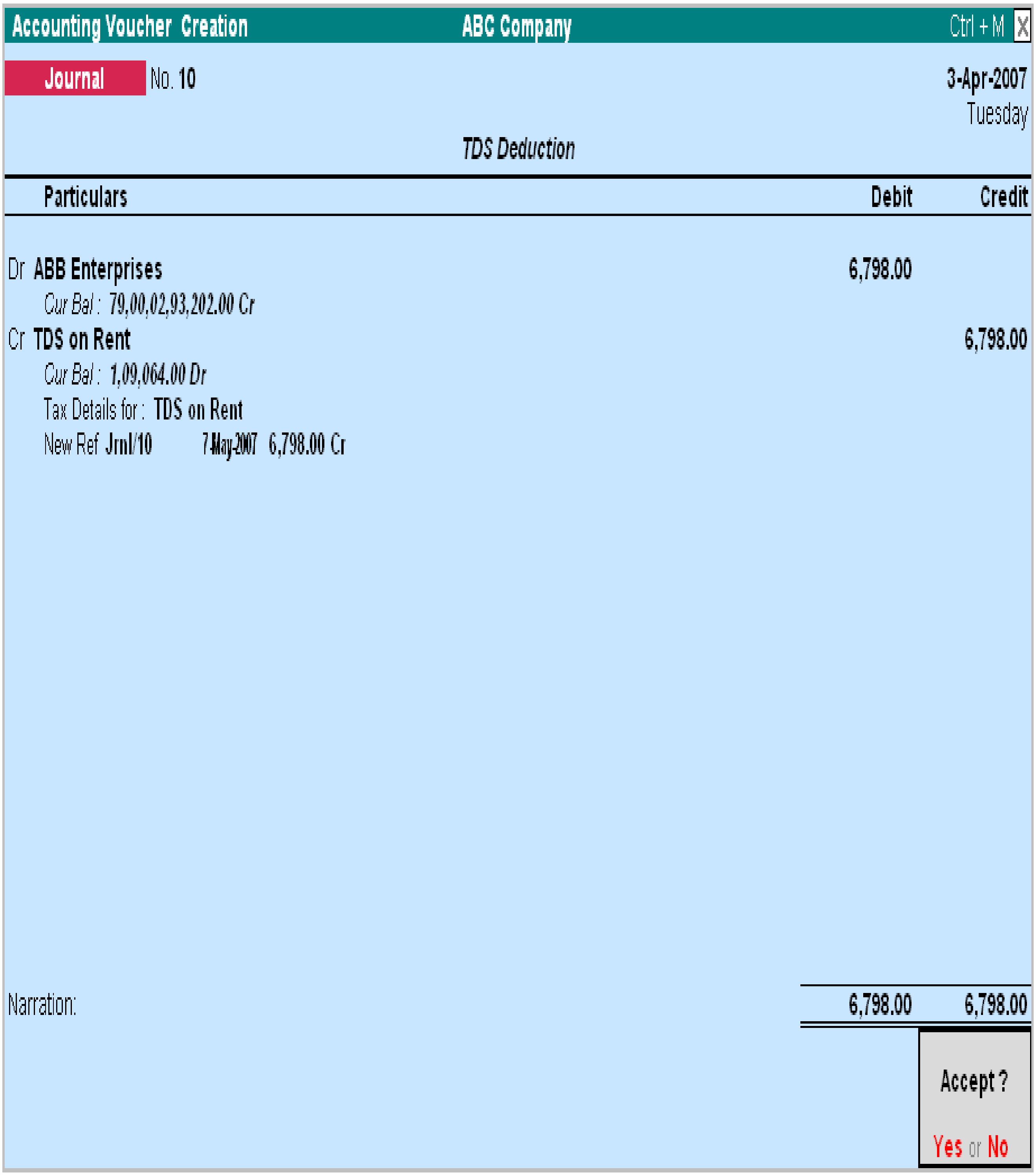
TDS deduction using the TDS Deduction button

Go to **Gateway of Tally> Accounting Vouchers> F7: Journal**

1. Click the **TDS Deduction Button** or press **ALT+S**. You will get a list of TDS Ledgers for the party selected
2. Select the **TDS Party Ledger** from the list
3. In the **TDS Details for** screen, select the TDS Ledger from the list (TDS on Rent). The system calculates the **Net TDS to Deduct** amount
4. Select the **TDS Applicable Bills** from the list



5. Accepting the TDS details sub form will post the **Net TDS to Deduct** amount in the Debit column of the Journal Voucher screen
6. Press **Enter** to credit the Tax Ledger (TDS on Rent). You may enter the **New Reference** number for identification and accept the screen to save the Journal Voucher



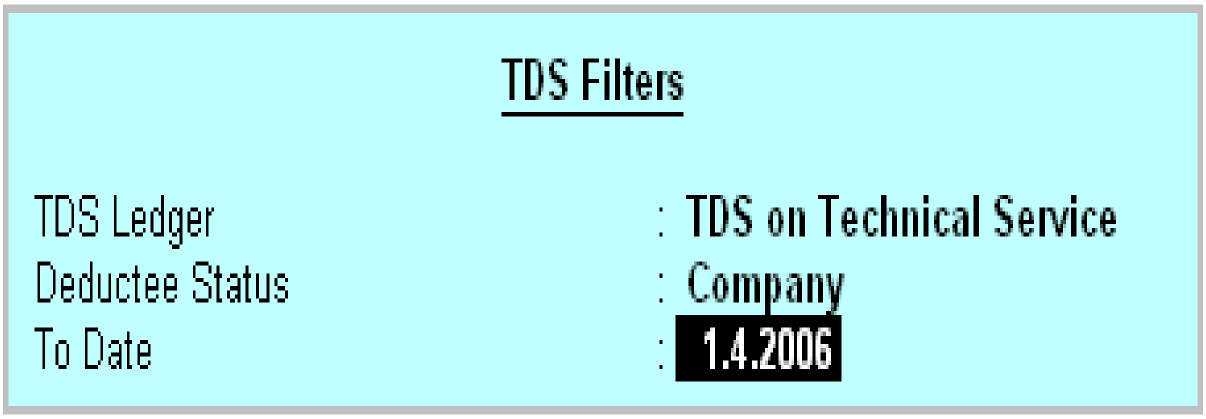
7. Accept the screen to save the Journal voucher

Creating a Payment Voucher using the TDS Helper button

The TDS transactions in a payment voucher can be entered for a particular deductee status, using the TDS Helper button.

Go to **Gateway of Tally** > **Accounting Vouchers** > **Payment Voucher** > **TDS Helper**

1. Press **F5** at the Voucher Entry screen and click on **TDS Helper** button or press **ALT+S** to make a TDS Challan Payment Voucher
2. This functionality of Tally gives you tremendous flexibility to generate the payment vouchers, for any period and to any deductee.



Note: The TDS Helper button is enabled if Use Single Entry Mode for Pymt/Rcpt/Contra in F12: Configure is set to Yes.

Fields in TDS Filters sub form:

TDS Ledger

Select the **TDS Ledger** from the list.

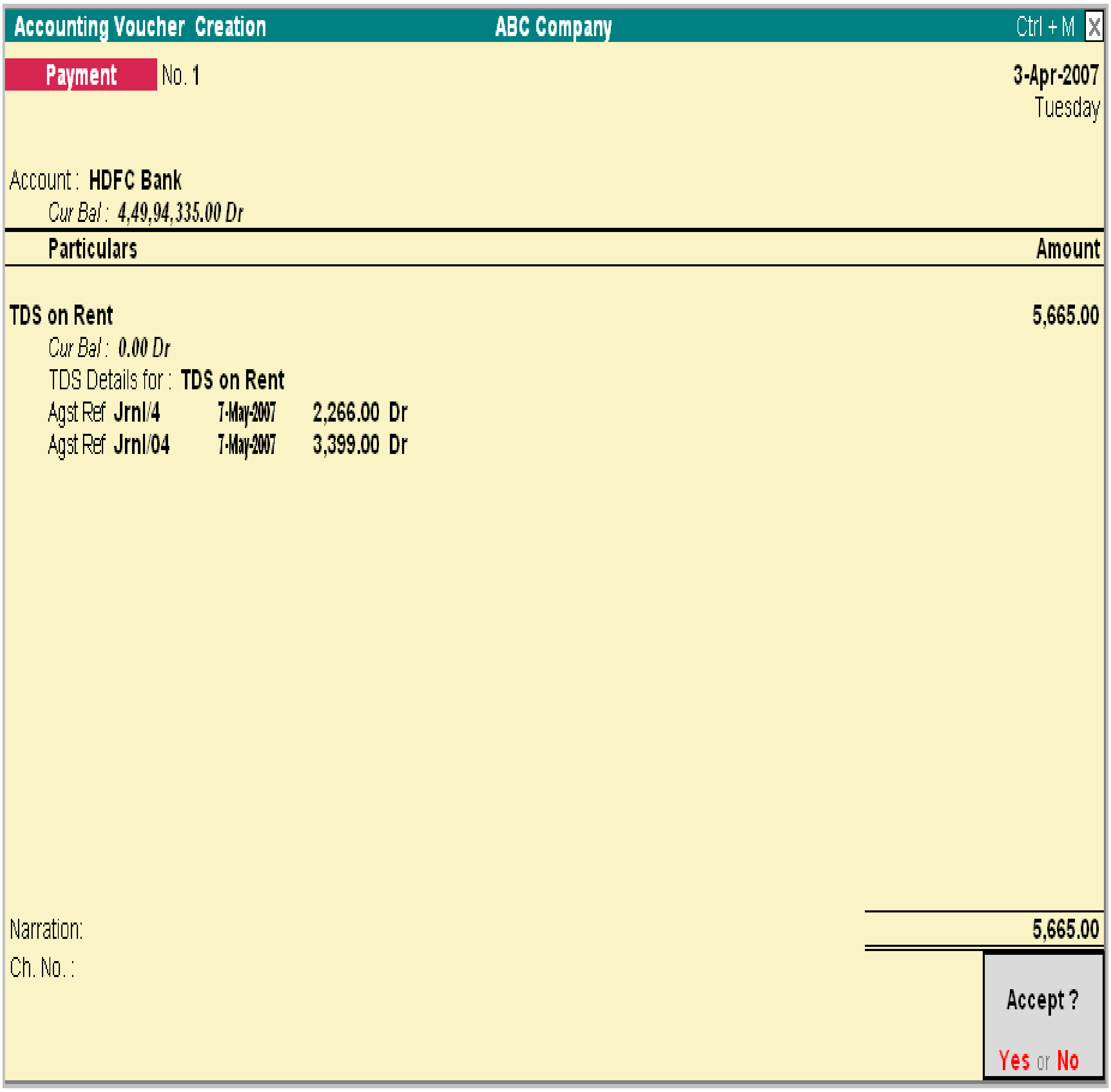
Deductee Status

Select the **Deductee Status** from the list.

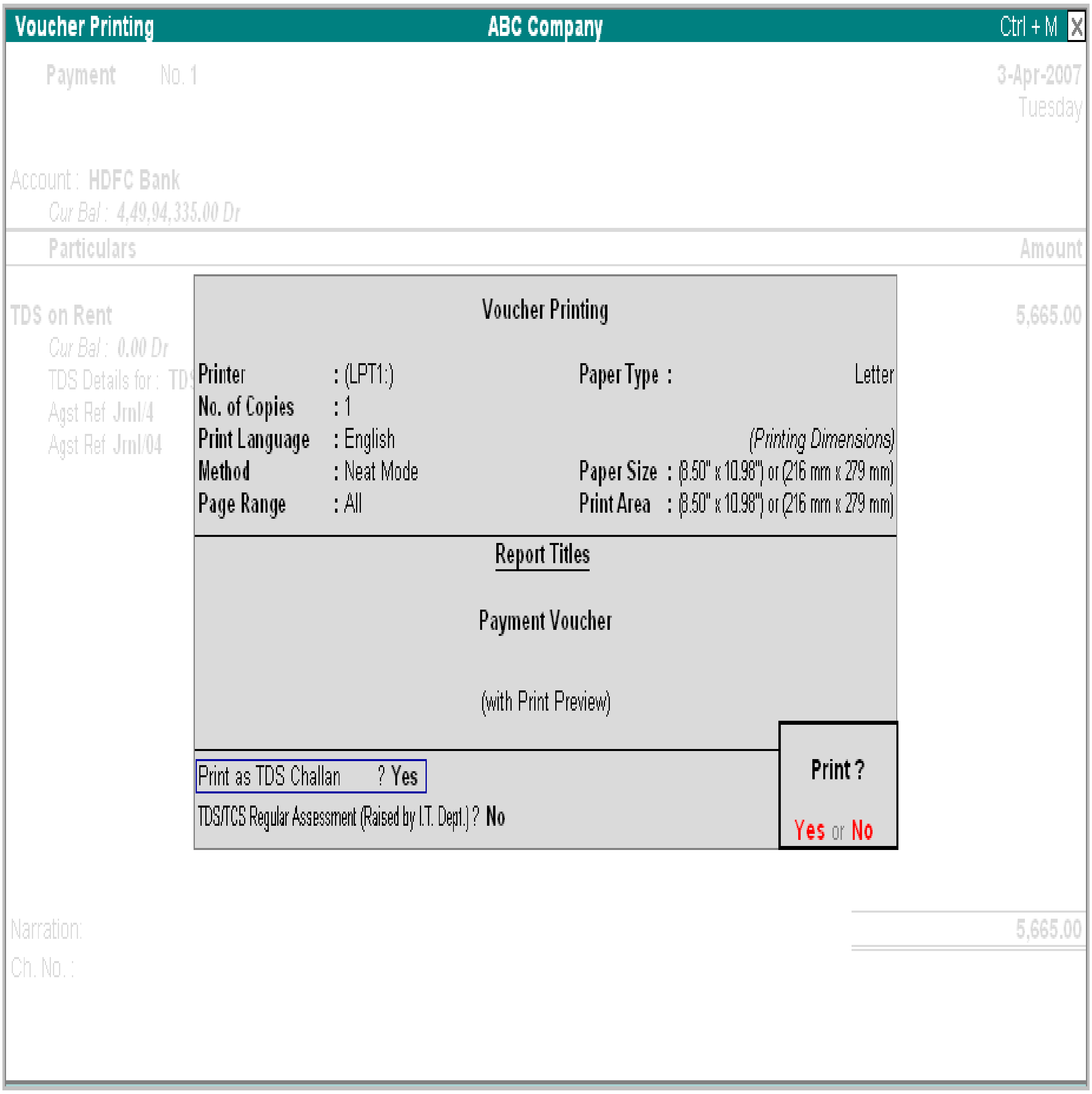
To Date

In this field user may enter, the **To Date** of the period for which the TDS values should be computed and auto-filled.

3. Select the **Bank ledger** in which the payment to the Tax Ledger is made after the TDS deduction. The Tax amount is automatically calculated.



4. Accept to save the voucher
5. To print this voucher as a TDS Challan, click on the **Print** button or press **ALT+P** from the payment voucher. It will display the **Voucher Printing** dialog window. You can configure the payment voucher as depicted in the screen below. If you wish to view the challan in a preview mode, click on **With Preview** button or press **ALT+I**



6. Set **Print as TDS Challan** to **Yes**. Accepting the Voucher Printing sub form will display the TDS Challan in Print Preview mode. Click **Zoom** or press **Alt+Z** to view the TDS Challan

T.D.S./TCS TAX CHALLAN — Single Copy (to be sent to ZAO)

CHALLAN No./ ITNS 281	Tax Applicable (Tick one)* TAX DEDUCTED/COLLECTED AT SOURCE FROM (0020) COMPANY DEDUCTEES [ ] (0021) NON-COMPANY DEDUCTEES [X]	Assessment Year 2008-09

Tax Deduction Account No (T.A.N)
BLRM00123A

Full Name
ABC COMPANY

Complete Address with City & State
ABC Company , 101, 8th Cross, Crescent Road , Sadhashiv Nagar, Bangalore
Karnataka

Tel. No. : 080256738 — Pin : 560034

Type of Payment — **Code * 941**

TDS/TCS Payable by Taxpayer	(200)	X
TDS/TCS Regular Assessment (Raised by I.T. Deptt.)	(400)	

DETAILS OF PAYMENTS

	Amount (In Rs. Only)
Income Tax	5,000
Surcharge	500
Education Cess	165
Interest	
Penalty	
Total	5,665

Total (in words):

CRORES	LACS	THOUSANDS	HUNDREDS	TENS	UNITS
Zero	Zero	Five	Six	Six	Five

Paid in Cash/Debit to A/c/Cheque No. ________ Dated 3-Apr-2007

drawn on : HDFC Bank
(Name of the Bank and Branch)

Date: **Signature of the Person making payment**

FOR USE IN RECEIVING BANK
Debit to A/c / Cheque credited on
DD MM YY

SPACE FOR BANK SEAL

Rs.

- - - - - - - - - - Tear Here - - - - - - - - - -

Taxpayers Counterfoil (To be filled up by tax payer)

TAN BLRM00123A

Received from ABC COMPANY
(Name)

Cash/Debit to A/c/Cheque No. ________ For Rs. 5,665

Rs.(in Words) Five Thousand Six Hundred Sixty Five Only.

drawn on : HDFC Bank
(Name of the Bank and Branch)

on account of Tax Deducted at Source (TDS)/ Tax Collected at Source(TCS) from ________ / : Non Company Deductees
(Strike out whichever is not applicable)

for the Assessment Year 2008-09

SPACE FOR BANK SEAL

Rs.

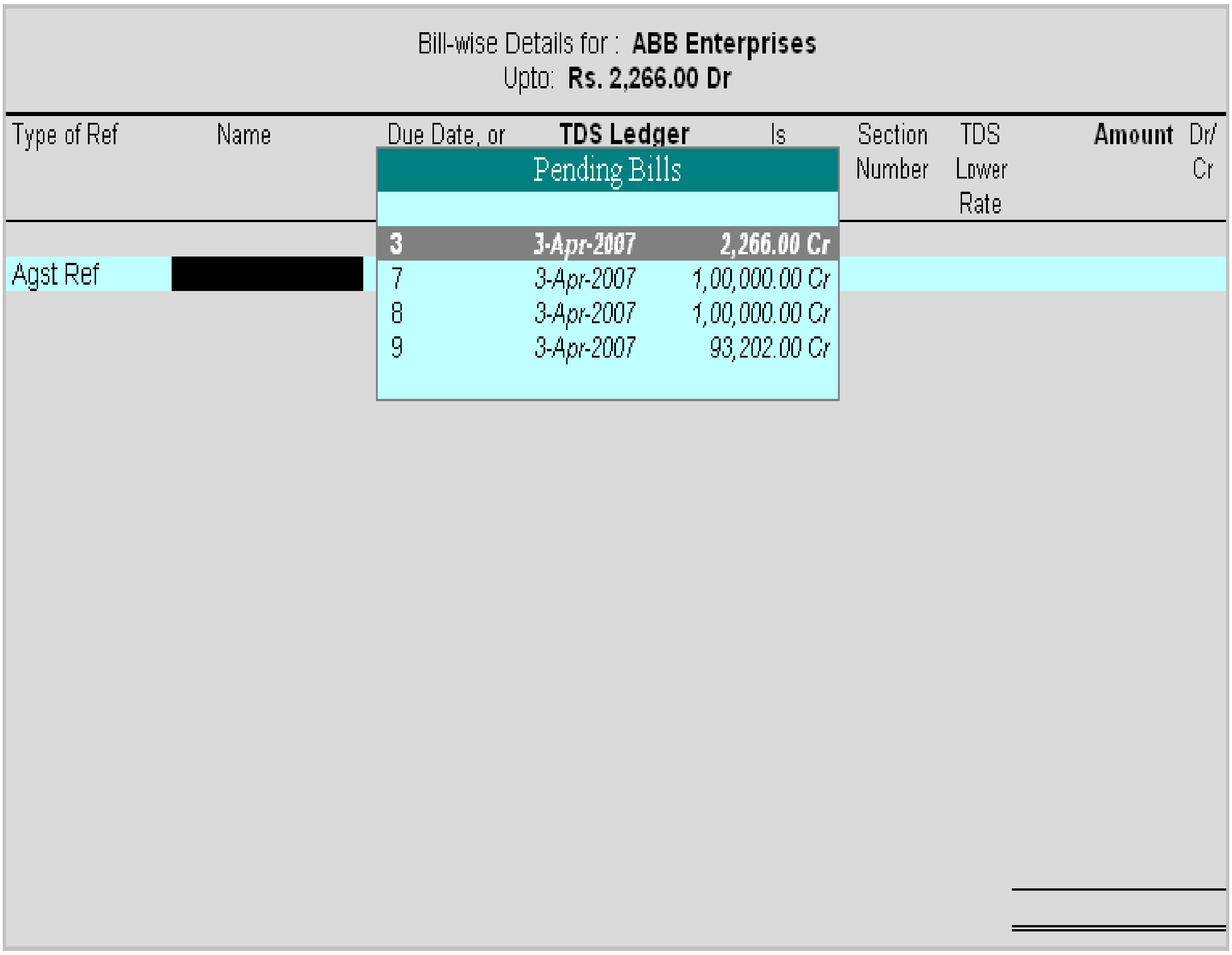
7. Click on **Print** to print the **TDS Challan**

Creating a Payment Voucher

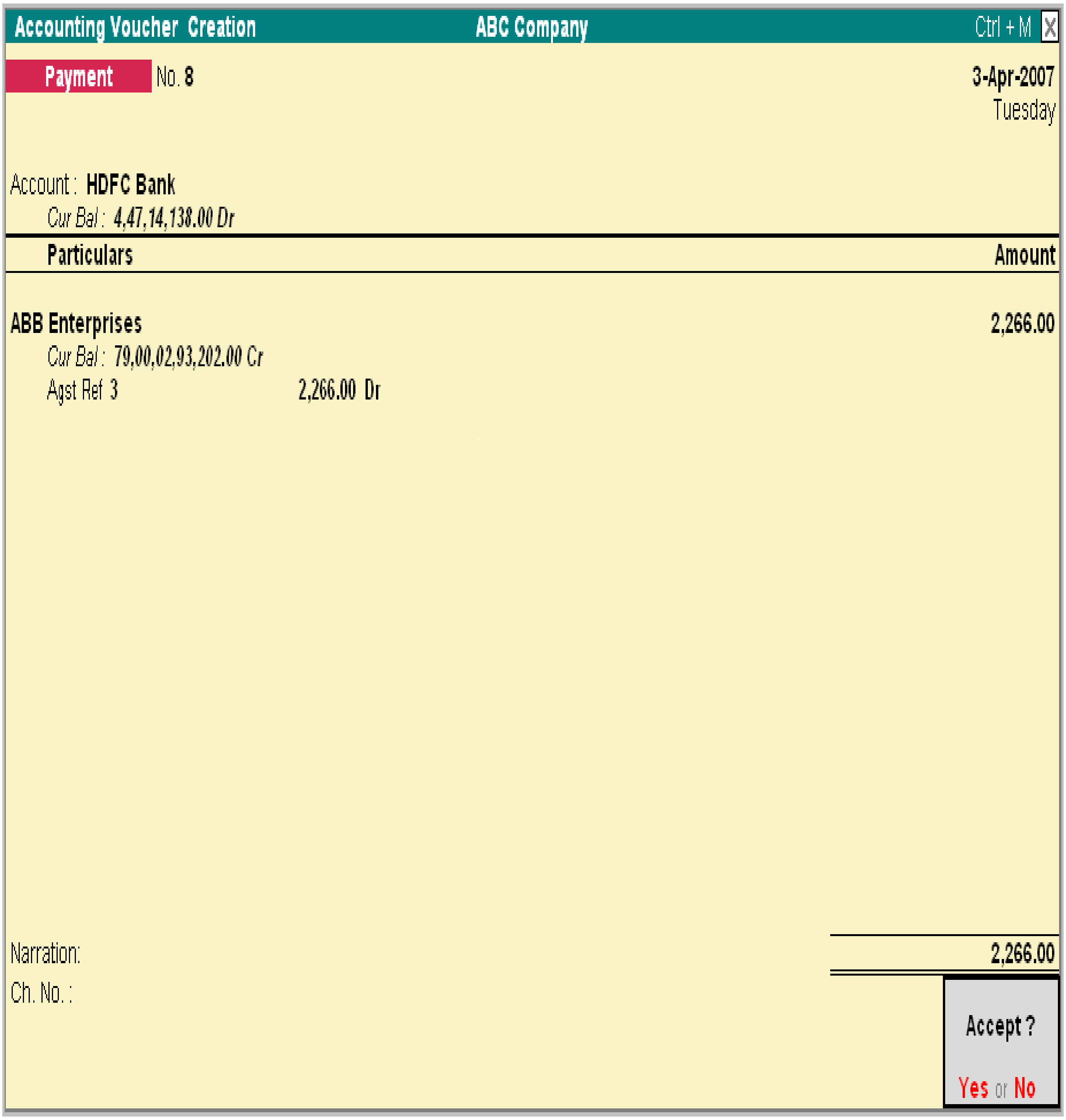
The TDS transactions in a payment voucher can be entered manually.

Go to **Gateway of Tally> Accounting Voucher> F5: Payment Voucher**

1. Select the **Bank** from the list in the Account field
2. Select the **Party** from the list
3. Enter the **Amount**
4. On entering the amount you will get the **Bill wise details** sub form. Select the **Agst Ref** from the list of pending bills



5. Accepting the **Bill-wise Details For** sub form will display the screen shown below



6. Accept to save the Payment voucher

Advance to a Party

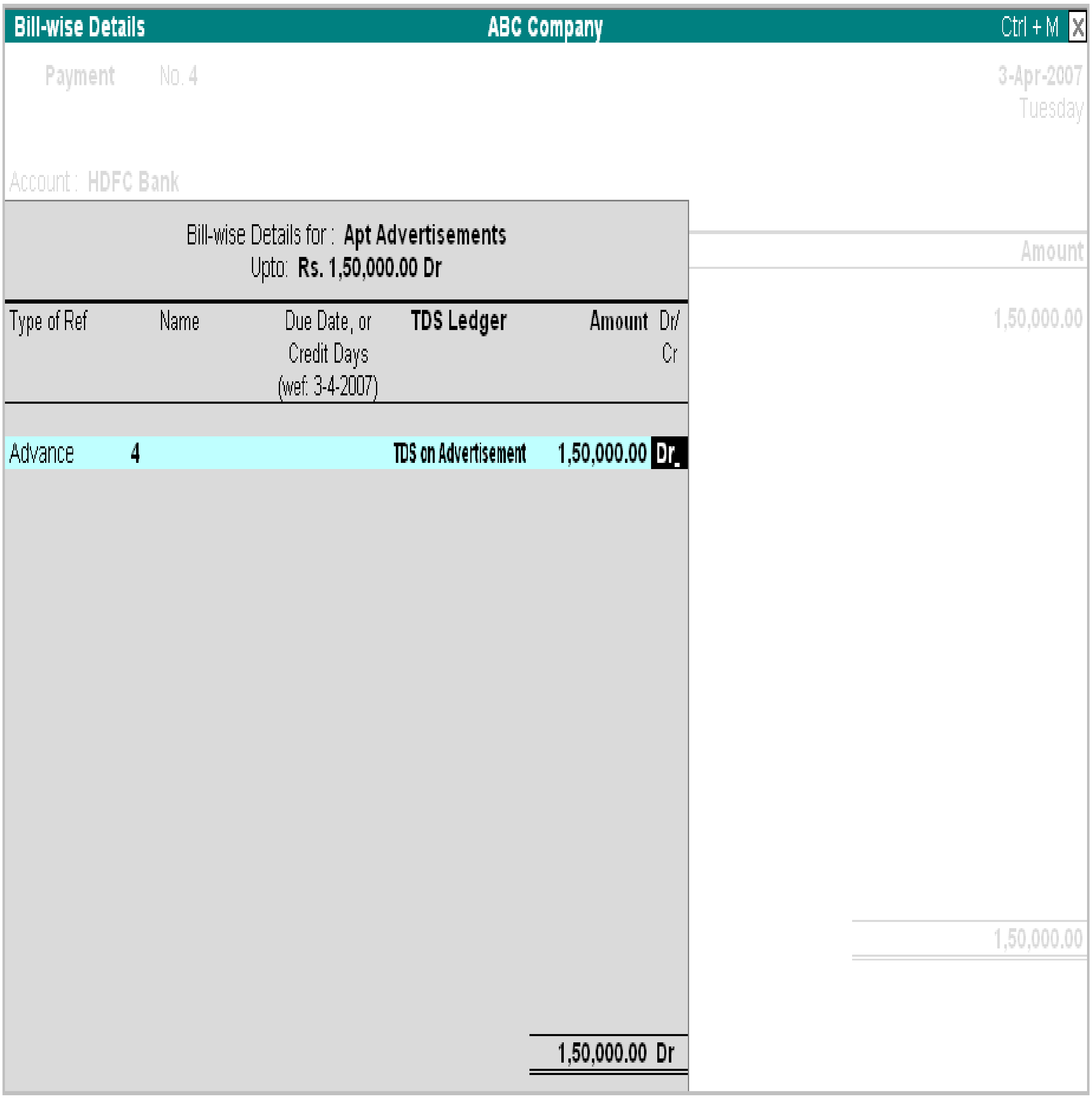
Assume **ABC Company** has decided to pay an advance of Rs.1 50 000 to a party (Apt Advertisement) for their service on advertising for this year. The Total taxable amount on Rs.1 50 000 will be 1% as Tax, 10% as surcharge and 2% as Additional surcharge. After deducting the TDS from your Total Amount Paid/Payable, the Net TDS to deduct would be Rs.1, 683.00.

Creating a Payment Voucher (To Party Account)

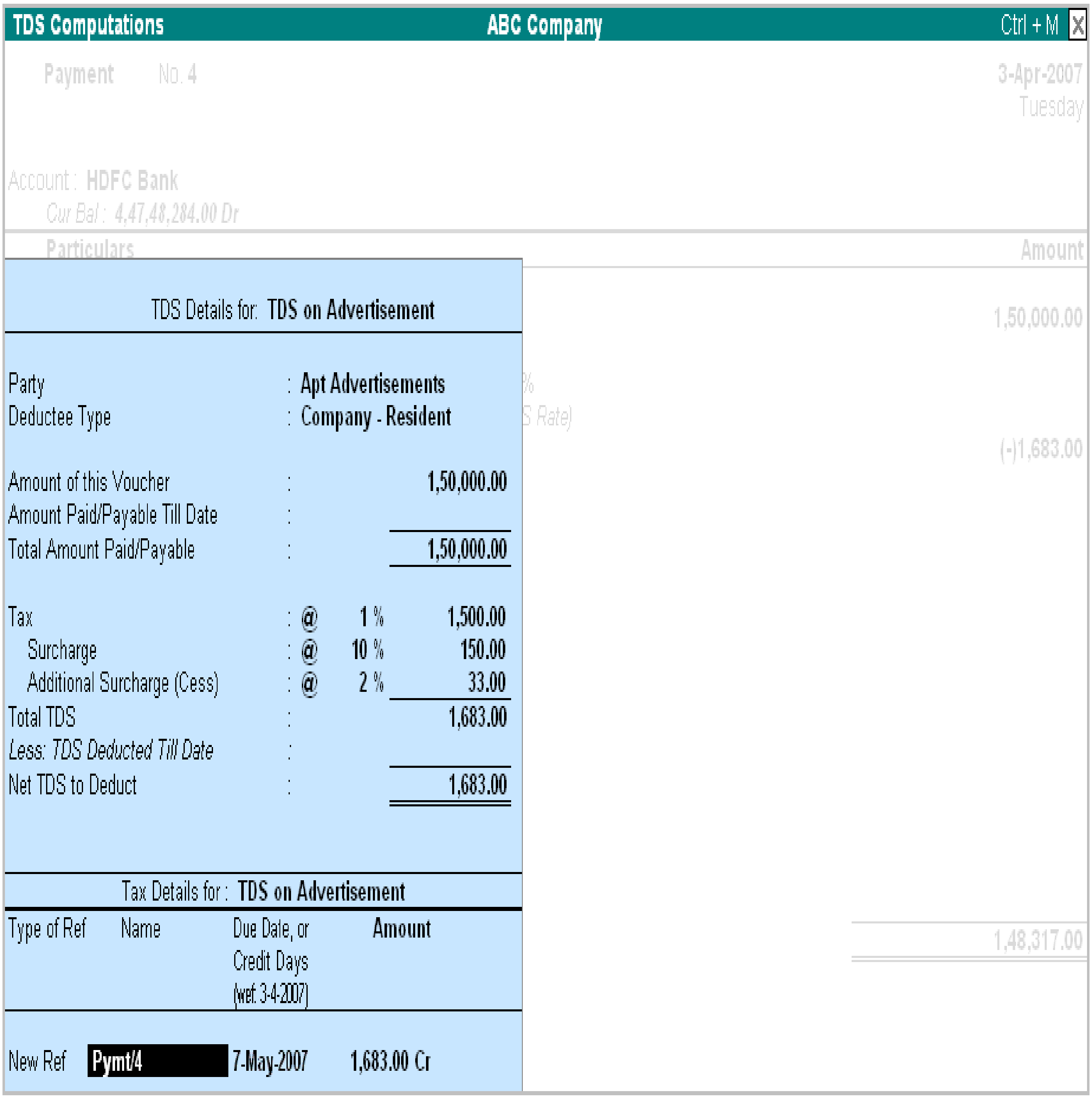
To make a Payment to the Party,

Go to **Gateway of Tally > Accounting Vouchers > Payment**

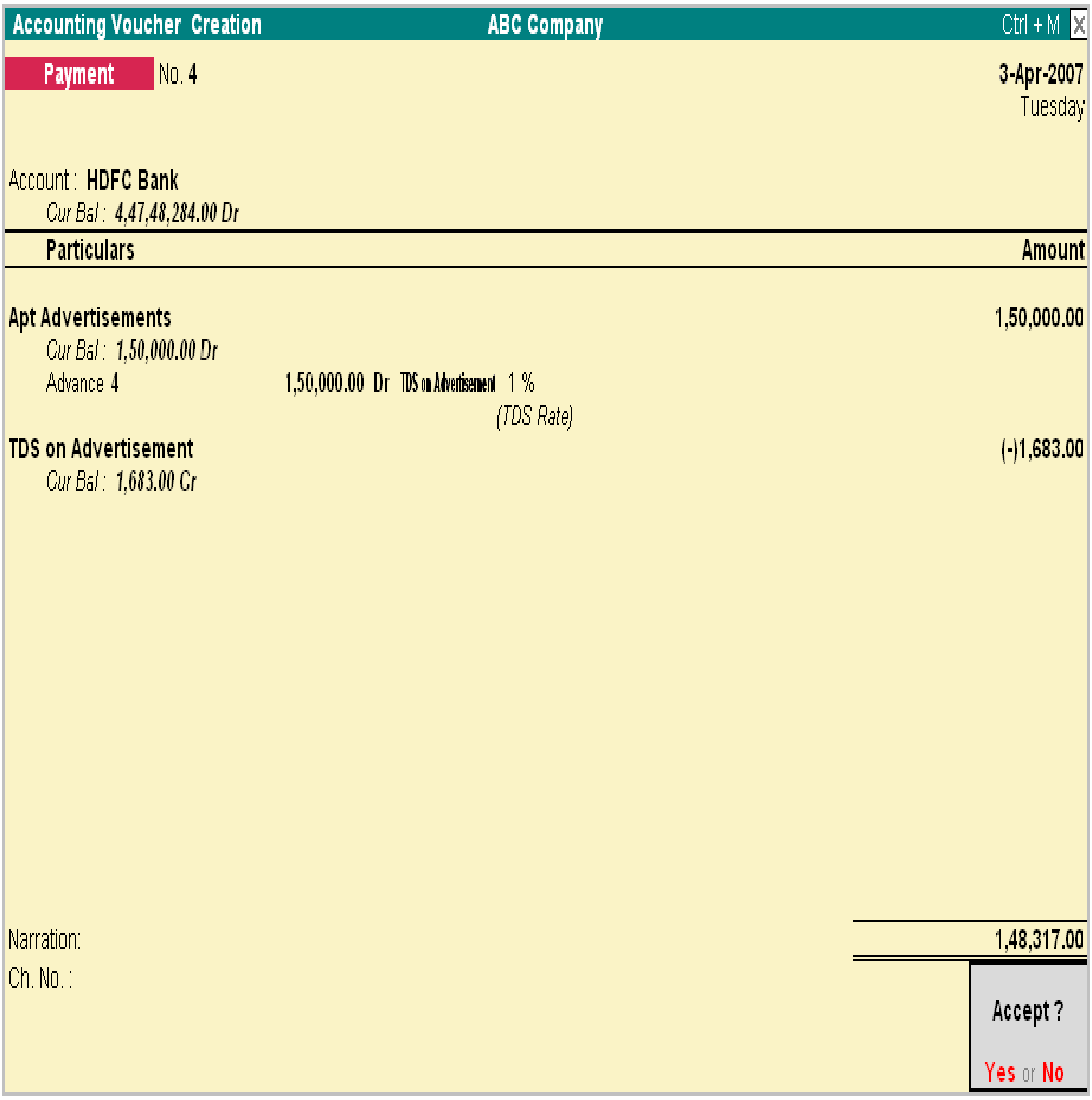
1. Select the **Bank Account** from the list
2. Select the **Party** from the list and enter the advance amount that you wish to pay to the party
3. You will get the **Bill wise Details** sub form, select the type of reference as **Advance** and enter a name. Select the appropriate **TDS ledger** (TDS on Advertisement) from the list. (If the TDS Ledger is selected as Not Applicable then such transactions are considered as Payments for which TDS will not be deducted)
4. The amount entered in the debit amount is displayed in the **Amount** column



5. After entering the **Bill-wise Details**, the **TDS Details** for the selected TDS ledger (TDS on Advertisement) appears. This sub form displays the **party**, **Type of Deductee**, **Amount, total taxable amount**, **income tax**, **Surcharge** and **Additional Surcharge**. The total taxable amount is calculated till date in this sub form. Enter the name of the reference



6. The **TDS Details for** the selected TDS ledger (TDS on Advertisement) appears. This sub form displays the **party**, **type of deductee**, **amount**, **total taxable amount**, **income tax**, **surcharge** and **additional surcharge**. The total taxable amount is calculated till date in this sub form. Enter the name of the reference
7. The **Net TDS to Deduct** on the Tax ledger is calculated according to percentages. Accept the TDS details sub form. The Taxable amount for TDS on Advertisement appears as credit in the Payment voucher screen



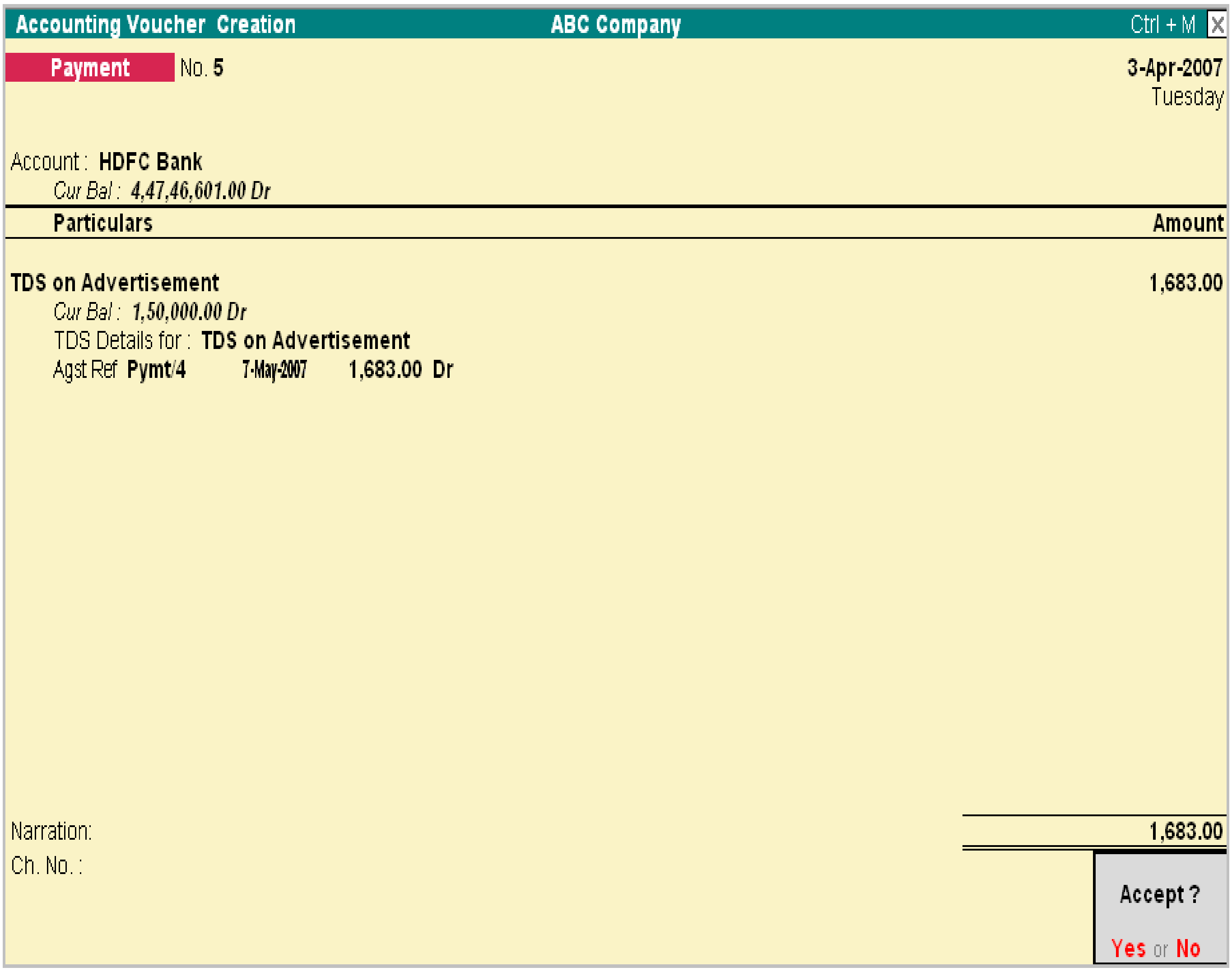
8. Accept the Payment voucher screen to save the entry

Creating a TDS Challan

The TDS challan payment voucher can be entered using the **TDS Helper button** available in Tally.

Go to **Gateway of Tally** > **Accounting Vouchers** > **F5: Payment Voucher**

1. Click the **TDS Deduction Button** or press **ALT+S**
2. In the **TDS Filters** screen, select the **TDS Ledger**, **Deductee Status** and enter the **To Date**
3. Select the Account (Bank) from the list

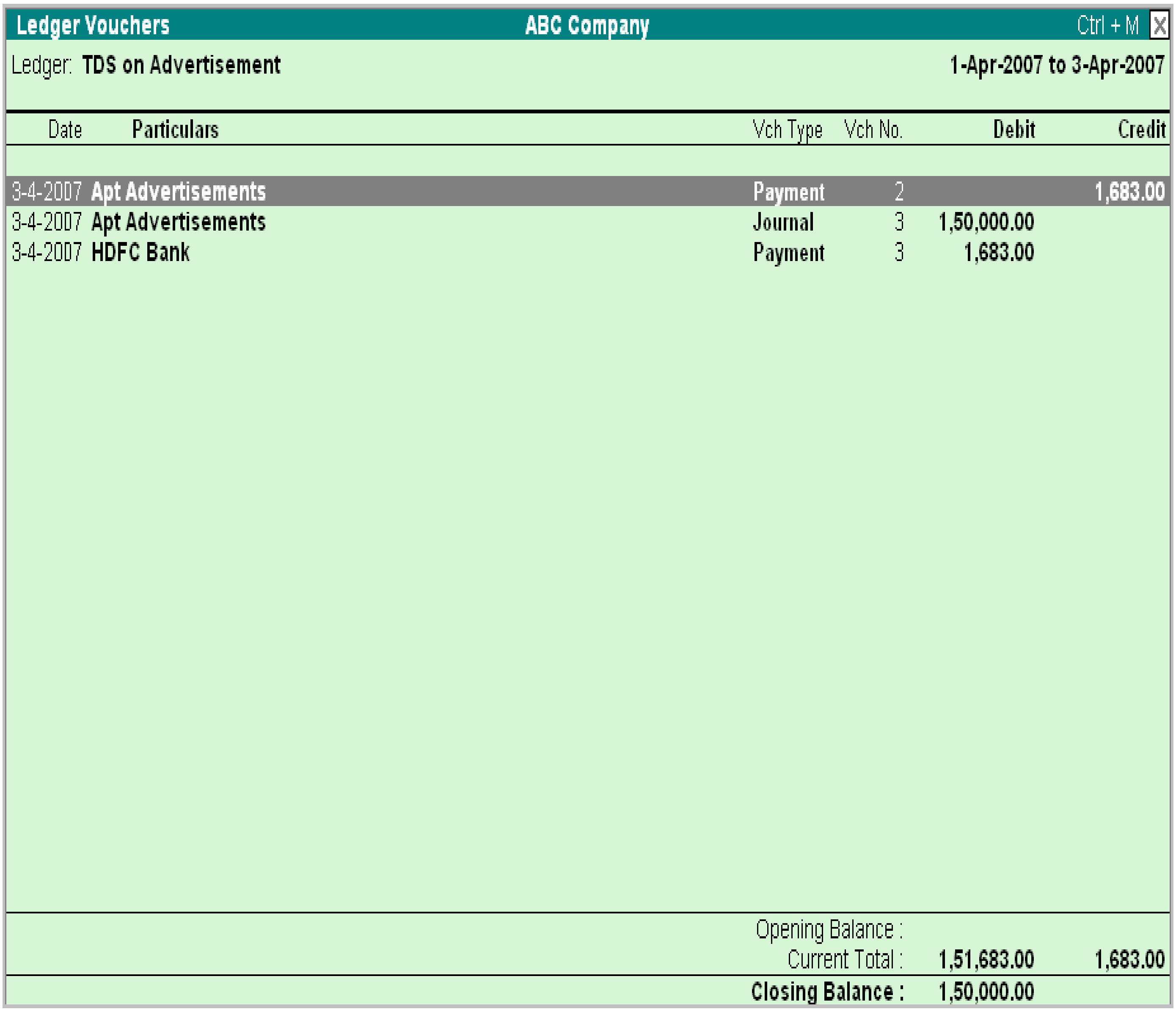


4. Accept the Payment voucher screen to save the entry

TDS Challan Reconciliation

Reconciliation of Challan Payments made to Bank for TDS accounts is done in the **Ledger Voucher** report.

Go to **Gateway of Tally** > **Display** > **Accounts Book** > **Ledger** > **Select the TDS ledger** from the list


Ledger Vouchers ABC Company Ctrl + M

Ledger: TDS on Advertisement 1-Apr-2007 to 3-Apr-2007

Date	Particulars	Vch Type	Vch No.	Debit	Credit
3-4-2007	Apt Advertisements	Payment	2		1,683.00
3-4-2007	Apt Advertisements	Journal	3	1,50,000.00	
3-4-2007	HDFC Bank	Payment	3	1,683.00	
		Opening Balance :			
		Current Total :		1,51,683.00	1,683.00
		Closing Balance :		1,50,000.00	

The **Ledger Vouchers** Report provides a list of vouchers for the current month. You may view the Ledger Vouchers by drilling down.

1. Click on the **F5: Challan Reconcile** button or press **ALT+F5** to view the Challan Reconciliation report
2. Enter the **Bank Challan Number**, **Challan Date**, **Cheque/DD Number**, **Bank Name** and the **Bank Branch Code** OR use **Set Challan Details** (Alt +S) button from the Toolbar to reconcile challans from the **TDS Challan Reconciliation** screen for a selected period which has to be specified in the Ledgers Vouchers screen

Challan Details

Bank Challan No	: 0061
Challan Date	: 3-4-2007
Bank Name	: HDFC Bank
BSR Code	: 0329

3. Enter the **Bank Challan Number**, **Challan Date**, **Bank Name** and **BSR Code**. **Accept** to Save and the details are entered are applicable to the selected vouchers

Challan Reconciliation | **ABC Company** | Ctrl + M X

Ledger: **TDS on Advertisement** | **1-Apr-2007 to 3-Apr-2007**

(Reconciliation)

Date	Particulars	*Bank Challan No.*	*Challan Date*	*Cheque/DD No.*	*Bank Name*	*BSR Code*	Vch Type	Vch No.	Debit	Credit
3-4-2007	**HDFC Bank**	*0061*	*3-4-2007*	*123768469883*	*Hdfc*	*0329*	Payment	3	**1,683.00**	

4. Enter the **Cheque/DD number** and accept the **Challan Reconciliation** report to save the entry

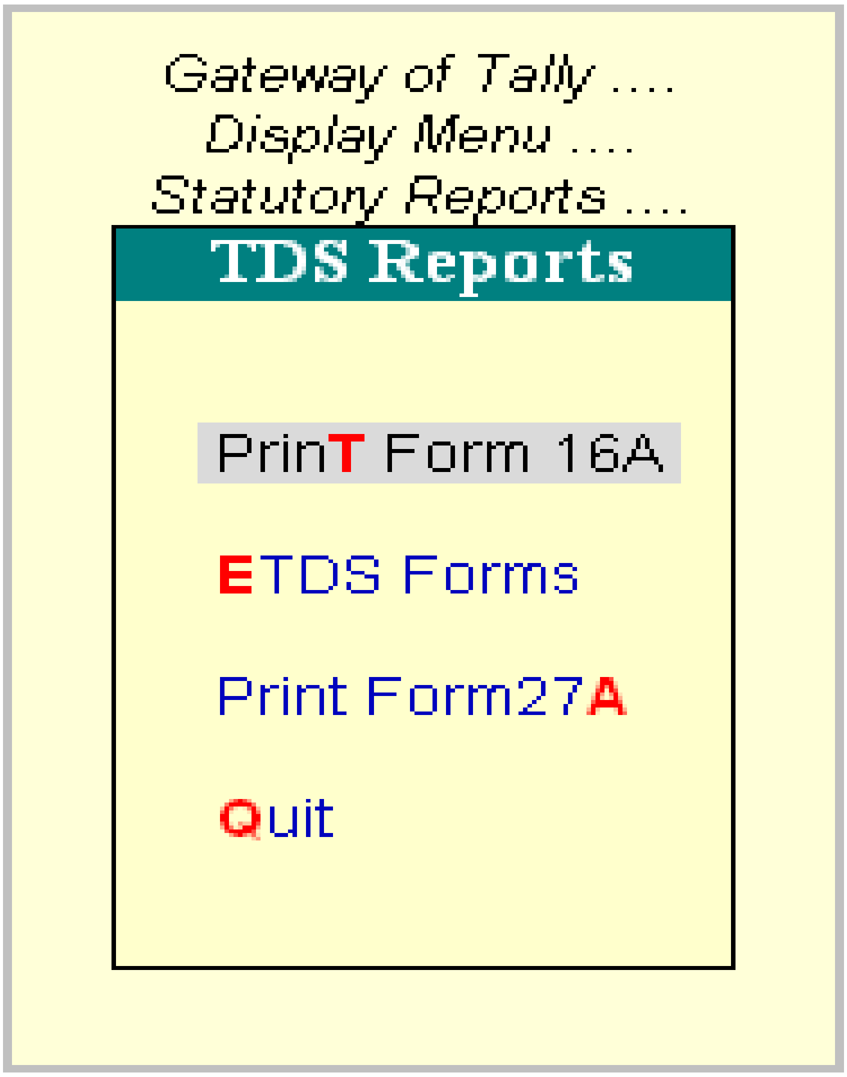
TDS Reports

TDS Reports in Tally display the tax amount of the concerned party/supplier. Tally generates **Form 16A** and **Form 27A** and also provides the printing option to print these forms. You can export the e-TDS forms (Form 26/Form27/Form 26Q/Form 27Q) from Tally. The exported file will be saved in the defined path specified in the Output file name.

You can get the e-TDS file validated through NSDL freely downloadable utility, File Validation Utility (FVU) to verify whether the e-TDS return file prepared by the deductors conform to the prescribed format.

Go to **Gateway of Tally** > **Display** > **Statutory Reports** > **TDS Reports**

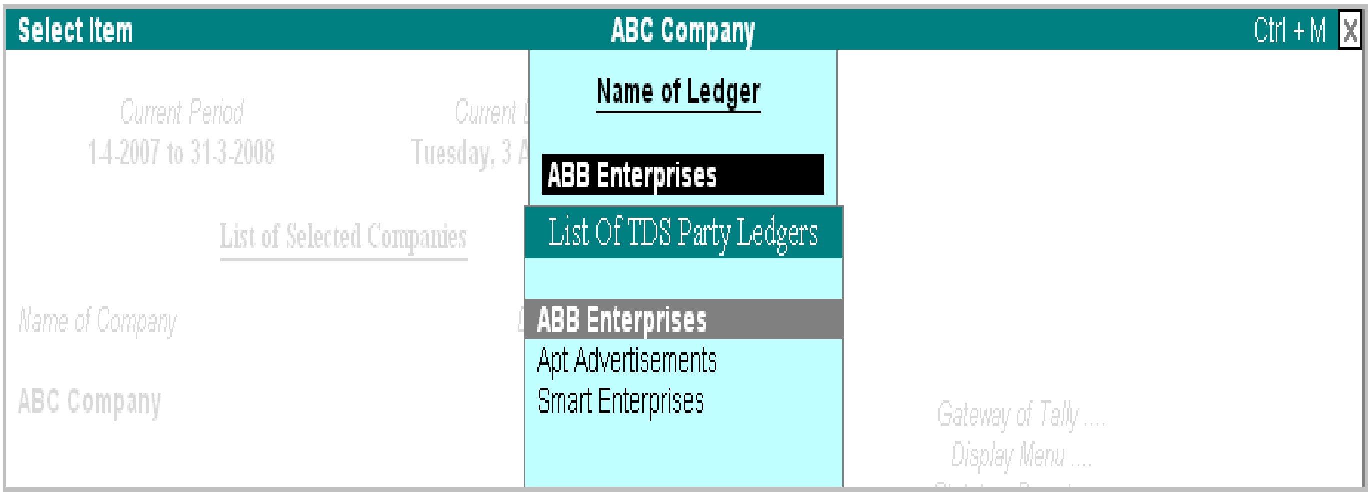
Click on the **TDS Reports** option to display the following



Print Form16A

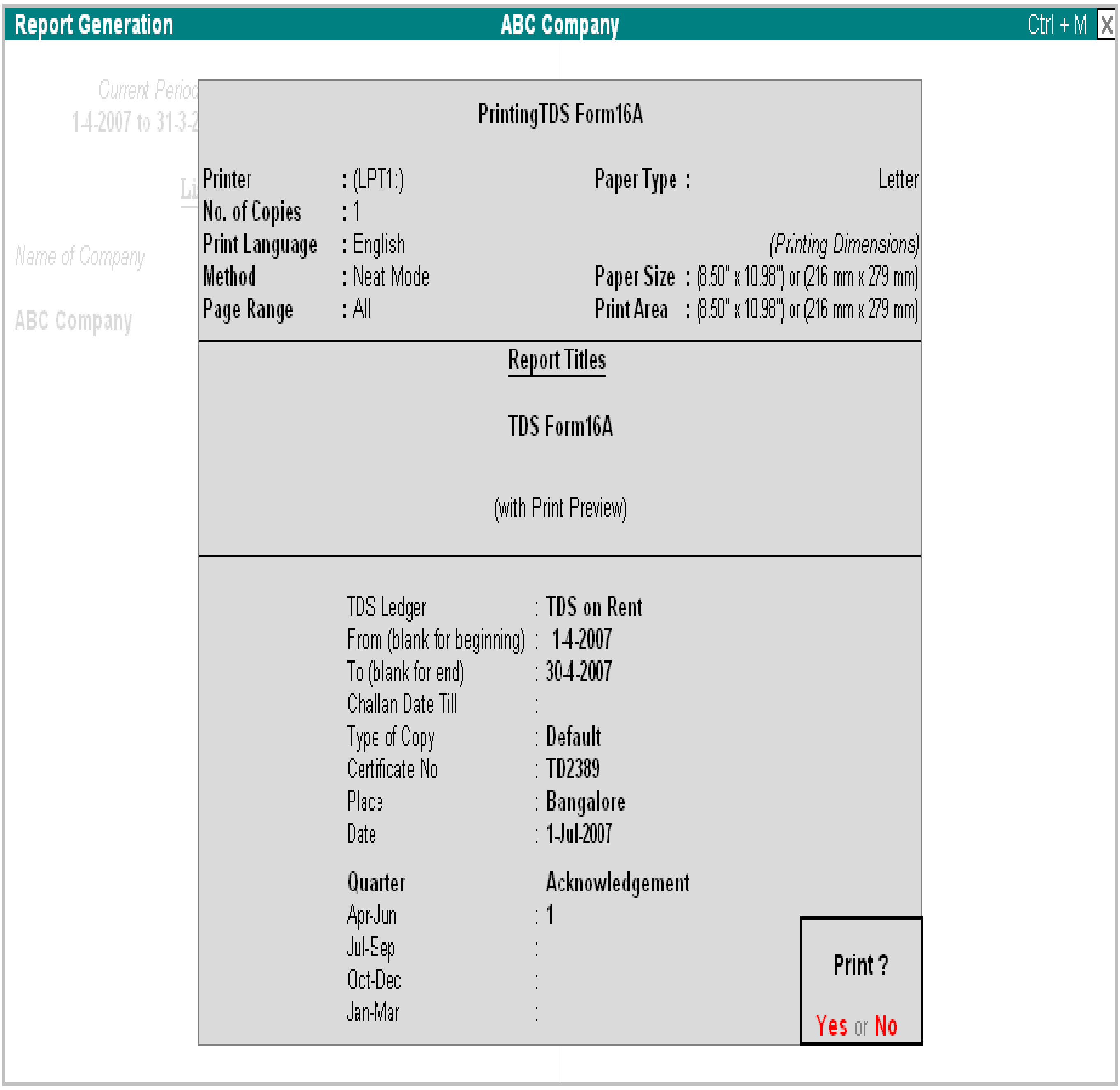
Print Form 16A option provides the facility to preview and print Form 16A.

Go to **Gateway of Tally** > **Display** > **Statutory Reports** > **TDS Reports** > **Print Form 16A**



1. On selecting the TDS Party Ledger from the **List Of TDS Party Ledgers**, Tally generates **Form 16A report** in preview mode

2. Use the buttons from the button bar to set printing options such as selecting the printer, number of copies, method, page range, paper type, paper size and print area



3. Select **TDS ledger** from the list and enter the **From**, **To** and **Challan Till date**
4. Select the **Type of Copy**. Enter the **Certificate No**, **Place** and **Date**
5. Click on **Yes** to view **Form 16A** in print preview mode. Click on **Zoom** or press **ALT+Z** from the print preview screen to display the report as below

TD2389/194I

FORM 16A

[See rule 31(1)(b)]

Certificate of deduction of tax at source under section 203 of the Income-tax Act, 1961

For interest on securities; dividends; interest other than 'interest on securities'; winnings from lottery or crossword puzzle; winnings from horse race; payments to contractors and sub-contractors; insurance commission; payments to non -resident sportsmen/sports associations; payment in respect of deposits under National Savings Scheme; payments on account of repurchase of units by Mutual Fund or Unit Trust of India; commission, remuneration or prize on sale of lottery tickets; commission or brokerage; rent; fees for professional or technical services; royalty and any sum under section 28(va); income in respect of units; payment of compensation on acquisition of certain immovable property; other sums under section 195;income in respect of units of non-residents referred to in section 196A; income from units referred to in section 196B; income from foreign currency bonds or shares of an Indian company referred to in section 196C; income of Foreign Institutional Investors from securities referred to in section 196D.

Name & Address of the person deducting Tax	Acknowledgement Nos. of all Quarterly Statements of TDS under sub-section (3) of section 200 as provided by TIN Facilitation Centre or NSDL web-site		Name & address of the person to whom payment made or in whose account it is credited
ABC Company ABC Company 101, 8th Cross, Crescent Road Sadhashiv Nagar Bangalore	Quarter	Acknowledgement No.	**ABB Enterprises** ABB Enterprises Lourdes Road Taj Avenue Bangalore
	Apr-Jun	1	
	Jul-Sep	0	
	Oct-Dec	0	
	Jan-Mar	0	

TAX DEDUCTION A/C NO. OF THE DEDUCTOR	NATURE OF PAYMENT	PAN NO. OF THE PAYEE
BLRM00123A	194I Rent	AHD87600980
PAN NO. OF THE DEDUCTOR		FOR THE PERIOD
		1-Apr-2007 to 30-Apr-2007

DETAILS OF PAYMENT, TAX DEDUCTIONS AND DEPOSIT OF TAX INTO CENTRAL GOVERNMENT ACCOUNT

(The Deductor is to provide transaction-wise details of tax deducted and deposited)

S.No	Amount Paid / Credited	Date of Payment / Credit	TDS Rs.	Surcharge Rs.	Education Cess Rs.	Total Tax Deposited Rs.	Cheque/DD No.(if any)	BSR Code of Bank branch	Date on which tax deposited (dd/mm/yy)	Transfer voucher /Challan Identification No.
1	4,488.00	1-Apr-2006	3,999.00	400.00	89.00	4,488.00	02584	0239 / HDFC Bank	01/04/06	0061

Signature of person responsible for deduction of Tax

Place : Bangalore
Date : 1-Jul-2007

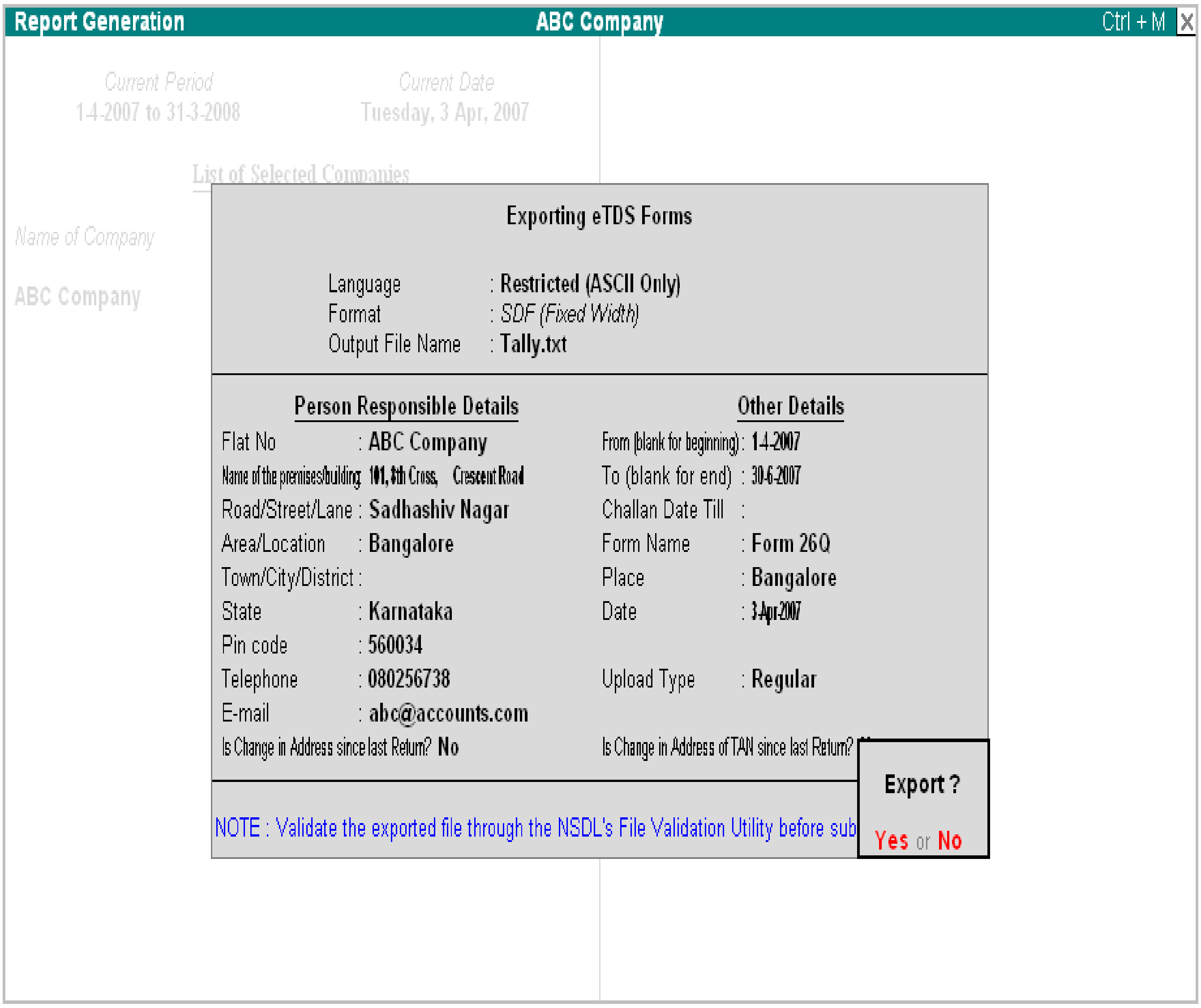
Full Name : Mr. Greeves
Designation : Accounts Manager

6. Click the **Print** button or press **ALT+P** to print **Form 16A**

ETDS Forms

ETDS Forms enable you to export the eTDS Forms for the specific period.

Go to **Gateway of Tally > Display > Statutory Reports > ETDS Forms**



Format

Tally exports the data in SDF format. NSDL's File Validation Utility (FVU) accepts only **.txt** files. Set the output filename with **.txt extension**.

Output File Name

Enter a name for the file with .txt extension to be exported. By default the file will be saved as Tally.txt in the Tally folder in your computer. To export to a different folder enter the path in Output File Name. For example, C:\differentfolder\eTDS.txt).

Person Responsible Details

The **Person Responsible Details** will capture the information provided at the time of Company Creation. But if you wish to modify, press the **Backspace** key to navigate to any field.

Form Name

Select the required Form (Form 26/Form 27/Form 26Q/Form 27Q) from the Form type pop up.

Other Details

From (blank for beginning)

Enter the **From** date

To (blank for beginning)

Enter the **To** date

Challan Till Date

This field is provided to enter the date of the next quarter/next Year depending on the Quarterly (Form 26Q/Form 27Q) or Annual (Form 26/Form 27) returns.

For example, if the Expense booking & TDS (deduction) vouchers are done in the first quarter (5.4.2007) and its payment is done on 7.07.2007, then the **From** date will be **1.4.2007**, **To Date** will be **30.6.2007** and **Challan Till Date** will be **7.07.2007**.

Upload Type

Upload type has two options - **Regular** and **Corrected Returns**

1. **Regular**: Select Regular upload type if you are filing returns for the first time.
2. **Corrected Returns**: Select Corrected Returns type if you have made any corrections from the previous returns.

Is Change in Address of TAN since last Return?

If you have changed your company address in company alteration screen since last return, set this option to **Yes**. Else set it to **No**.

Click on **Yes** to **Export** the file (Form 26/Form27/Form 26Q/Form 27Q) from Tally. The exported file will be saved in the defined path specified in the Output file name.

You can get the file validated through **NSDL** freely downloadable utility **File Validation Utility** (FVU) to verify whether the e-TDS return file prepared by the deductors conform to the prescribed format.

Note: Depending on From and To date, the return periodicity is set as quarterly or annually. For example, 01-04-2005 to 30-6-2005 is the First quarter and 01-04-2005 to 31-3-2006, Yearly.

After preparation of the electronic return, entities have to verify the electronic return through the latest version of File Validation Utility (FVU) provided by NSDL which can be freely downloaded from the TIN-NSDL web-site.

To upload the file in File Validation Utility, you may refer to this link http://www.tinnsdl.com/onlineupproc.asp

To view the exported file, open the folder where Tally is installed. The file is created in this folder by default.

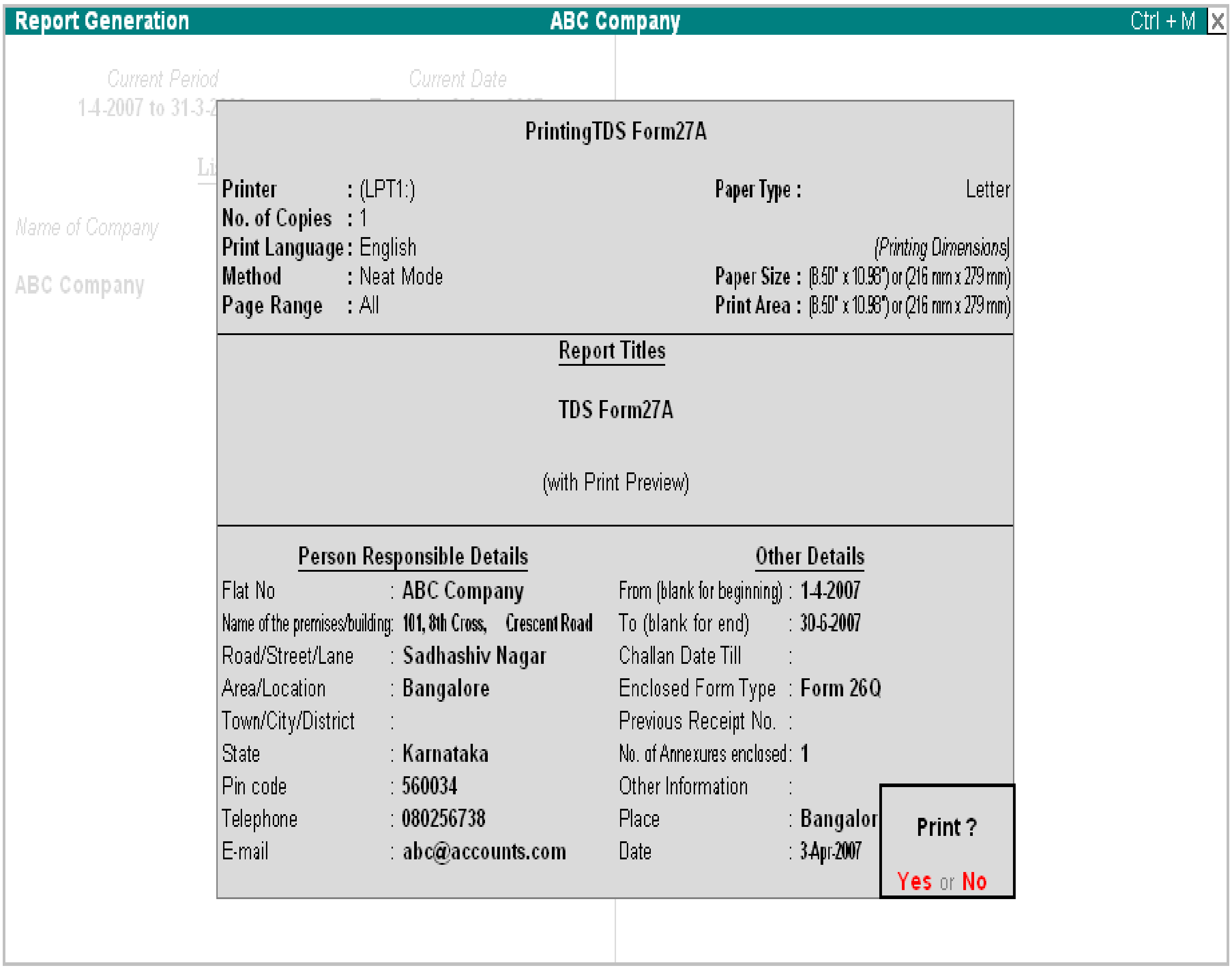
Print Form 27A

Form 27A is a physical form with the summary of TDS return (Form 26/Form27/Form 26Q/Form 27Q), which contains control totals of **Amount Paid** and **Income tax deducted at source** in addition to other basic details along with CD/Floppy containing the e-TDS return data file. The control totals mentioned on **Form 27A** should match with the corresponding control totals in e-TDS return file. It should be submitted along with e-TDS returns.

Clicking **TDS Form 27A** provides you with the facility to set the report titles and preview **Form 27A**.

Go to **Gateway of Tally** > **Display** > **Statutory Reports** > **TDS Reports** > **Print Form 27A**

Use the buttons provided on the Button Bar to set the printing option such as to select the printer, set the number of copies, method, page range, paper type, paper size and print area



Person Responsible Details

The **Person Responsible Details** will capture the information provided at the time of Company Creation. But if you wish to modify, press the **Backspace** key to navigate to any field.

Other Details

1. Enter the **From** date
2. Enter the **To date**
3. Enter the **Challan** Date
4. Select the **Form type** from the list at the field, **Enclosed Form Type**
5. Enter the **Previous Receipt No** if applicable
6. Enter the total number of annexure enclosed.
7. Enter **Other Information**, if any.
8. Enter the **Place** and **Date**

Click **Yes** to view Form 27A in print preview mode

Click **Zoom** or press **ALT+Z** from the print preview screen to display the report as below:

Form No.27A

Form for furnishing information with the statement of deduction of tax at source filed on computer media for the period (From:1-4-2007 to 30-6-2007(dd/mm/yyyy))

1 (a) Tax Deduction Account No. BLRM00123A (d) Financial Year 2007-08

(b) Permanent Account No. (e) Assessment Year 2008-09

(c) Form No. Form 26Q (e) Previous receipt number

(In Case return/ statement has been filed earlier)

2 Particulars of the deductor

(a) Name	ABC Company
(b) Type of deductor*	Others
(c) Branch / Division(if any)	
(d) Address	
Flat No.	ABC Company
Name of the premises / building	101, 8th Cross, Crescent Road
Road / street / lane	Sadhashiv Nagar
Area / Location	Bangalore
Town / City / District	
State	Karnataka
Pin code	560034
Telephone	080256738
E-mail	abc@accounts.com

3 Name of the person responsible for deduction/collection of tax

(a) Name	Mr. Greeves
(b) Address	
Flat No.	ABC Company
Name of the premises / building.	101, 8th Cross, Crescent Road
Road / street/ lane	Sadhashiv Nagar
Area / Location	Bangalore
Town / City / District	
State	Karnataka
Pin code	560034
Telephone	080256738
E-mail	abc@accounts.com

4 Control Totals

Sr.No.	No.of deductee party records	Amount paid Rs.	Tax deducted /collection Rs	Tax deposited (Total challan amount) Rs.
Total	6	4,50,000.00	10,747.00	19,811.00

5 Total Number of Annexures enclosed 1

6 Other Information

VERIFICATION

I, Mr. Greeves ,hereby certify that all the particulars furnished above are correct and complete.

Place: Bangalore Signature of person responsible for deducting/ collecting tax at source

Date: 3-Apr-2007 Name of designation of person responsible for deducting/ collecting tax at source Accounts Manager

*Mention type of deductor- Government or Others

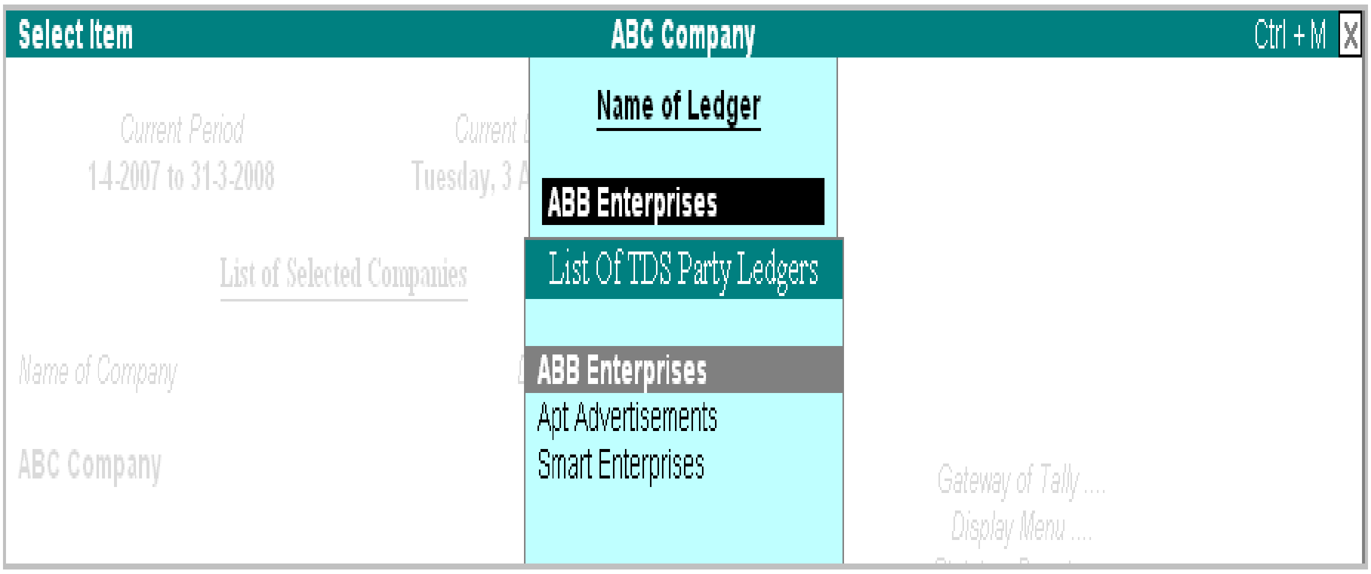
dd/mm/yy :- date/month/year

Form16A Reconciliation

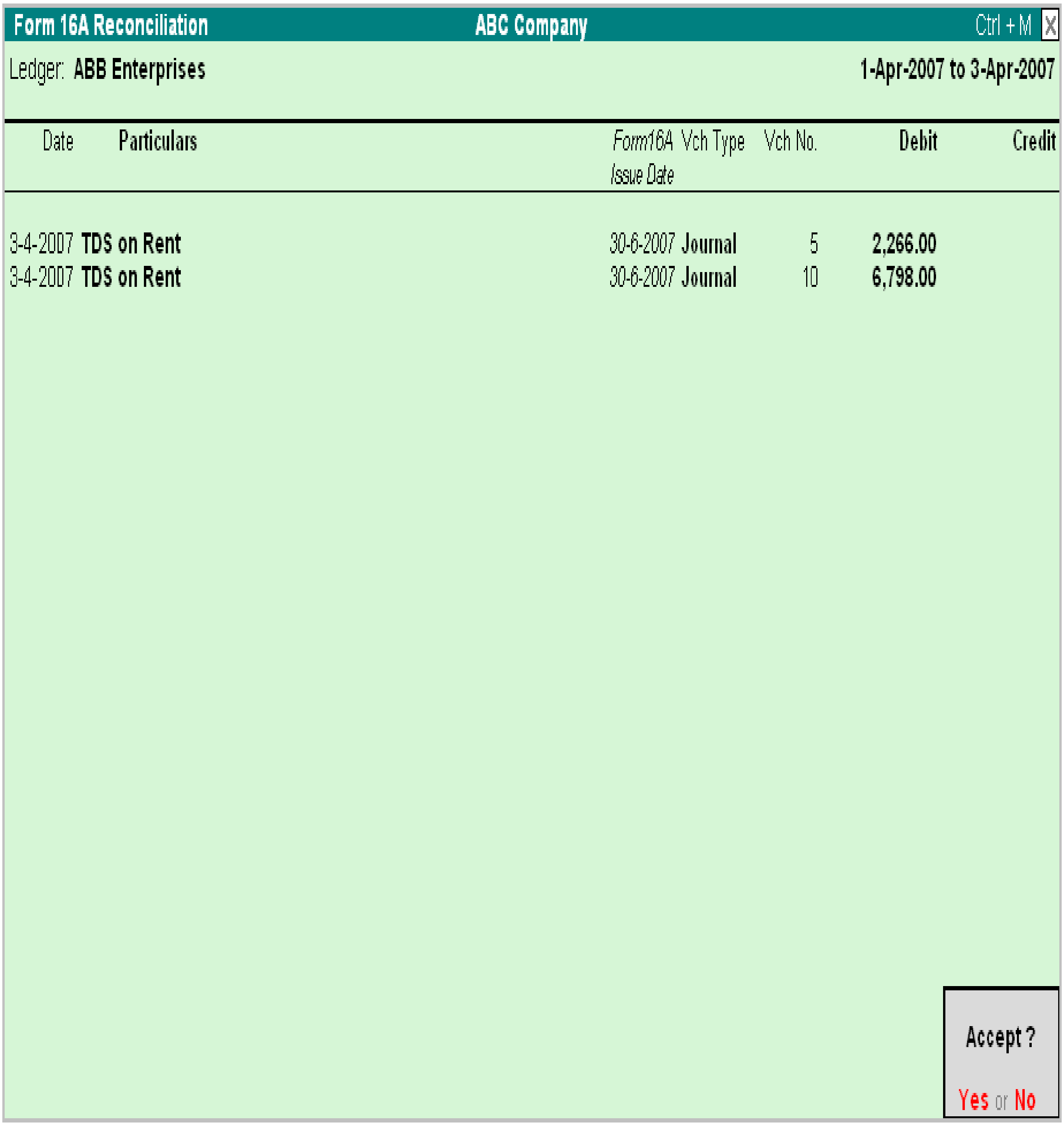
This Report helps you to record the issue date of Form 16A

Go to **Gateway of Tally** > **Display** > **Account Books** > **Ledger**

1. Select the TDS party ledger from the list



2. Click on **F5: Form16A Reconcile** button to reconcile Form 16A for the selected TDS party. Enter the Form 16A issue date and accept the screen



Display Reports

To view **TDS Statutory Information** reports and **MIS** Reports, click on the links provided below

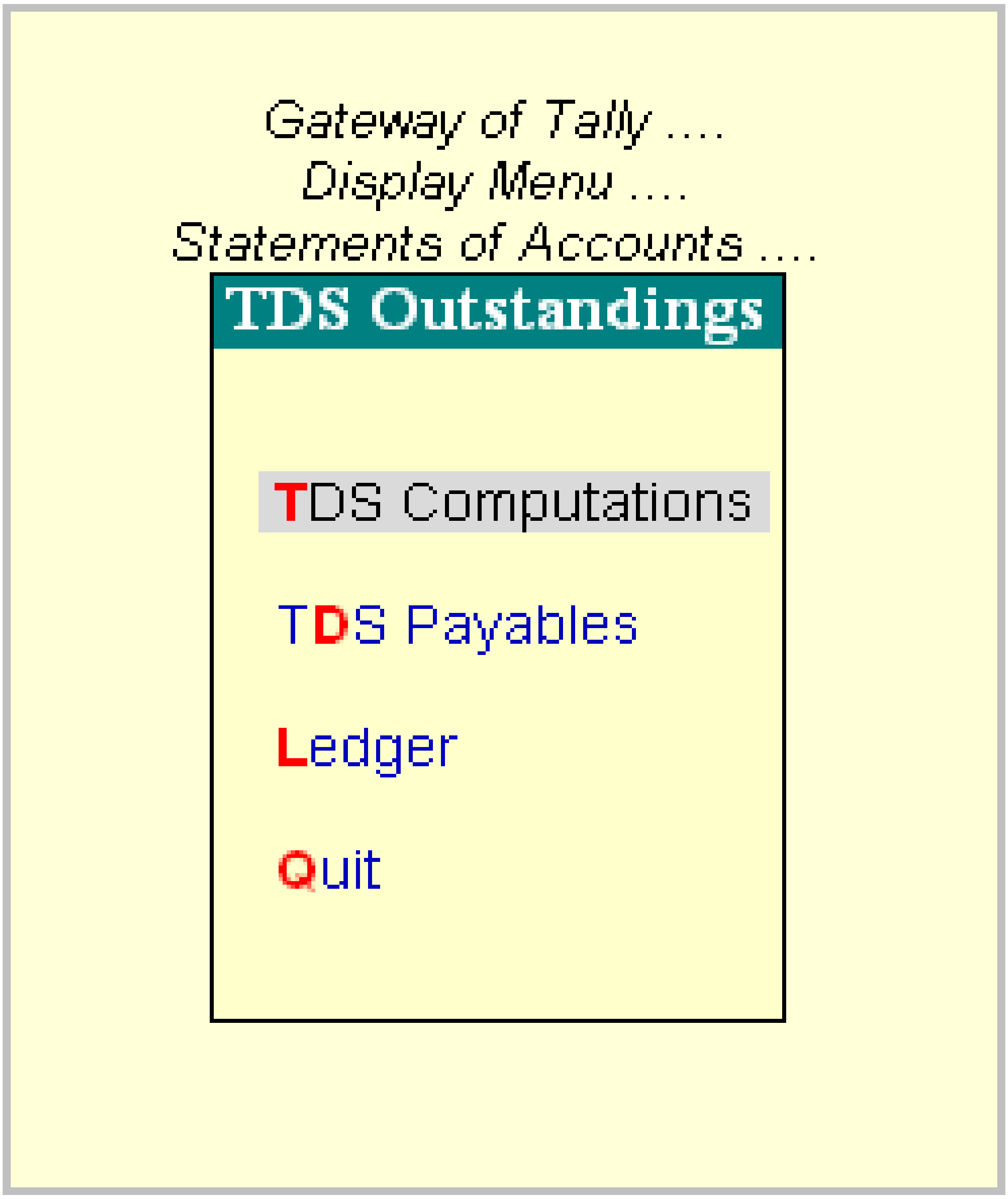
1. Statutory Info
2. MIS Reports

MIS Reports

The MIS Reports provide you with the TDS Outstandings.

To view the TDS Outstandings,

Go to **Gateway of Tally** > **Display**> **Statement of Accounts** > **TDS Outstandings**



TDS Computation

To view the **TDS Computation** report,

Go to **Gateway of Tally** > **Display** > **Statements of Accounts** > **TDS Outstandings** >**TDS Computations**

TDS Computation | ABC Company | Ctrl + M

TDS Computation | 1-Apr-2007 to 30-Apr-2007

Particulars	Amount Paid /Payable Till Date	Tax	Surcharge	Addl Surcharge (Cess)	Addl Education Cess	Total TDS	Less: TDS Deducted Till Date	Net TDS to Deduct
ABB Enterprises								
TDS on Rent	2,00,000.00	4,000.00 *(2%)*	400.00 *(10%)*	88.00 *(2%)*	44.00 *(1%)*	4,532.00	2,266.00	2,266.00
								2,266.00
Apt Advertisements								
TDS on Advertisement	1,50,000.00	1,500.00 *(1%)*	150.00 *(10%)*	33.00 *(2%)*	17.00 *(1%)*	1,700.00	1,683.00	17.00
								17.00
Smart Enterprises								
TDS on Rent	1,24,500.00	18,675.00 *(15%)*	1,868.00 *(10%)*	411.00 *(2%)*	205.00 *(1%)*	21,159.00		21,159.00
								21,159.00

1. The **Particulars** column provides you with the Name of the Party and its TDS ledger names
2. **Amount Paid/Payable Till Date** column displays the total amount of the Bills accounted or payment made to the party
3. The **Tax** column provides the amount of TDS computed as per the rate specified in the tax column, which is displayed below the TDS amount
4. **Surcharge** is the total surcharge value computed as per the rate specified in this column, which is displayed below the Surcharge amount
5. **Addl. Surcharge (Cess)** column displays the amount of Education Cess applicable as per the rate specified in this column, which is displayed below the Education Cess amount
6. **Addl. Education Cess** column displays the amount of Additional Education Cess @ 1% as computed
7. **Total TDS** column displays the total TDS amount including all additional taxes
8. **Less: TDS Deducted Till Date** column provides the TDS amount deducted till date
9. **Net TDS to Deduct** column displays the TDS amount yet to be deducted from the bills accounted or payment made. If TDS is deducted using TDS journal and if the complete amount of TDS due is deducted. This column will not display any balance. Partial amount deducted will display the balance amount of TDS to be deducted in this column

Press **F12** or click on the **F12: Configure** button.

Configuration

Show Party TDS PAN Number ? **Yes**

In **Show Party TDS PAN Number** field enter **Yes**, to display the party's PAN number in the report.

TDS Computation | **ABC Company** | Ctrl + M

TDS Computation | 1-Apr-2007 to 30-Apr-2007

Particulars	PAN	Amount Paid /Payable Till Date	Tax	Surcharge	Addl Surcharge (Cess)	Addl Education Cess	Total TDS	Less: TDS Deducted Till Date	Net TDS to Deduct
ABB Enterprises	AHD87600980								
TDS on Rent		2,00,000.00	4,000.00 (2%)	400.00 (10%)	88.00 (2%)	44.00 (1%)	4,532.00	2,266.00	2,266.00
									2,266.00
Apt Advertisements	APM987432098								
TDS on Advertisement		1,50,000.00	1,500.00 (1%)	150.00 (10%)	33.00 (2%)	17.00 (1%)	1,700.00	1,683.00	17.00
									17.00
Smart Enterprises	PAN74569D9384								
TDS on Rent		1,24,500.00	18,675.00 (15%)	1,868.00 (10%)	411.00 (2%)	205.00 (1%)	21,159.00		21,159.00
									21,159.00

Click on the **Print** button or use **ALT+P** to print the **TDS Computation** report. This brings up the **Printing TDS Computation** configuration sub-form by which the user can customise the appearance of the Ledger report.

Accept the **TDS Computation** configuration sub-form to view the TDS Computations report in print preview mode.

ABC Company
ABC Company
101, 8th Cross, Crescent Road
Sadhashiv Nagar
Bangalore

TDS Computation
1-Apr-2007 to 30-Apr-2007

Page 1

TDS Computation — 1-Apr-2007 to 30-Apr-2007

Particulars	PAN	Amount Paid Payable Till Date	Tax	Surcharge	Addl Surcharge (Cess)	Addl Education Cess	Total TDS	Less: TDS Deducted Till Date	Net TDS to Deduct
ABB Enterprises	AHD87600980								
TDS on Rent		2,00,000.00	4,000.00 (2%)	400.00 (10%)	88.00 (2%)	44.00 (1%)	4,532.00	2,266.00	2,266.00
									2,266.00
Apt Advertisements	APM987432098								
TDS on Advertisement		1,50,000.00	1,500.00 (1%)	150.00 (10%)	33.00 (2%)	17.00 (1%)	1,700.00	1,683.00	17.00
									17.00
Smart Enterprises	PAN7456909384								
TDS on Rent		1,24,500.00	8,675.00 (15%)	1,868.00 (10%)	411.00 (2%)	205.00 (1%)	21,159.00		21,159.00
									21,159.00

If the TDS payment is made to the government then such payment will not be displayed in **TDS Computation** drill down report.

TDS Ledger Vouchers — **ABC Company** — Ctrl + M

Ledger: **ABB Enterprises** — **1-Apr-2007 to 30-Apr-2007**

Date	Particulars	Vch Type	Vch No.	Debit	Credit
3-4-2007	Rent	Journal	2		1,00,000.00
3-4-2007	HDFC Bank	Payment	2	2,266.00	
3-4-2007	HDFC Bank	Payment	3	95,468.00	
3-4-2007	TDS on Rent	Journal	5	2,266.00	
3-4-2007	Rent	Journal	7		1,00,000.00

TDS Payables

TDS Payables report gives you information on the status of TDS payable (pending) amounts for a particular TDS Ledger account. Go to **Gateway of Tally > Display > Statements of Accounts > TDS Outstanding > TDS Payables**

The **TDS Payables** report provides the Outstandings for a Tax ledger accounts.

TDS Outstanding		ABC Company			Ctrl + M
TDS Payable				1-Apr-2007 to 3-Apr-2007	
Date	Ref. No.	TDS Ledger Name	Pending Amount	Due on	Overdue days
3-Apr-2007	Jrnl/10	TDS on Rent	6,798.00	7-May-2007	
3-Apr-2007 Journal	10	6,798.00 Cr			

Note: If you wish to know more details on the voucher drill down further by pressing Enter.

1. **Date**: Date of creation as entered in the Payment/Journal/Purchase voucher
2. **Ref No**: The payment Reference number
3. **TDS Ledger Name** displays the TDS Ledgers created under Duties and Taxes
4. **Pending Amount**: The pending amount that needs to paid by your company to the bank/party appears in this column
5. **Due on**: The last date for the payment (Due date).
6. **Overdue by days**: The number of days passed from the date of payment

Click on the **Print** button or use **ALT+P** to print the **TDS Payable** report. In the **Printing TDS Outstanding** screen, you can customise the **Condensed** or **Detailed** appearance of the TDS Payable by using the **Backspace** key to navigate to the fields.

Accept the sub form to view the report in print preview mode.

ABC Company

ABC Company

101, 8th Cross, Crescent Road

Sadhashiv Nagar

Bangalore

TDS Payable

1-Apr-2007 to 3-Apr-2007

Page 1

Date	Ref. No.	TDS Ledger Name	Pending Amount	Due on	Overdue days
3-Apr-2007	Jrnl/10	TDS on Rent	6,798.00	7-May-2007	
			6,798.00		