Tally
POWER OF SIMPLICITY

Getting Started with TDS in Tally.ERP 9

Version: TDS in Tally.ERP 9/1.0/March 2009

POWER OF SIMPLICITY

Contents

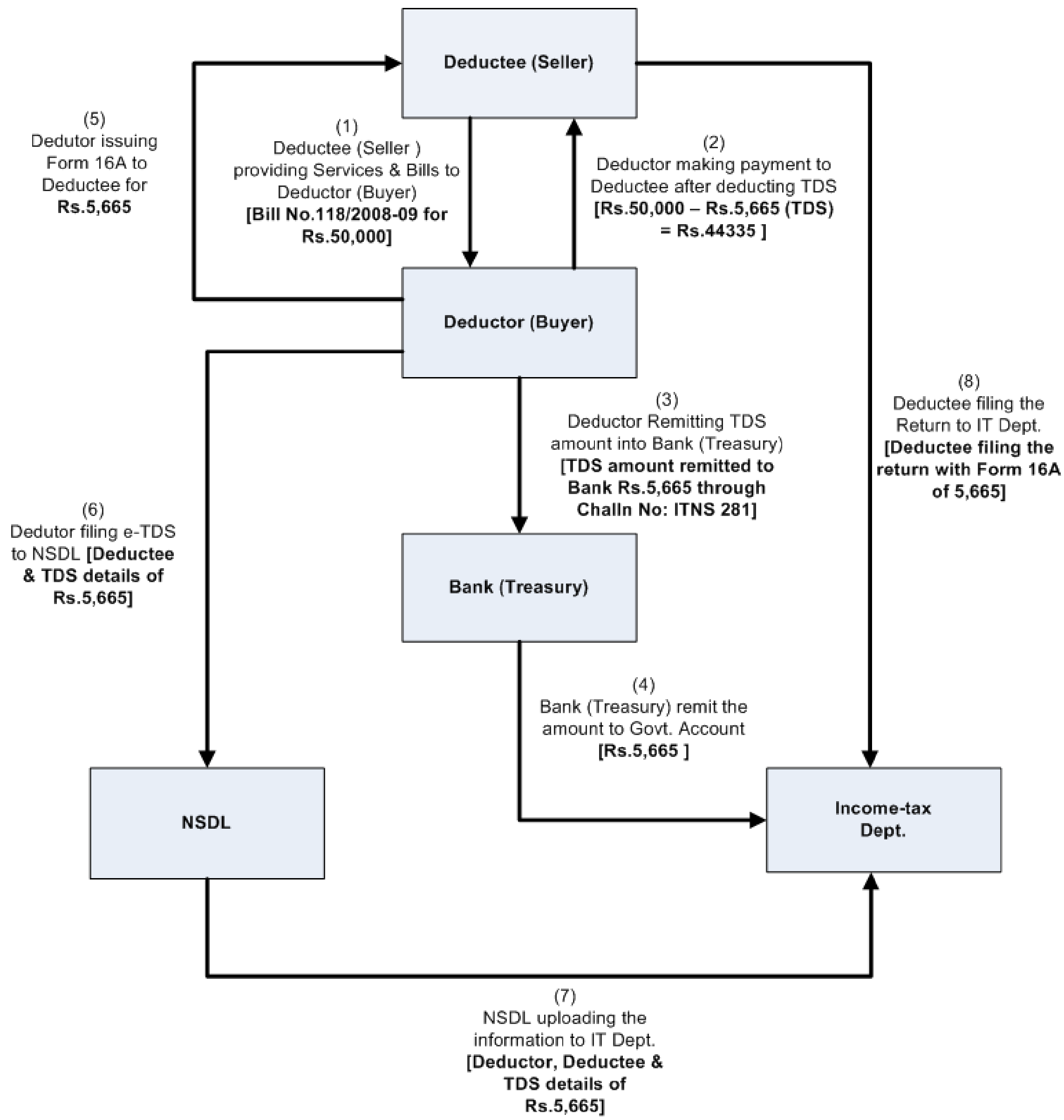
Introduction

TDS means Tax Deducted at Source. The concept of TDS was introduced in the Income Tax Act, 1961, with the objective of deducting the tax on an income, at the source of income. It is one of the methods of collecting Income Tax, which ensures regular flow of income to the Government.

Example: Universal Infotech is making the payment towards Rent to the owner of the building, it is required to deduct the tax on the income (i.e. before payment to the owner), at the source of income.

TDS Process

1. **Deductee (Seller)** provides Services and Bill to the **Deductor (Buyer)**
2. **Deductor** makes the **payment after deducting TDS**
3. **Deductor** remits the TDS amount into **Bank (Treasury)**
4. **Bank (Treasury)** remit the amount to the **Government Account**
5. **Deductor** Issues **Form 16A** to **Deductee** for the TDS amount deducted
6. **Deductor** Files the **e-TDS** to NSDL
7. **NSDL** uploads the e-TDS information to **Income Tax Department**
8. **Deductee** Files the **Return with Form 16A** to Income tax Department.


Deductee (Seller)
(5)
Dedutor issuing
Form 16A to
Deductee for
Rs.5,665
(1)
Deductee (Seller)
providing Services & Bills to
Deductor (Buyer)
[Bill No.118/2008-09 for
Rs.50,000]
(2)
Deductor making payment to
Deductee after deducting TDS
[Rs.50,000 – Rs.5,665 (TDS)
= Rs.44335]
Deductor (Buyer)
(8)
Deductee filing the
Return to IT Dept.
[Deductee filing the
return with Form 16A
of 5,665]
(3)
Deductor Remitting TDS
amount into Bank (Treasury)
[TDS amount remitted to
Bank Rs.5,665 through
Challn No: ITNS 281]
(6)
Dedutor filing e-TDS
to NSDL [Deductee
& TDS details of
Rs.5,665]
Bank (Treasury)
(4)
Bank (Treasury) remit the
amount to Govt. Account
[Rs.5,665]
NSDL
Income-tax
Dept.
(7)
NSDL uploading the
information to IT Dept.
[Deductor, Deductee &
TDS details of
Rs.5,665]

TDS Process

Issue of TDS Certificate

TDS certificate is a proof that deductor has deducted the tax and paid the same to the government. This proof is essential to the deductee to claim the credit of tax in his Income Tax returns.

U/s 203 of Income Tax Act, any person deducting the tax as per the provisions of

- **Section 192 (Salary)** shall furnish a certificate of Deduction of tax in Form 16 or Form 16AA within one month from the close of Financial year in which such deduction was made.

Example: For the Financial Year 2007-2008, the TDS certificate must be issued on or before 30th April, 2008

- **Section 193, 194, 194A, 194B, 194BB, 194C, 194D, 194E, 194EE, 194F, 194G, 194-I, 194J, 194K, 194LA, 195, 196A, 196B, 196C and 196D** shall furnish a certificate of Deduction of tax in Form 16A with one month from the end of the month during which the credit has been given or the payment has been made, as the case may be.
- In case of deductee to whom more than one **TDS certificate** was issued for the deductions made during the year, may on request from such deductee, a consolidated certificate in **Form 16A** may be issued within a period of one month from the close of such financial year.

Filing of e-TDS Returns

E-TDS Returns

The Income Tax department has now notified 'Electronic Filing of Returns of Tax Deducted at Source Scheme, 2003'. It is applicable to all deductors furnishing their TDS return in electronic form. As per this scheme,

- It is mandatory for corporate deductors to furnish their TDS returns in electronic form (e-TDS return) with effect from June 1, 2003.
- For government deductors it is mandatory to furnish their TDS returns in electronic form (e-TDS return) from financial year 2004-2005 onwards.
- Deductors (other than government and corporates) may file TDS return in electronic or physical form.

Deductors furnishing TDS returns in electronic form (e-TDS) have to furnish Form 27A. Form 27A is a control chart to be furnished in physical form along with CD/ Floppy containing the e-TDS returns. Form No 27A is required to be furnished separately for each TDS return.

Form 27A is a summary of e-TDS returns which contains control totals of 'Amount paid' and 'Income tax deducted at source'. The control totals mentioned on Form 27A should match with the corresponding control totals in e-TDS returns.

Returns and Time lines

The following Returns are required to be filed under TDS:

Financial Year	Form No.	Particulars	Periodicity
2008-09	Form 26	Annual return of deduction of tax in respect of payments other than salary.	Annual
	Form 27	Annual return of deduction of tax in respect of payments other than salary made to Non-residents.	Annual
	Form 27A	Physical control charts containing control totals mentioned in TDS returns furnished electronically. Form 27A in physical form to be submitted along with e-TDS annual return forms.	With each e-TDS returns Form 26 and/ or Form 27.
2008-09	Form 26Q	Quarterly return of deduction of tax in respect of payments other than salary.	Quarterly
	Form 27Q	Quarterly return of deduction of tax in respect of payments other than salary made to Non-residents.	Quarterly
	Form 27A	Physical control charts containing control totals mentioned in TDS returns furnished electronically. Form 27A in physical form to be submitted along with e-TDS quarterly return forms	With each e-TDS returns Form 26Q and/or Form 27Q.

TDS in Tally.ERP 9

TDS (Tax Deducted at Source) in Tally.ERP 9 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.ERP 9 calculates the tax of all parties/ suppliers where TDS deduction is mandatory. It calculates the TDS automatically and prints Form16A certificates, Forms 26Q, 27Q, 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.ERP 9

The TDS functionality in Tally.ERP 9 supports the following features:

1. Simple and user-friendly
2. Quick and easy to set up and use
3. Accounting for tax payment of bills
4. Flexibility for assisted 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
12. Allows multi-party printing
13. Exporting of data in NSDL compliant TDS file format.
14. Electronic format (e-TDS return) with Form 26Q, 27Q, 26 and Form 27 and which will be validated by the utility, provided by the government.
15. Generates Form 16A, TDS Challan, TDS Computation and TDS Payable reports.

Lesson 1: Enabling TDS in Tally.ERP 9

1.1 Enabling TDS in Tally.ERP 9

To enable **TDS** in Tally.ERP 9,

Go to **Gateway of Tally > F11: Features > F3: Statutory & Taxation**

- Set **Enable Tax Deducted at Source** to **Yes**
- Enable **Set/Alter TDS Details** to **Yes**

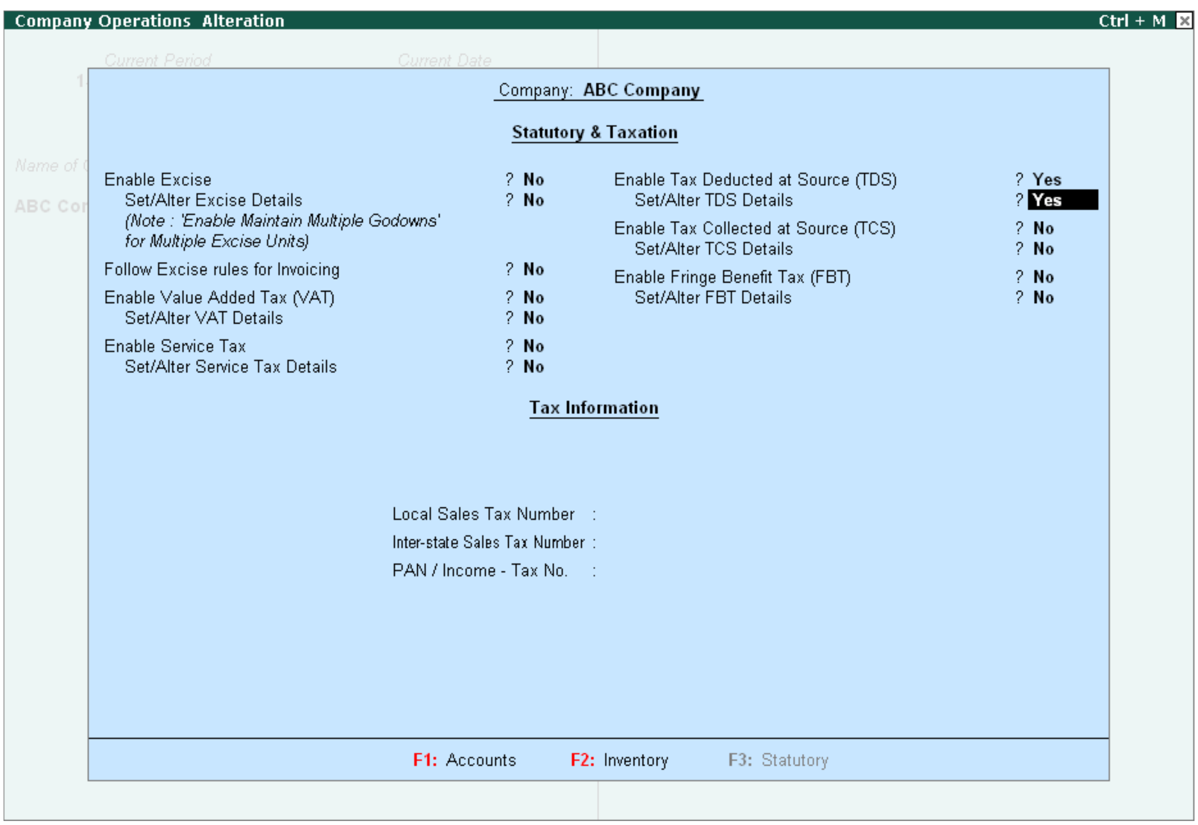


Figure 1.1 Enabling TDS

1. Enter the TDS deductor details in **Company TDS Deductor Details** screen

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.

Notes

*The Format of TAN is AAAA*55555A, Where A* is the first character of the name of the Organisation.*

Example**: TAN of **ABC Company** is **KARA07884F

- **Income Tax Circle/Ward (TDS)**: Enter the Income Tax Circle/Ward, in which the deductors are assessed for Income-Tax (TDS) with TAN of each person
- **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.

Notes

*If Tally.ERP 9 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.

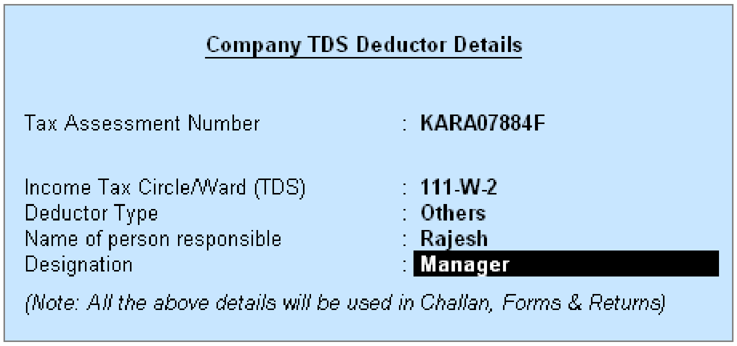


Figure 1.2 Company TDS Deductor Details

2. Press **Enter** to accept Company **TDS Deductor Details** screen
3. Enter **Permanent Account Number (PAN No.)**: **PAN** is **10 Digit Alpha numeric number** allotted by the Income Tax Department to all the taxpayers whose income is taxable.

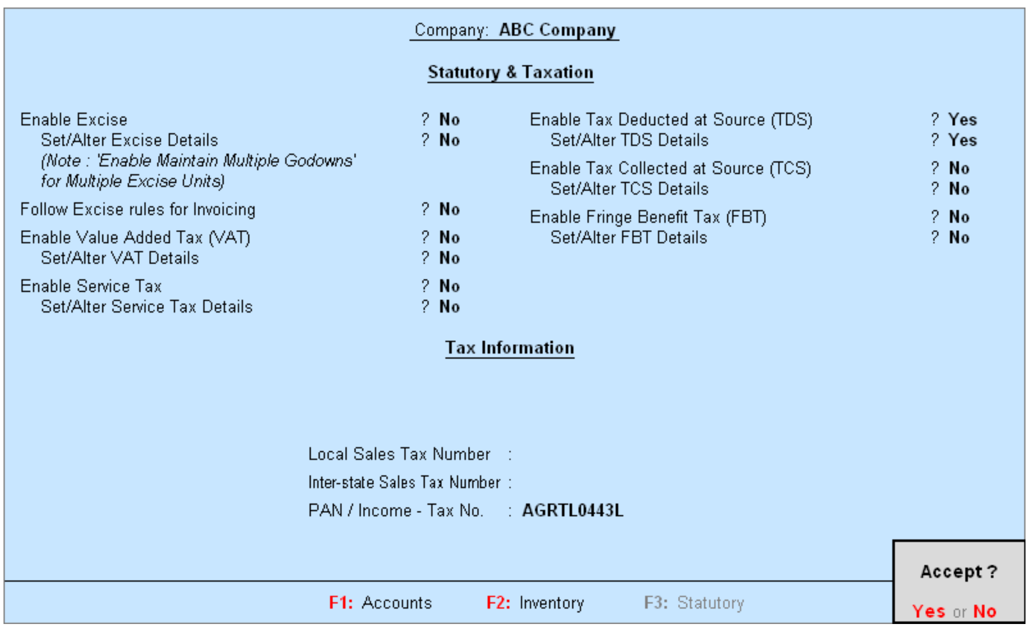


Figure 1.3 F11:Features

4. Press **Enter** to accept and save.

Lesson 2: Creating Masters

2.1 TDS Statutory Masters

Income Tax will be deducted at source based on the rate defined in the Act, for the Deductees, against the Nature of Payments. Hence to account TDS transactions, every payment and the party to whom the payment is made needs to be identified against the Nature of payment and deductee type as defined in the Act.

In Tally.ERP 9, all the Nature of Payments and Deductees Types (as defined under the Act) are provided as Statutory Masters. These Statutory Masters will be loaded into Tally.ERP 9 during company creation, when the Statutory compliance for is set to India. On enabling TDS Feature in F11: Statutory & Taxation features, TDS Statutory masters will be available for selection during Creation of Expenses, Party and TDS ledgers.

To view **Statutory Masters**

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

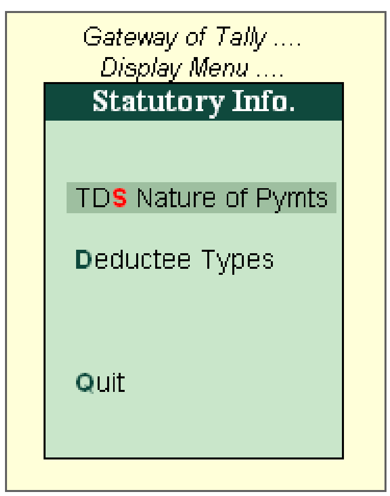


Figure 2.1 Statutory Info.

The **Statutory Info.** displays the following options

- TDS Nature of Pymt
- Deductee Types

2.1.1 TDS Nature of Payment

To view **TDS Nature of payment**

Go to **Gateway of Tally > Display > Statutory Info. > TDS Nature of Pymt**

- Select any desired type from the list of **TDS Nature of Payments** to go to **TDS Nature of Pymt Display**
- The display window comprises fields such as **Name, Full Name, Section, Payment Code, Single Bill Value Limit** and **Section Name** of the nature of payment selected

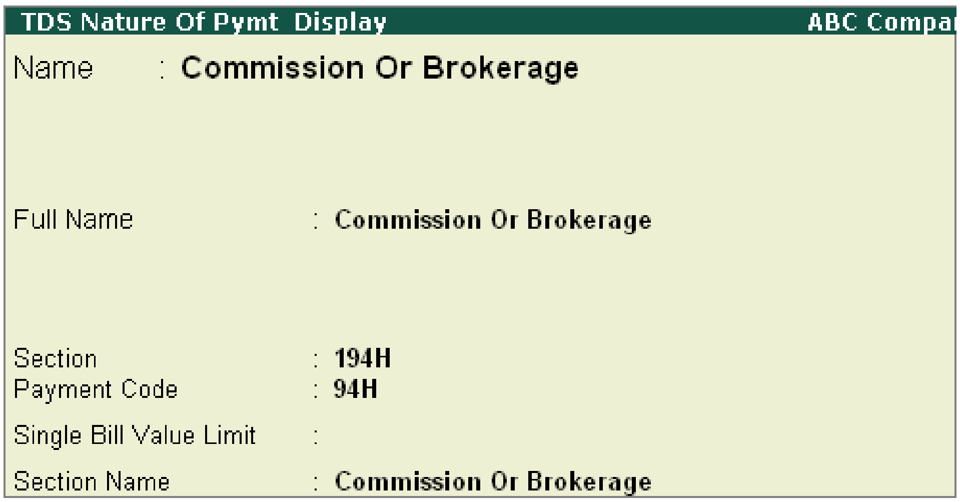


Figure 2.2 TDS Nature of Payment

Notes

*All the **TDS nature of expenses** has to be associated with relevant predefined **TDS Nature of Payments.***

2.1.2 Deductee Types

To view **Deductee Types**

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

- Select the **Deductee Type** (For e.g., **Company Resident**). from the **List of Deductee Types**

Deductee Type Display — ABC Company — Ctrl + M

Name : **Company - Resident**

Residential Status : **Resident**
Deductee Status : **Company**
Active ? **Yes**
Module Type : **Both**

Deductee TDS Details

Nature of Payment	Applicable From	TDS		Surcharge		Ed Cess		Sec Ed Cess	
		Rate	Exemption Limit	Rate	Exemption Limit	Rate	Exemption Limit	Rate	Exemption Limit
Any Other Interest on Securities As Per Sec.193									
	1-4-2004	20 %	2,500.00	10 %		2 %			
	1-4-2007	20 %	2,500.00	10 %	1,00,00,000.00	2 %		1 %	
	1-4-2008	20 %		10 %	1,00,00,000.00	2 %		1 %	
Commission on Sale of Lottery Tickets									
	1-4-2004	10 %	1,000.00	10 %		2 %			
	1-4-2007	10 %	1,000.00	10 %	1,00,00,000.00	2 %		1 %	
Commission Or Brokerage									
	1-4-2004	5 %	2,500.00	10 %		2 %			
	1-4-2007	5 %	2,500.00	10 %	1,00,00,000.00	2 %		1 %	
	1-6-2007	10 %	2,500.00	10 %	1,00,00,000.00	2 %		1 %	
Deemed Dividend U/s 2(22)(E)									
	1-4-2007	20 %	2,500.00	10 %	1,00,00,000.00	2 %		1 %	

43 more ... ↓

Figure 2.3 Deductee Type

Deductee Type screen displays the details such as

- **Name**: This field displays the Name of the Deductee Type
- **Residential Status**: This field displays the **Residential Status** of the Deductee, i.e. whether the deductee is a Resident or a non Resident.
- **Deductee Status**: This field displays the Deductee Status i.e., whether the deductee is a Company or Non Company.
- **Deductee TDS Details**: This section displays details such as
  - **Nature of Payment**: Displays all the nature of payments applicable for the Deductee.
  - **Applicable From**: Displays the dates from when the prescribed rate of income tax is applicable for the Nature of Payments.
  - **TDS**: Displays the TDS Rate and TDS Exemption amount applicable for the nature of payments.
  - **Surcharge**: Displays the Surcharge Rate and Surcharge Exemption amount applicable for the deductee.
  - **Ed Cess & Sec Ed Cess**: Displays the applicable Rate of Cess and Sec Ed Cess

2.2 Creating TDS Masters

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

- Duties and Taxes
- Sundry Creditors
- Sundry Debtors
- 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
- Unsecured Loans
- Loans (Liability) (except Bank OD A/c, Bank OCC A/c)
- Secured Loans
- Unsecured Loans
- Branches/Division
- Reserves & Surplus
- Capital Account
- Fixed Assets
- Deposits (Assets)
- Direct Expenses
- Indirect Expenses
- Purchase Accounts

2.3 Creating a Expense Ledger

To Create the **TDS Expense Ledger**

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

1. Enter the **Name** of the **expense ledger** e.g. **Advertisement Expenses**
2. In **Under** field select the group **Indirect Expenses** from the List of Groups
3. Set **Inventory values are affected** to **No**
4. Set **Is TDS Applicable** to **Yes**
5. In **Default Nature of Payment** filed select **Payment to Contractors (Advertisement Contractors)** from the **List of TDS Nature of Pym**t.

*All the **Payments/Expenses** subject to TDS have to be associated with relevant predefined **TDS Nature of Payments**.*

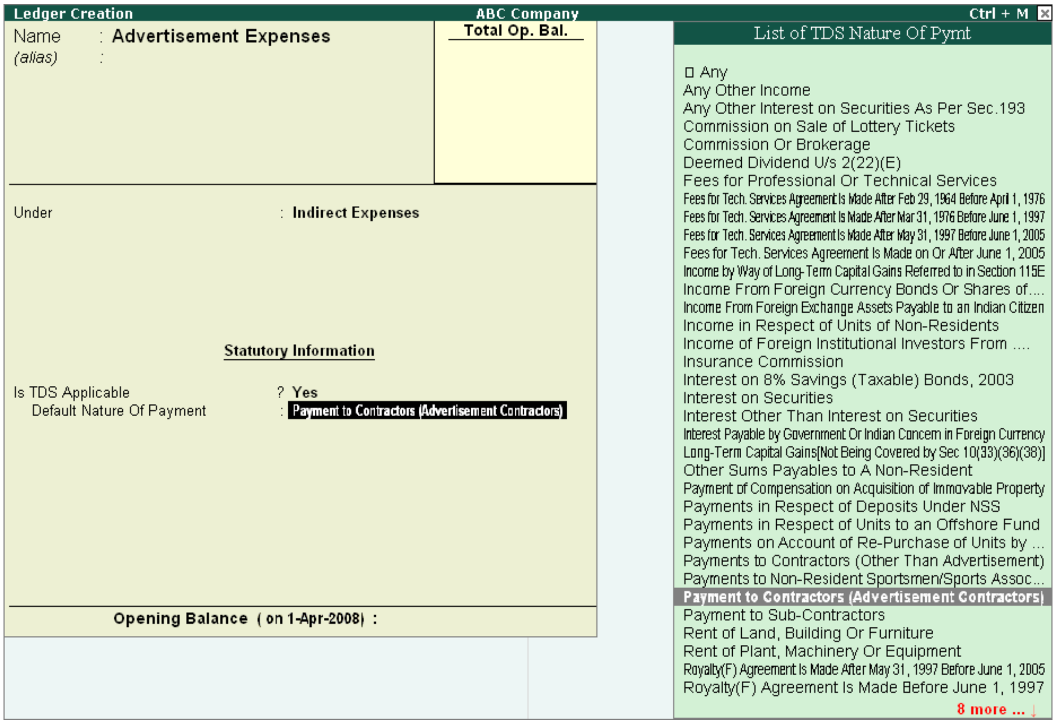


Figure 2.4 Expense Ledger Creation

*The Option **Any** can be selected from the **List of TDS Nature of Payment**, where the user doesn't want to define the **TDS Nature of payment** during Ledger creation. This allows the user to use an Expense Ledger (as a common ledger) to account multiple TDS Nature of Payments*

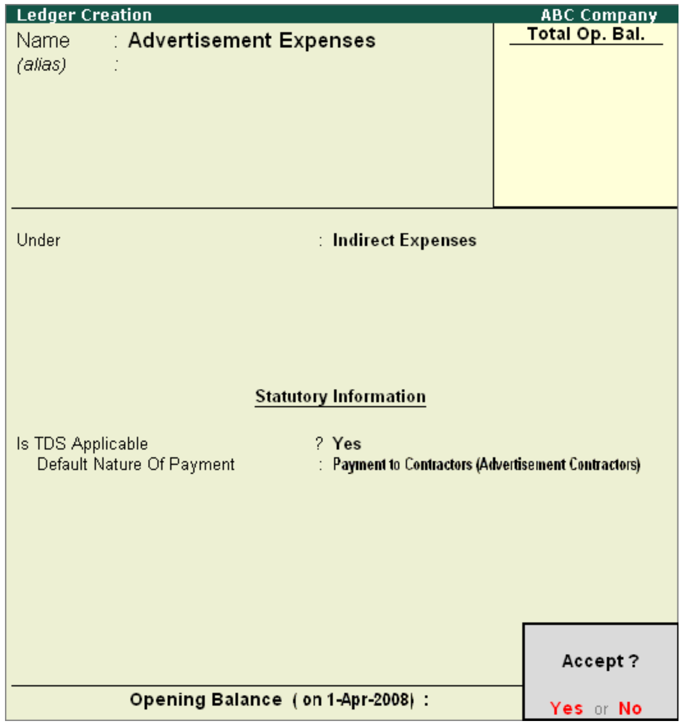


Figure 2.5 Expense Ledger

6. Press **Enter** to accept and save.

2.4 Creating a Party Ledger

To create a **Party Ledger** grouped under **Sundry Creditors**

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

In **F12: Configure (Ledger Configuration)**

- Set **Allow Advanced entries in Masters** to **Yes**
- Set **Use Addresses for Ledger Accounts** to **Yes**

In the **Ledger creation** screen

1. Enter the **Name** of the **Party Ledger** e.g. **Pheonix Agencies**
2. Select **Sundry Creditors** from the **List of Groups** in the **Under** field
3. Set **Maintain balances bill-by-bill** to **Yes**
4. Enter the **Default Credit Period**, if required.
5. Set **Is TDS Deductable** to **Yes**

6. In the **Deductee Type** field, select **Association of Persons** from the **List of Deductee Type**

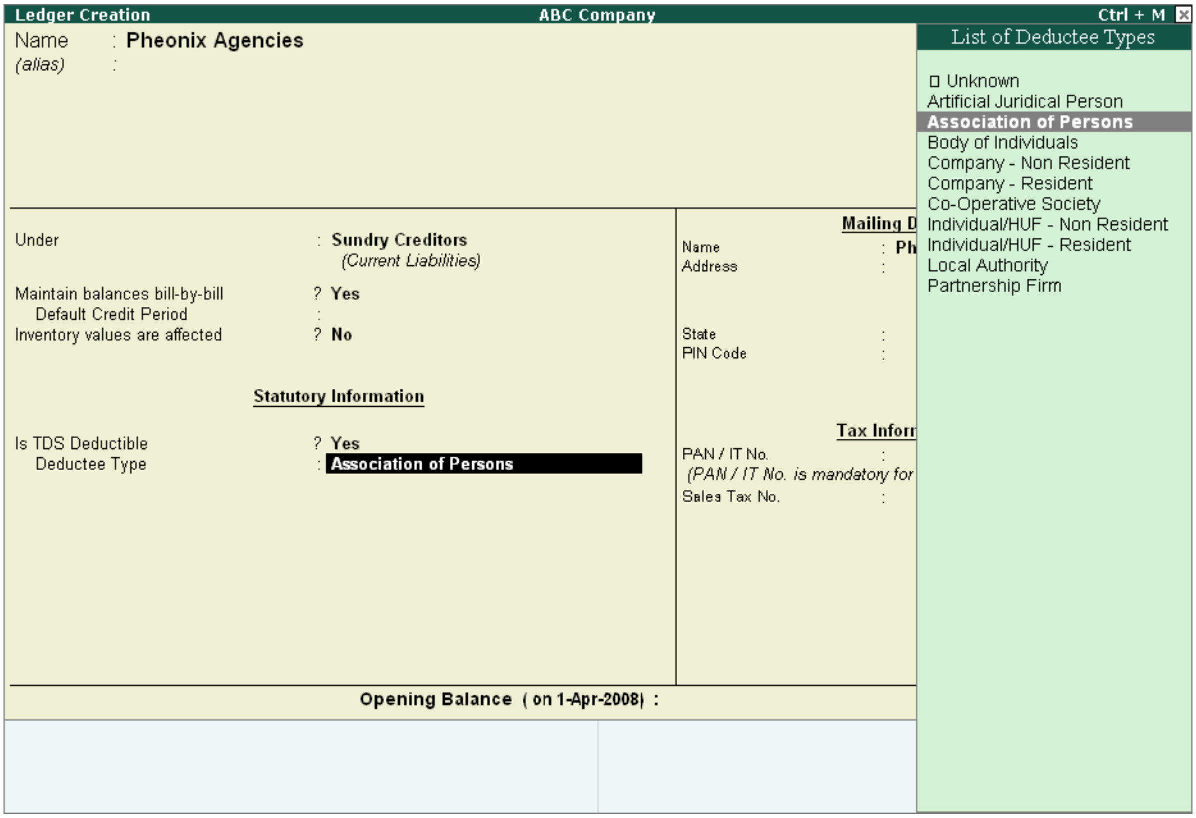


Figure 2.6 Party Ledger Creation

*The option **Unknown** will be selected, when the Party's deductee type details are not available.*

7. Enter the **Mailing Details**
8. Under **Tax Information** enter the **PAN/IT No.** (**PAN/IT No.** is mandatory for e-TDS). PAN is a 10 Digit Alphanumeric Number allotted by the Income Tax Department.

__PAN/IT No.__ field is restricted to 10 digits, user can enter any ten Numbers or Alphabets or alphanumeric.

The details provided in the __PAN/IT No.__ field must be equal to ten Numbers or Alphabets or alphanumeric. Tally.ERP 9 won't accept any details less than 10 digits.In case, where the __PAN is not available__ or __applied for__, such details can also be provided in the __PAN/IT No.__ field in the format, as specified by the Income tax Department.

** For PAN not available - enter as __PANNOTAVBL__*

** For PAN Applied - enter as __APPLIEDFOR__*

Tally.ERP 9 displays all the ledgers in which PAN/IT No is not mentioned under __Exception Report.__ Before e-TDS validation user can check this report to make necessary changes in the ledger.

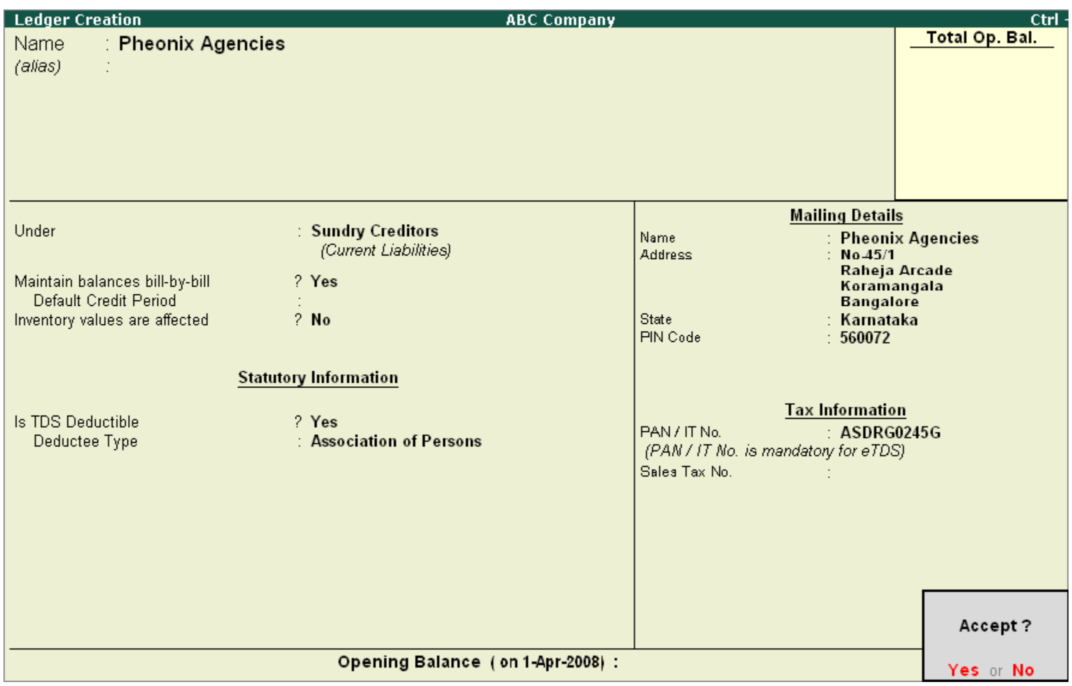


Figure 2.7 Party Ledger

9. Press **Enter** to accept and save.

If the party is a __Non–Resident Deductee Type__, then __PIN Code, State__ and the __Sales Tax Number__ fields are not applicable.

2.5 Creating a Tax Ledger

To create a **Tax Ledger**

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

1. Enter the **Name** of the **Tax Ledger** e.g. **TDS – Contractors**
2. Select **Duties & Taxes** from the **List of Groups** in the **Under** field.
3. In **Type of Duty /Tax** field select **TDS** from the **Types of Duty/Tax list**
4. In **Nature of Payment** field, select **Payment to Contractors (Advertisement Contractors)** from the List of TDS Nature of Payment.
5. Set **Inventory values are affected** to **No**

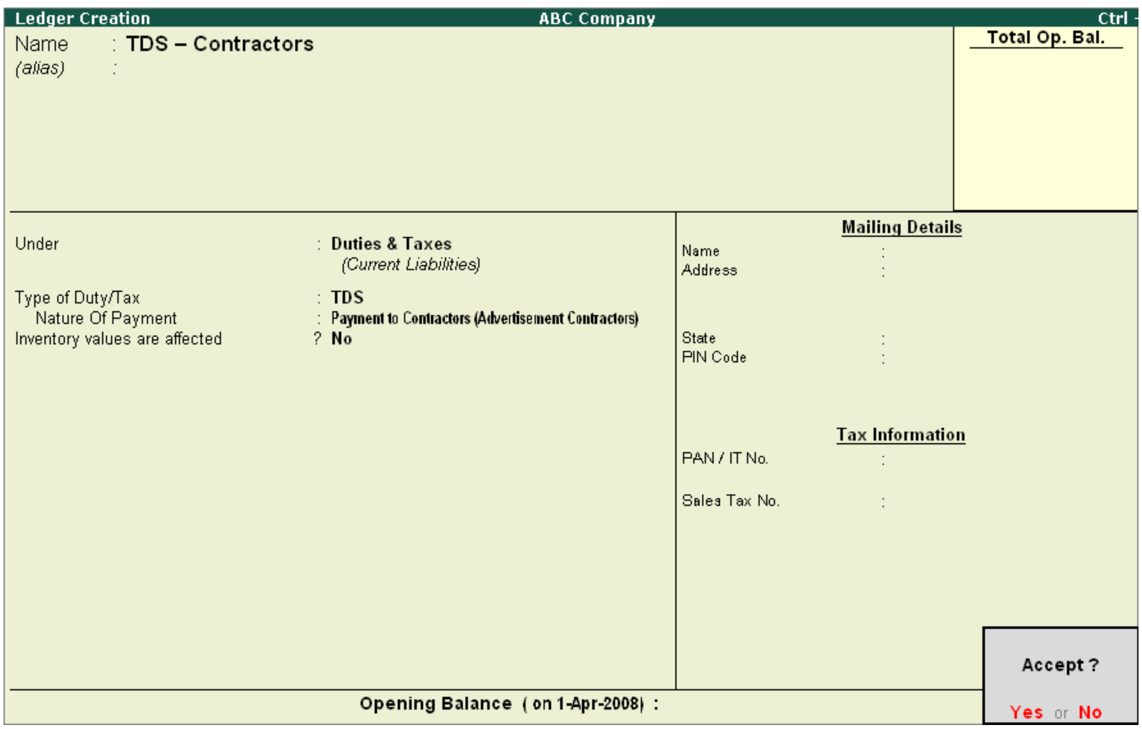


Figure 2.8 Tax Ledger Creation

6. Press **Enter** to accept and save.

*Tally.ERP 9 provides you with the flexibility to use a **common Duty ledger** for different **TDS Nature of Payments** by selecting the **Nature of Payments** as **Any**.*

Lesson 3: Transactions

3.1 Transactions Involving TDS

In Tally.ERP 9, you can account for expenses implying TDS with the help of Payment Voucher, Journal Voucher or Purchase Voucher, as required.

We shall understand how Tally.ERP 9's TDS feature can be used to process TDS transactions.

1. TDS on Expenses
2. Expenses Partly Subject to TDS
3. Accounting of Expenses and Deducting TDS Later
4. Accounting Multiple Expenses and Deducting TDS Later
5. TDS on Advances
6. TDS on Expenses @ Lower Rate
7. TDS on Expenses @ Zero Rate
8. Surcharge calculation on Prior Period Expenses
9. Surcharge calculation on Expenses

3.2 TDS on Expenses (Journal Voucher)

Here, expenses are accounted and tax is deducted at source to arrive at the Net Balance payable to the party.

Example: ABC Company received a bill from Phoenix Agencies for **Rs. 5,00,000** towards Advertising Services provided.

To Create the **Journal Voucher**,

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

1. Press **F2** and change the date to **05-04-2008**
2. In **Debit** field select **Advertisement Expenses** from the **List of Ledger Accounts**
3. Enter **5,00,000** in the **Amount** field.
4. In the **Credit** field select **Pheonix Agencies** and press enter to view **TDS Details** screen

Fields in TDS Details screen

- **Type of Ref**: Select **New Ref** from the **Method of Adjustment**. New Ref is selected for new financial transactions.
- **Name**: Tally.ERP 9 displays the reference number, which is a combination of abbreviation of Journal and Voucher Number (example: **Jrnl / 1-1**) which can be changed by the user example. TDS payments are tracked with these Reference Numbers
- **Nature of Payment**: Select **Payments to Contractors (advertisement Contractors)** from the List of Nature of Pymt(s).

Notes

*The **List of Nature of Pymt(s)** displays only that Nature of Payment which is specific to the **Expenses Ledgers**, selected in the transaction.*

- **TDS Duty Ledger**: Select **TDS - Contractors** from the list of TDS Duty Ledgers.

Notes

***List of TDS Duty Ledgers** displays, ledgers created with specific nature of payment as well as the ledger created with the option **Any**.*

- **Assessable Amount**: Tally.ERP 9 defaults the **amount** specified against the **expenses ledger** and skips the field.
- **Deduct now**: User can set this field to **Yes** or **No** depending on the tax deduction.
- **TDS Amount**: This field displays the **Tax amount deducted at source**
- **Payable Amount**: This field displays the **amount (after TDS) payable** to the **Party**.

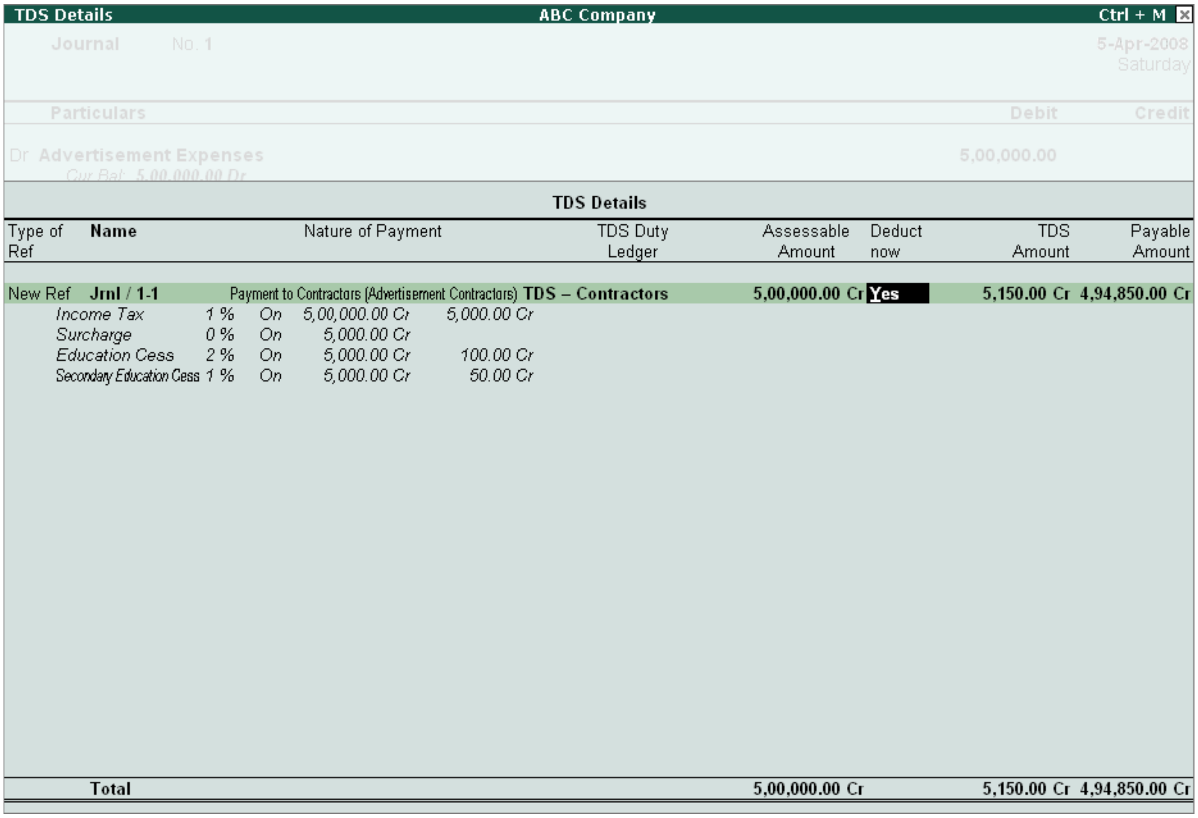


Figure 3.1 Tax Details

- Press **Enter** to accept the **TDS Details**.

5. **Payable Amount** as calculated in the TDS Details screen will be defaulted in the **Party's Amount (Credit)** field.

In **Bill-wise Details** screen

- Select **New Ref** as the **Type of Ref**
- In the **Name** field enter the Bill name as **Bill -001**
- **Skip** the **Due Date or Credit Days** field
- Accept the default **amount** allocation and **Dr/Cr**. By default Tally.ERP 9 displays the **Bill amount** in the **amount** field as the **credit** balance.
- Press Enter, select **New Ref** as Type of Ref and Enter Bill name as **Bill -001**
- Skip the **Due Date or Credit Days** field and accept the **default amount** allocation and Dr/Cr. By default Tally.ERP 9 displays the **Tax amount** in the amount field as the **debit** balance.

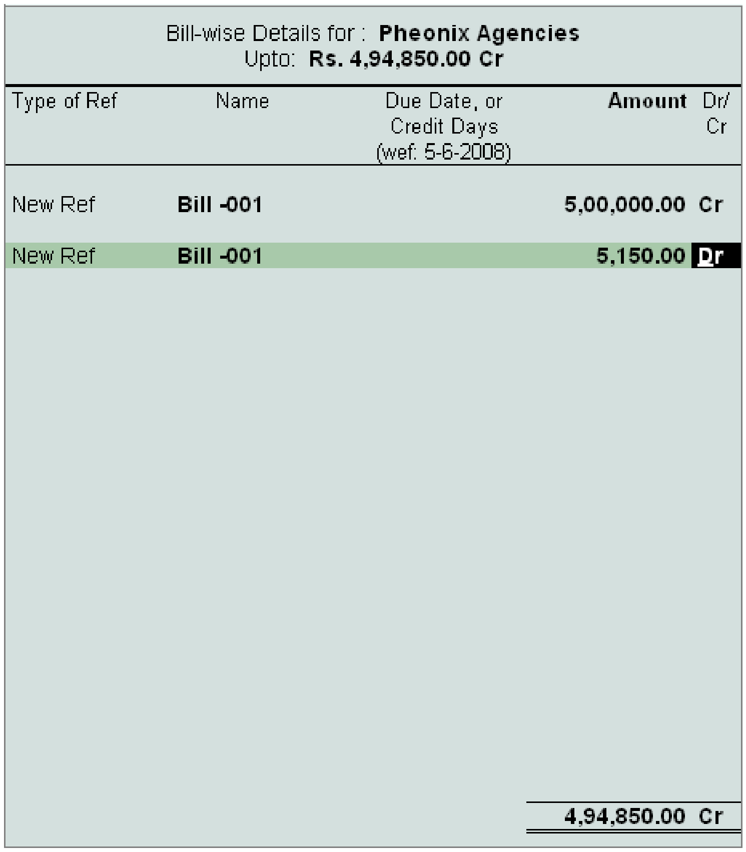


Figure 3.2 Bill-wise Details

In the above ***method of bill allocation****,* ***Tax amount*** *is* ***deducted*** *from the* ***Bill amount*** *to arrive at the Pending amount to be paid to the party. This method of bill allocation updates the bill amount along with pending amount to be paid to the party, in the Outstandings statement, which helps the user to identify the Bill amount in the outstandings statement, when the request comes from the supplier for payment.*

6. In the **Credit** field select **TDS - Contractor** from the **List of Ledger Accounts**.
7. In the **Amount** field, **Rs. 5150 [Bill amount (500000) - Pending Amount (494850)**] is displayed automatically.
8. Enter **Narration**, if required.

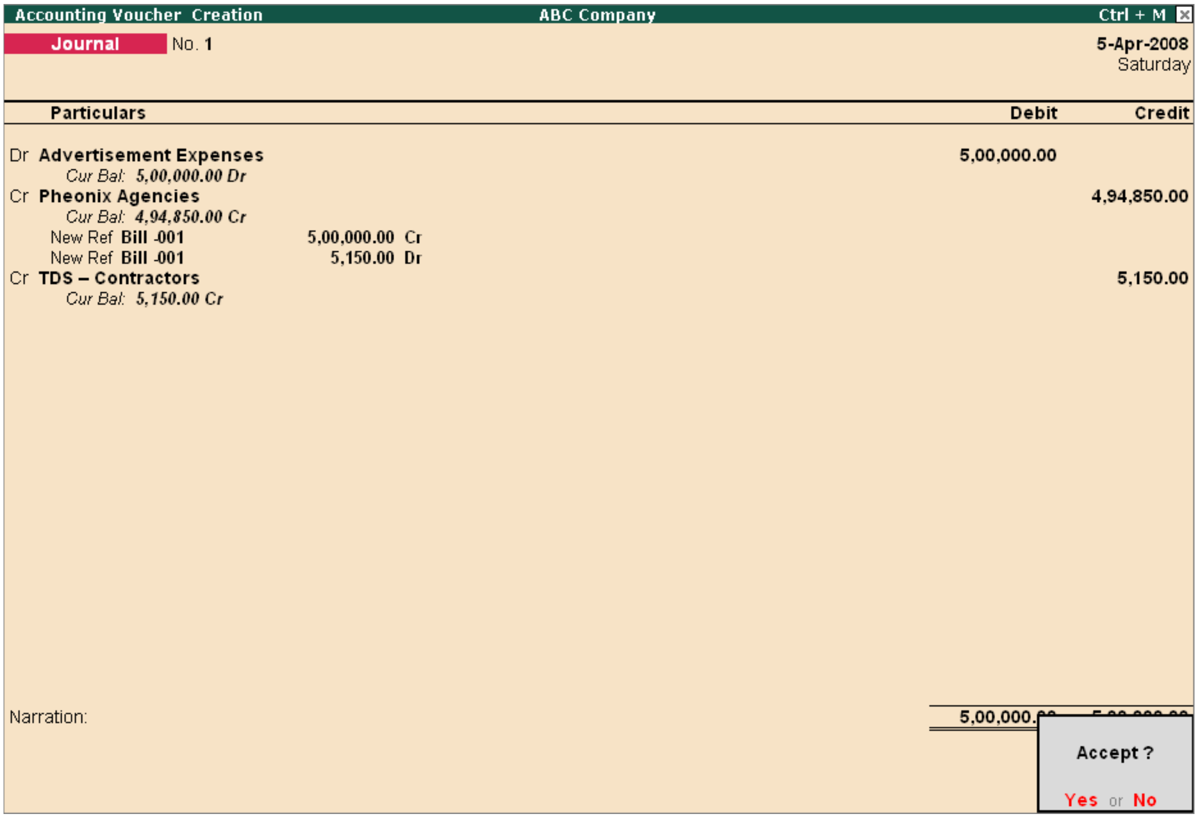


Figure 3.3 Journal Voucher

9. Press **Enter** to accept and save.

Journal Voucher *is generally used to record transactions on due basis i.e., firstly a due entry in favour of the party is created when the bill is received and then at the time of settlement of the referred bill, a payment entry is passed.*

3.3 Expenses Partly Subject to TDS (Journal Voucher)

In the event, where a part of the expenditure is not subject to TDS and the balance amount is subject to TDS, it is crucial to determine the accurate value of expenses for computation of TDS.

Tally.ERP 9 provides the flexibility to enter information in the same voucher. Consider the following scenario to illustrate the Expenses partly subject to TDS.

Example:

ABC Company received a bill from Phoenix Agencies for **Rs. 1,12,360** out of Which Rs. 1,00,000 is towards the Advertising Services provided.

In the above transaction Bill amount includes **other expenses of Rs. 12,360** on which TDS is not applicable. Let us understand how to configure Tally.ERP 9 to compute tax only on the Assessable Value (1,00,000).

Set up:

In **F12: Configure (Journal Configuration)**

- Set **Allow Alteration of TDS Nature of Payment in Expenses** to **Yes**

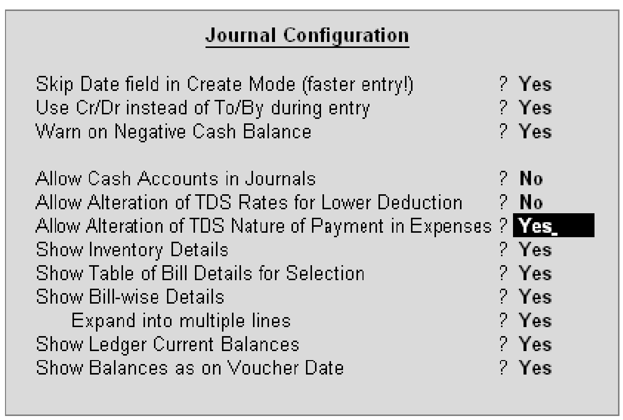


Figure 3.4 Journal Configuration

To create **Journal Voucher**

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

1. Press **F2** and change the **date** to **08-04-2008**
2. In **Debit** field select **Advertisement Expenses** from the **List of Ledger Accounts**
3. Enter **1,12,360** in the **Amount** field and press enter

5.The **TDS Nature of Payment Details** Screen is displayed

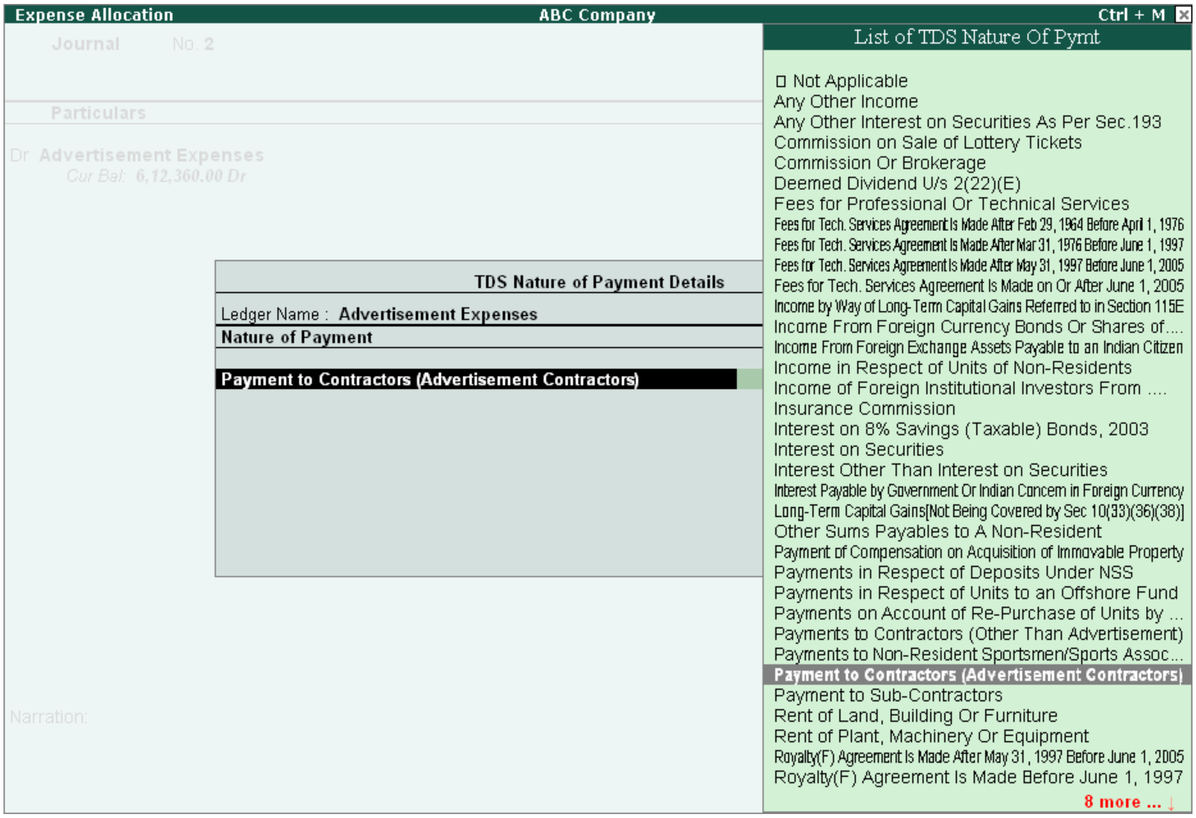


Figure 3.5 Expense Allocation

*When **Allow Alteration of Nature of Payment in Expenses** is set to **Yes** in **F12: Voucher Entry Configuration**, Tally.ERP 9 facilitates Assigning/ Altering Nature of Payments and Assessable value of the Expenses during voucher entry.*

The **TDS Nature of Payment Details** screen displays the **Nature of Payment** and the **Assessable Value** of the expenditure.

- Press Enter to accept **Payment to Contractors (Advertisement Contractors)** as Nature of Payment.
- The amount in the **Assessable Value** is defaulted to Rs. **1,12,360**. Enter **Rs.1,00,000** in **Assessable Value** field and press Enter.

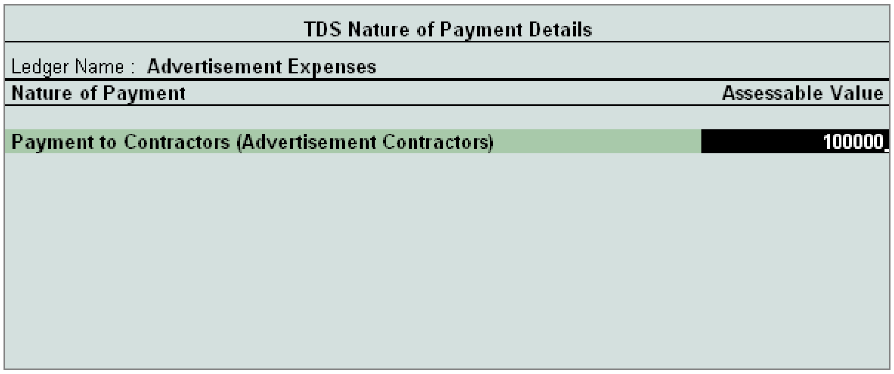


Figure 3.6 Expense Allocation

***Assessable Value** is the amount on which the **TDS** will be computed. In the above transaction the Bill amount of Rs. 1,12,360 includes Service Tax of Rs 12,360 on which the Tax cannot be deducted. Thus assessable value is arrived at by deducting Service tax from the Bill amount*

Bill amount (1,12,360) – other expenses(12,360) = Assessable Value (1,00,000)

- In the **Nature of Payment** field select **Not Applicable** from the **List of TDS Nature of Payment** (balance amount of **Rs 12,360** gets allocated automatically in the Assessable value field)

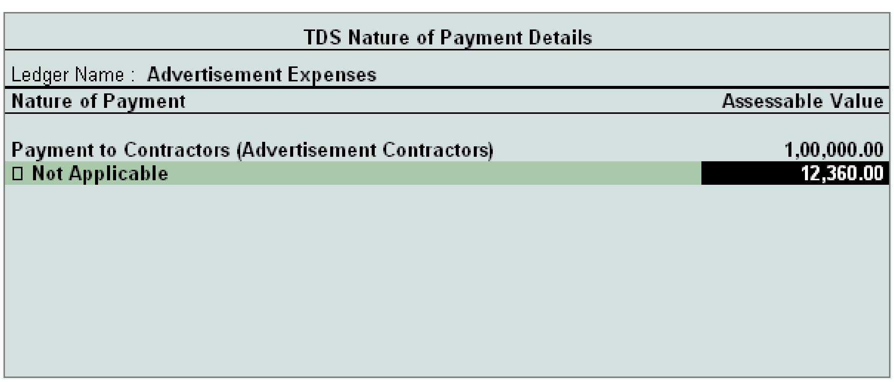


Figure 3.7 Expense Allocation

- Press **enter** to accept **Expenses Details** screen

4. In the **Credit** field select **Phoenix Agencies** and press **Enter**
5. In **TDS Details** screen
   - In **Type of Ref** field select **New Ref** from the Method of Adjustment.

- In **Name** field accept the default reference number - **Jurl / 2-1**
- In **Nature of Payment** field select **Not Applicable** from the **List of Nature of Pymt(s)**.
- In **Assessable Amount** and **Payable Amount** field, the **amount** as specified in the **TDS Nature of Payment Details** will be defaulted.
- In **Type of Ref** field select **New Ref** from the Method of Adjustment.
- In **Name** field accept the default reference number - **Jurl / 2-2**
- In **Nature of Payment** field select **Payments to Contractors (Advertisement Contractors)** from the List of Nature of Pymt(s).
- Select **TDS - Contractors** in the **TDS Duty Ledge**r field.
- In the **Assessable Amount** field, the amount as specified in the **TDS Nature of Payment Details** against the **expenses ledger** will be defaulted.
- Set **Deduct now** field to **Yes**
- In **TDS Amount** field displays the **Tax Deducted at Source**
- **Payable Amount** field displays the **amount (after TDS)** payable to the Party.

TDS Details

Type of Ref	Name	Nature of Payment	TDS Duty Ledger	Assessable Amount	Deduct now	TDS Amount	Payable Amount
New Ref	**Jrnl / 2-1**	[Not Applicable		**12,360.00 Cr**			**12,360.00 Cr**
	Income Tax	*0 % On 12,360.00 Cr*					
	Surcharge	*0 % On*					
	Education Cess	*0 % On*					
	Secondary Education Cess	*0 % On*					
New Ref	**Jrnl / 2-2**	Payment to Contractors (Advertisement Contractors)	**TDS – Contractors**	**1,00,000.00 Cr**	**Yes**	**1,030.00 Cr**	**98,970.00 Cr**
	Income Tax	*1 % On 1,00,000.00 Cr 1,000.00 Cr*					
	Surcharge	*0 % On 1,000.00 Cr*					
	Education Cess	*2 % On 1,000.00 Cr 20.00 Cr*					
	Secondary Education Cess	*1 % On 1,000.00 Cr 10.00 Cr*					
	Total			**1,12,360.00 Cr**		**1,030.00 Cr**	**1,11,330.00 Cr**

Figure 3.8 Tax Details

*The amount of **Rs.12,360**, on which **TDS** is **Not Applicable** is shown separately and is not considered for TDS calculation.*

6. **Payable Amount** as calculated in the TDS Details screen will be defaulted in the **Party's Amount (Credit)** field.
7. In **Bill-wise Details** screen
   - Select **New Ref** as the **Type of Ref**
   - In the **Name** field enter the Bill name as **Bill -911**
   - Skip the **Due Date or Credit Days** field
   - Accept the default **amount** allocation and **Dr/Cr**. By default Tally.ERP 9 displays the **Bill amount** in the **amount** field as the **credit** balance.
   - Press Enter, select **New Ref** as **Type of Ref** and Enter Bill name as **Bill -911**
   - Skip the **Due Date or Credit Days** field and accept the **default amount allocation** and **Dr/Cr**. By default Tally.ERP 9 displays the **Tax amount** in the amount field as the **debit** balance.
8. In the **Credit** field select **TDS - Contractor** from the **List of Ledger Accounts**.
9. In the **Amount** field, **Rs. 1030 [Bill amount (1,12,360) - Pending Amount (1,11,330)]** is displayed automatically.
10. Enter **Narration**, if required.

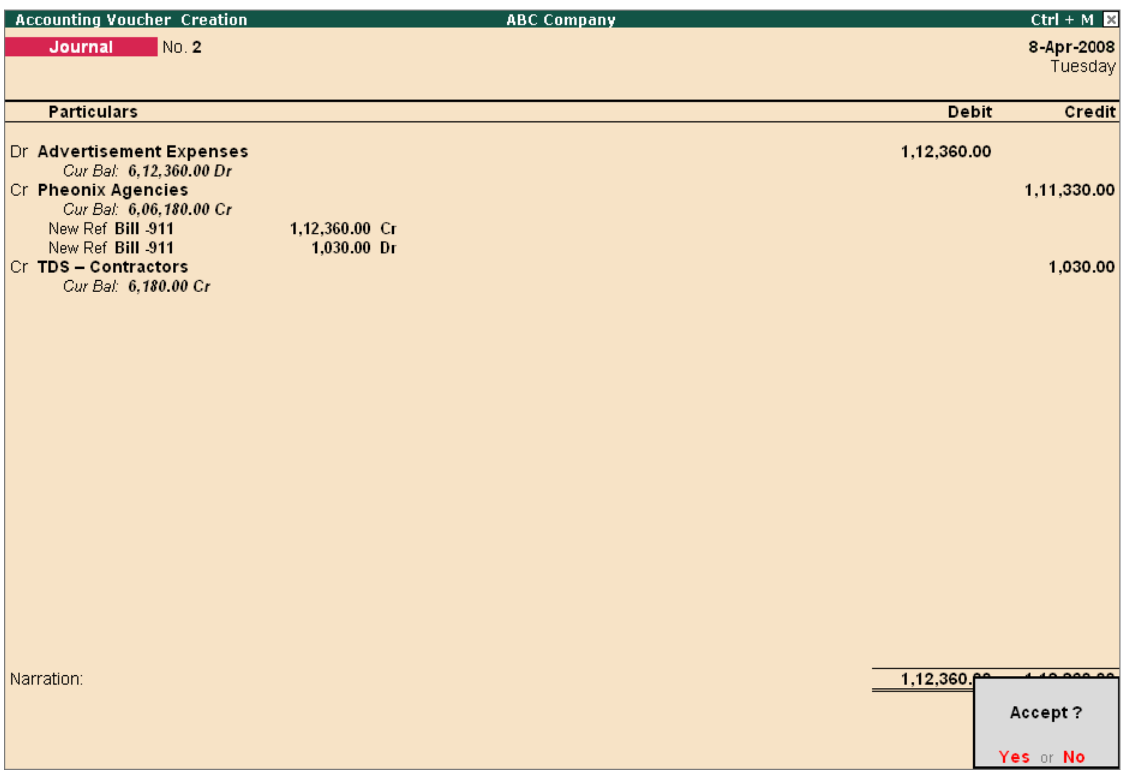


Figure 3.9 Journal Voucher

11. Press **Enter** to accept and save.

3.4 Accounting of Expenses and Deducting TDS Later

It is always expected that, the deductor should deduct the tax in the same invoice in which the expenses are accounted. But in some cases, deductor may follow the procedure of accounting only expenses on the receipt of bills and later, deduct applicable tax on all such accounted expenses in one invoice.

Example: ABC Company received bills for **Rs. 1,50,000(Bill No: 850 dated 10-4-2008**) and **Rs.1,25,000 (Bill No: 881 dated 14-04-2008)** from Pheonix Agencies towards Advertising Services provided.

Under this example first expenses are accounted and later tax is deducted against such expenses.

Notes

*The following example illustrates TDS transaction using a **Purchase Voucher.***

Step 1: Create a Purchase Voucher

In **F12: Configure (Purchase Invoice Configuration)**

- Set **Use Common Ledger A/c for Item Allocation** to **No**
- Set **Use Defaults for Bill Allocations** to **No**

To create **Purchase Voucher**

Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**

1. Press **Alt + I** for **Account Invoice** mode, if it is Item Invoice mode
2. Press **F2** and change the **date** to **10-04-2008**
3. In **Party's A/c Name** field select **Phoenix Agencies** from the **List of Ledger Accounts**
4. Under **Particulars** select **Advertisement Expenses**
5. Enter **Rs. 1,50,000** in the **Amount** field
6. In **TDS Nature of Payment Details** screen, accept the default details.
7. Press **Enter twice** to view **TDS details** screen.
8. In **TDS Details** screen.
   - Select **New Ref** in the **Type of Ref** field
   - Name filed display the **Reference Number**, which is a combination of abbreviation of Purchase and Voucher Number. Example: **Purc / 1-1** which can be changed by the user. TDS deductions are tracked with these Reference Numbers.

- In **Nature of Payment** field select **Payment to Contractors (Advertisement Contractors)** from the List of Nature of Pymt(s)
- In **TDS Duty ledger** field select **TDS - Contractor**
- **Assessable Amount** will be defaulted **Rs. 1,50,000**

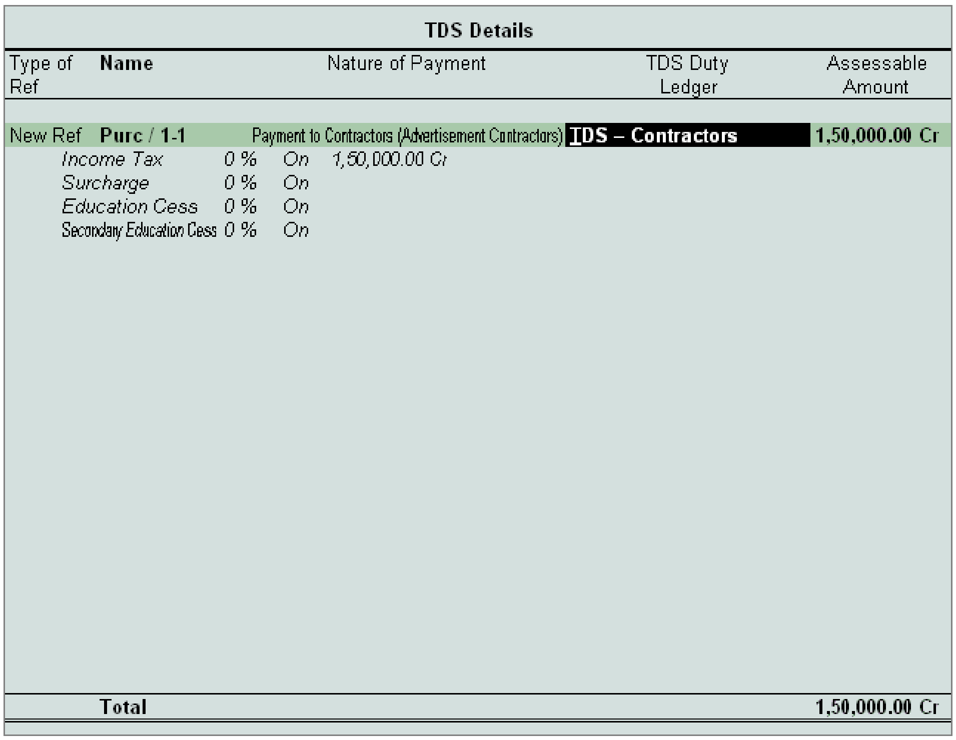


Figure 3.10 Tax Details

***TDS Details** screen is provided for an expenditure for which Tax is not deducted at the time of accounting of expense, to provide the TDS details, which will be used as reference at the time of cumulative deduction of Tax.*

9. In **Bill-wise Details** screen
   - In **Type of Ref** field select **New Ref**
   - In the **Name** field enter the bill name as **Bill-850**
   - Skip the **Due Date, or Credit Days** field
   - Accept the **default Amount allocation** and **Dr/Cr**. By default Tally.ERP 9 displays the Bill amount in the amount field as the **credit** balance

10. Enter **Narration**, if Required

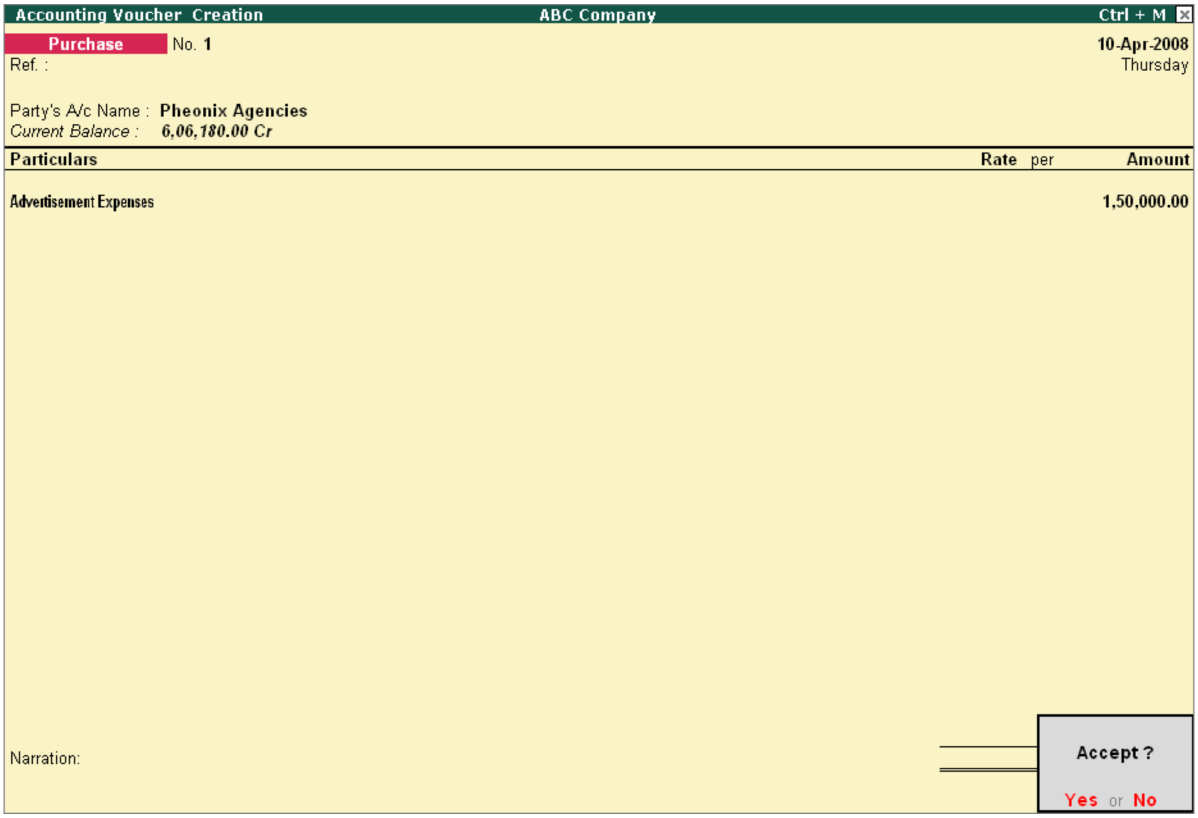


Figure 3.11 Purchase Voucher

11. Press **Enter** to accept and save.

In Tally.ERP 9, all the transactions in which TDS is not deducted are displayed in under **Exception Reports.**

The above transaction can also be accounted using ***Journal Voucher***

Step 2: Create a Purchase Voucher (Dated 14-04-2008) (Bill No- 881)

As explained above, record the **Second Purchase Invoice**.

Step 3: Create a Journal Voucher

Here we illustrate the **Cumulative deduction of Tax on expenses**, accounted in 2 different invoices.

To create **Journal Voucher**

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

1. Press **F2** and change the **date** to **14-04-2008**
2. Press **Alt +S** or click on **S: TDS Deduction** button on the buttons bar to view **TDS Deductions** screen.
3. In **TDS Deductions** screen
   - **Till Date**: In this field, enter the till date (14-4-2008) of the period for which the TDS to be deducted and auto-filled.
   - **Party**: Select **Pheonix Agencies** from the **List of Ledger(s)** In this field Tally.ERP 9 displays the List of Party ledgers against whom the TDS deduction is due.

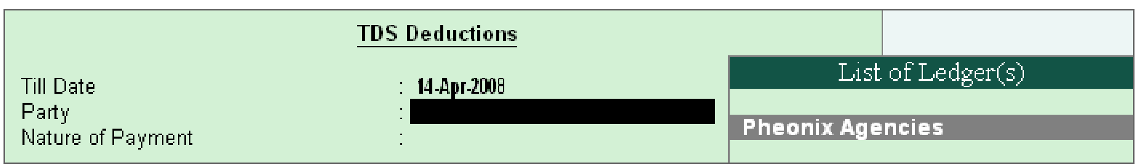


Figure 3.12 TDS Deductions

   - **Nature of Payment**: Select **Payment to Contractors (Advertisement Contractors)**. Based on the Party selected in the Party field, Tally.ERP 9 displays all the party related nature of payments under which TDS deduction is pending

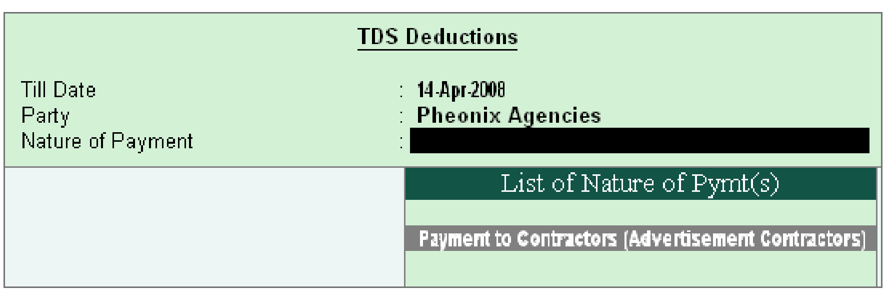


Figure 3.13 TDS Deductions

4. Accept the **TDS Deductions** to auto-fill the **TDS amount with the respective bill details**.

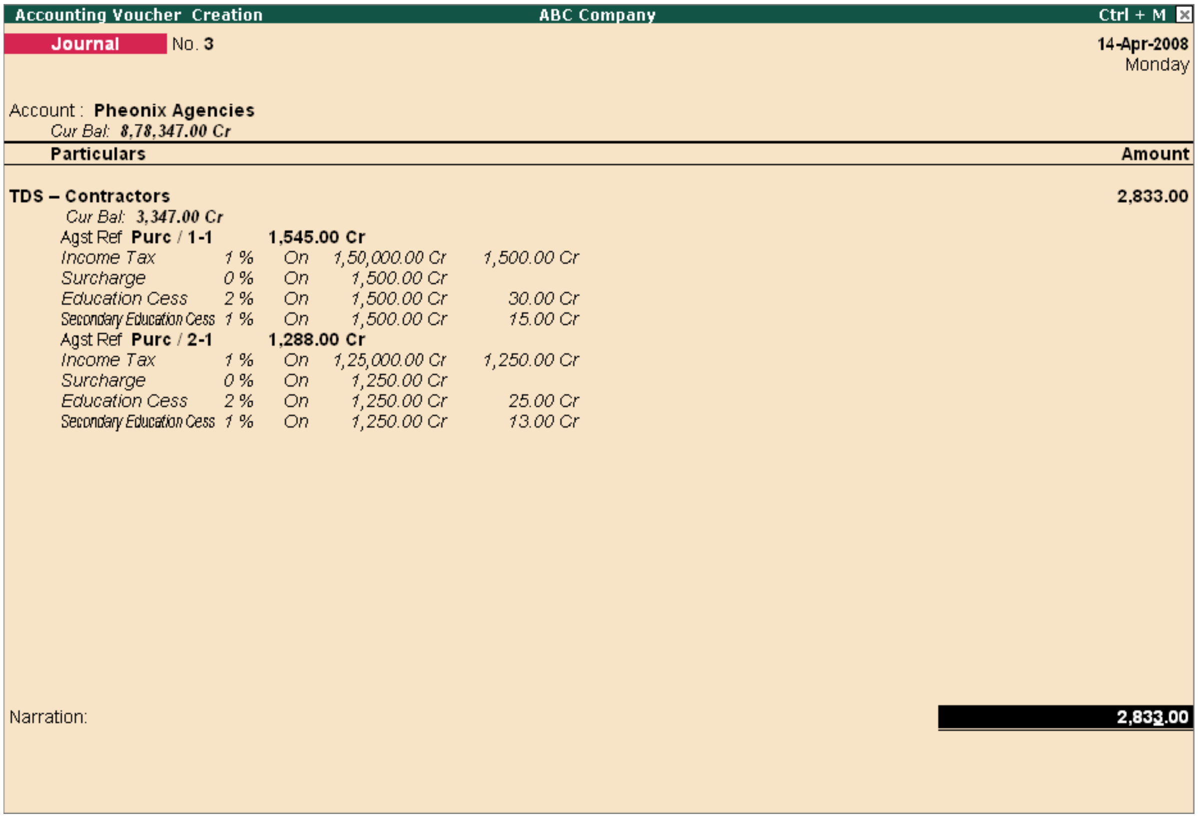


Figure 3.14 Jounal Voucher

*The Total TDS of **Rs.2,833**, includes TDS of **Rs.1,545** against Purc /1-1 and **Rs. 1,288** against Purc / 2-1*

5. In the **Bill-wise Details** screen
   - Select **Agst Ref** in the **Type of Ref** field
   - Select **Bill-850** dated **10-Apr-2008** to adjust the TDS Deducted
   - Enter **Rs.1545** in the amount (The TDS amount of Purc /1-1) and accept the default Dr/Cr allocation.
   - Select **Agst Ref** in the Type of Ref field and **Bill-881** dated **14-Apr-2008** in Name field.
   - The amount of **Rs. 1288 (2833- 1545)** is defaulted automatically.

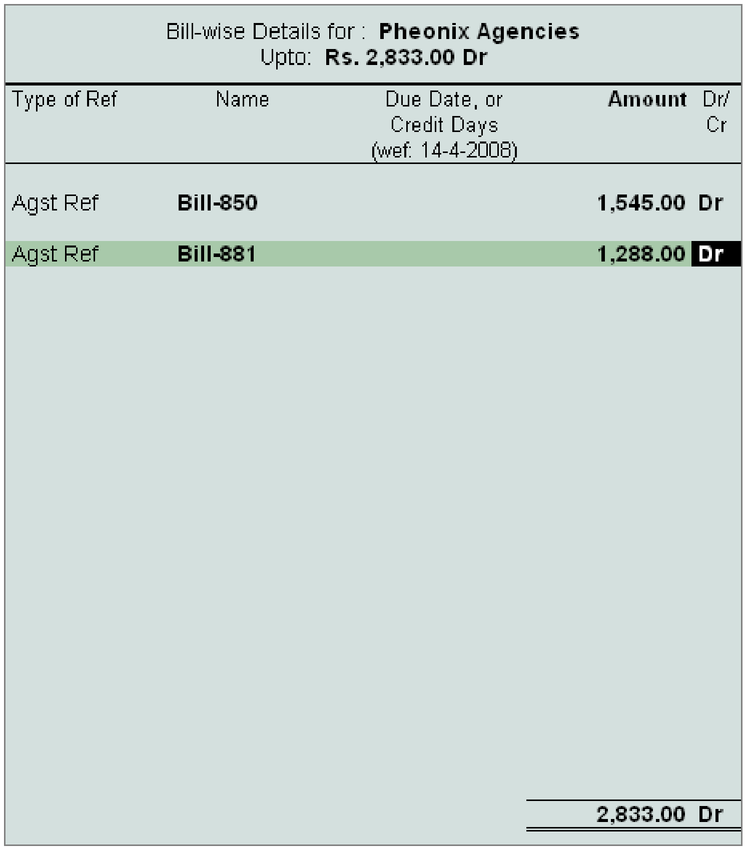


Figure 3.15 Bill-wise Details

6. Enter **Narration**, if required

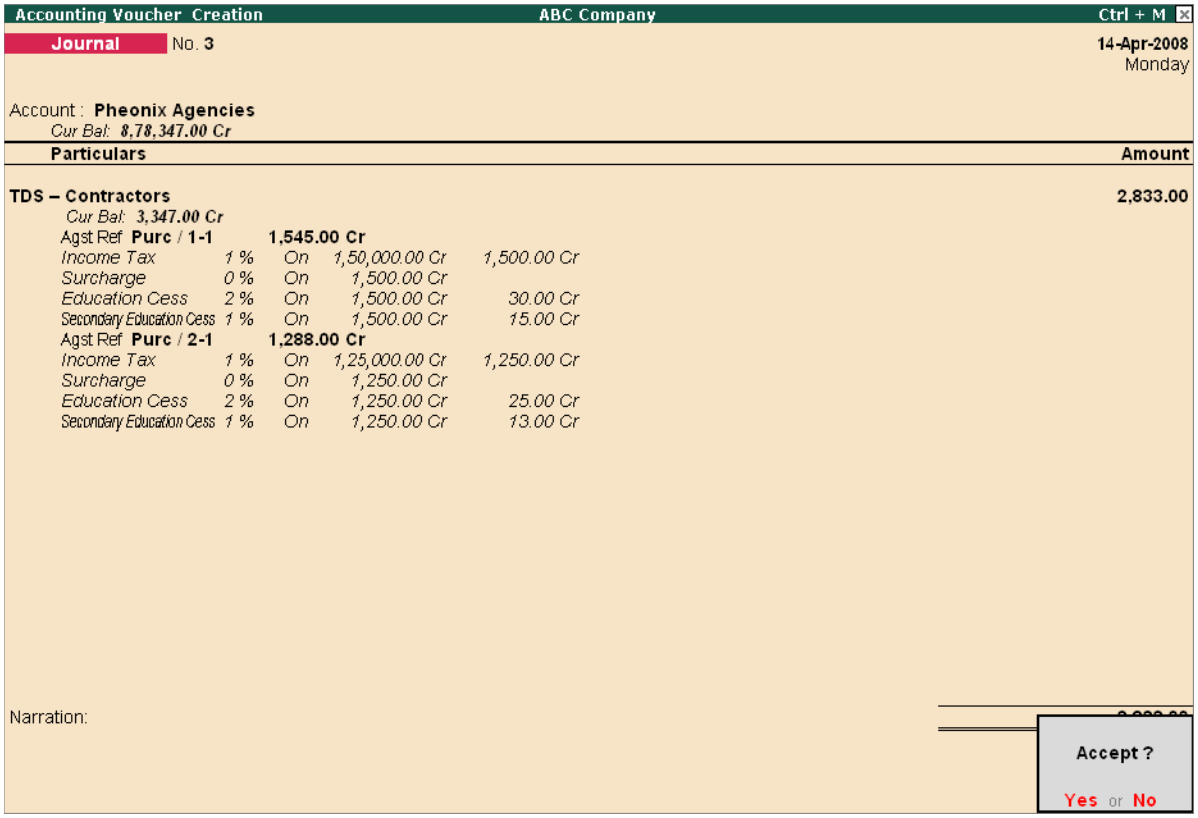


Figure 3.16 Journal Voucher

7. Press **Enter** to accept and save

3.5 Accounting Multiple Expenses and Deducting TDS Later

The TDS transaction in a purchase voucher can be entered for multiple expenses (in the same voucher) and deduct TDS later.

Example:

ABC Company received a **Bill (No.962)** from phoenix agencies towards

- **Commission Charges - Rs. 20,000**
- **Advertising Expenses - Rs. 10,000**

Step 1: Create Expense Ledger

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

- Enter the **Name** of the expense ledger as **Commission Charges**
- Select the group **Indirect Expenses** from the List of Groups in **Under** field
- Set **Inventory values are affected** to **No**
- Set **Is TDS Applicable** to **Yes**
- Select **Commission Or Brokerage** in **Default Nature of Payment** filed
- Press **Enter** to Accept.

Step 2: Create Tax Ledger

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

- Enter the **Name** of the **Tax Ledge**r as **TDS - Commission Or Brokerage**
- Select **Duties & Taxes** from the List of Groups in the **Under** field.
- In **Type of Duty /Tax** field select **TDS** from the Types of Duty/Tax list
- In **Nature of Payment** field, select **Commission Or Brokerage**
- Set **Inventory values are affected** to **No**
- Press **Enter** to Accept

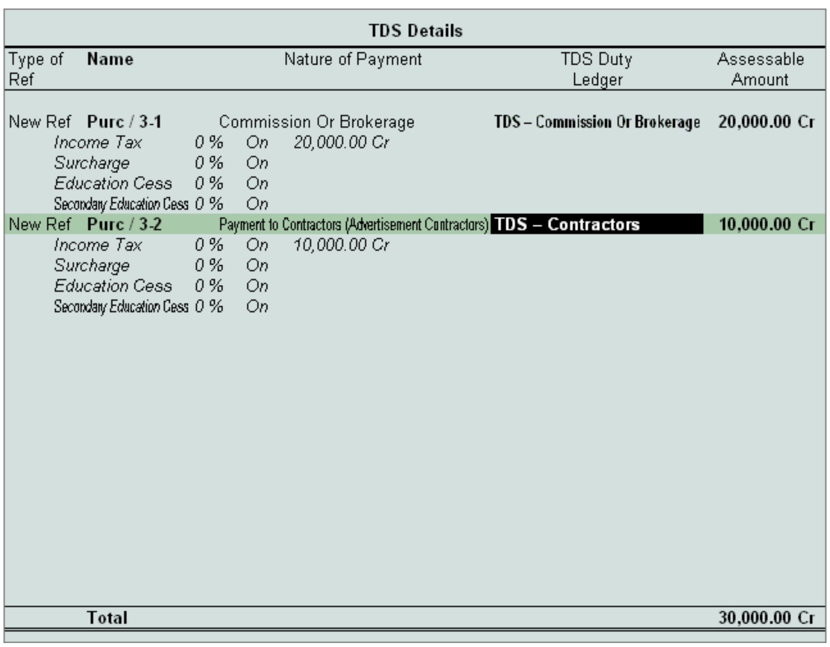
Step 3: Create Purchase Voucher

To create **Purchase Voucher**

Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**

1. Press **Alt + I** for **Account Invoice** mode
2. Press **F2** and change the date to **20-04-2008**
3. In **Party's A/c Name** field select **Phoenix Agencies** from the List of Ledger Accounts
4. Under **Particulars** select **Commission Charges**
5. Enter **Rs. 20,000** in the **Amount** field
6. In **TDS Nature of Payment Details** screen, accept the default details.

7. Under **Particulars** select **Advertisement Expenses**
8. Enter **Rs. 10,000 i**n the **Amount** field
9. In **TDS Nature of Payment Details** screen, accept the default details.
10. In **TDS Details** screen.
    - Select **New Ref** in the **Type of Ref** field
    - In **Name** filed accept the default Bill reference i.e., **Purc / 3-1**
    - In **Nature of Payment** field, select **Commission Or Brokerage**
    - In **TDS Duty** ledger field select **TDS - Commission Or Brokerage**
    - **Assessable Amount** will be defaulted **Rs. 20,000**
    - Select **New Ref** in the **Type of Ref** field
    - In **Name** filed accept the default Bill reference i.e., **Purc / 3-2**
    - In **Nature of Payment** field, select **Payment to Contractors (Advertisement Contractors)**
    - In **TDS Duty ledger** field select **TDS - Contractors**
    - **Assessable Amount** will be defaulted **Rs. 10,000**



TDS Details

Type of Ref	Name	Nature of Payment	TDS Duty Ledger	Assessable Amount
New Ref	Purc / 3-1	Commission Or Brokerage	TDS – Commission Or Brokerage	20,000.00 Cr
	Income Tax 0 % On 20,000.00 Cr			
	Surcharge 0 % On			
	Education Cess 0 % On			
	Secondary Education Cess 0 % On			
New Ref	Purc / 3-2	Payment to Contractors (Advertisement Contractors)	TDS – Contractors	10,000.00 Cr
	Income Tax 0 % On 10,000.00 Cr			
	Surcharge 0 % On			
	Education Cess 0 % On			
	Secondary Education Cess 0 % On			
	Total			30,000.00 Cr

Figure 3.17 Bill-wise Details

11. **Bill-wise Details** screen
    - In **Type of Ref** field select **New Ref**
    - In the Name field enter the bill name as **Bill-962**
    - Skip the **Due Date, or Credit Days** field
    - Accept the default **Amount allocation** and Dr/Cr. By default Tally.ERP 9 displays the Bill amount in the amount field as the credit balance

12. Enter **Narration**, if Required

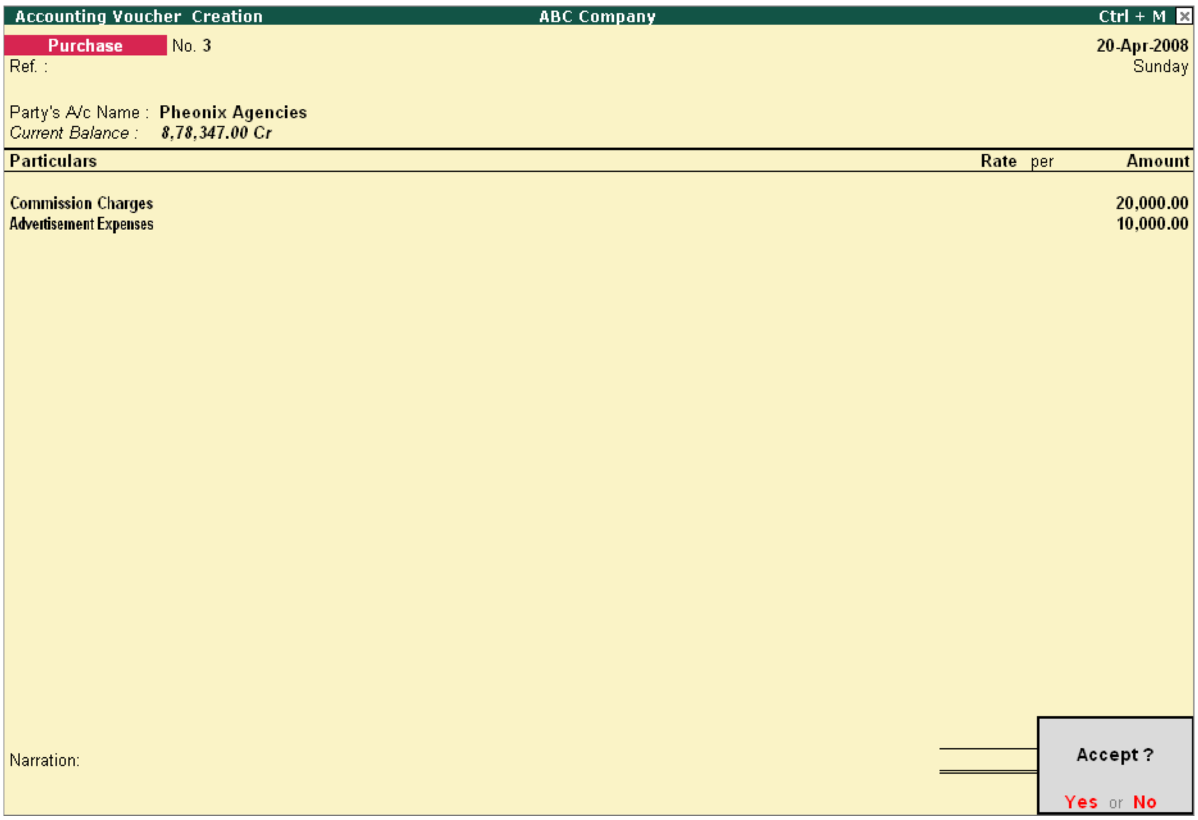


Figure 3.18 Purchase Voucher

13. Press **Enter** to accept and save.

Step 4: Create a Journal Voucher

Here we illustrate the **Cumulative deduction of Tax on multiple expenses**, accounted in same invoice.

To create **Journal Voucher**

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

1. Press **F2** and change the date to **22-04-2008**
2. Press **Alt +S or click on S: TDS Deduction** button on the buttons bar to view **TDS Deductions** screen.
3. In **TDS Deductions** screen
   - Enter **22-Apr-2008** in **Till Date** field.
   - In **Party** field select **Pheonix Agencies** from the List of Ledger(s)
   - In **Nature of Payment** field select **All Items** from the **List of Nature of Pymt(s)**

Based on the Party selected in the Party field, Tally.ERP 9 displays all the party related nature of payments under which TDS deduction is pending. User can select all the ***Nature of Payments (All Items)*** *or any one of the Nature of payment from the list, for TDS Deduction.*

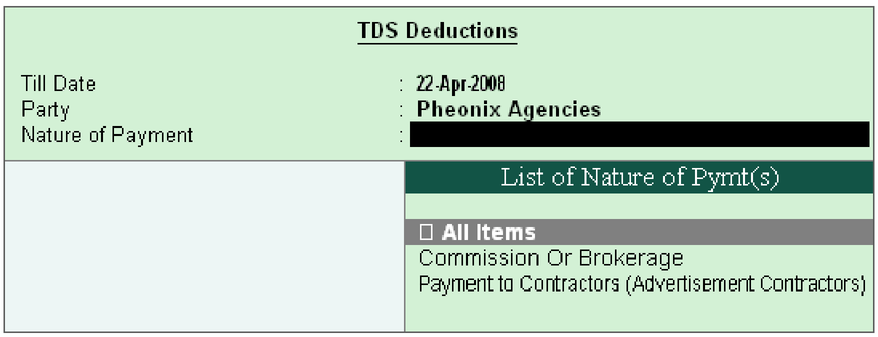


Figure 3.19 TDS Deductions

4. Accept the **TDS Deductions** to auto-fill the **TDS amount** with the respective bill details.

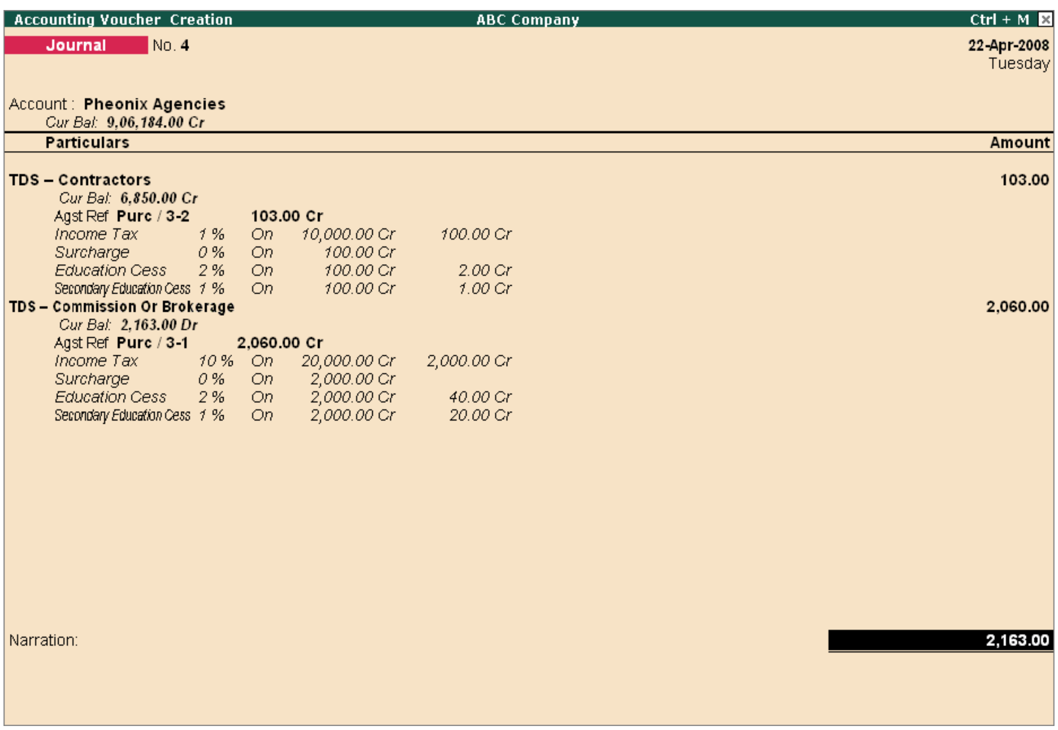


Figure 3.20 Journal Voucher

*Total TDS of **Rs.2,163** includes TDS - Contractors **Rs. 103** and TDS - Commission Or Brokerage **Rs. 2,060** against Purc / 3-2 and Purc / 3-1 respectively.*

5. In the **Bill-wise Details** screen
   - Select **Agst Ref** in the **Type of Ref** field
   - Select **Bill-962** dated **20-Apr-2008** to adjust the TDS Deducted
   - Accept the default **Amount** allocation and Dr/Cr details.
6. Enter **Narration**, if required

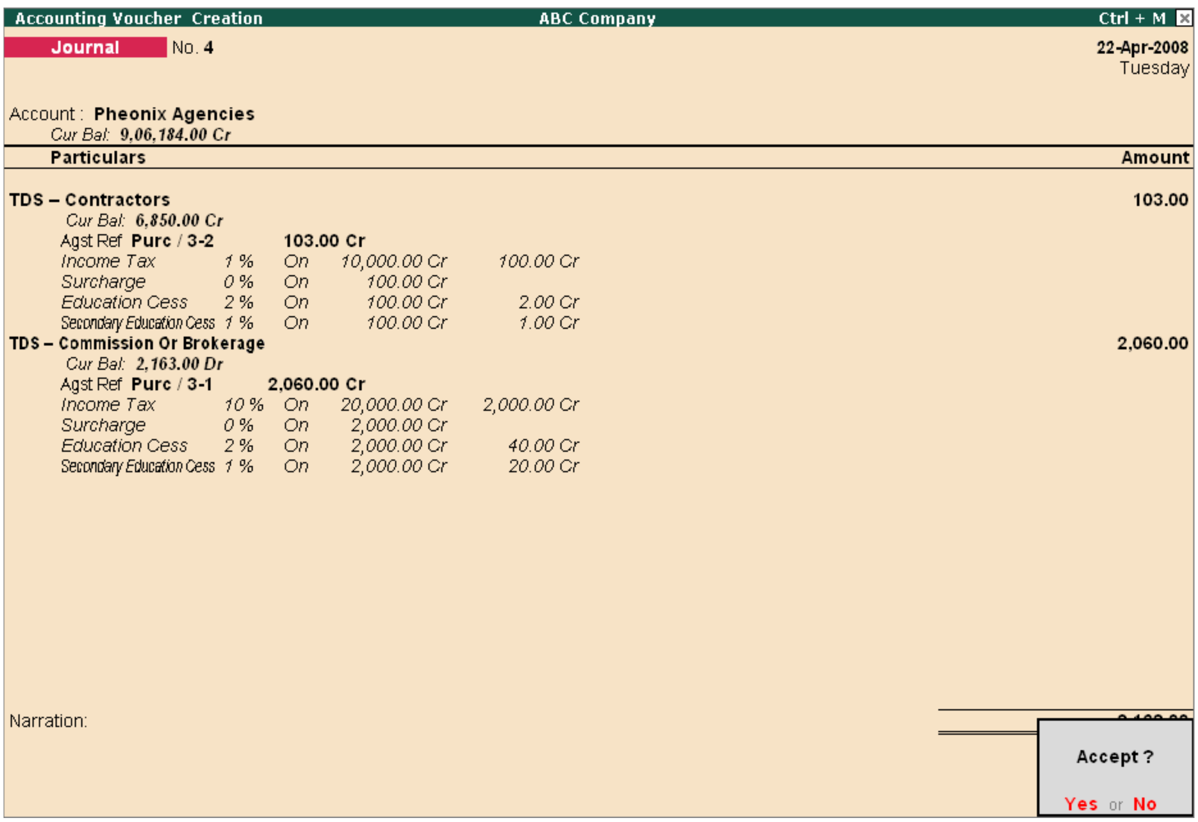


Figure 3.21 Journal Voucher

7. Press **Enter** to accept and save.

3.6 Accounting Advance Payments

Step 1: Create Bank Ledger

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

- Enter **Canara Bank** as the **Ledger Name**
- Group it under **Bank Accounts** group
- Under **Mailing Details**
  - In **Address** field enter the Bank Branch Address.
  - Select **Karnataka** in **State** field
  - Enter the **PIN Code**
  - In **A/c No.** field enter the Account Number as **00758978**
  - In **Branch Name** field, enter **M.G.Road.**
  - Enter the **Bank's BSR Code** as **0240130**. BSR Code is a 7 digit Number allotted by Reserve Bank of India (RBI) to Bank Branch.
  - Enter **Rs. 50,00,000** in **Opening Balance** field

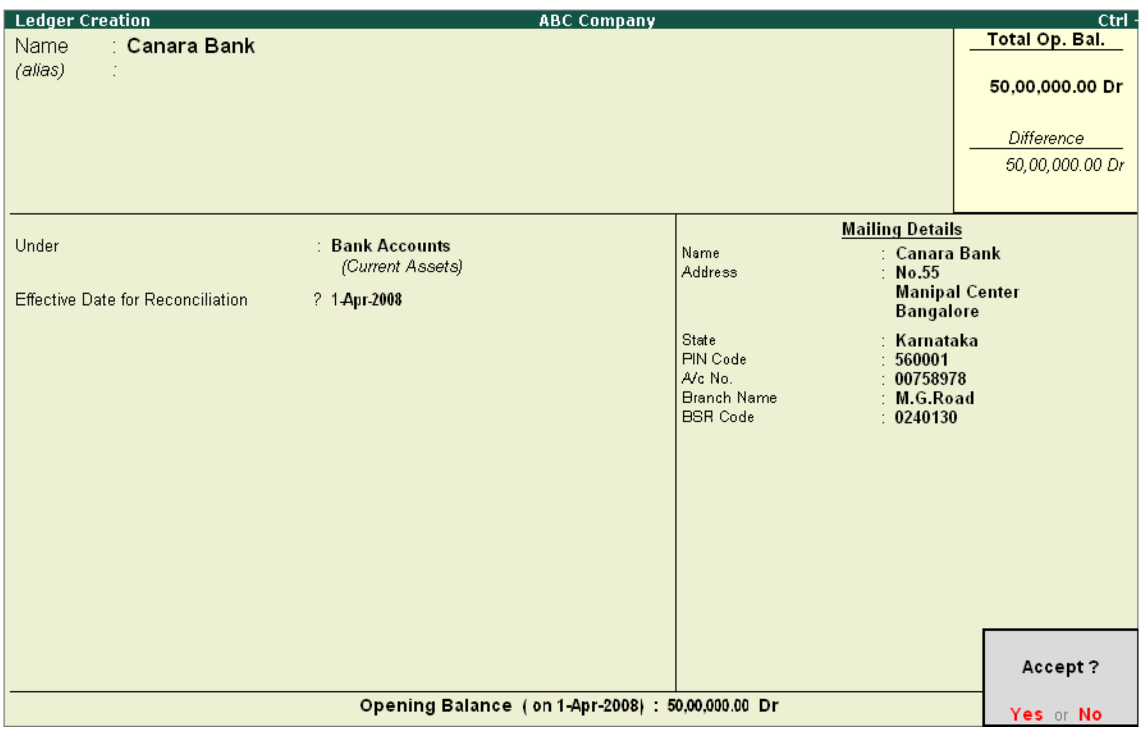


Figure 3.22 Bank Ledger Creation

- Press **Enter** to Accept and save.

Step 2: Create Payment Voucher

In **F12: Configure (Payment Configuration)**

- Ensure **Use Single Entry mode fro Pymt/Rcpt/Contra** is set to **Yes**

To create a **Payment Voucher**

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

1. Press **F2** and change the date to **24-04-2008**
2. In **Account** field select **Canara Bank**
3. Under **Particulars** select **Pheonix Agencies**
4. Enter **Rs.10,000** in the **Amount** field
5. In **Bill-wise Details** screen
   - In **Type of Ref** field select **Advance** from method of Adj
   - Enter the **Bill Name (Adv-001)** in the **Name** field
   - Skip the **Due Date, or Credit Days** filed.
   - **Amount** is defaulted to **Rs. 10000**.

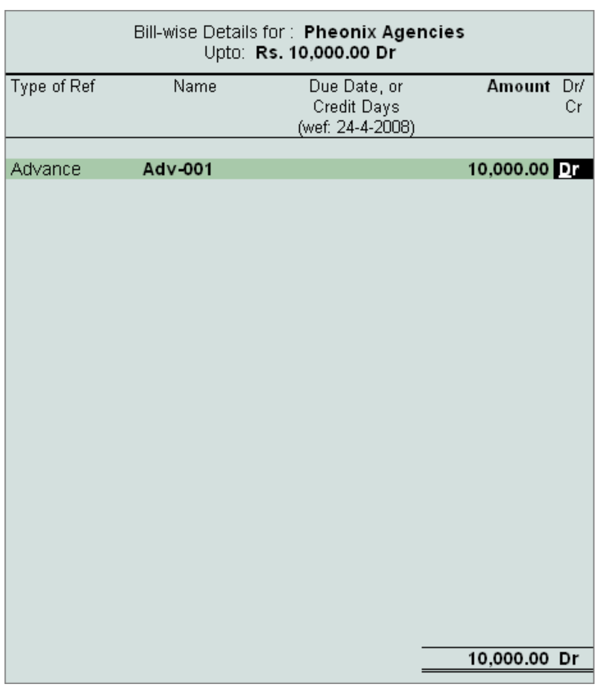


Figure 3.23 Bill-wise Details

6. Under **Particulars** select **TDS - Contractors** from the List of Ledger Accounts
7. In **TDS Details** screen
   - In **Type of Ref** field select **New Ref**

- In **Name** field accept the default Reference Number -**Pymt / 1-1**
- In **Nature of Payment** field select **Payment to Contractors (Advertisement Contractors)**
- **TDS Duty Ledger, Assessable Amount and TDS Amount** field details are defaulted automatically, based on the information provided in the voucher.

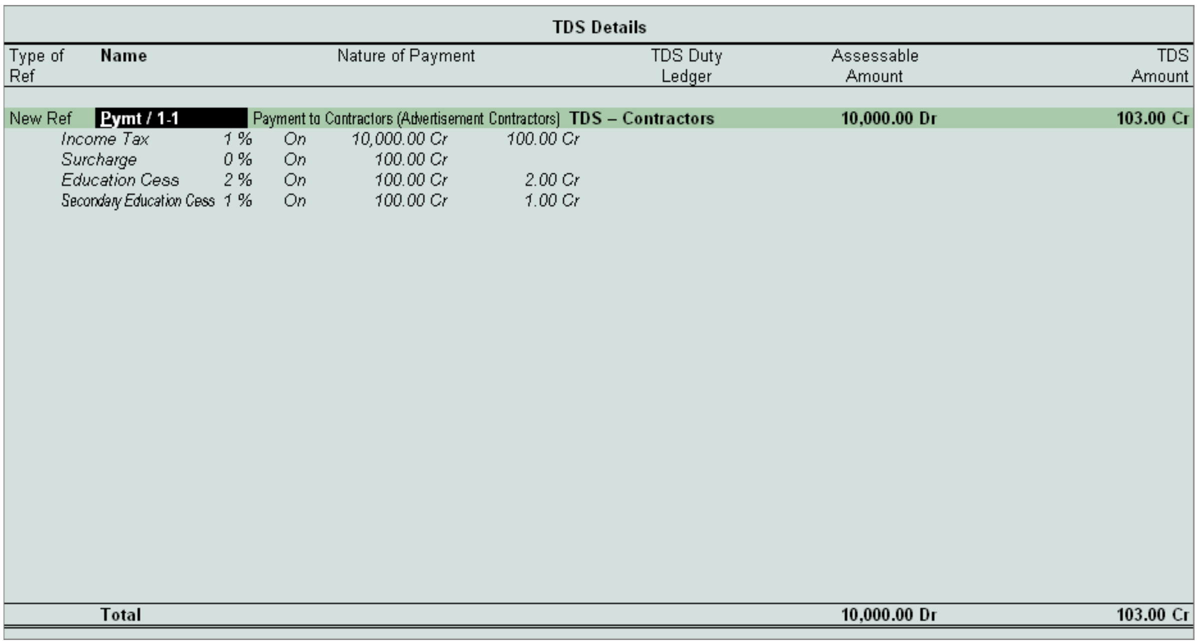


Figure 3.24 Tax Details

8. In the **Amount** field the **TDS amount (Rs. 103)** is displayed with **negative sign**

9. Enter **Narration**, if required

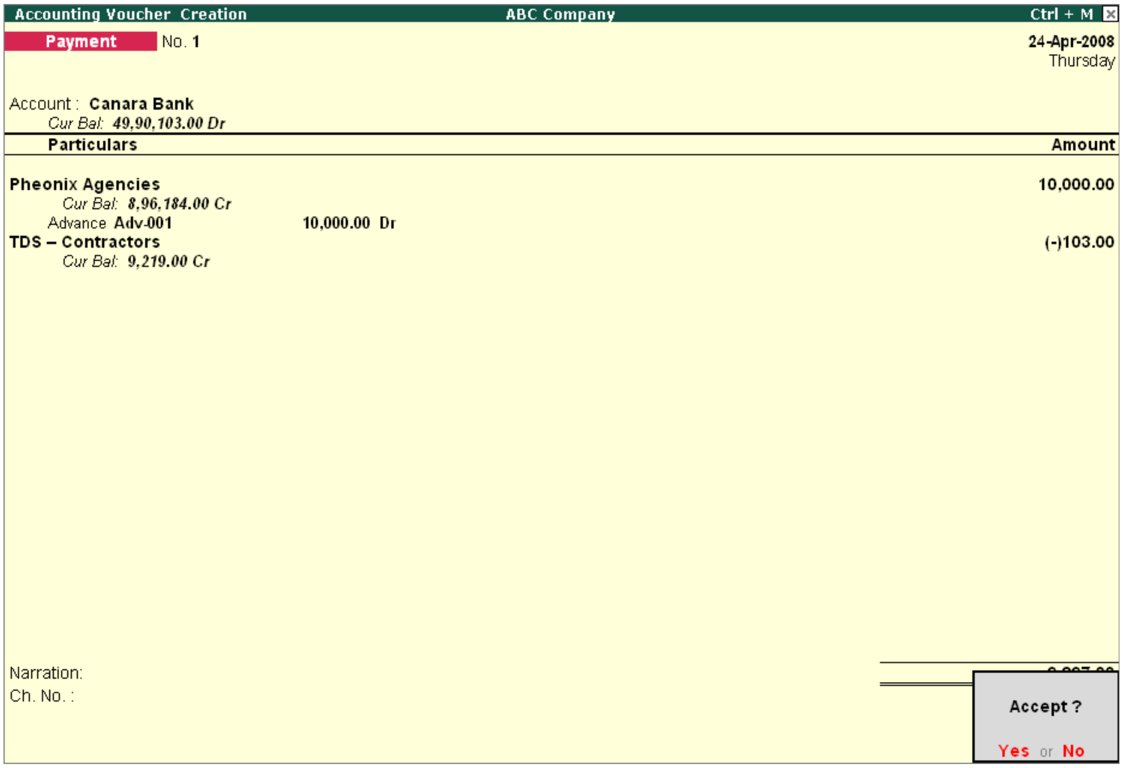


Figure 3.25 Payment Voucher

10. Press **Enter** to accept and save

Advance payments** can also be accounted in **Double Entry mode.

3.7 Adjusting Advances against the Bill

To create **Journal Voucher**

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

1. Press **F2** and change the date to **26-04-2008**
2. In **Debit** field select **Advertisement Expenses** from the List of Ledger Accounts
3. Enter **20,000** in the **Amount** field
4. In **TDS Nature of Payment Details** screen, accept the default details
5. In the **Credit** field select **Phoenix Agencies** and press Enter
6. In **TDS Details** screen
   - In **Type of Ref** field select **Agst Ref** from the Method of Adjustment.
   - In **Name** field select the **Pymt/1-1** to be adjusted, from the **Pending Tax Bills**
   - In **Nature of payment** field select **Payment to Contractors (Advertisement Contractors)**
   - Based on the **Tax Bill** selected, the details in **TDS Duty Ledger, Assessable Amount and Payable Amount** field will be defaulted automatically.
   - In **Type of Ref** field select **New Ref**
   - In the **Name** field accept the default TDS reference number **- Jrnl / 5-2**
   - In **Nature of Payment** field select **Payments to Contractors (Advertisement Contractors)** from the List of Nature of Pymt(s).
   - Select **TDS - Contractors** in the **TDS Duty Ledge**r field.
   - In the **Assessable Amount** field, the amount as specified against the expenses ledger will be defaulted.
   - Set **Deduct now** field to **Yes**
   - **TDS Amount** field displays the Tax Deducted at Source
   - **Payable Amount** field displays the amount (after TDS) payable to the Party

TDS Details

Type of Ref	Name	Nature of Payment	TDS Duty Ledger	Assessable Amount	Deduct now	TDS Amount	Payable Amount
Agst Ref	**Pymt / 1-1**	Payment to Contractors (Advertisement Contractors)	**TDS – Contractors**	**10,000.00 Cr**	**Yes**		**10,000.00 Cr**
	Income Tax 1 % On 10,000.00 Cr						
	Surcharge 0 % On						
	Education Cess 2 % On						
	Secondary Education Cess 1 % On						
New Ref	**Jrnl / 5-2**	Payment to Contractors (Advertisement Contractors)	**TDS – Contractors**	**10,000.00 Cr**	**Yes**	**103.00 Cr**	**9,897.00 Cr**
	Income Tax 1 % On 10,000.00 Cr 100.00 Cr						
	Surcharge 0 % On 100.00 Cr						
	Education Cess 2 % On 100.00 Cr 2.00 Cr						
	Secondary Education Cess 1 % On 100.00 Cr 1.00 Cr						
	Total			**20,000.00 Cr**		**103.00 Cr**	**19,897.00 Cr**

Figure 3.26 Tax Details

7. **Payable Amount** as calculated in the TDS Details screen will be defaulted in the **Party's Amount (Credit)** field.
8. In **Bill-wise Details** screen
   - Select **Agst Ref** in **Type of Ref** field, to adjust the **Advance** against the Bill amount.
   - In the **Name** field select **Adv-001** from the Pending Bills
   - In **Amount** field, accept the amount allocation of **Rs.10,000**
   - Select **New Ref** as the **Type of Ref**
   - In the **Name** field enter the Bill name as **Bill-050**
   - Skip the **Due Date or Credit Days** field
   - Enter the amount as **Rs. 10000** and accept the default Dr/Cr allocations.
   - Select **New Ref** as the **Type of Ref**
   - In the **Name** field enter the Bill name as **Bill-050**
   - Skip the **Due Date or Credit Days** field
   - Accept the **default amount** allocation and Dr/Cr. By default Tally.ERP 9 displays the Tax Amount of **Rs. 103** in the amount field as the **debit** balance.

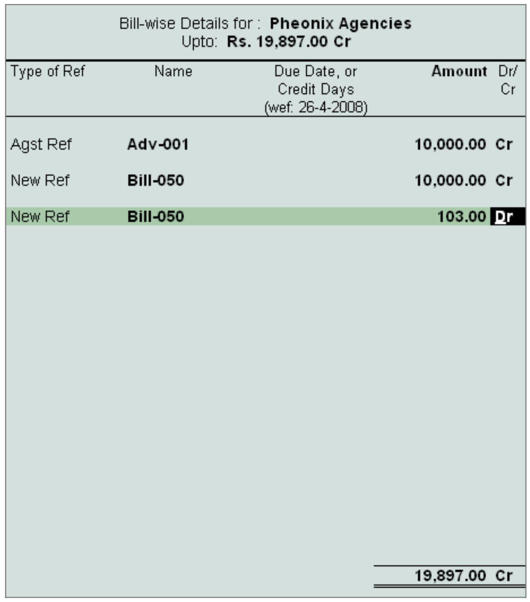


Figure 3.27 Bill-wise Details

9. In the **Credit** field select **TDS - Contractor** from the List of Ledger Accounts.
10. In the A**mount** field, **Rs. 103 [Bill amount (20,000) - Pending Amount (19,897)]** is displayed automatically.
11. Enter **Narration**, if required.

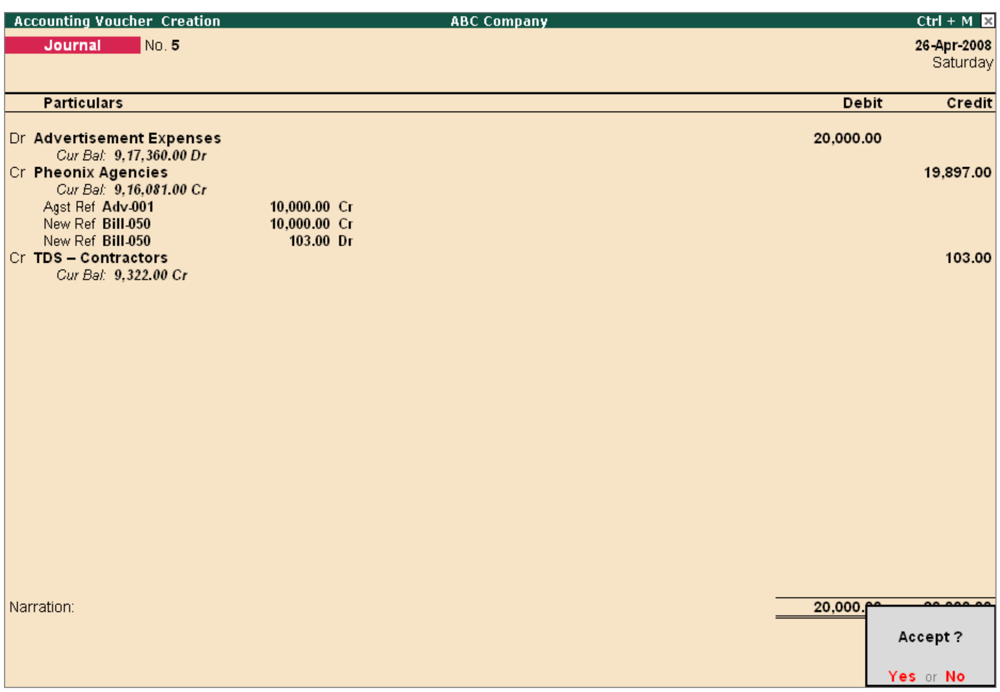


Figure 3.28 Journal Voucher

12. Press **Enter** to accept and save.

3.8 TDS on Expenses @ Lower Rate

Assessing Officer shall issue a certificate for deduction of Tax at Lower rate than the relevant rate specified under the section, Where the assessing officer is satisfied that the total income of the recipient (Assessee) justifies the deduction of income tax at any lower rates than the rate specified under the sections specified under the act and has received an application in Form 13 from the assessee under sub-section (1) of section 197.

The certificate granted shall be valid for the assessment year specified and is valid only for the person named therein.

In Tally.ERP 9, the user can record and compute TDS on transactions, on which lower rate of deduction is applicable.

Example: ABC Company received a Bill from ACE Computers for **Rs.80,000** towards commission charges. ACE Computers has a certificate for deduction of Income tax at **Lower rate @ 5%**, on Commission.

Step 1: Create Party Ledger

In **F12: Configure (Ledger Configuration)**

Set **Allow Advanced entries in TDS Masters** to **Yes**

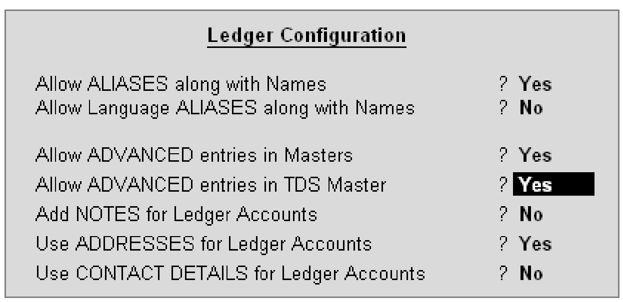


Figure 3.29 Ledger Configuration

To **Create Ledger**

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

- Enter the **Name** of the **Party Ledger** e.g. **Ace Computers**
- Select **Sundry Creditors** from the List of Groups in the **Under** field
- Set **Maintain balances bill-by-bill** to **Yes**
- Enter the **Default Credit Period**, if required.
- Set **Is TDS Deductable** to **Yes**
- In the **Deductee Type** field, select **Partnership Firm** from the List of Deductee Type

- Set **Use Advanced TDS Entries** to **Yes**

Notes

***Use Advanced TDS Entries** field will be enabled in the ledger creation screen only when **Allow Advanced entries in TDS Masters** is set to **Yes** in **F12: Configure (Ledger Configuration)**.*

- In **Advanced TDS Entries** screen
  - Set the option **Zero / Lower Deduction** to **Yes**

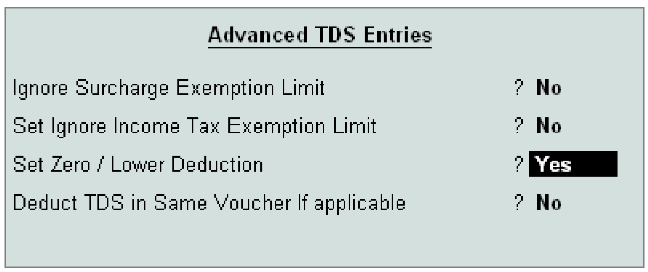
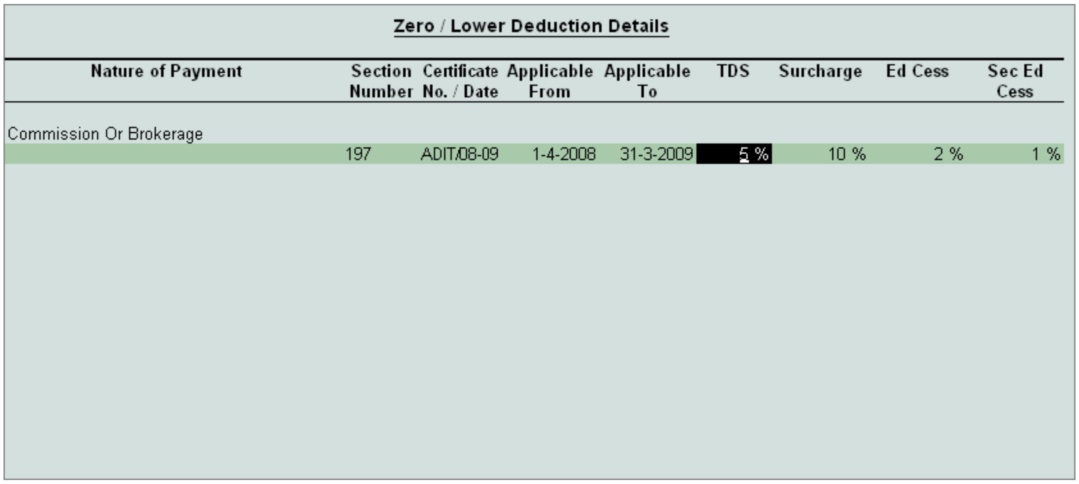


Figure 3.30 Advanced TDS Entries

- In **Zero / Lower Deduction Details** screen
  - **Nature of Payment**: Select the Nature of payment for which the lower rate of income tax is allowed. E.g. **Commission Or Brokerage**
  - **Section Number**: Tally.ERP 9 displays the Sections, under which an application for lower rate (section 197) or Zero rate (197A) are approved.
  - **Certificate No./ Date**: Enter Lower rate certificate number and the date of issue.e.g. **ADIT/08-09**
  - **Applicable From**: Mention the date (as per the certificate) from when the lower rate is approved. e.g. **1-4-2008**
  - **Applicable To**: Mention the date till when the certificate of Lower rate will remain in force. e.g. **31-3-2009**
  - **TDS**: Mention the Rate of Income Tax e.g. **5%**
  - **Surcharge, Ed Cess and Sec Ed Cess**: Tally.ERP 9 defaults the rates automatically.

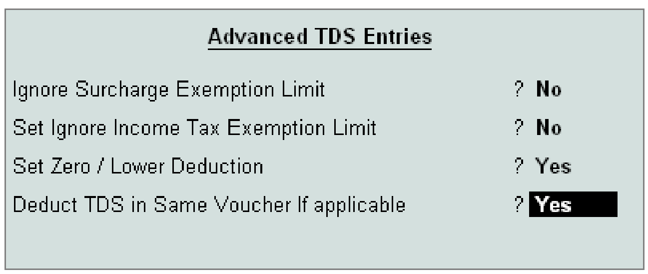


Zero / Lower Deduction Details

Nature of Payment	Section Number	Certificate No. / Date	Applicable From	Applicable To	TDS	Surcharge	Ed Cess	Sec Ed Cess
Commission Or Brokerage								
	197	ADIT/08-09	1-4-2008	31-3-2009	5 %	10 %	2 %	1 %

Figure 3.31 Zreo/Lower Deduction Details

- Press **Enter** to accept the **Zero / Lower Deduction Details** screen
- Under **Advanced TDS Entries**, set **Deduct TDS in Same Voucher if Applicable** to **Yes**



Advanced TDS Entries

Ignore Surcharge Exemption Limit	? No
Set Ignore Income Tax Exemption Limit	? No
Set Zero / Lower Deduction	? Yes
Deduct TDS in Same Voucher If applicable	? Yes

Figure 3.32 Advanced TDS Entries

Notes

*when the option **Deduct TDS in Same Voucher if Applicable** is enabled, Income tax will be automatically deducted in the same voucher where the Due/ Payment is accounted for the party*

- In **Deduct TDS in same voucher if Applicable** screen
  - **Nature of Payment**: In this field you can select all nature of payments or any nature of payment (applicable to the party) on which the Tax to be deducted in the same voucher. E.g. **Commission Or Brokerage**

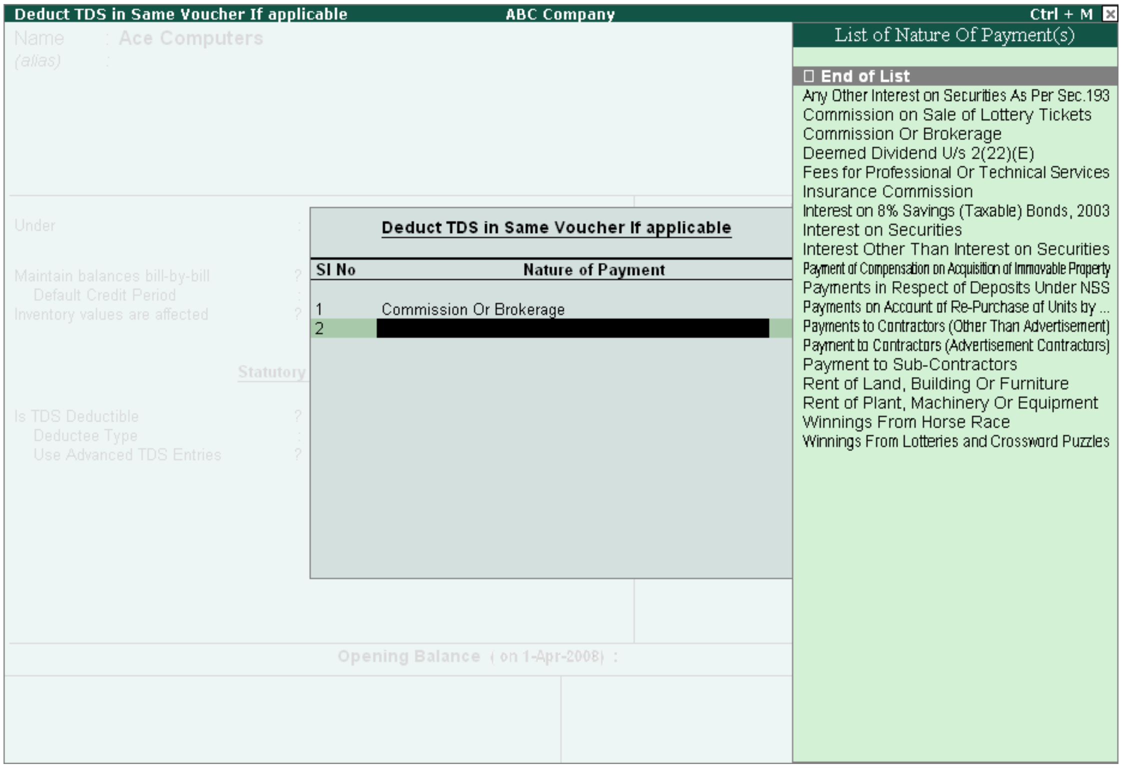


Figure 3.33 Deduct TDS in Same Voucher

- Enter **Address, State and PIN Code** under **Mailing Details**
- Enter **PAN/IT No.** under **Tax Information**

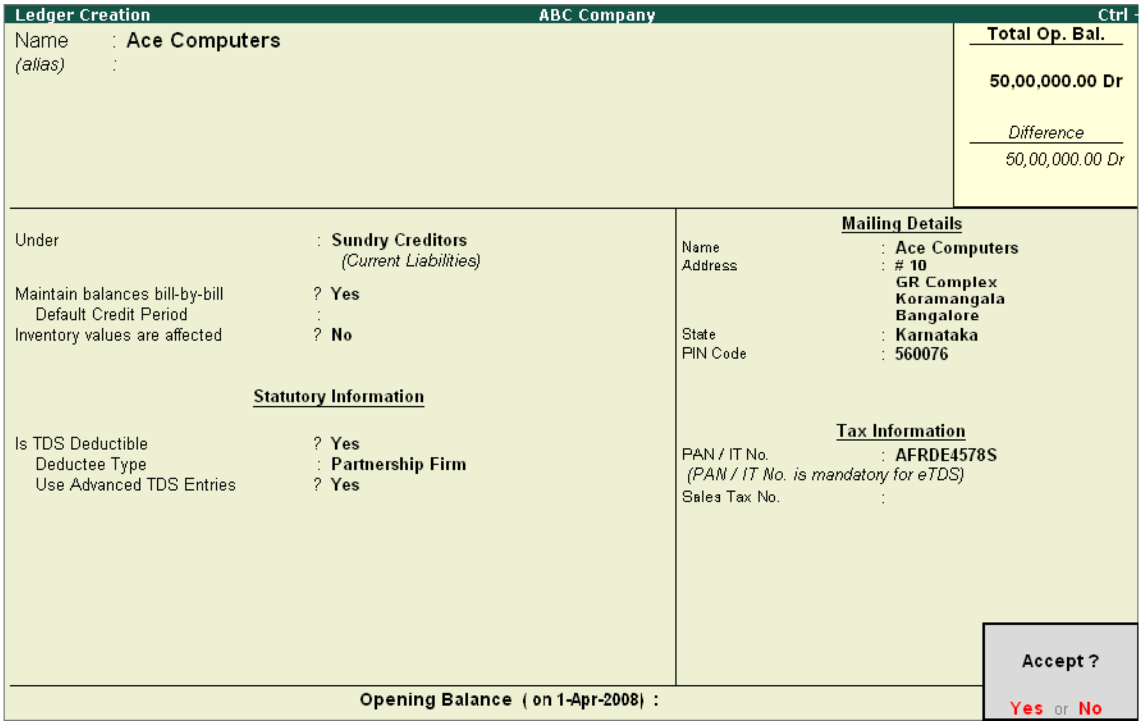


Figure 3.34 Party Ledger Creation

- Press **Enter** to accept and save

Step 2: Create a Journal Voucher

To create a **Journal voucher**

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

1. Press **F2** and change the date to **30-04-2008**
2. In **Debit** field select **Commission charges** from the List of Ledger Accounts
3. Enter **80,000** in the **Amount** field
4. In **TDS Nature of Payment Details** screen, accept the default details
5. In the **Credit** field select **Ace Computers** and press Enter
6. In **TDS Details** screen
   - In **Type of Ref** field select **New Ref** from the Method of Adjustment.
   - In **Name** field, accept the default TDS Reference Number **- Jrnl / 6-1**
   - In **Nature of Payment** field select **Commission Or Brokerage** from the List of Nature of Pymt(s).
   - In **Is Zero/ Lower Rate** filed select **section 197** for Lower Deduction
   - Select **TDS - Commission Or Brokerage** in the TDS Duty Ledger field

- In the **Assessable Amount** field, the amount as specified against the expenses ledger will be defaulted.
- **Deduct now** field will be defaulted to **Yes** and Tally.ERP 9 won't allow the user to alter the setting.

***Deduct now** field will be defaulted to **Yes**, when the option **Deduct TDS in Same Voucher if applicable** is enabled in the **Party Ledger** for the **Nature of Payment (selected in the transaction)**.*

- **TDS Amount** field displays the Tax Deducted at Source
- **Payable Amount** field displays the amount (after TDS) payable to the Party.

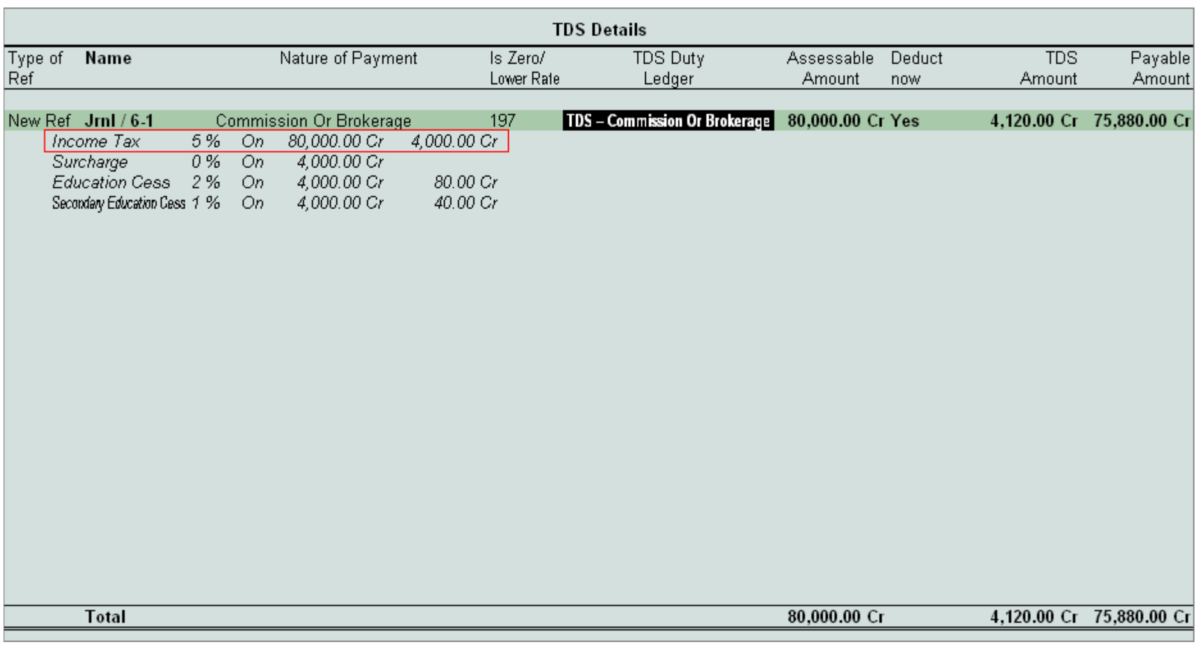


Figure 3.35 TDS Details

*You can alter the **TDS Rates** for **Lower Deduction** by enabling the option **Allow Alteration of TDS Rates for Lower Deduction** to **Yes** in **Journal Configuration**.*

7. **Payable Amount** as calculated in the TDS Details screen will be defaulted in the **Party's Amount (Credit)** field.
8. In **Bill-wise Details** screen

- Select **New Ref** as the **Type of Ref**
- In the **Name** field enter the Bill name as **Bill-099**
- Skip the **Due Date or Credit Days** field
- Accept the **default amount** allocation and Dr/Cr. By default Tally.ERP 9 displays the Bill amount in the amount field as the credit balance.
- Select **New Ref** as the **Type of Ref**
- In the **Name** field enter the Bill name as **Bill-099**
- Skip the **Due Date or Credit Days** field
- Accept the **default amount** allocation and Dr/Cr. By default Tally.ERP 9 displays the Tax amount in the amount field as the credit balance

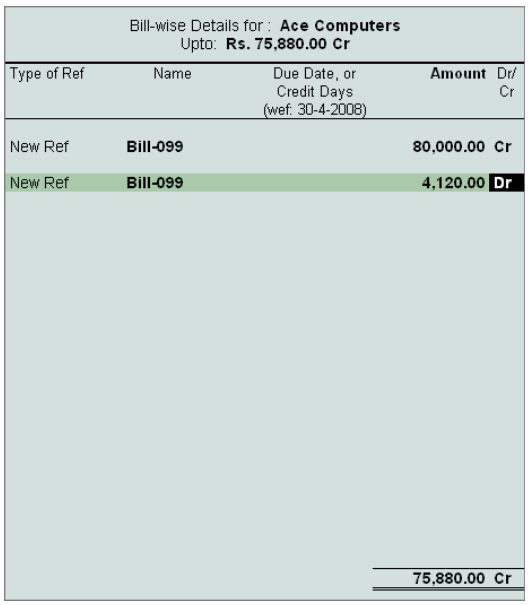


Figure 3.36 Bill-wise Details

9. In the **Credit** field select **TDS - Commission Or Brokerage** from the List of Ledger Accounts.
10. In the **Amount** field, **Rs. 4,120** is displayed automatically.

11. Enter **Narration**, if required.

Figure 3.37 TDS on Expenses Lower Rate

12.Press **Enter** to accept and save.

3.9 TDS on Expenses @ Zero Rate

A Deductee (other than Company or Firm) can submit a declaration in Form 15G under sub section (1) of section 197A, for TDS deduction at Zero Rate. Declarations can be given only by those deductees whose income is below the taxable limit and the income falls under section 193, 194, 194A, 194EE and 194K.

The certificate granted shall be valid for the assessment year specified and is valid only for the person named therein.

Example: ABC Company received a Bill from Gokul Co-operative Building Society for **Rs.10,00,000** towards Rent on Building and Furniture. **Gokul Co-operative Building Society** has a certificate for **non-deduction (zero rate) of Income tax on Rent**.

Step 1: Create Expense Ledger

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

- Enter the **Name** of the expense ledger as **Rent Expenses**
- Select the group **Indirect Expenses** from the List of Groups in the **Under** field
- Set **Inventory values are affected** to **No**

- Set **Is TDS Applicable** to **Yes**
- Select **Rent of Land, Building Or Furniture** in **Default Nature of Payment** filed
- Press **Enter** to accept.

Step 2: Create Tax Ledger

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

- Enter the **Name** of the T**ax Ledger** as **TDS - Rent**
- Select **Duties & Taxes** from the List of Groups in the **Under** field.
- In **Type of Duty /Tax** field select **TDS** from the Types of Duty/Tax list
- In **Nature of Payment** field, select **Rent of Land, Building Or Furniture**
- Set **Inventory values are affected** to **No**
- Press **Enter** to accept.

Step 3: Create Party Ledger

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

- Enter the **Name** of the **Party Ledger** as **Gokul Co-Operative Building Society**
- Select **Sundry Creditors** from the List of Groups in the **Under** field
- Set **Maintain balances bill-by-bill** to **Yes**
- Enter the **Default Credit Period**, if required.
- Set **Is TDS Deductable** to **Yes**
- In the **Deductee Type** field, select **Co-Operative Society** from the List of Deductee Type
- Set **Use Advanced TDS Entries** to **Yes**
- In **Advanced TDS Entries** screen, set the option **Zero / Lower Deduction** to **Yes**
- In **Zero / Lower Deduction Details** screen
  - **Nature of Payment**: Select the Nature of payment for which the lower rate of income tax is allowed. e.g. **Rent of Land, Building Or Furniture**
  - **Section Number**: select section **197A**.
  - **Certificate No./ Date**: Enter Lower rate certificate number and the date of issue. e.g. **ADIT/01/08-09**
  - **Applicable From**: Mention the date (as per the certificate) from when the lower rate is approved. e.g. **1-4-2008**
  - **Applicable To**: Mention the date till when the certificate of Lower rate will remain in force. e.g. **31-3-2009**
  - **TDS, Surcharge, Ed Cess and Sec Ed Cess** fields will be defaulted to **0%**.

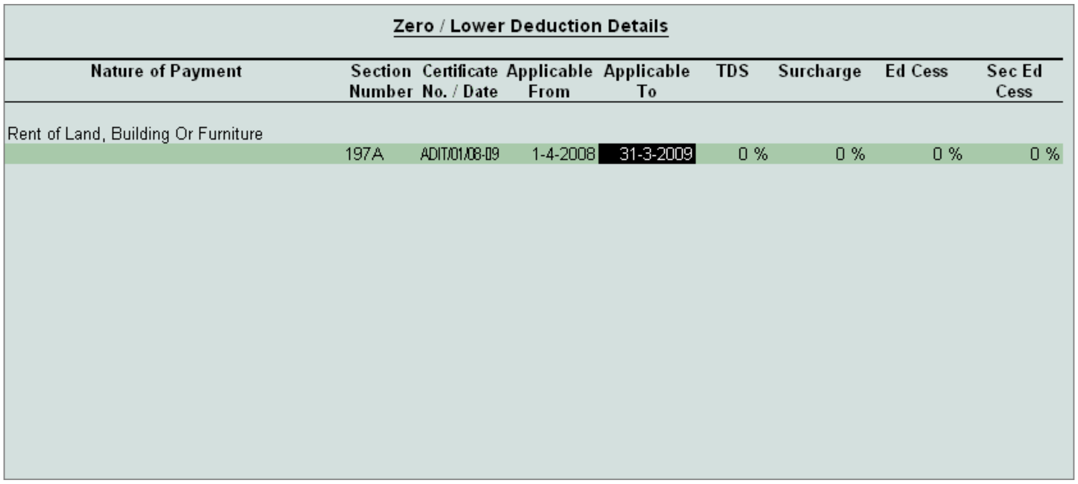


Figure 3.38 Zero/Lower Deduction Details

- **Address, State and PIN Code** under **Mailing Details**
- Enter **PAN/IT No.** under **Tax Information**

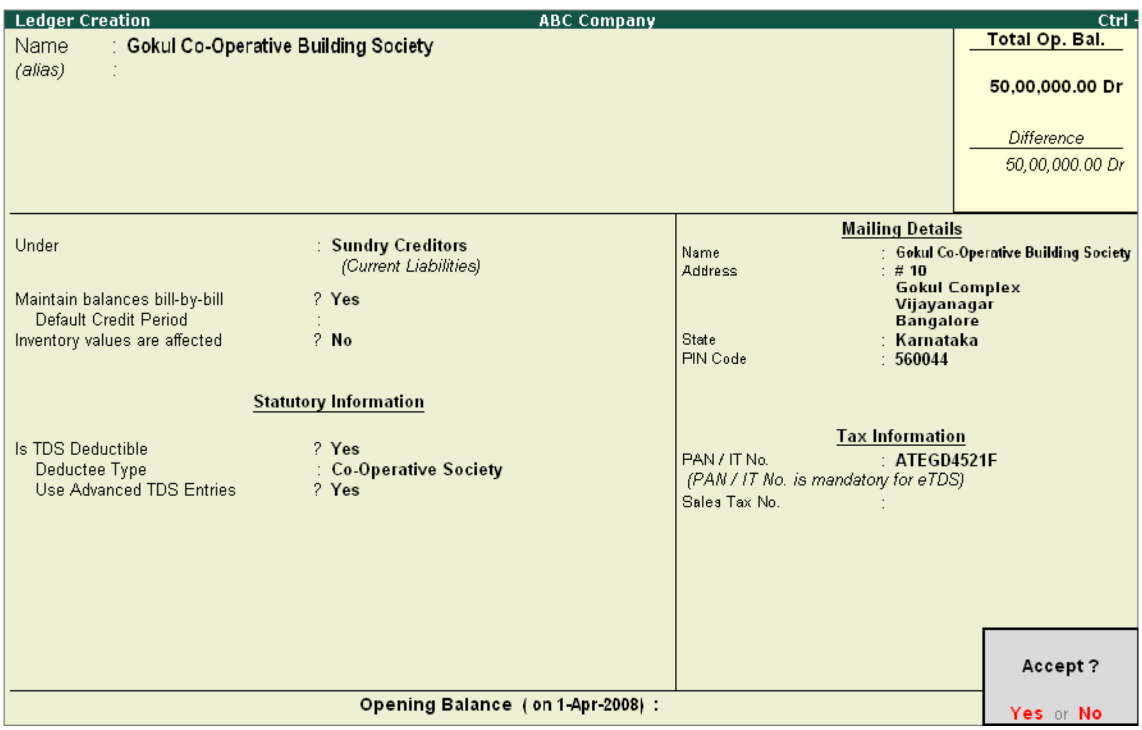


Figure 3.39 Party Ledger Creation

- Press **Enter** to accept and save.

Step 2: Create a Journal Voucher

To create a **Journal voucher**

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

1. Press **F2** and change the date to **05-05-2008**
2. In **Debit** field select **Rent Expenses** from the List of Ledger Accounts
3. Enter **10,00,000** in the **Amount** field
4. In **TDS Nature of Payment Details** screen, accept the default details
5. In the **Credit** field select **Gokul Co-Operative Building Society** and press Enter
6. In **TDS Details** screen
   - In **Type of Ref** field select **New Ref** from the Method of Adjustment.
   - In **Name** field, accept the default TDS Reference Number **- Jrnl /7-1**
   - In **Nature of Payment** field select **Rent of Land, Building Or Furniture** from the List of Nature of Pymt(s).
   - In **Is Zero/ Lower Rate** filed select section **197A** for Lower Deduction
   - In the **Assessable Amount** field, the amount as specified against the expenses ledger will be defaulted.
   - **Payable Amount** field displays the amount payable to the Party.

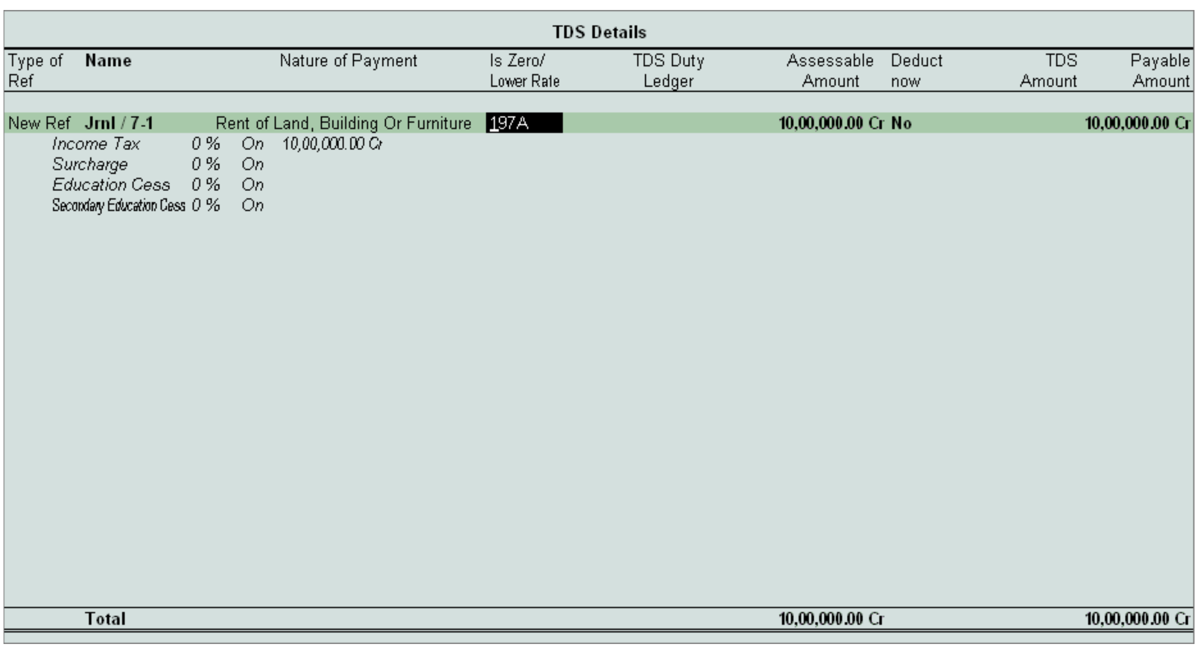


Figure 3.40 TDS Details

*In **TDS Details** screen, Tally.ERP 9 won't prompt the user to select the **TDS Duty ledger** or to deduct the tax in the same voucher, as the **section (197A)** selected indicates the Non deduction (Zero Rate) of Income tax*

7. **Payable Amount** as calculated in the TDS Details screen will be defaulted in the Party's Amount (Credit) field.
8. In **Bill-wise Details** screen
   - Select **New Ref** as the **Type of Ref**
   - In the **Name** field enter the Bill name as **Bill-245**
   - Skip the **Due Date or Credit Days** field
   - Accept the default **amount allocation** and Dr/Cr. By default Tally.ERP 9 displays the Bill amount in the amount field as the credit balance.
9. Enter **Narration**, if required.

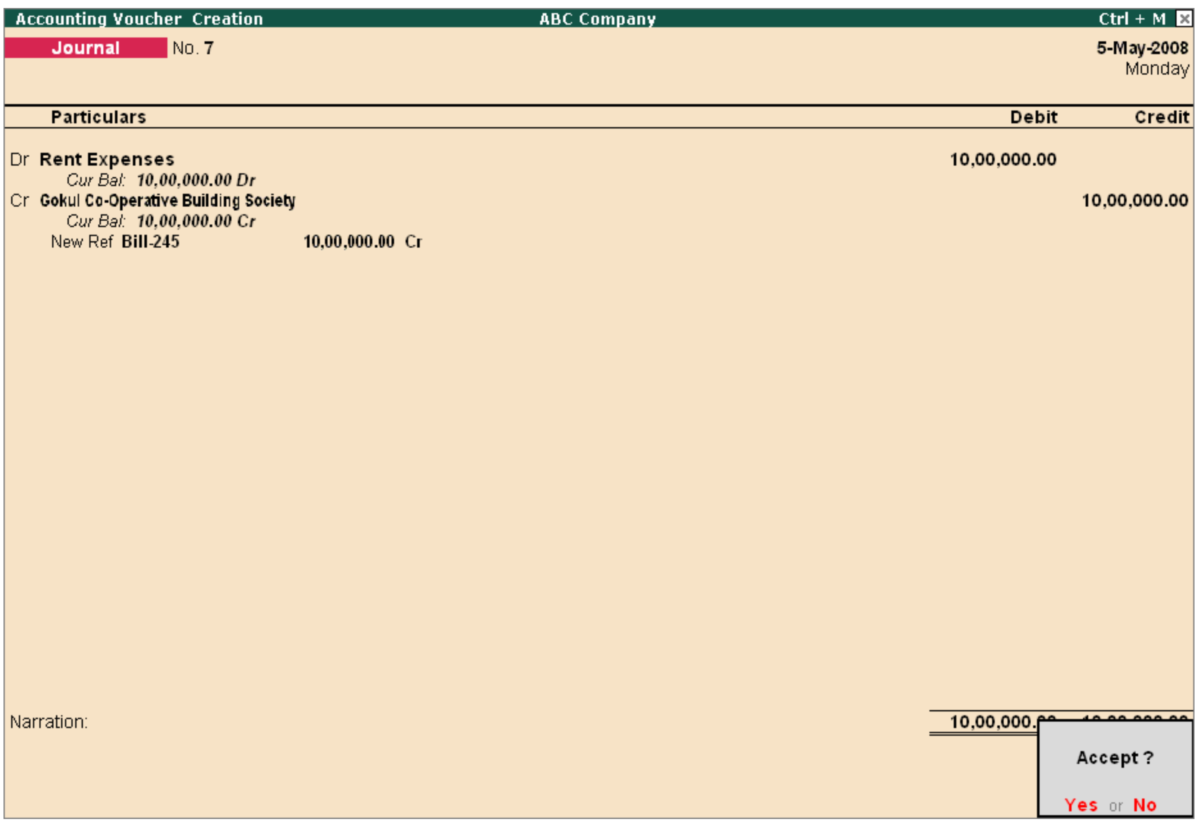


Figure 3.41 Journal Voucher

10. Press **Enter** to accept and save.

3.10 Surcharge Calculation on Prior Period Expenses

As per Income Tax Act, Surcharge on TDS is applicable for the payment(s) exceeding Rs.10 lakhs (for Individual, HUF, BOI and Association of Persons) and Rs. 1 Crore (for Companies, Artificial Judicial Person and Partnership Firm). However it is not applicable deductee Types such as Co-Operative Society and Local Authority.

In TDS, when the payment exceeds the Surcharge exemption Limit, Surcharge is applicable on the entire amount right from the first transaction.

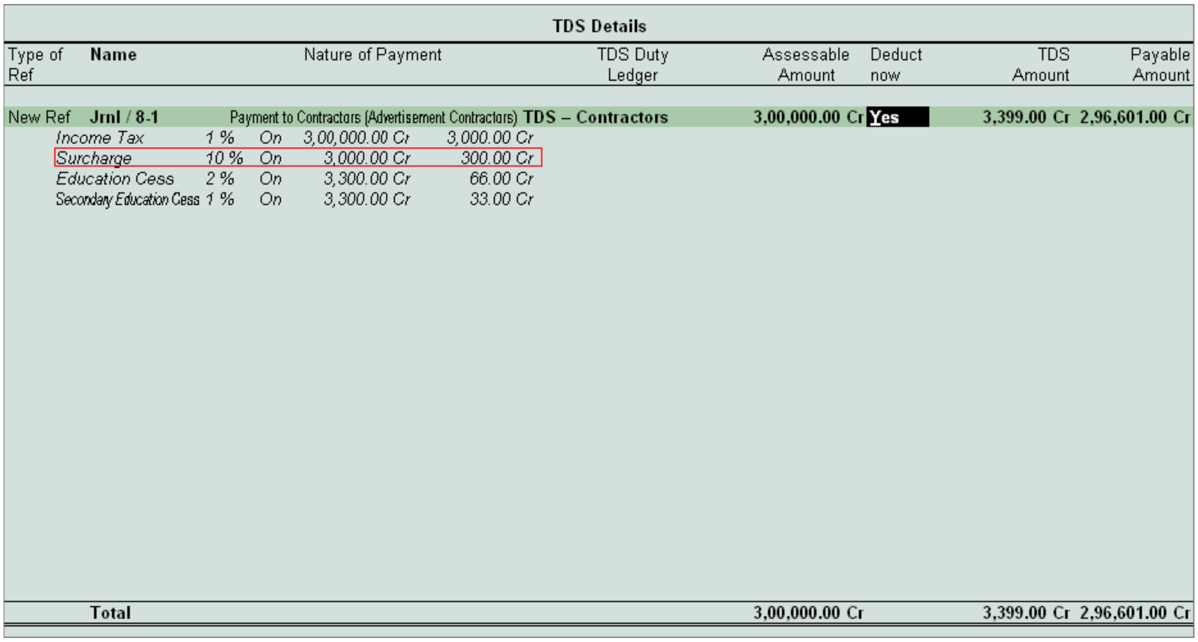
However, the transactions recorded until the deductee reached the surcharge exemption limit were not charged to surcharge, in such cases surcharge is to be calculated on the entire amount. Tally.ERP 9 automatically calculates the surcharge on the prior transactions.

Example: ABC Company received a Bill from Pheonix Agencies for **Rs. 3,00,000** towards the Advertisement services rendered

Step 1: Accounting Expenses in Journal Voucher (surcharge is calculated)

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

1. Press **F2** and change the date to **10-05-2008**
2. Select **Advertisement Expenses** in the **Debit** field and press Enter
3. Enter **3,00,000** in the **Amount** field
4. In the **TDS Nature of Payment Details** screen, accept the default details.
5. Select **Pheonix Agencies** in the **Credit** field
6. In **TDS Details** screen
   - In **Type of Ref** field, select **New Ref**
   - In the **Name** field accept the default TDS reference number **- Jrnl / 8-1**
   - In **Nature of Payment** field select **Payment to Contractors (Advertisement Contractors)** from the List of nature of Payment(s)
   - Select **TDS - Contractors** in the **TDS Duty Ledger** field
   - Set **Deduct Now** to **Yes** to deduct the income tax in the same voucher
   - The **TDS Amount** field displays the **Tax amount deducted at source**
   - The **Payable Amount** field displays the amount (after TDS) payable to the Party.



TDS Details

Type of Ref	Name	Nature of Payment	TDS Duty Ledger	Assessable Amount	Deduct now	TDS Amount	Payable Amount
New Ref	Jrnl / 8-1	Payment to Contractors (Advertisement Contractors)	TDS – Contractors	3,00,000.00 Cr	Yes	3,399.00 Cr	2,96,601.00 Cr
	Income Tax 1 % On 3,00,000.00 Cr 3,000.00 Cr						
	Surcharge 10 % On 3,000.00 Cr 300.00 Cr						
	Education Cess 2 % On 3,300.00 Cr 66.00 Cr						
	Secondary Education Cess 1 % On 3,300.00 Cr 33.00 Cr						
	Total			3,00,000.00 Cr		3,399.00 Cr	2,96,601.00 Cr

Figure 3.42 TDS Details

***TDS amount** in the above screen includes surcharge on the payment, as the total payment to the party exceeds the Surcharge exemption limit of **Rs.10,00,000 [Prior transaction Values** (500000+112360+150000+ 125000+ 30000+10000+10000)**+Current Transaction value** (300000)**]**. (The Deductee Type identified for Pheonix Agencies is Association of Persons, where the Surcharge exception limit for Association of Persons is Rs.10,00,000)*

*Here **Surcharge** is calculated only on Rs. 3,00,000 (present Bill amount). Surcharge on prior period expenses are accounted separately by recording a **Journal voucher**.*

7. **Payable Amount** as calculated in the **TDS Details** screen will be defaulted in the Party's Amount (Credit) field.
8. In **Bill-wise Details** screen,
   - In **Type of Ref** field select **New Ref**
   - In the **Name** field enter the Bill name as **Bill-2354**
   - Skip the **Due Date or Credit Days** field
   - Accept the **default amount allocation** and **Dr/Cr**.
   - select **New Ref** as **Type of Ref** and Enter Bill name as **Bill-2354**
   - Skip the **Due Date or Credit Days** field and accept the **default amount allocation** and **Dr/ Cr**
9. In the **Credit** field select the duty ledger **TDS - Contractors** and **Rs. 3399 (3,00,000 - 2,96,601)** is displayed automatically in the amount field.

10. Enter **Narration**, if required

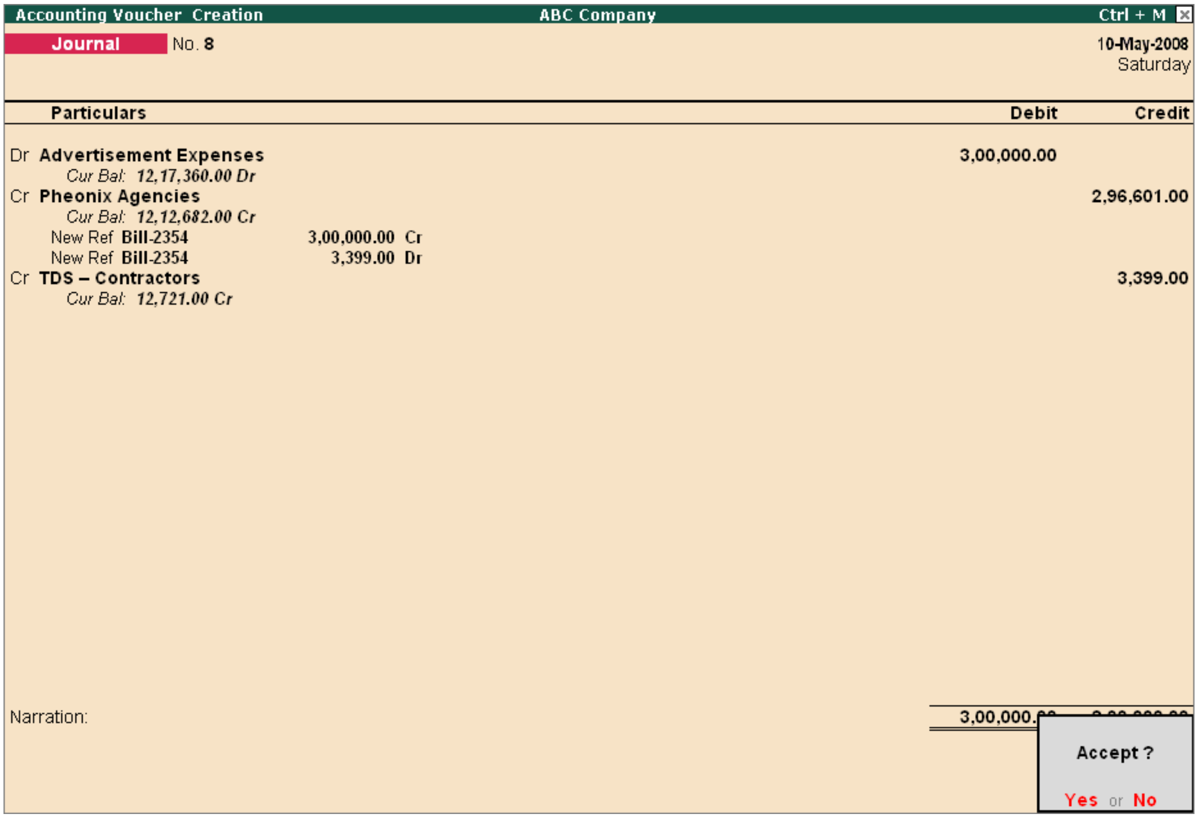


Figure 3.43 Journal Voucher

12. Press **Enter** to accept and save.

Step 2: Accounting Surcharge on Prior Period Expenses

In Tally.ERP 9, Surcharge on prior period expenses can be accounted by passing an adjustment entry in Journal Voucher.

To Create **Journal Voucher**

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

1. Press **F2** and change the date to **10-05-2008**
2. Press **Alt +S or click on S: TDS Deduction** button on the buttons bar to view **TDS Deductions** screen.
3. In **TDS Deduction** screen
   - Enter **10-05-2008** in the **Till Date** field.
   - In **Party** field Tally.ERP 9 displays the **List of Party ledgers** against whom the **Surcharge deduction** is due, select the **appropriate party**.

- In **Nature of payment** field, Tally.ERP 9 displays all the party related **nature of payments** under which **Surcharge deduction** is pending. Select **All Items** from the List of Nature of Payments.

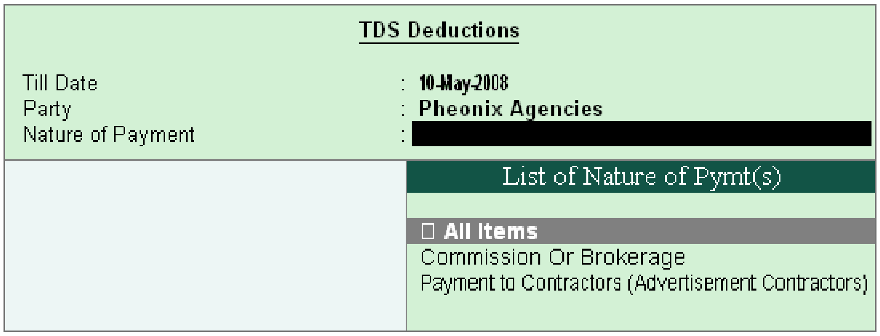


Figure 3.44 TDS Deductions

4. **Surcharge, Education Cess and Secondary Education Cess** amount with the respective bill details will be auto-filled.

Notes

Education and Secondary Education Cess *are calculated on the* ***total of Income tax and Surcharge****. In case of Pheonix agencies, during accounting of transactions, Cess was calculated only on income tax. Hence, cess amount is recalculated considering the surcharge amount.*

In Tally.ERP 9, ***cess amount*** *is automatically recalculated during accounting of surcharge on prior period expenses.*

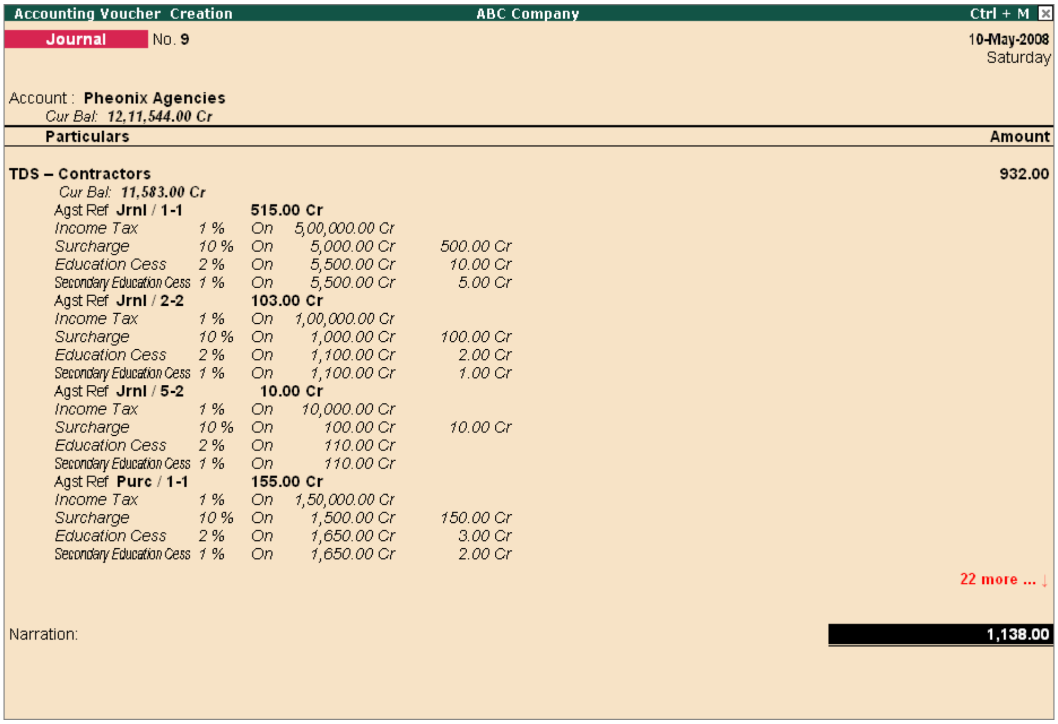


Figure 3.45 Journal Voucher

5. In **Bill–wise details** screen

Select the **Bill adjustment** as shown below

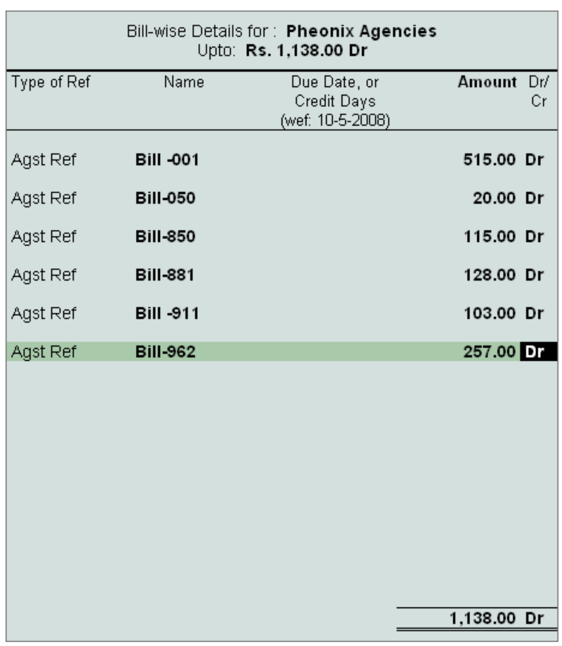


Figure 3.46 Bill-wise Details

6. Enter **Narration**, if required.

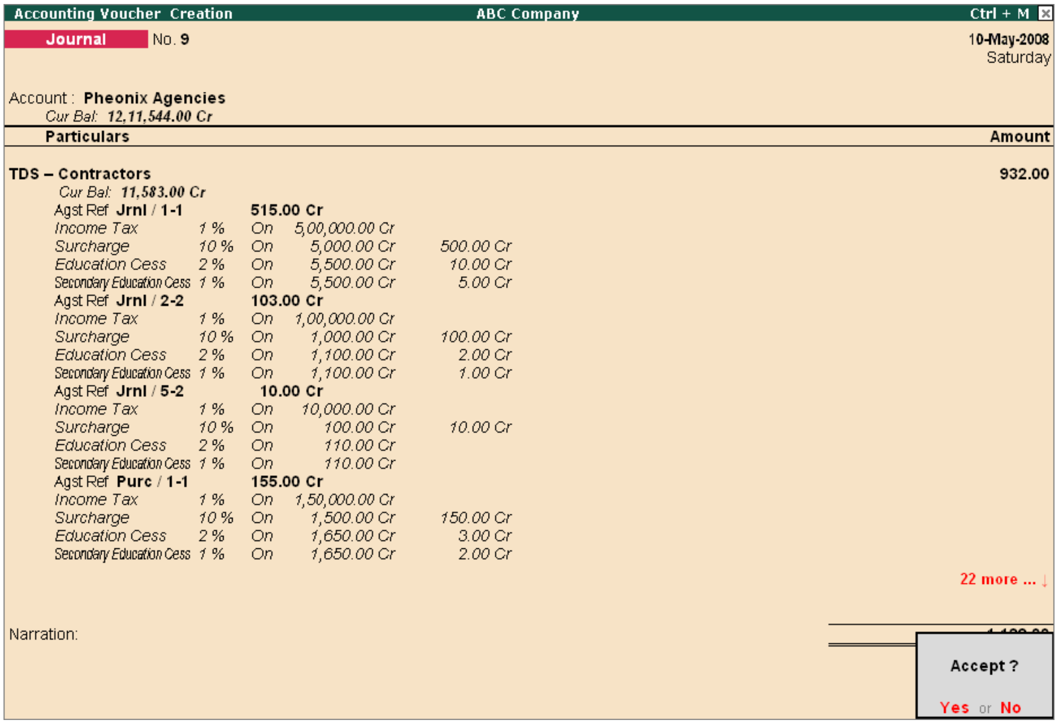


Figure 3.47 Journal Voucher

7. Press **Enter** to accept and save.

3.11 Surcharge Calculation on Expenses

As per Income Tax Act, Surcharge on TDS is applicable for the payment(s) exceeding Rs.10 lakhs (for Individual, HUF and Association of Persons) and Rs 1 Crore (for Companies, Artificial Judicial Person and Partnership Firm). However it is not applicable for Deductee Types such as Co-Operative Society and Local Authority.

In TDS, when the payment exceeds the Surcharge exemption Limit, Surcharge is applicable on the entire amount right from the first transaction and such past transactions will have to be shown in the e-TDS statements.

In this scenario it is always suggested that a realistic estimation of total amount, to be made right in the beginning and deductor should deduct TDS without considering the Surcharge Exemption Limit.

Example: ABC Company received a Bill (vide No. 555) from Mark IT Solutions for **Rs. 2,00,000** towards the commission charges.

Step 1: Create Party Ledger

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

1. Enter the **Name** of the Party Ledger as **Mark IT Solutions**

2. Select **Sundry Creditors** from the List of Groups in the **Under** field
3. Set **Maintain balances bill-by-bill** to **Yes**
4. Enter the **Default Credit Period**, if required.
5. Set **Is TDS Deductable** to **Yes**
6. In the **Deductee Type** field, select **Body of Individuals** from the List of Deductee Type
7. Set **Use Advanced TDS Entries** to **Yes**
8. In **Advanced TDS Entries** screen, set the option **Ignore Surcharge Exemption Limit** to **Yes**

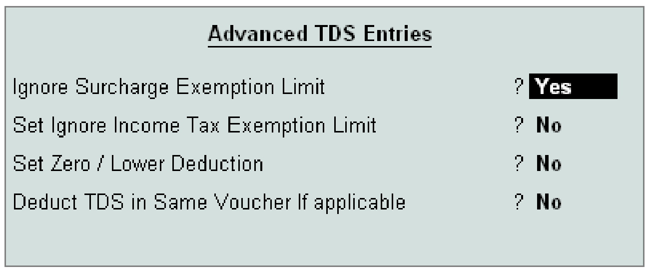


Figure 3.48 Advanced TDS Entries

Notes

*For **Mark IT Solutions** surcharge is deducted from the first transaction (without considering the surcharge exemption limit) as **he is a regular party and the estimation of his transactions (of previous year) revealed that the total payment will exceed the surcharge exemption limit***

*Set the option **Ignore Surcharge Exemption Limit** to **Yes** in Party's Ledger to deduct the surcharge without considering the exemption limit.*

9. Enter **Address, State and PIN Code** under **Mailing Details**
10. Enter **PAN/IT No.** under **Tax Information**

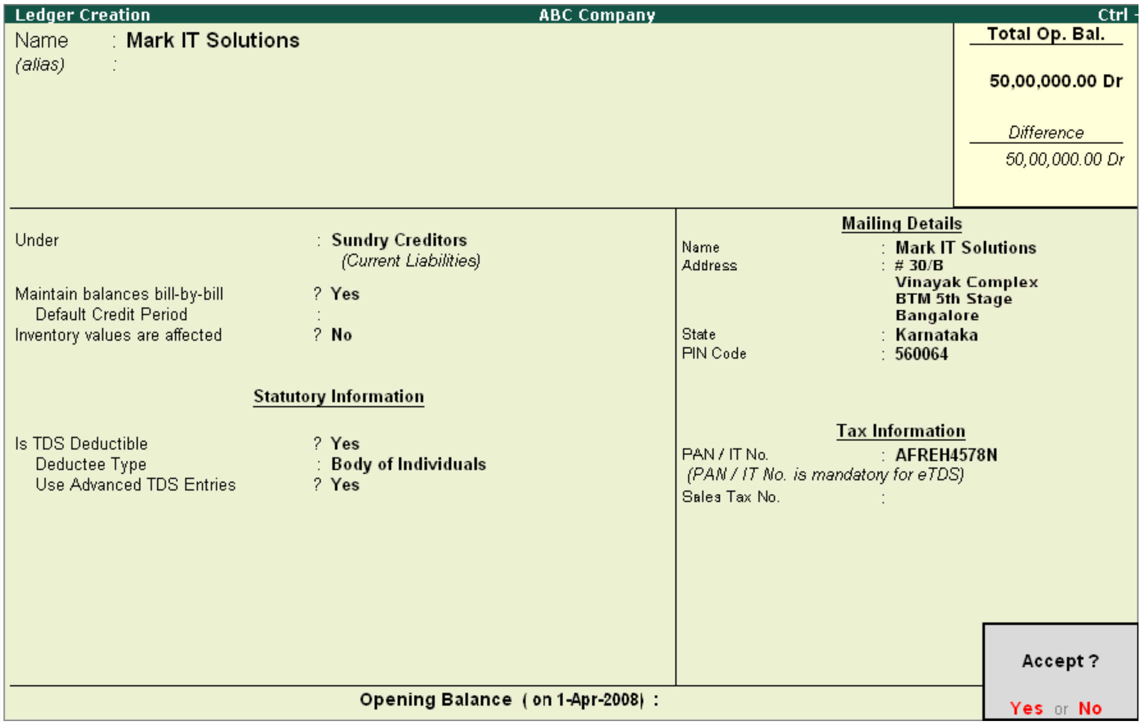


Figure 3.49 Party Ledger Creation

11. Press **Enter** to accept and save

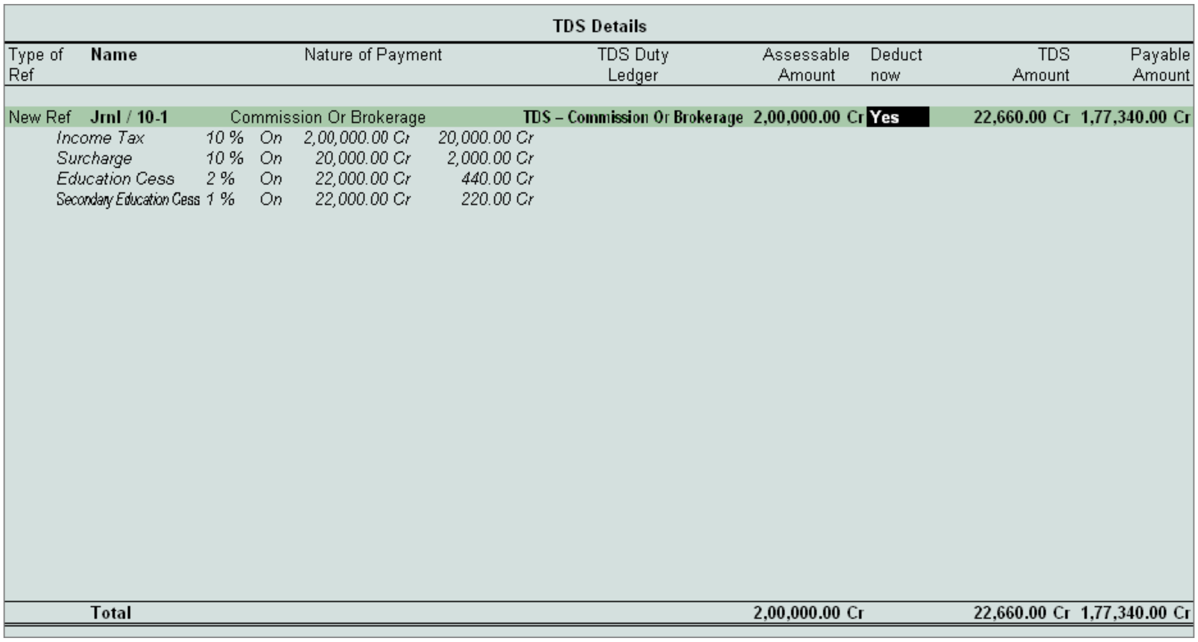
Step 2: Create a Journal Voucher

To create a **Journal voucher**

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

1. Press **F2** and change the date to **15-05-2008**
2. In **Debit** field select **Commission Charges** from the **List of Ledger Accounts**
3. Enter **2,00,000** in the **Amount** field
4. In **TDS Nature of Payment Details** screen, accept the default details
5. In the **Credit** field select **Mark IT Solutions** and press Enter
6. In **TDS Details** screen
   - In **Type of Ref** field select **New Ref** from the Method of Adjustment.
   - In **Name** field, accept the default TDS Reference Number - **Jrnl /10-1**
   - In **Nature of Payment** field select **Commission Or Brokerage** from the List of Nature of Pymt(s).
   - In **TDS Duty Ledger** field, select **TDS - Commission Or Brokerage**
   - In the **Assessable Amount** field, the amount as specified against the expenses ledger will be defaulted.

- Set **Deduct now** field to **Yes**
- **TDS Amount** field displays the **Tax Deducted at Source**
- **Payable Amount** field displays the amount (after TDS) payable to the Party.



TDS Details

Type of Ref	Name	Nature of Payment	TDS Duty Ledger	Assessable Amount	Deduct now	TDS Amount	Payable Amount
New Ref	Jrnl / 10-1	Commission Or Brokerage	TDS – Commission Or Brokerage	2,00,000.00 Cr	Yes	22,660.00 Cr	1,77,340.00 Cr
	Income Tax 10 % On 2,00,000.00 Cr 20,000.00 Cr						
	Surcharge 10 % On 20,000.00 Cr 2,000.00 Cr						
	Education Cess 2 % On 22,000.00 Cr 440.00 Cr						
	Secondary Education Cess 1 % On 22,000.00 Cr 220.00 Cr						
	Total			2,00,000.00 Cr		22,660.00 Cr	1,77,340.00 Cr

Figure 3.50 TDS Details

***Surcharge** is getting calculated right from **Rupee one without considering the Exemption limit** as the option **Ignore Surcharge Exemption Limit** is set to **Yes** in party ledger.*

7. **Payable Amount** as calculated in the **TDS Details** screen will be defaulted in the **Party's Amount (Credit)** field.
8. In **Bill-wise Details** screen
   - Select **New Ref** as the **Type of Ref**
   - In the **Name** field enter the Bill name as **Bill-570**
   - Skip the **Due Date or Credit Days** field
   - Accept the default **amount** allocation and **Dr/Cr**. By default Tally.ERP 9 displays the Bill amount in the amount field as the **credit** balance.
   - Select **New Ref** as the **Type of Ref**

- In the **Name** field enter the Bill name as **Bill-570**
- Skip the **Due Date or Credit Days** field
- Accept the default **amount** allocation and **Dr/Cr**. By default Tally.ERP 9 displays the **Tax amount** in the **amount** field as the **debit** balance

9. In the **Credit** field select **TDS - Commission Or Brokerage** from the List of Ledger Accounts.
10. In the **Amount** field, **Rs. 22,660** is displayed automatically.
11. Enter **Narration**, if required.

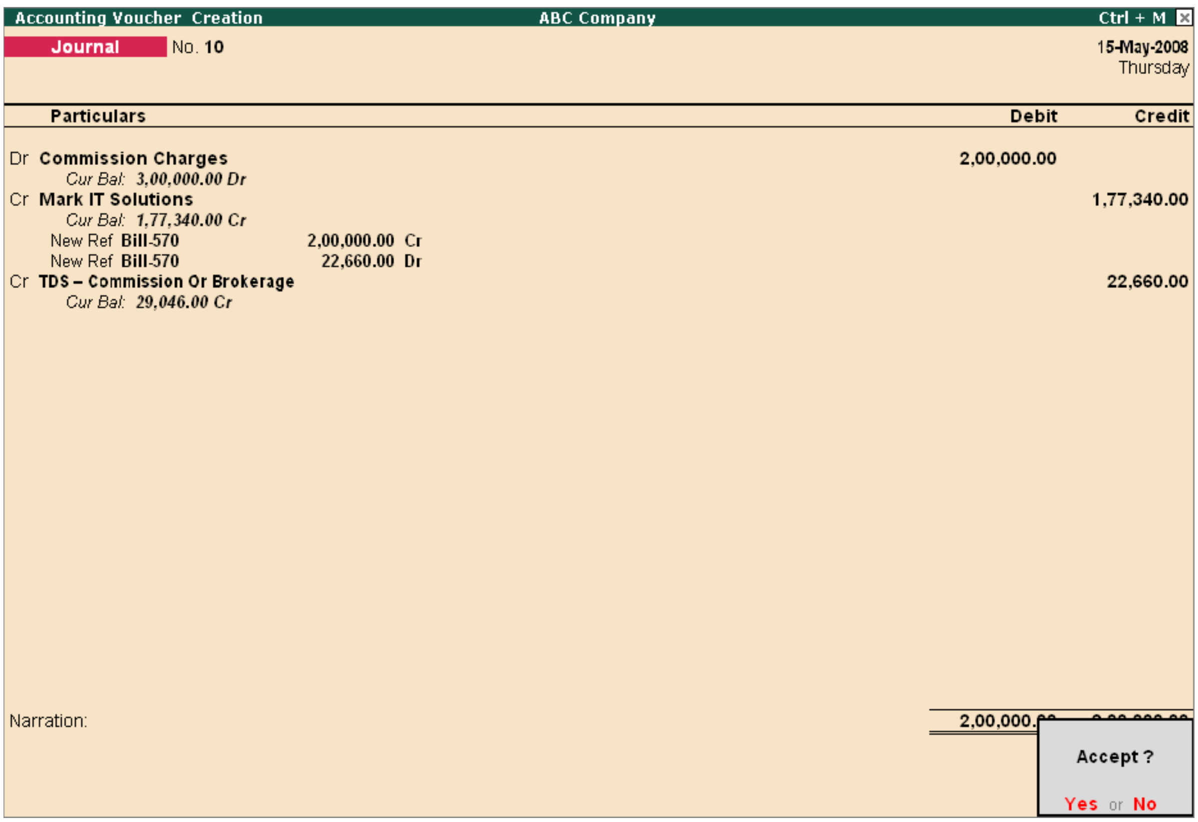


Figure 3.51 Journal Voucher

12. Press **Enter** to accept and save

3.12 Reversal of Expenses with TDS (Debit Note)

In case of Cancellation of transaction(s), the expenses and TDS deducted needs to be Reversed/ cancelled in the books of accounts. In Tally.ERP 9, such reversal of expenses and TDS is possible only when the cancellation of transaction is made before the payment of TDS to the Government.

In Tally.ERP 9, reversal of expenses and TDS are accounted using Debit Note.

Example: ABC Company cancelled the transaction dated **15th May, 2008 for Rs. 2,00,000 (bill-570)** as **Mark IT Solutions** failed to reach the sales target set by the company.

In **F11: Features (Accounting Features)**

- Set **Use Debit/Credit Notes** to **Yes**
- Set **Use Invoice Mode for Debit Notes** to **Yes**

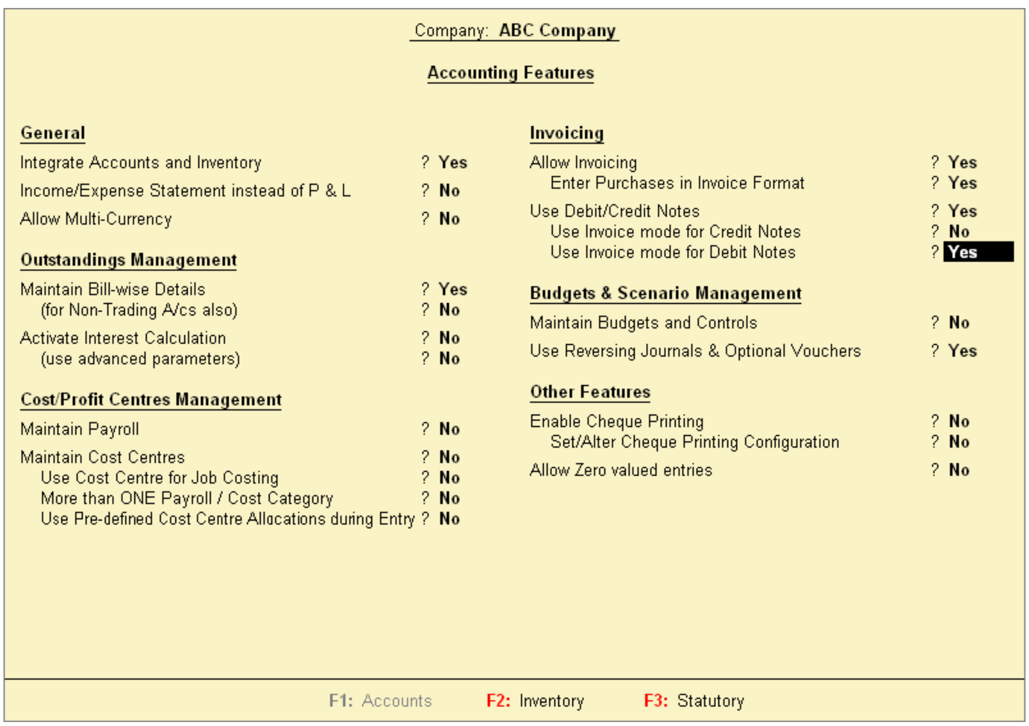


Figure 3.52 F11:Features

To Create the **Debit Note**

Go to **Gateway of Tally > Accounting Vouchers > Ctrl+F9: Debit Note**

1. Press **Alt + I** for **Account Invoice** mode
2. Press **F2** and change the date to **20-05-2008**
3. In **Party's A/c Name** field select **Mark IT Solutions** from the List of Ledger Accounts
4. Under **Particulars** select **Commission Charges**

5. Enter **Rs. 2,00,000** in the **Amount** field
6. In **TDS Nature of Payment Details** screen, accept the default details
7. Under **Particulars** select **TDS - Commission Or Brokerage**
8. In the **TDS Details** screen
   - In **Type of Ref** select **Agst Ref**
   - In **Name** field, Tally.ERP 9 displays the **Tax Details(Jurl/10-1)**, based on the party and the nature of payment selected in the transaction. From **Tax Details**, select the **Tax Reference Number** against which the **TDS to be reversed**.
   - In **Nature of Payment** field select **Commission Or Brokerage**
   - Based on the **Tax Reference Number** selected, Tally.ERP 9 defaults the details in **TDS Duty Ledger, Assessable Amount and TDS Amount** fields.

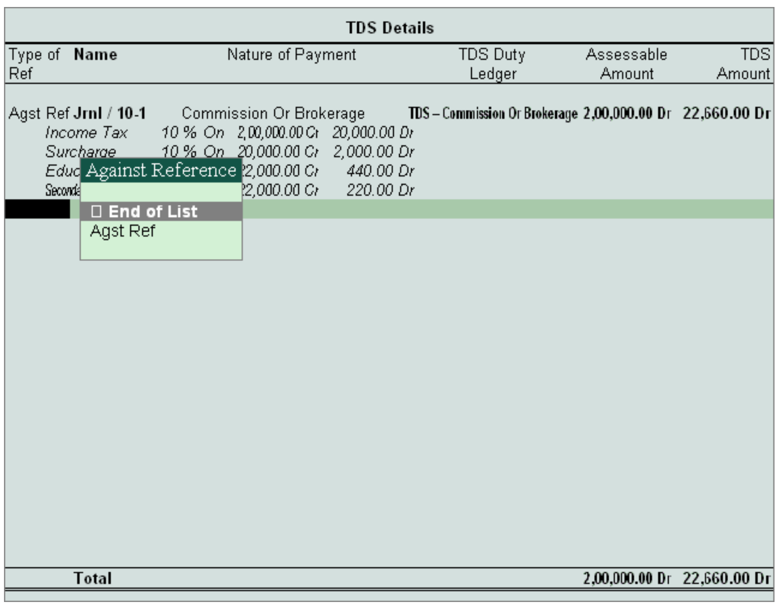


Figure 3.53 TDS Details

   - **TDS Amount** as displayed in the **TDS Details** screen will be defaulted in the **Amount** field with **negative sign**.
9. In **Bill-wise Details** screen
   - Select **Agst Ref** as the **Type of Ref**
   - In the **Name** field select **Bill-570** from the Pending Bills to reverse the expenses.
   - Skip the **Due Date or Credit Days** field

- Accept the default **amount** allocation and **Dr/Cr**.

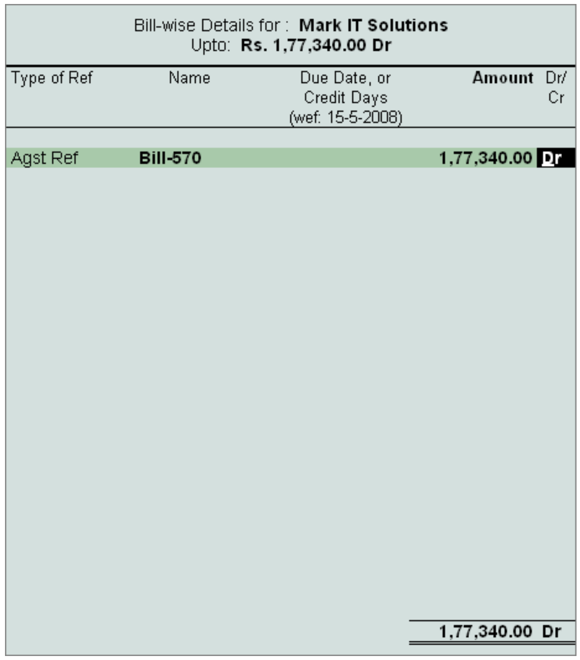


Figure 3.54 Bill-wise Details

10. Enter **Narration**, if required

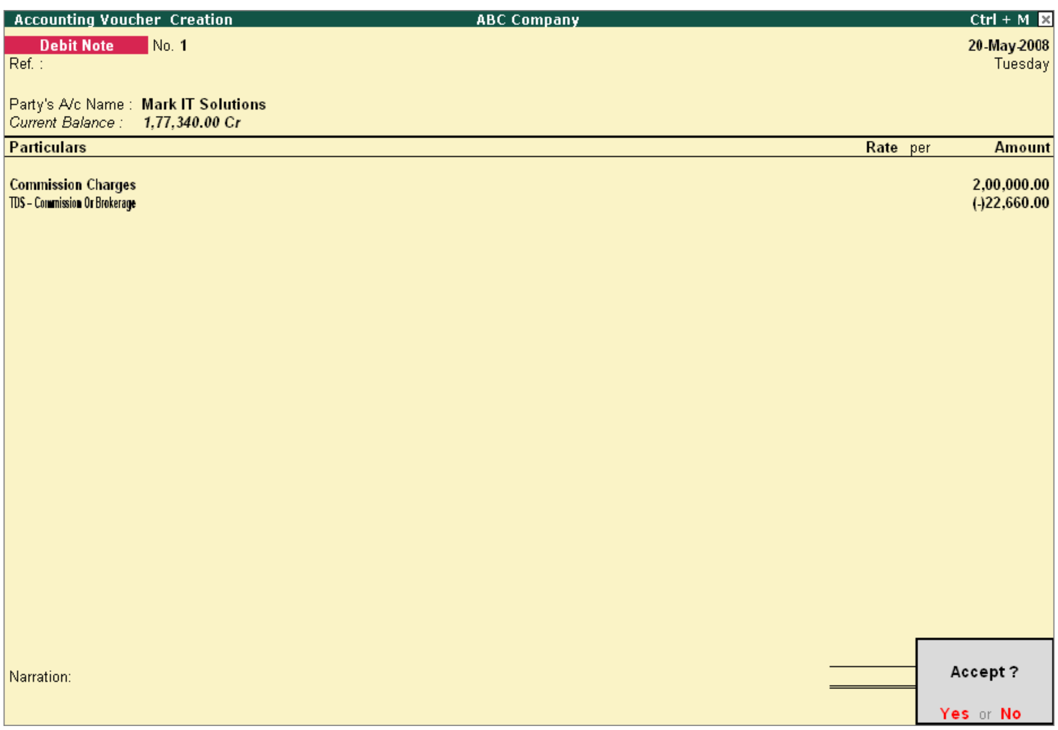


Figure 3.55 Debit Note Voucher

11. Press **Enter** to accept and save

Expenses and TDS can be reversed in the same voucher (Debit Note) or in 2 different vouchers (Debit Note - to reverse Expenses) and Credit Note - to Reverse TDS)

3.13 TDS on Payments made to Non-Residents

Accounting TDS on payments made to Non-Residents

Example: ABC Company received a bill from Academy Cricket club for Rs. 15,00,000 towards Coach Fees.

Step 1: Create Expense Ledger

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

- Enter **Sports Expenses** as the **Ledger Name**.
- Select the group **Indirect Expenses** from the **List of Groups**
- Set **Inventory values are affected** to **No**
- Set **Is TDS Applicable** to **Yes**
- Select **Payments to Non–Resident Sportsmen/Sports Association** in D**efault Nature of Payment** filed
- Accept to **Save**.

Step 2: Create Tax ledger

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

- Enter **TDS – Payments to Non-Residents** as the Ledger Name.
- Select **Duties & Taxes** from the List of Groups in the **Under** field.
- In **Type of Duty /Tax** field select **TDS** from the Types of Duty/Tax list
- In **Nature of Payment** field, select **Payments to Non–Resident Sportsmen/Sports Association**
- Set **Inventory values are affected** to **No**
- Accept to **Save**

Step 3: Create Party Ledger

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

- Enter **Academy Cricket Club** as the **Ledger Name**.
- Select **Sundry Creditors** from the List of Groups in the **Under** field
- Set **Maintain balances bill-by-bill** to **Yes**
- Enter the **Default Credit Period**, if required.
- Set **Is TDS Deductible** to **Yes**
- In the **Deductee Type** field, select **Individual/HUF – Non Resident**
- Set **Use Advanced TDS Entries** to **No**.
- Enter **Address**, **State** and **PIN Code** under **Mailing Details**
- Under **Tax Information**, for **PAN /IT No**. mention as **PANNOTAVBL** (as party is a non-resident)

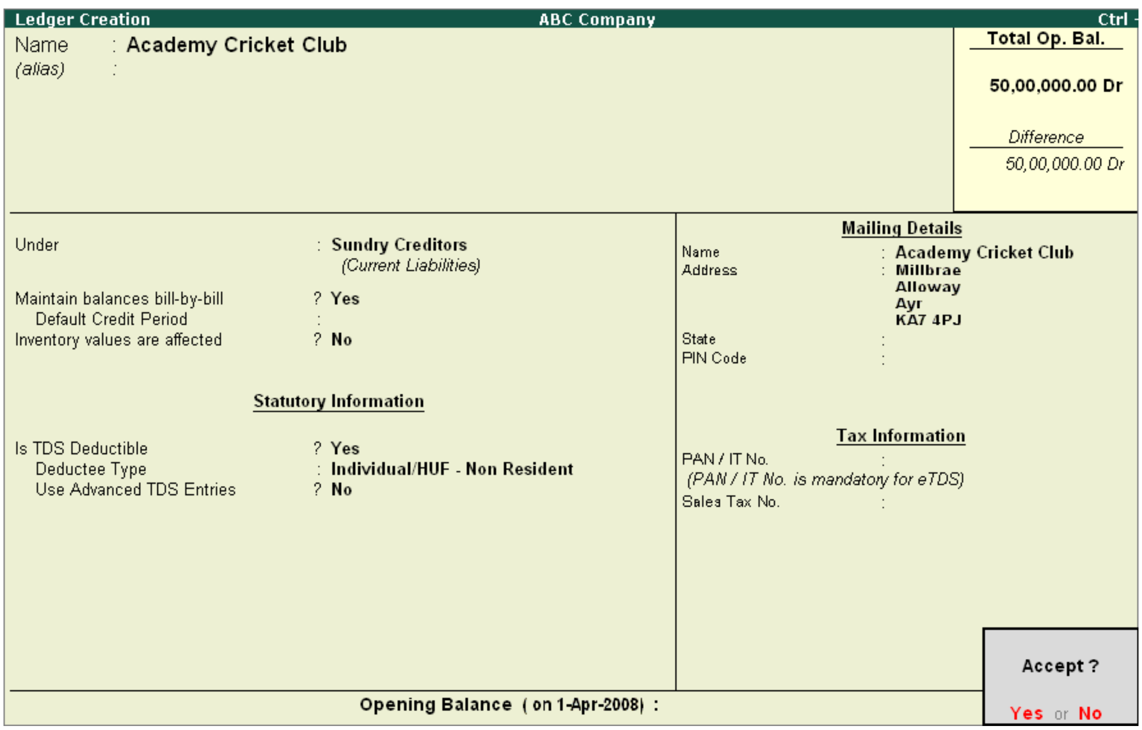


Figure 3.56 Party Ledger Creation

- Press **Enter** to accept and save

Step 4: Create Journal Voucher

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

1. Press **F2** and change the date to **25-05-2008**
2. Select **Sports Expenses** in the **Debit** field
3. Enter **15,00,000** in the **Amount** field
4. In the **TDS Nature of Payment Details** screen, accept the default details.
5. Select **Academy Cricket Club** in the **Credit** field
6. In **TDS Details** Screen
   - Select **New Ref** in **Type of Ref** field
   - In the **Name** field, accept the default TDS reference number – **Jrnl / 11-1**
   - In **Nature of Payment** field select **Payment to Non–Resident Sportsmen/ Sports Association** from the List of nature of Payment(s)
   - Select **TDS – Payments to Non–Residents** in the **TDS Duty** Ledger field
   - Set **Deduct Now** to **Yes** to deduct the income tax in the same voucher.
   - The **TDS Amount** field displays the Tax amount deducted at source
   - The **Payable Amount** field displays the amount (after TDS) payable to the Party.

TDS Details

Type of Ref	Name	Nature of Payment	TDS Duty Ledger	Assessable Amount	Deduct now	TDS Amount	Payable Amount
New Ref	**Jrnl / 11-1**	Payments to Non-Resident Sportsmen/Sports Assoc...	**TDS – Payments to Non-Residents**	**15,00,000.00 Cr**	**Yes**	**1,69,950.00 Cr**	**13,30,050.00 Cr**
	Income Tax	*10 % On 15,00,000.00 Cr 1,50,000.00 Cr*					
	Surcharge	*10 % On 1,50,000.00 Cr 15,000.00 Cr*					
	Education Cess	*2 % On 1,65,000.00 Cr 3,300.00 Cr*					
	Secondary Education Cess	*1 % On 1,65,000.00 Cr 1,650.00 Cr*					
	Total			**15,00,000.00 Cr**		**1,69,950.00 Cr**	**13,30,050.00 Cr**

Figure 3.57 TDS Details

7. **Payable Amount** as calculated in the TDS Details screen will be defaulted in the Party's Amount (Credit) field.
8. In **Bill–wise Details** screen

- Select **New Ref** in **Type of Ref** field
- In the **Name** field enter the Bill name **ACC/01457**
- Skip **Due Date or Credit Days** field
- Accept the default amount allocation and **Dr/Cr**. By default Tally.ERP 9 displays the Bill amount in the amount field as the credit balance.
- In **Type of Ref** field, select New Ref and enter bill name **ACC/01457**
- Skip **Due Date or Credit Days** field and accept the default amount allocation and Dr/Cr. By default Tally.ERP 9 displays the Tax amount in the amount field as the debit balance.

9. In the **Credit** field select T**DS – Payment to Non–Residents** from the List of Ledger Accounts and **Rs. 1,69,950** (15,00,000 – 13,30,050) is displayed automatically in the amount field.
10. Enter **Narration**, if required

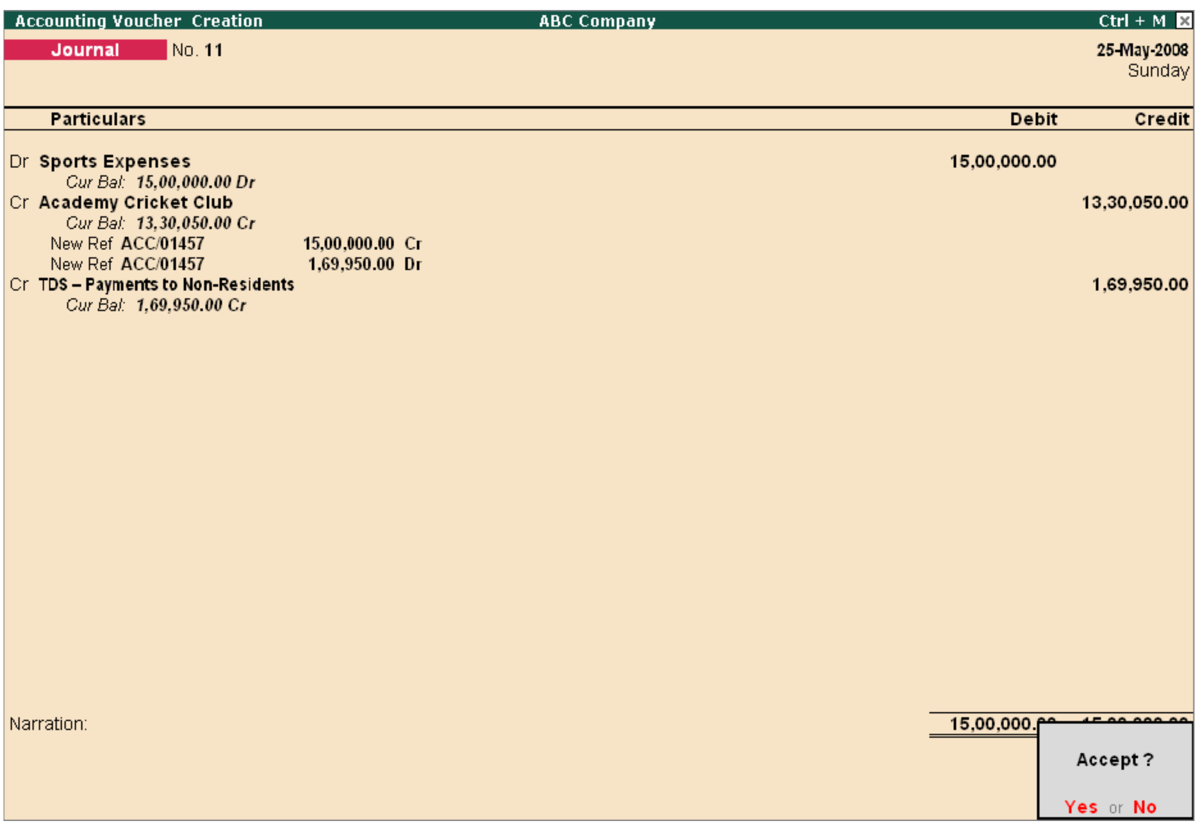


Figure 3.58 Journal Voucher

11. Press **Enter** to accept and save

3.14 Accounting Changes in TDS Percentage

Whenever a Cess is made applicable or Tax rate is changed, the same is effected through finance Bill. Finance Bill will be presented on 28th February and is generally passed and becomes Act around mid May.

Example: In the Finance Bill, rate of income tax on Fees for Professional and Technical services is changed from 5% to 10%. Before the finance bill is passed, the deductor accounted the transactions in April month against professional fees and deducted tax at 5%. Then the finance bill is passed in the month of may and the effective date for the change in rate of income tax on Fees for Professional and Technical services is mentioned as 1st April. In this case deductor has deducted the tax at a lower rate on the transactions booked before the Finance act and is expected to deduct the difference.

Changes in the **TDS Percentages** are updated in the **Deductee Type** statutory masters

In Tally.ERP 9 such **difference Income Tax** amount can be deducted for all the transactions booked (at lower rate) before the change in the TDS rates by recording an adjustment entry in **Journal Voucher** (using TDS Deduction)

3.15 Payment of TDS using TDS Helper

All the Tax deducted during a month is to be paid to the credit of Government on or before 7th of the next month. In case 7th of the month happens to be a Sunday or a bank holiday payment can be made on the next working day

TDS amount shall be paid to the government account through any designated branches of the authorised banks, along with Income Tax Challan No.281.

Example: ABC Company paid TDS (under **section 194C)** of **Rs.9342.10** through cheque (no. 056330) for the month of **April, 2008.**

To Create the **Payment Voucher**

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

In **F12: Configure (Payment Configuration)**

- Ensure **Use Single Entry mode for Pymt/Rcpt/Contra** to **Yes**

1. Press **F2** and change date to **06/05/2008**
2. Press **Alt+S or click S: TDS Helper** button on the Buttons Bar to view **TDS helper** screen.
3. In the **TDS Helper** Screen
   - **Deducted Till Date**: In this field user may enter, till date of the period for which the TDS values should be computed and auto-filled. Enter **30/04/2008**.
   - **Section**: Select Section **194C** from the list of section.

As per the Act, **separate TDS challans** to be submitted for the **payment of tax** under **each section**. In this field, Tally.ERP 9 displays all the sections under which, Tax deducted is pending for payment.

Payment Code of the Section selected for TDS payment will be printed on the **TDS Challan**.

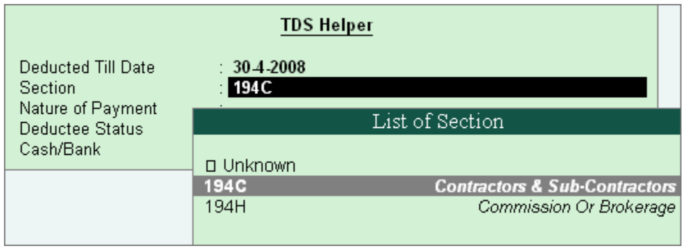


Figure 3.59 TDS Helper

- **Nature of Payments**: Based on the section selected in the **Section** field, Tally.ERP 9 displays the section related **nature of payments** under which, **Tax deducted** is pending for payment.

Example: If section **194C** is selected in **Section** field and user has **2 Nature of Payments** (viz. **Advertisement contractors and Sub-contractors).** Both the Nature of Payments can be selected for the payment of tax.

Select **Payment to Contractors (Advertisement Contractors)** as the **Nature of Payment**

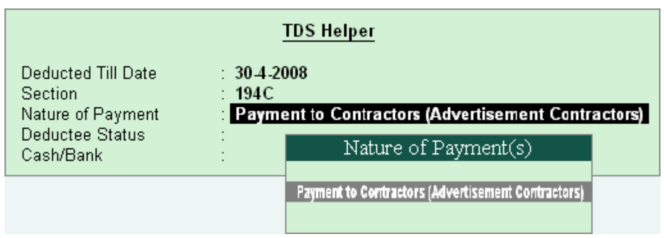


Figure 3.60 TDS Helper

- **Deductee Status**: Select the Deductee Status as **Non Company**.
- **Cash/ Bank**: Depending on the **mode of payment (Cash or Cheque)** Cash or Bank ledger will be selected. Select Canara Bank from the List of Ledger Accounts

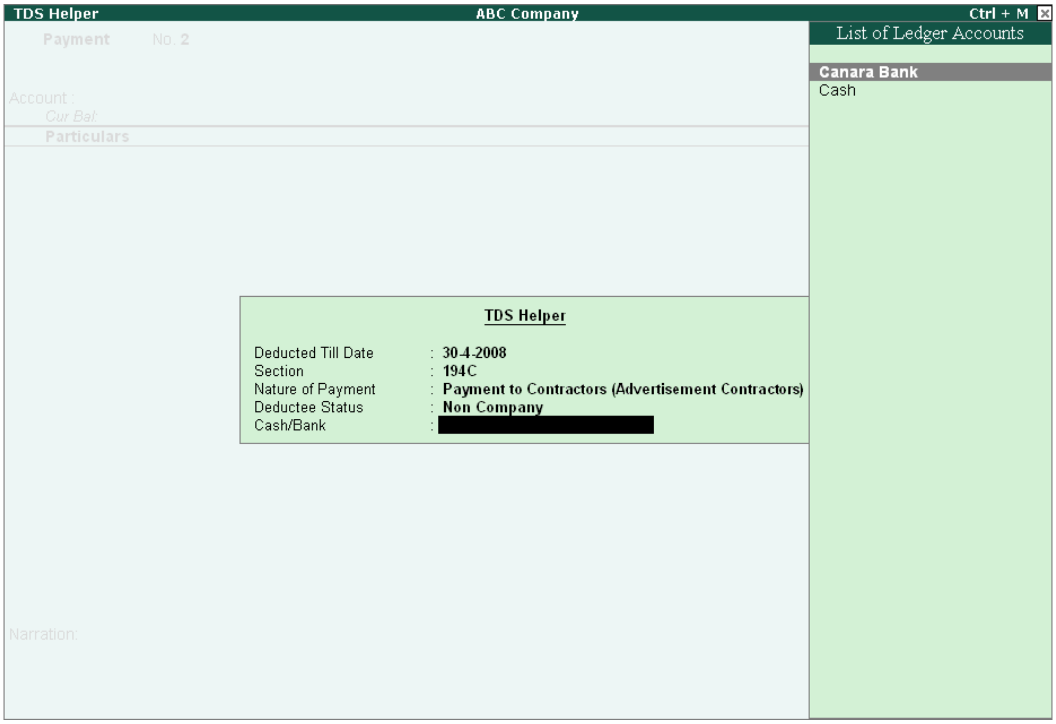


Figure 3.61 TDS helper

- Press **Enter** to accept the **TDS helper**

- The **Bank Name** through which the payment is made and **TDS payable amount** (with the respective bill details) will be auto-filled

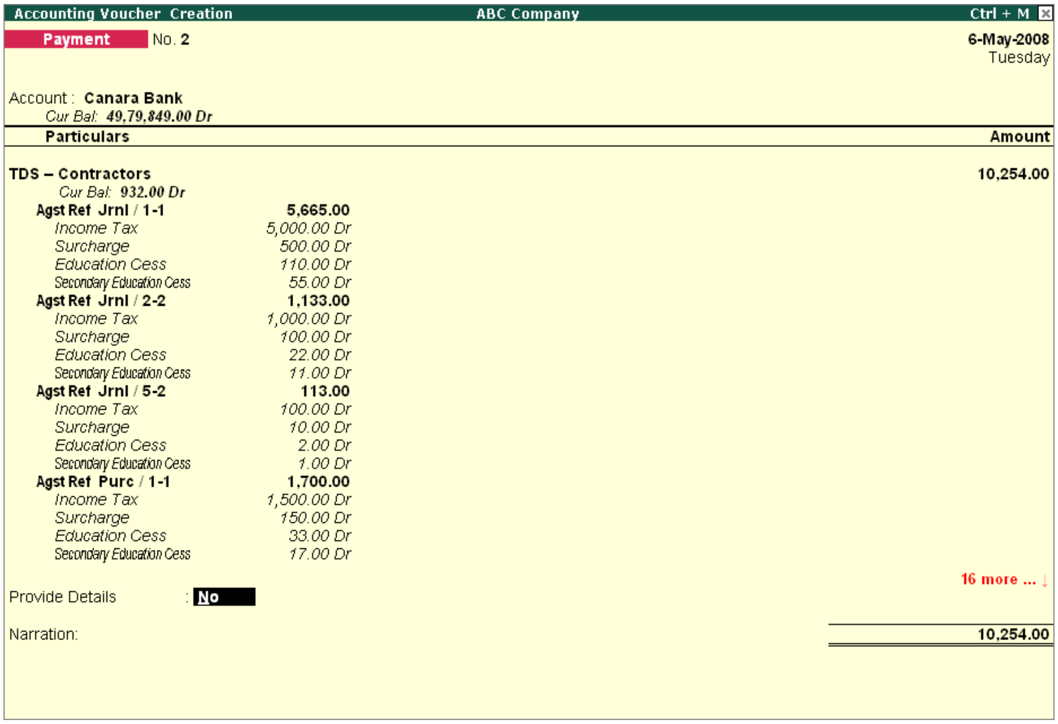


Figure 3.62 Payment Voucher

4. Set the option **Provide Details** to **Yes** to enter **TDS payment details**
5. In the **Payment Details** screen
   - **Cheque/DD No**: In this field user can enter either the **cheque or the DD No.** through which the TDS payment is made. In this transaction payment is made through cheque, and enter the **Cheque No.** as **056330**.
   - **Name of the Bank**: In this field mention the **Name** of the **Bank** through which the tax amount is paid to the Government. Select Canara Bank from the List of Banks.

In this field Tally.ERP 9 displays the **List of Banks** which lists all the banks which are already created to carry out the regular business, option (New Name) to create new Bank and the option Not applicable if the payment is made by Cash.

***New Name** will be selected when the **authorised bank** through which the payment is made is different from the **regular bank where the deposit account** is maintained. The **Bank name** created here will not be available under the **List of Ledgers**.*

- **Branch Name**: Enter the bank **Branch name** in this field.

- **BSR Code**: Enter the **BSR Code** of the branch. BSR code is a 7 digit number allotted by Reserve Bank of India (RBI) to bank branch.

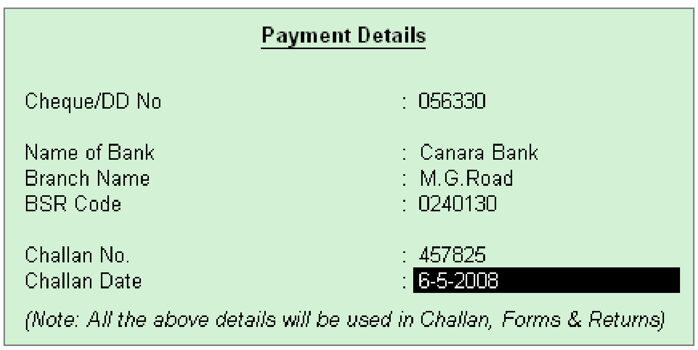
Notes

Branch Name and BSR code *details will be defaulted automatically, if the user selects the bank which is already created to carry out the regular business (with branch name and BSR code) in the Name of Bank field. User can change such defaulted details.*

- **Challan No.**: In this field enter the **TDS payment Challan number**.

If the TDS payment challan details are not available at the time of recording the TDS payment entry, such details can be either by reconciling the TDS ledger or by altering the payment voucher.

- **Challan Date**: Enter the **Challan Date**.



Payment Details

Cheque/DD No	:	056330
Name of Bank	:	Canara Bank
Branch Name	:	M.G.Road
BSR Code	:	0240130
Challan No.	:	457825
Challan Date	:	6-5-2008

(Note: All the above details will be used in Challan, Forms & Returns)

Figure 3.63 Payment Details

- Press **Enter** to accept the payment details

6. Enter the **Cheque number** in the **Narration** field.

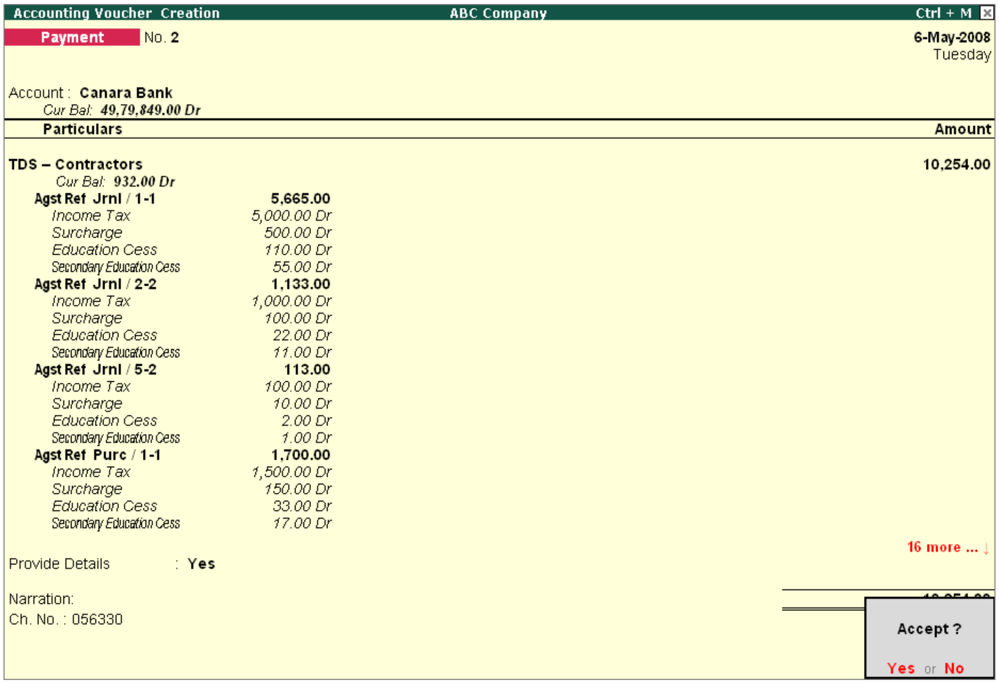


Figure 3.64 Payment Voucher

7. Press **Enter** to accept and save.

*User can enter **TDS Payment** entry in **Double Entry mode** also*

To Print the TDS Challan Press **Page Up** to view the above Payment Voucher.

From The Payment Voucher screen press **Alt+P** or click on **Print** button to view Voucher Printing screen.

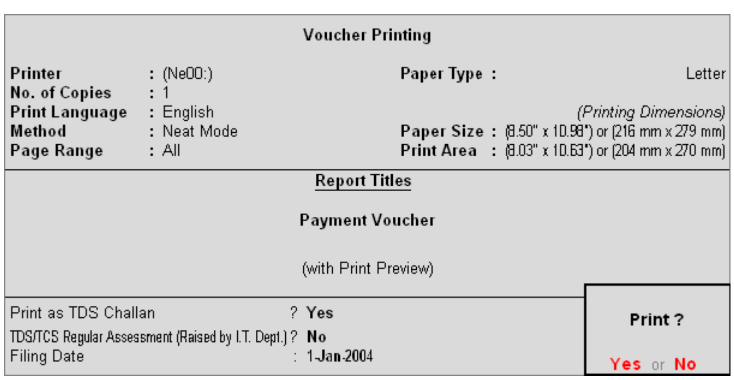
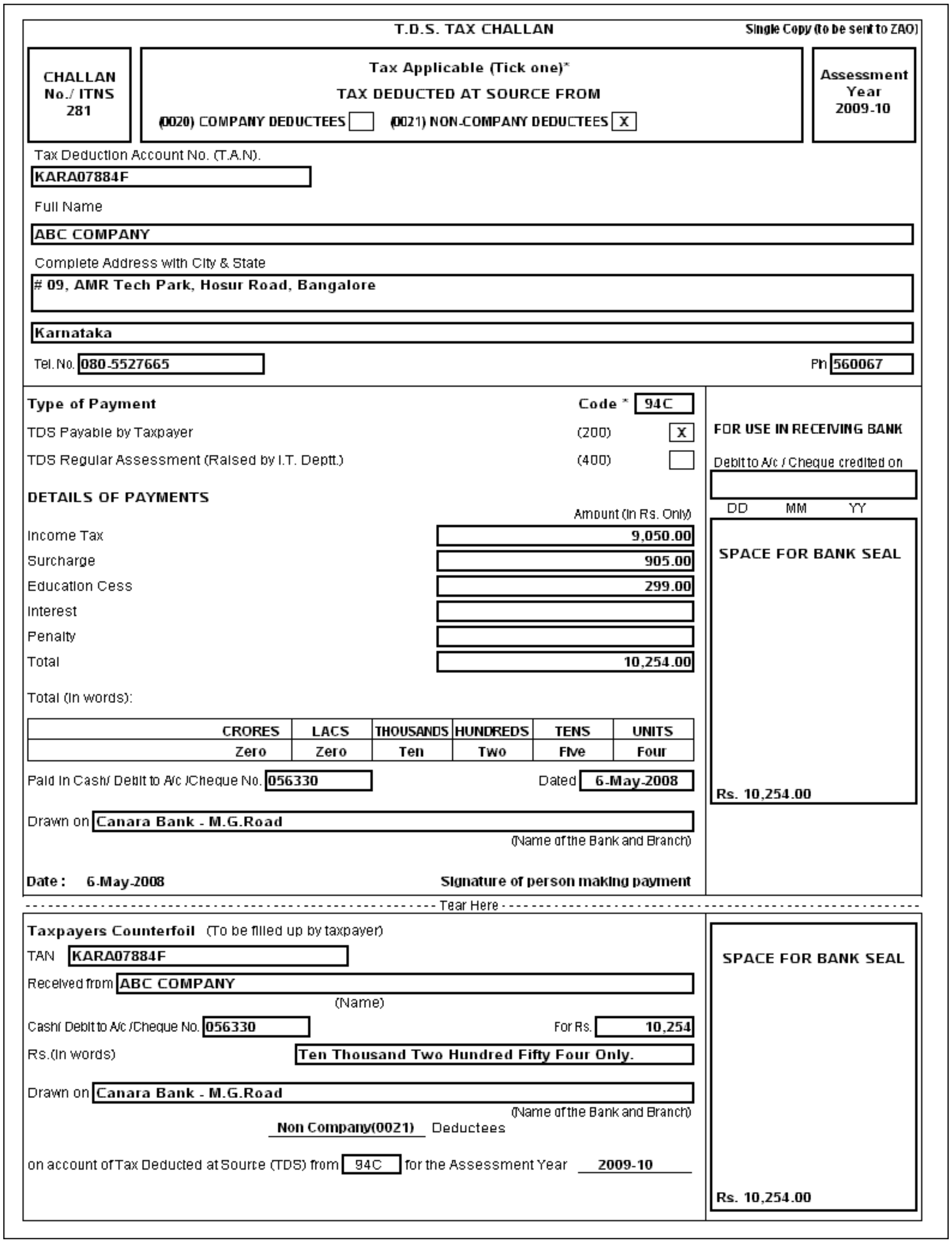


Figure 3.65 Voucher Printing

Ensure the **Alt+I: Print Preview** option is selected to view the print preview of **TDS Challan**

The **Print Preview** of **TDS Challan** appears as shown



T.D.S. TAX CHALLAN

Single Copy (to be sent to ZAO)

CHALLAN No./ ITNS 281

Tax Applicable (Tick one)*

TAX DEDUCTED AT SOURCE FROM

(0020) COMPANY DEDUCTEES [ ] (0021) NON-COMPANY DEDUCTEES [X]

Assessment Year 2009-10

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

KARA07884F

Full Name

ABC COMPANY

Complete Address with City & State

09, AMR Tech Park, Hosur Road, Bangalore

Karnataka

Tel. No. 080-5527665

Pin 560067

Type of Payment | Code * 94C

TDS Payable by Taxpayer (200) [X]

TDS Regular Assessment (Raised by I.T. Deptt.) (400) [ ]

FOR USE IN RECEIVING BANK

Debit to A/c / Cheque credited on

DD MM YY

DETAILS OF PAYMENTS

Amount (In Rs. Only)

Income Tax	9,050.00
Surcharge	905.00
Education Cess	299.00
Interest	
Penalty	
Total	10,254.00

SPACE FOR BANK SEAL

Total (In words):

CRORES	LACS	THOUSANDS	HUNDREDS	TENS	UNITS
Zero	Zero	Ten	Two	Five	Four

Paid in Cash/ Debit to A/c /Cheque No. 056330 Dated 6-May-2008

Rs. 10,254.00

Drawn on Canara Bank - M.G.Road

(Name of the Bank and Branch)

Date : 6-May-2008 Signature of person making payment

Tear Here

Taxpayers Counterfoil (To be filled up by taxpayer)

TAN KARA07884F

Received from ABC COMPANY

(Name)

Cash/ Debit to A/c /Cheque No. 056330 For Rs. 10,254

Rs.(In words) Ten Thousand Two Hundred Fifty Four Only.

Drawn on Canara Bank - M.G.Road

(Name of the Bank and Branch)

Non Company(0021) Deductees

on account of Tax Deducted at Source (TDS) from 94C for the Assessment Year 2009-10

SPACE FOR BANK SEAL

Rs. 10,254.00

Figure 3.66 Print Preview of TDS Challan

Lesson 4: Reports

4.1 TDS Reports

To view the **TDS Reports**

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

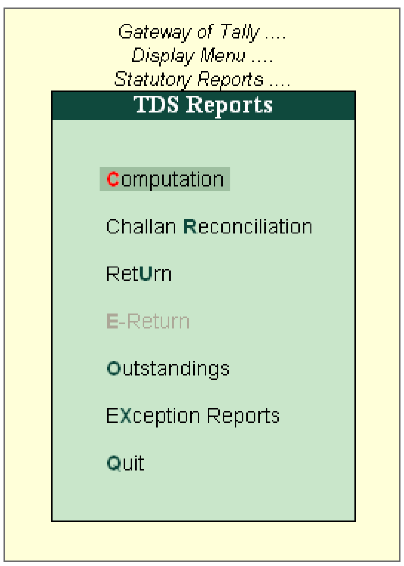


Figure 4.1 TDS Reports

TDS Reports are

- Computation
- Challan Reconciliation
- Return
- Outstandings
- Exception Reports

4.2 Computation

TDS Computation report displays information about TDS transactions. It includes information about the total expenses on which TDS is applicable, TDS amount deducted, balance TDS amount deductible, TDS amount paid and TDS amount pending for payment.

To view **TDS Computation report**

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

TDS Computation — ABC Company — Ctrl + M

TDS Computation — 1-Apr-2008 to 25-May-2008

Particulars	Amount	Tax
Deduction Details		
Expenses & Advances	**38,17,360.00**	**1,89,989.00**
TDS Not Applicable	12,360.00	
Under Exemption Limit		
Zero Rated	10,00,000.00	
Taxable Expenses & Advances	28,05,000.00	1,89,989.00
Deducted		**1,89,989.00**
at Normal rate		1,85,869.00
at Lower rate		4,120.00
Balance Deductable		
at Normal rate		
at Lower rate		
Payment Details		
Paid		**14,374.00**
Previous Month(s)		*14,374.00*
Current Month		
Balance Payable		**1,75,615.00**
Previous Month(s)		*2,266.00*
Current Month		*1,73,349.00*

Figure 4.2 TDS Computation

TDS Computation report is divided into 2 sections

1. **Deduction Details**: This section displays the details of **Expenses & Advances, Deducted and the Balance Deductible**

- **Expenses & Advances**: This field displays the **total expenses amount and total tax amount** of all the TDS applicable expenses and advances made to parties.

  Under **TDS Applicable Expenses/ Advances** the expenses are identified as

  - **TDS Not Applicable**: This filed displays the total amount of Expenses on which TDS is not applicable
  - **Under Exemption Limit**: This field displays the total amount of Expenses which have not crossed the TDS Exemption Limit.
  - **Zero Rated**: This field displays the total amount of expenses on which TDS is deducted at Zero Rate
  - **Taxable Expenses & Advances**: This field displays the total amount of taxable expenses and total tax amount
- **Deducted**: This section displays the total amount of tax deducted at normal rate or at lower rate till Date.
  - **At Normal rate**: This field displays the total amount of tax deducted at normal rate.
  - **At Lower rate**: This field displays the total amount of tax deducted at lower rate.
- **Balance Deductible**: This section displays the balance tax amount to be deducted either at normal rate or at lower rate.
  - **At Normal Rate**: This field displays the total amount of tax to be deducted at normal rate
  - **At Lower Rate**: This field displays the total amount of tax to be deducted at normal rate

2. **Payment Details**: This section displays the details of tax paid and tax Payable.

- **Paid**: This section displays the details of total tax paid in the previous month(s) and current month
  - **Previous Month(s)**: This field displays the total tax paid in the previous month(s).
  - **Current Month**: This field displays the total amount of tax paid in the current month
- **Balance Payable**: This section displays the details of total tax payable in the previous month(s) and current month
  - **Previous Month(s)**: This field displays the total tax balance payable for the previous month(s).
  - **Current Month**: This field displays the total tax payable for the current month

4.2.1 TDS Computation - Expenses wise

To view **Expense wise - TDS Computation** press **Enter** on any particular **deduction Details** to drill down to a report that displays all the expenses marked with respective deduction details.

Consider **TDS Applicable Expenses/Advances**

Expenses Wise — ABC Company — Ctrl + M

Expenses Wise — 1-Apr-2008 to 25-May-2008

Particulars	Total	Tax Deductible	Balance to be deducted	Balance to be Paid
Rent Expenses	10,00,000.00			
Sports Expenses	15,00,000.00	1,69,950.00		1,69,950.00
Advertisement Expenses	12,07,360.00	13,540.00		3,399.00
Commission Charges	1,00,000.00	6,386.00		6,386.00
Pheonix Agencies	10,000.00	113.00		
Total	38,17,360.00	1,89,989.00		1,79,735.00

Figure 4.3 TDS Computation – Expense Wise

You can configure the Expenses wise report using **F12: Configure**

The options **Show Tax Deductible, Show Balance to be deducted and Show Balance Payable to Government** are by default set to **Yes**

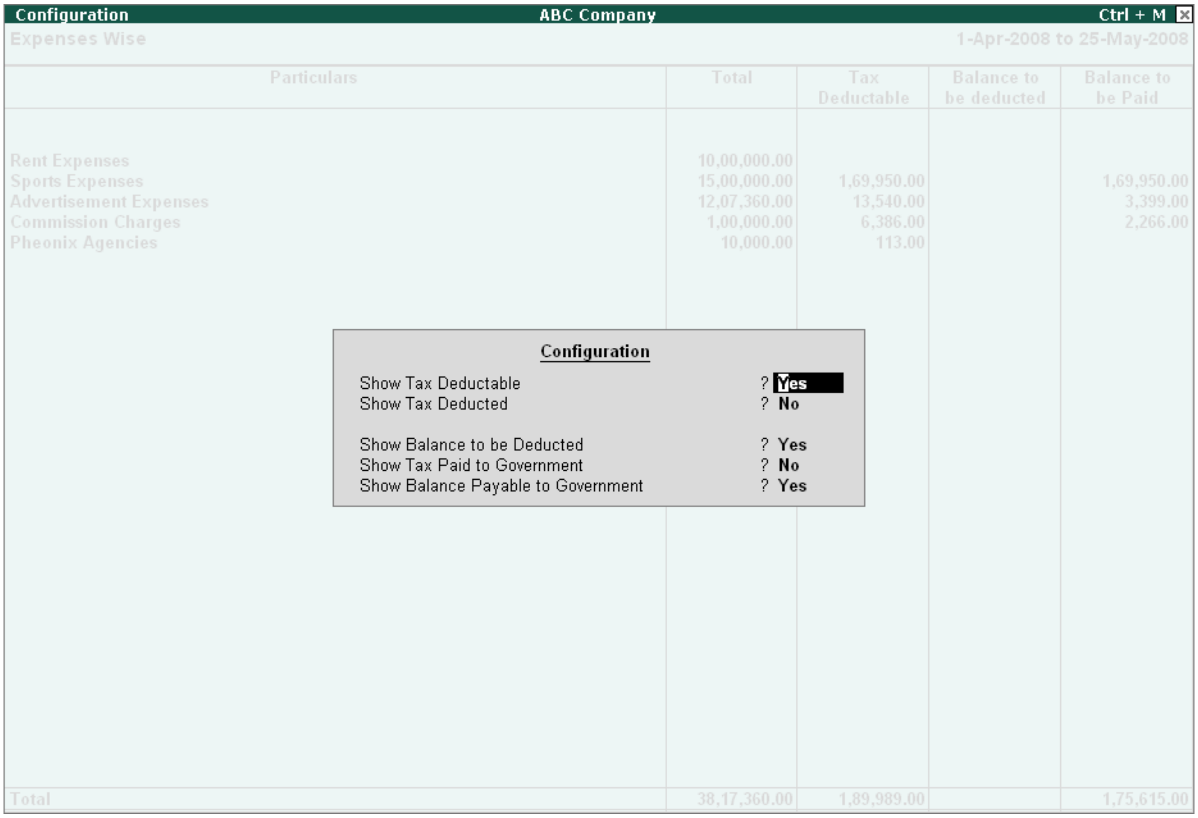


Figure 4.4 F12: Configuration

In **F12: Configuration**

- Set the option **Show Tax Deducted** to **Yes**
- Set the option **Show Tax Deductible Break-up** to **Yes**
- Ensure all other options are set to **No**

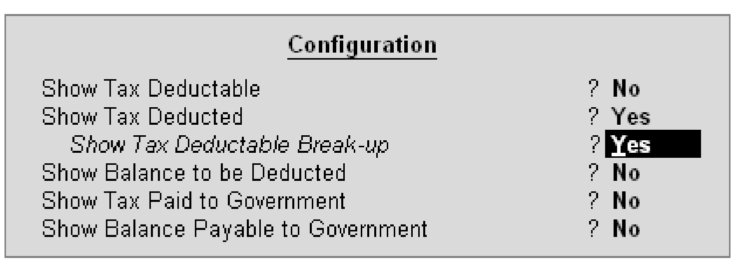


Figure 4.5 F12: Configuration

The **Expenses Wise report** appears as shown

Expenses Wise | ABC Company | Ctrl + M

Expenses Wise | 1-Apr-2008 to 25-May-2008

Particulars	TDS Deducted				
	Tax	SC	EC	SHEC	Total
	← ... 1 more				
Rent Expenses					
Sports Expenses	1,50,000.00	15,000.00	3,300.00	1,650.00	1,69,950.00
Advertisement Expenses	11,950.00	1,195.00	263.00	132.00	13,540.00
Commission Charges	6,000.00	200.00	124.00	62.00	6,386.00
Pheonix Agencies	100.00	10.00	2.00	1.00	113.00
Total	1,68,050.00	16,405.00	3,689.00	1,845.00	1,89,989.00

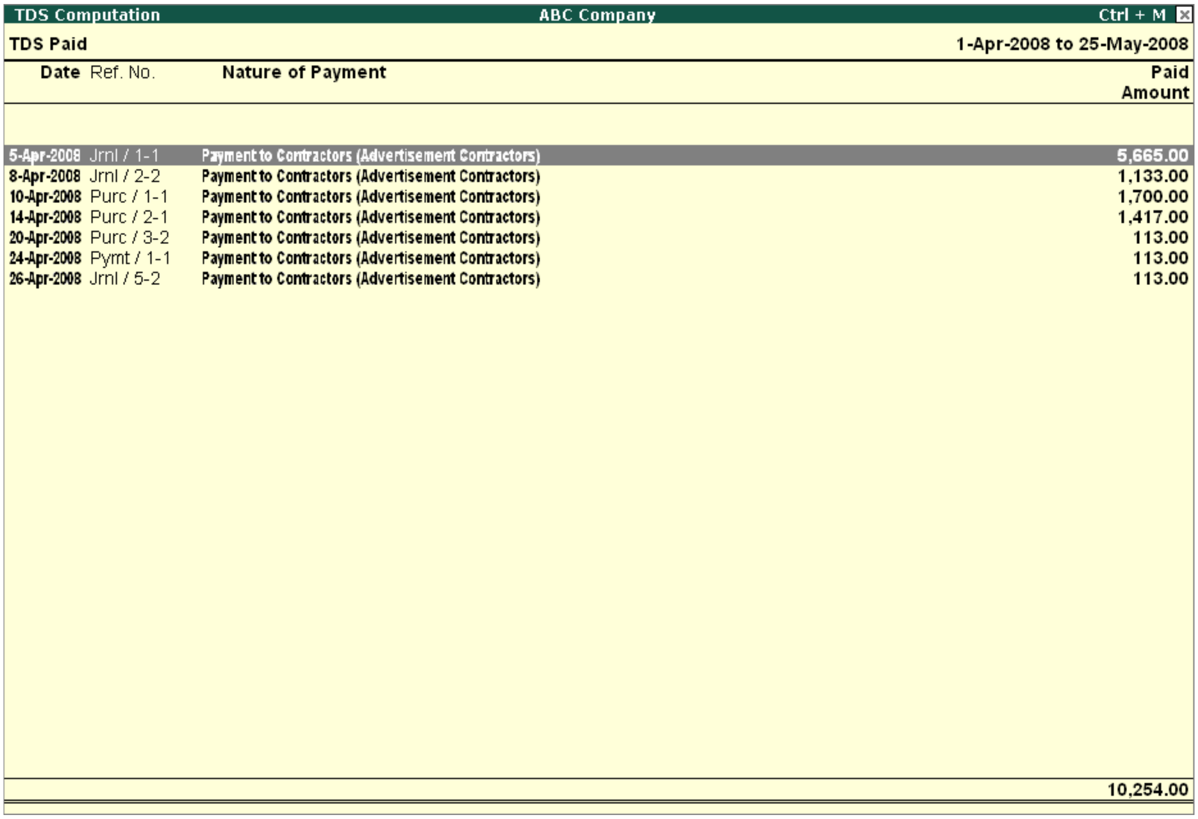
Figure 4.6 TDS Computation – Expense Wise

If the Option **Show Tax Deductible Break-up** is set **Yes** the Expenses wise report displays the complete break up (Tax, Surcharge, Education Cess, Secondary and Higher Education Cess) of Tax deducted.

4.2.2 TDS Computation – TDS Paid

To view **TDS paid - TDS Computation** press **Enter** on any particular Paid details to drill down to TDS Paid report

Consider **Paid**



TDS Computation — ABC Company — Ctrl + M

TDS Paid — 1-Apr-2008 to 25-May-2008

Date	Ref. No.	Nature of Payment	Paid Amount
5-Apr-2008	Jrnl / 1-1	Payment to Contractors (Advertisement Contractors)	5,665.00
8-Apr-2008	Jrnl / 2-2	Payment to Contractors (Advertisement Contractors)	1,133.00
10-Apr-2008	Purc / 1-1	Payment to Contractors (Advertisement Contractors)	1,700.00
14-Apr-2008	Purc / 2-1	Payment to Contractors (Advertisement Contractors)	1,417.00
20-Apr-2008	Purc / 3-2	Payment to Contractors (Advertisement Contractors)	113.00
24-Apr-2008	Pymt / 1-1	Payment to Contractors (Advertisement Contractors)	113.00
26-Apr-2008	Jrnl / 5-2	Payment to Contractors (Advertisement Contractors)	113.00
			10,254.00

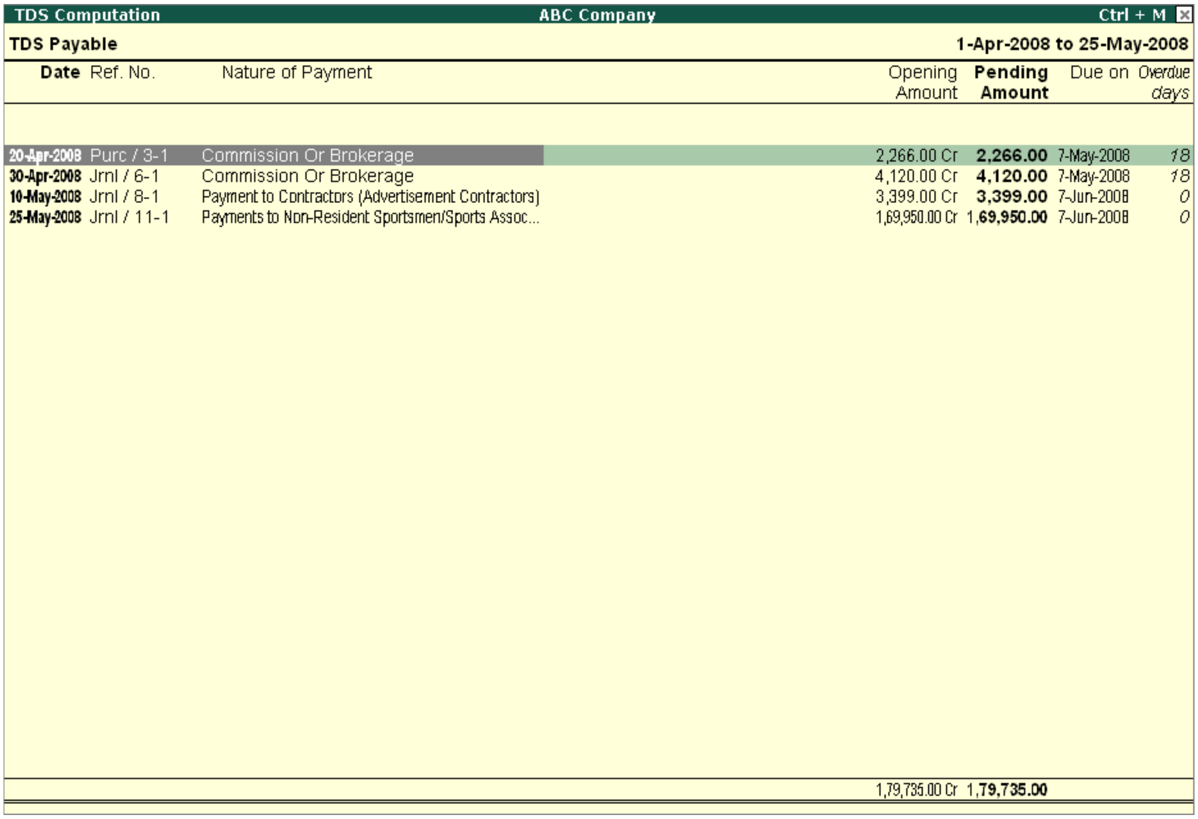
Figure 4.7 TDS Paid

TDS Paid report displays the details of transaction wise details such as **Date, Ref No. Nature of Payment and Paid Amount**.

4.2.3 TDS Payable

To view TDS Payable report from TDS Computation press Enter on any particular Balance Payable details.

Consider **Balance Payable**



TDS Computation — ABC Company — Ctrl + M

TDS Payable — **1-Apr-2008 to 25-May-2008**

Date	Ref. No.	Nature of Payment	Opening Amount	Pending Amount	Due on	Overdue days
20-Apr-2008	Purc / 3-1	Commission Or Brokerage	2,266.00 Cr	2,266.00	7-May-2008	18
30-Apr-2008	Jrnl / 6-1	Commission Or Brokerage	4,120.00 Cr	4,120.00	7-May-2008	18
10-May-2008	Jrnl / 8-1	Payment to Contractors (Advertisement Contractors)	3,399.00 Cr	3,399.00	7-Jun-2008	0
25-May-2008	Jrnl / 11-1	Payments to Non-Resident Sportsmen/Sports Assoc...	1,69,950.00 Cr	1,69,950.00	7-Jun-2008	0
			1,79,735.00 Cr	1,79,735.00		

Figure 4.8 TDS Payable

4.3 Challan Reconciliation

Reconciliation of Challan Payments made to Bank for TDS accounts is done in Challan reconciliation report.

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Challan Reconciliation > Select TDS Commission Or Brokerage Ledger**

Make TDS payment of towards Commission Or Brokerage without providing payment details.

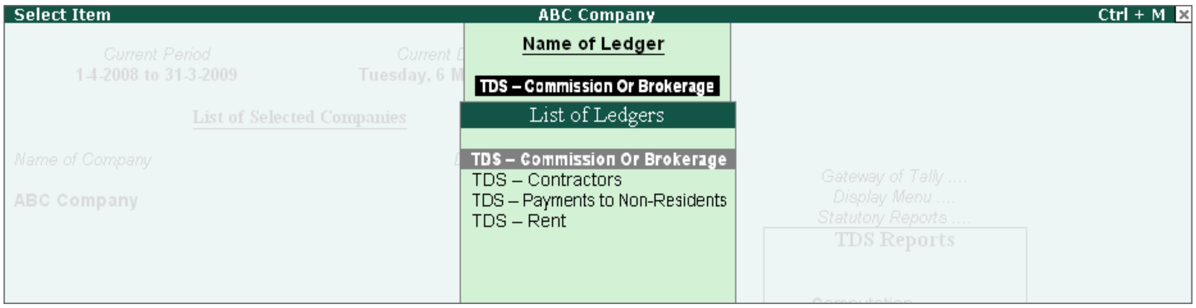


Figure 4.9 Select Item

The **Challan Reconciliation report** appears as shown

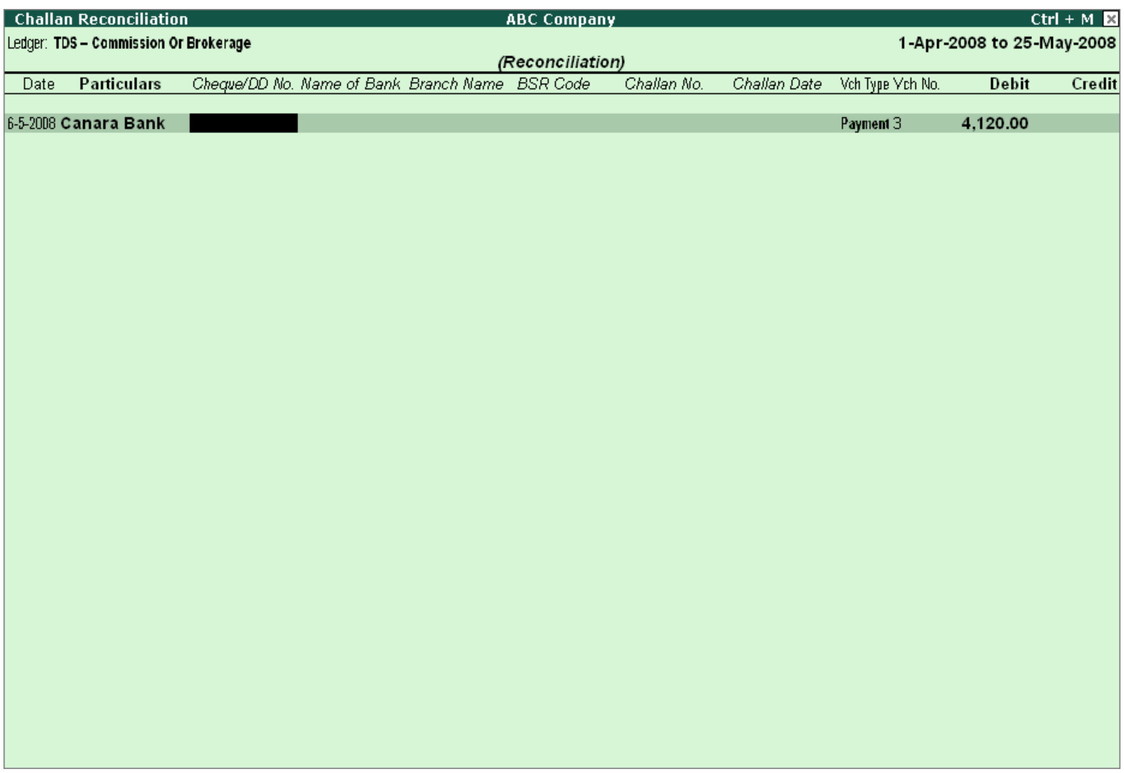


Figure 4.10 Challan Reconciliation

3. Enter the **Cheque/DD No., Name of Bank, Branch Name, BSR Code, Challan No., and Challan Date** OR use **Set Challan Details (Alt +S)** button from the Toolbar to reconcile challans from the TDS Challan Reconciliation screen.

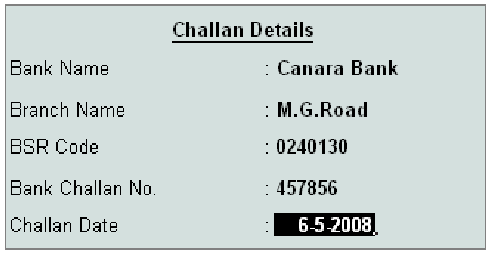


Figure 4.11 Challan Details

Enter the **Cheque/DD No**., and accept to Save and the details.

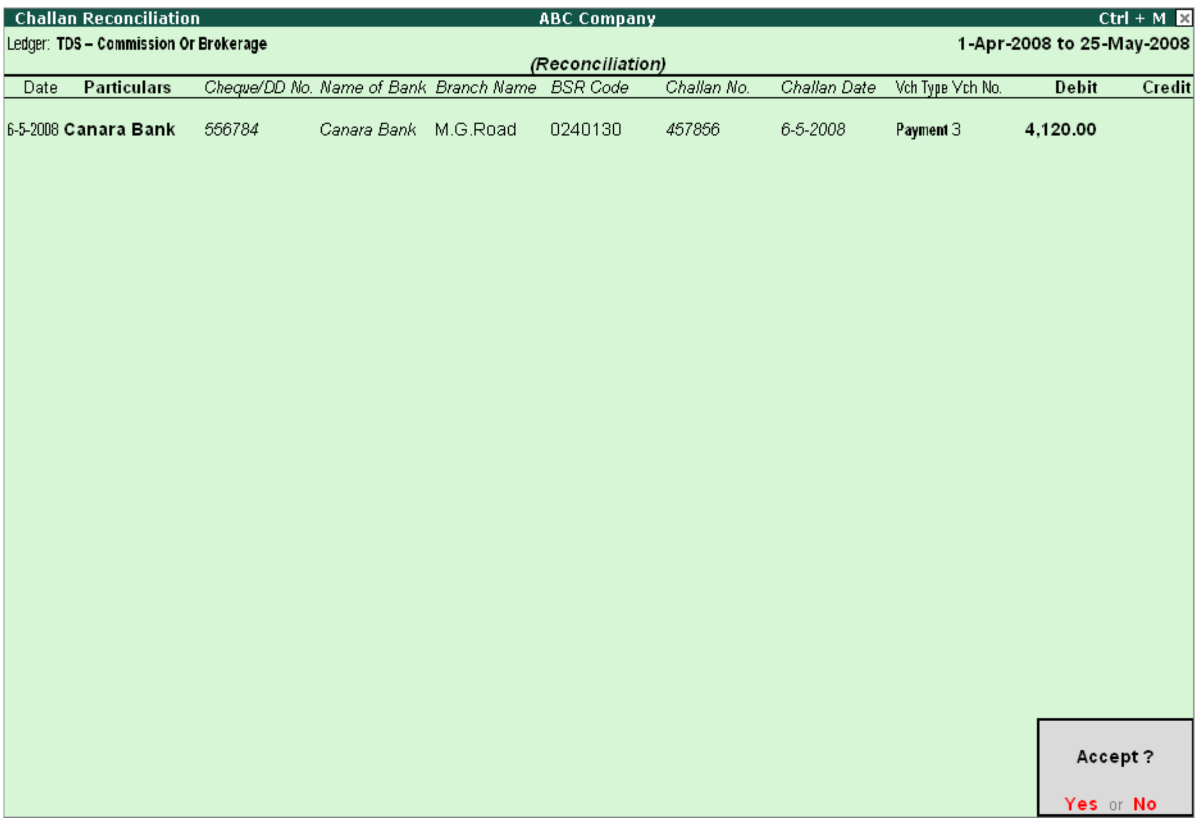


Figure 4.12 Challan Reconciliation

4.4 Return

To view the TDS Returns print forms

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

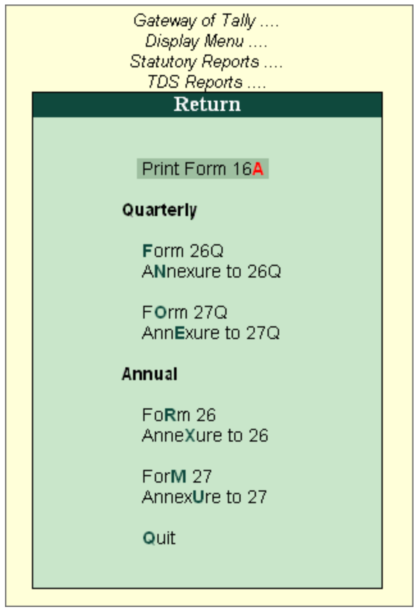


Figure 4.13 Return

The **Returns** are

- Print Form 16A
- Form 26Q
- Annexure to 26Q
- Form 27Q
- Annexure to 27Q
- Form 26
- Annexure to 26
- Form 27
- Annexure to 27

4.4.1 Print Form 16 A

Form 16A is a certificate of proof that deductor has deducted the tax and paid the same to the govern¬ment. This proof is essential to the deductee to claim the credit of tax in his Income Tax returns.

To print **Form 16A**

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

In **Select Item** screen

Select the party – **Pheonix Agencies** from the List of TDS Party Ledgers

Figure 4.14 Select Item

The **Printing TDS Form 16A** screen appears as shown

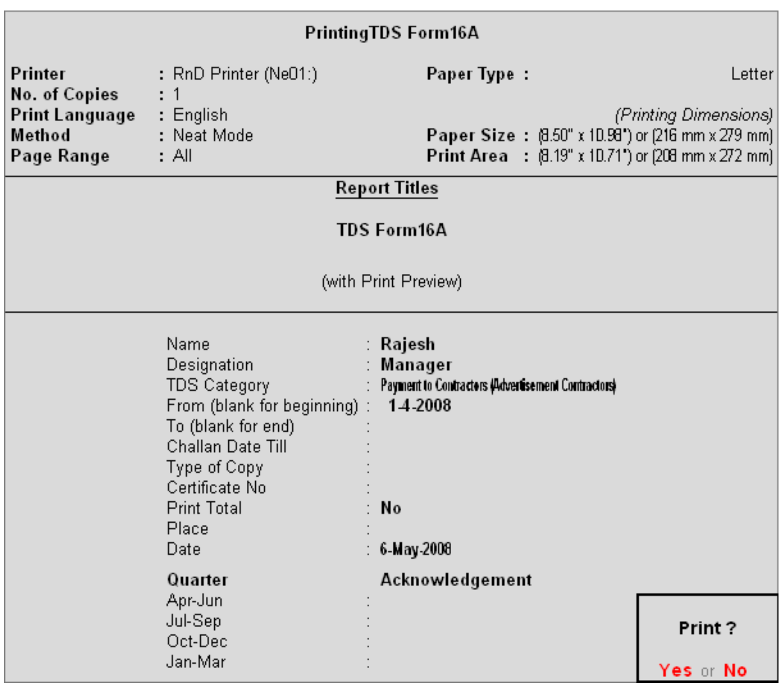


Figure 4.15 Printing TDS Form 16A

Press **Backspace** key to navigate to the fields in the Printing TDS Form 16A screen.

- **Name**: By default displays the name of the person entered in Company TDS Deductor Details as the Person Responsible. This name can be changed.
- **Designation**: By default displays the designation of the person entered in Company TDS Deductor Details in designation field. This can be changed.
- **TDS Nature of Payment**: Select the Nature of Payment for which you want to print Form 16A
- **From**: By default displays 1-4-2008 which can be changed.
- **To**: Enter the To date
- **Challan Till Date**: In this field enter the date to consider the challan payments made.
- **Type of Copy**: From Type of Copy select the option Default or User Defined
- **Certificate No**: Enter the Certificated number in this field to track the number of certificates issued to the party.
- **Print Total**: Set this field to Yes to print the total of Taxes in the certificate.
- **Place**: Enter the Place
- **Date**: Mention the Date of issue of Form 16A
- **Acknowledgement**: Enter the acknowledgement number of the quarterly return.

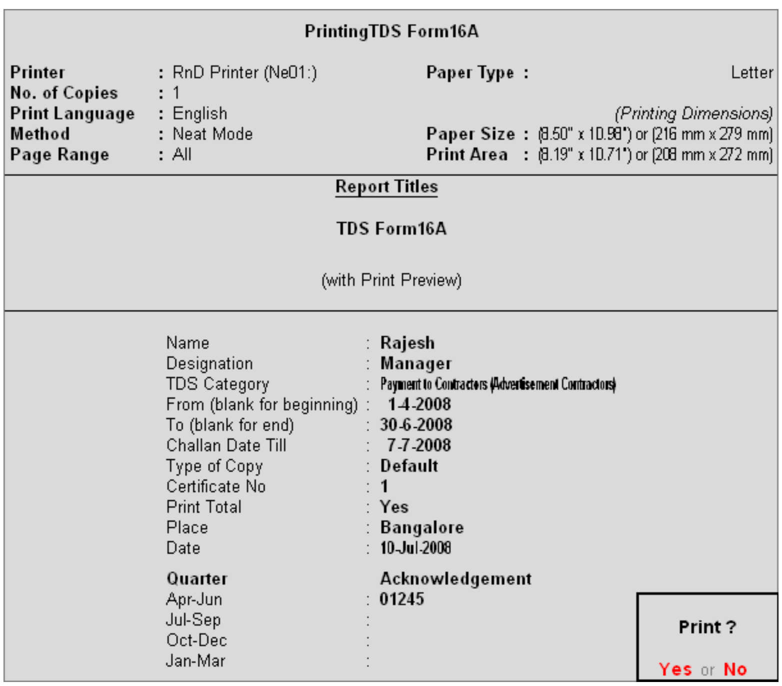


Figure 4.16 Printing Form 16A

The **Print Preview** of **Form 16A** appears as shown

Certificate No. : 1/194C

FORM NO. 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; payments 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 196 A; income from units referred to in section 196 B; income from foreign currency bonds or shares of an Indian company referred to in section 196 C; income of Foreign Institutional Investors from securities referred to in section 196 D

Name and 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 and address of the person to whom payment made or in whose account it is credited
ABC Company	Quarter	Acknowledgement No.	**Pheonix Agencies**
#09	Apr-Jun	01245	No-45/1
AMR Tech Park	Jul-Sep		Raheja Arcade
Hosur Road	Oct-Dec		Koramangala
Bangalore	Jan-Mar		Bangalore

TAX DEDUCTION A/C NO. OF THE DEDUCTOR	NATURE OF PAYMENT	PAN NO. OF THE PAYEE
KARA07884F	194C Payment to Contractors (Advertisement Contractors)	ASDRG0254G
PAN NO. OF THE DEDUCTOR		FOR THE PERIOD
AGRTL0443L		1-Apr-2008 to 30-Jun-2008

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)

Sr. No.	Amount paid / credited	Date of payment / credit	Tax Deposited				Cheque / DD No. if any	BSR Code of Bank branch	Date on which tax deposited dd/mm/yy	Transfer Voucher / Challan Identification No.
			TDS Rs.	Surcharge Rs.	Ed Cess	Total Rs.				
1	5,00,000.00	5-Apr-2008	5,000	500	165	5,665	056330	0240130	6-May-2008	457825
2	1,00,000.00	8-Apr-2008	1,000	100	33	1,133	056330	0240130	6-May-2008	457825
3	1,50,000.00	10-Apr-2008	1,500	150	50	1,700	056330	0240130	6-May-2008	457825
4	1,25,000.00	14-Apr-2008	1,250	125	42	1,417	056330	0240130	6-May-2008	457825
5	10,000.00	20-Apr-2008	100	10	3	113	056330	0240130	6-May-2008	457825
6	10,000.00	24-Apr-2008	100	10	3	113	056330	0240130	6-May-2008	457825
7	10,000.00	26-Apr-2008	100	10	3	113	056330	0240130	6-May-2008	457825
		Total	9,050	905	299	10,254				

Certified that a sum of Rs. (In words) Ten Thousand Two Hundred Fifty Four only has been deducted at source and paid to the credit of the Central Government as per details given above.

Signature of person responsible for deduction of tax

Place : Bangalore
Date : 10-Jul-2008

Full Name : Rajesh
Designation : Manager

Figure 4.17 Print Preview of Form 16A

Field Description of Form 16A

1. **Name and Address of the person deducting Tax**: This field displays the name and Address of your company (being person deducting tax).
2. **Acknowledgement Nos of all Quarterly Statements of TDS under section (3) of section 200 as provided by TIN Facilitation Centre or NSDL Site**: This field captures the Acknowledgement number entered in the Acknowledgement field of Printing TDS Form 16A.
3. **Name and address of the person to whom payment made or in whose account it is credited**: This field displays the name and address of the person to whom payment made.
4. **Tax Deduction A/c No. of the deductor**: Displays the Tax deduction account Number of the deductor.
5. **PAN No. of the Deductor**: Displays the PAN No. of the deductor.
6. **Nature of Payment**: Displays the Nature of Payment against which the Tax deducted is printed with the section code.
7. **PAN No. of the Payee**: Displays the PAN no of the person to whom the payment made
8. **For the Period**: Displays the period fro which the Certificate is issued.
9. **DETAILS OF PAYMENT, TAX DEDUCTIONS AND DEPOSIT OF TAX INTO CENTRAL GOVERNMENT ACCOUNT**: This section displays the transaction-wise details of Tax deducted and deposited by the deductor.
   - **Amount Paid/Credited**: Displays the amount paid/credited to the party.
   - **Date of payment/ credit**: Displays the date of payment/ credit to the party.
   - **Tax Deposited**: Gives the details of Tax deducted and deposited with total.
     - **TDS**: Displays the TDS amount
     - **Surcharge**: Displays the surcharge amount
     - **Ed Cess**: Displays the Cess amount
   - **Cheque/DD No. if any**: Displays the Cheque no.
   - **BSR Code of Bank branch**: Displays the BSR Code of the Bank branch where the TDS is deposited.
   - **Date on which tax Deposited**: Displays the tax deposit date
   - **Transfer Voucher/ Challan Identification No.**: Displays the challan number of TDS deposit.
   - **Place**: Displays the place of issue of certificate
   - **Date**: Displays the date of issue of certificate

4.4.2 Form 26Q

Form 26Q is a **Quarterly return** for deduction of tax in respect of payments made to residents other than salary.

To print **Form 26Q**

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Return > Form 26Q**

In Printing TDS Form 26Q press **Backspace** to make changes in **Person Responsible Details or Other Details fields**.

The print preview of **Form 26Q** appears as shown

Form No. 26Q

[See sections 193, 194, 194A, 194BB, 194C, 194D, 194EE, 194F, 194G, 194H, 194-I, 194J, 194LA and rule 31A]

Quarterly statement of deduction of tax under sub-section (3) of section 200 of the Income-tax Act, 1961 in respect of payments other than Salary for the quarter ended June/September/December/March (tick whichever applicable) 2008 - 09 (Year)

1. (a)	Tax Deduction Account No.	: KARA07884F
(b)	Permanent Account No.	: AGRTL0443L
(c)	Financial year	: 2008 - 09
(d)	Assessment year	: 2009 - 10
(e)	Has any statement been filed earlier for this quarter (Yes/No)	: No
(f)	If answer of (e) is 'Yes' then Provisional Receipt No. of original statement	:
2.	Particulars of the deductor	
(a)	Name	: ABC Company
(b)	Type of deductor	: Others
(c)	Branch / Division (if any)	:
(d)	Address	:
	Flat No.	: # 09
	Name of premises / building	: AMR Tech Park
	Road / Street / Lane	: Hosur Road
	Area / Location	: Bangalore
	Town / City / District	: Bangalore
	State	: Karnataka
	Pin code	: 560067
	Telephone No.	: 080-5527665
	E-mail	: sales@abc.com
3.	Particulars of the person responsible for deduction of tax	
(a)	Name	: Rajesh
(b)	Address	:
	Flat No.	: # 09
	Name of premises / building	: AMR Tech Park
	Road / Street / Lane	: Hosur Road
	Area / Location	: Bangalore
	Town / City / District	:
	State	: Karnataka
	Pin code	: 560067
	Telephone No.	: 080-5527665
	E-mail	: sales@abc.com

Figure 4.18 Form 26 Q – Page 1

4. Details of tax deducted and paid to the credit of the Central Government :

Sr. No.	Section Code	TDS Rs.	Surcharge Rs.	Education Cess Rs.	Interest Rs.	Others Rs.
401	402	403	404	405	406	407
1	**94C**	**5,000.00**	**500.00**	**165.00**		
2	**94H**	**4,000.00**		**120.00**		

Sr. No.	Total tax deposited Rs. (403+404+405+406+407)	Cheque/DD No. (if any)	BSR Code	Date on which tax deposited	Transfer Voucher / Challan serial No.(2)	Whether TDS deposited by book entry? Yes/No(3)
401	408	409	410	411	412	413
1	**5,665.00**	**056330**	**0240130**	**6-May-2008**	**457825**	**Yes**
2	**4,120.00**	**556784**	**0240130**	**6-May-2008**	**457856**	**Yes**

5. Details of amounts paid and tax deducted thereon from the deductees (See Annexure)

Verification

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

Place : Bangalore | Signature of the person responsible for deducting tax at source ____________

Date : 12-Jul-2008 | Name and designation of person responsible for deducting tax at source Rajesh, Manager

Notes

1. Indicate the type of deductor 'Government' / 'Others'
2. Government deductors to give particulars of transfer vouchers; other deductors to give particulars of Challan No. regarding deposit into bank.
3. Column is relevant only for Government deductors.

Figure 4.19 Form 26Q – Page 2

This Form captures deductor's details

- **Tax Deduction Number**: Displays the Tax Deduction Number
- **Permanent Account Number**: Displays the Permanent Account Number
- **Financial Year**: Financial Year will be displayed
- **Assessment Year**: Assessment year will be displayed
- **Particulars of Deductor**: Prints the Name, Type of Deductor, Address etc
- **Particulars of the person responsible for deduction of tax**: Name and address details
- **Details of Tax deducted and paid to the credit of the government**: It gives the complete details of Tax deducted and paid to the credit of the government such as Section code, TDS Surcharge, Education Cess, Interest, others Total tax deposited Cheque/DD no, BSR Code, Date on which the tax is deposited, Transfer Voucher/Challan Serial No. and Whether TDS deposited by book entry.

4.4.3 Annexure to 26Q

Annexure to Form 26 Q gives the deductee wise break-up of TDS.

To Print **Annexure to Form 26 Q**

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Return > Annexure to Form 26Q**

In **Printing TDS Form 26Q** press **Backspace** to make changes in **Person Responsible Details or Other Details** fields.

Press **Enter** to view the print preview of **Annexure to Form 26 Q**

ANNEXURE - DEDUCTEE WISE BREAK-UP OF TDS

(Please use seperate Annexure for each line-item in the table at S.No. 4 of main Form 26Q)

BSR Code of the branch where tax is deposited	0240130	Name of Deductor	ABC Company
Date on which tax deposited (dd-mm-yyyy)	6-May-2008		
Challan Serial No.	457825		
Section under which payment made	194C	TAN	KARA07884F
Total TDS to be allocated among deductees as in the vertical total of col. 425	10,254.00		
Interest			
Others			
Total of the above	10,254.00		

Sr. No.	Dedutee Code (01-Company 02-Other than Company)	PAN of the Deductee	Name of Deductee	Date of Payment / Credit	Amount Paid / credited Rs.	Paid by book entry or otherwise	TDS
414	415	416	417	418	419	420	421
1	**02**	**ASDRG0254G**	**Pheonix Agencies**	**6-May-2008**	**5,00,000.00**	**Yes**	**5,000.00**
Total					**5,00,000.00**		**5,000.00**

Sr. No.	Surcharge	Education Cess	Total Tax deducted 421+422+423 Rs.	Total Tax deposited Rs.	Date of deduction	Rate at which deducted	Reason for non-deduction / lower deduction
414	422	423	424	425	426	427	428
1	**500.00**	**165.00**	**5,665.00**	**10,254.00**	**5-Apr-2008**	**1.133 %**	
Total	**500.00**	**165.00**	**5,665.00**	**10,254.00**			

Verification

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

Place : Bangalore — Signature of the person responsible for deducting tax at source ____________________

Date : 12-Jul-2008 — Name and designation of person responsible for deducting tax at source Rajesh, Manager

Note :

*Write 'A' if 'lower deduction' or 'no deduction' is on account of a certificate under section 197.

*Write 'B' if no deduction is on account of declaration under section 197A.

Figure 4.20 Annexure to Form 26Q

Field description of Annexure to Form 26Q

- **BSR Code of the branch where tax is deposited**: Displays the BSR code of the Bank branch where the tax is deposited.
- **Date on which the tax is deposited**: displays the date on which the tax is deposited.
- **Challan Serial Number**: Displays the deposit challan serial number
- **Section under which the payment made**: Displays the section code of the payment made.
- **Total TDS to be allocated among deductee as in the vertical of Col 425**: Displays the total Tax amount as displayed in column number 425.
- **Interest**: Displays the Interest amount if any
- **Others**: If any other payments made will be displayed in this field
- **Total of the above**: Gives the total of Total TDS+ Interest +Others
- **Name of Deductor**: Displays the Deductor name
- **TAN**: Displays the Tax Assessment number of the deductor

Column description of Annexure to Form 26Q

- **Deductee Code**: Displays the Deductee code. 01 for Company deductors and 02 for Others.
- **PAN of the Deductee**: Displays the PAN Number of the deductee
- **Name of Deductee**: Displays the name of deductee
- **Date of Payment/Credit**: Displays the date of payment or credit
- **Amount paid/Credited**: Displays entry wise amount paid or credited to the party
- **Paid by book entry or otherwise**: Prints as Yes if TDS deduction and deposit is made through entry.
- **TDS**: Displays the entry wise TDS amount deducted and deposited
- **Surcharge**: Displays the entry wise surcharge amount deducted and deposited
- **Education Cess**: Displays the entry wise cess amount deducted and deposited
- **Total Tax Deducted**: Displays the entry wise total tax amount deducted
- **Total Tax Deposited**: Displays the entry wise total tax amount deposited
- **Date of Deduction**: Displays the date of deduction of tax
- **Rate at which deducted**: Displays the rate at which the tax is deducted.
- **Reason for non deduction/ lower deduction**: Displays the reason for lower deduction and non deduction of tax

4.4.4 Form 27Q

Form 27Q is a **Quarterly return** for deduction of tax in respect of payments made to non-residents other than salary.

To print **Form 27Q**

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Return > Form 27Q**

In Printing TDS Form 27Q press **Backspace** to make changes in **Person Responsible Details or Other Details** fields.

The Print preview of **Form 27Q** appears as shown

Form No. 27Q

[See sections 194E, 195, 196A, 196B, 196C, 196D and rule 31A and 37A]

Quarterly statement of deduction of tax under sub-section (3) of section 200 of the I.T. Act, 1961 in respect of payments other than Salary made to non-residents for the quarter ended June/September/December/March (tick whichever applicable) 2008 - 09 (Year)

1. (a)	Tax Deduction and collection Account No.(TAN)	: KARA07884F
(b)	Permanent Account No.(PAN)	: AGRTL0443L
(c)	Financial year	: 2008 - 09
(d)	Assessment year	: 2009 - 10
(e)	Has any statement been filed earlier for this quarter (Yes/No)	: No
(f)	If answer of (e) is 'Yes' then	
	Provisional Receipt No. of original statement	:
2.	Particulars of the deductor	
(a)	Name	: ABC Company
(b)	Type of deductor	: Others
(c)	Branch / Division (if any)	:
(d)	Address	:
	Flat No.	: # 09
	Name of premises / building	: AMR Tech Park
	Road / Street / Lane	: Hosur Road
	Area / Location	: Bangalore
	Town / City / District	: Bangalore
	State	: Karnataka
	Pin code	: 560067
	Telephone No.	: 080-5527665
	E-mail	: sales@abc.com
3.	Particulars of the person responsible for deduction of tax	
(a)	Name	: Rajesh
(b)	Address	:
	Flat No.	: # 09
	Name of premises / building	: AMR Tech Park
	Road / Street / Lane	: Hosur Road
	Area / Location	: Bangalore
	Town / City / District	:
	State	: Karnataka
	Pin code	: 560067
	Telephone No.	: 080-5527665
	E-mail	: sales@abc.com

Figure 4.21 Form 27 Q – Page 1

4. Details of tax deducted and paid to the credit of the Central Government :

Sr. No.	Section Code	TDS Rs.	Surcharge Rs.	Education Cess Rs.	Interest Rs.	Others Rs.
701	702	703	704	705	706	707
1	**94E**	**1,50,000.00**	**15,000.00**	**4,950.00**		

Sr. No.	Total tax deposited Rs. (403+404+405+406 +407)	Cheque/DD No. (if any)	BSR Code	Date on which tax deposited	Transfer Voucher / Challan serial No.(2)	Whether TDS deposited by book entry? Yes/No(3)
701	708	709	710	711	712	713
1	**1,69,950.00**	**554784**	**0240130**	**6-Jun-2008**	**125478**	**Yes**

5. Details of amounts paid and tax deducted thereon from the deductees (See Annexure)

Verification

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

Place : Bangalore   Signature of the person responsible for deducting tax at source ____________________

Date : 12-Jul-2008   Name and designation of person responsible for deducting tax at source Rajesh, Manager

Notes
1. Indicate the type of deductor 'Government' / 'Others'
2. Government deductors to give particulars of transfer vouchers; other deductors to give particulars of Challan No. regarding deposit into bank.
3. Column is relevant only for Government deductors.

Figure 4.22 Form 27Q – Page 2

4.4.5 Annexure to 27Q

Annexure to Form 27 Q gives the deductee wise break-up of TDS.

To Print Annexure to **Form 27 Q**

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Return > Annexure to Form 27Q**

In Printing TDS Form 27Q press Backspace to make changes in **Person Responsible Details or Other Details** fields.

Press Enter to view the print preview of Annexure to **Form 27 Q**

ANNEXURE - DEDUCTEE WISE BREAK-UP OF TDS

[Please use seperate Annexure for each line item in the table at S.No.4 of main Form 27Q]

BSR Code of the branch where tax is deposited	0240130	Name of Deductor	ABC Company
Date on which tax deposited (dd-mm-yyyy)	6-Jun-2008		
Challan Serial No.	125478		
Section under which payment made	194E	TAN	KARA07884F
Total TDS to be allocated among deductees as in the vertical of Col. 725	1,69,950.00		
Interest			
Others			
Total of the above	1,69,950.00		

Sr. No.	Deductee Code (01-Company, 02-Other than Company)	PAN of the deductee	Name of the deductee	Date of Payment / Credit	Amount paid/credited
714	715	716	717	718	719
1	**02**		**Academy Cricket Club**	**6-Jun-2008**	**15,00,000.00**

Sr. No.	Paid by book entry or otherwise	TDS	Surcharge	Education Cess	Total Tax deducted (721+722+723) Rs.
714	720	721	722	723	724
1	**Yes**	**1,50,000.00**	**15,000.00**	**4,950.00**	**1,69,950.00**

Sr. No.	Total tax deposited Rs.	Date of deduction	Rate at which deducted	Reason for non -deduction /lower deduction / grossing up (if any)*
714	725	726	727	728
1	**1,69,950.00**	**6-Jun-2008**		

Verification

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

Place : Bangalore — Signature of the person responsible for deducting tax at source ______________________

Date : 12-Jul-2008 — Name and designation of person responsible for deducting tax at source Rajesh, Manager

Note :

*Write 'A' if 'lower deduction' or 'no deduction' is on account of a certificate under section 197.
Write 'B' if no deduction is on account of declaration under section 197A.
*Write 'G' if grossing up has been done.

Figure 4.23 Annexure to Form 27Q

4.4.6 Form 26

Form 26 is an **Annual return** for deduction of tax in respect of payments made to residents other than salary.

To print **Form 26**

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Return > Form 26**

In Printing TDS Form 26 press **Backspace** to make changes in **Person Responsible Details or Other Details** fields. Press enter to view print preview of Form 26

The print preview of **Form 26** appears as shown

Form No. 26

(See sections 193, 194, 194A, 194B, 194BB, 194C, 194D, 194EE, 194F, 194G, 194H, 194-I, 194J, 194LA and rule 37)

Annual Return of deduction of tax under section 206 of I.T. Act, 1961 in respect of all payments other than 'Salaries' for the year ending 31st March'09

1. Particulars of the person making deduction of tax

(a) Name	:	Rajesh
(b) Address : Flat / Door / Block No.	:	# 09
Name of Premises / Building	:	AMR Tech Park
Road / Street / Lane	:	Hosur Road
Area / Locality	:	Bangalore
Town / District / City	:	
PIN	:	560067
State	:	Karnataka
(c) Tax Deduction Account Number	:	KARA07884F
(d) Permanent Account Number	:	AGRTL0443L

2. Has address of the person making deduction of tax changed(1) Tick 'X' as applicable Yes ☐ No ☐

3. Status as defined within the meaning of Section 204 read with Rule 30 Tick 'X' as applicable Central Govt. ☐ Others ☒

(a) Please tick the boxes below indicating the section and type of payment (other than 'Salaries') made during the year from which tax was required to be deducted at source by you under the Income Tax Act, 1961

☐ 193 ☐ 194 ☐ 194A ☐ 194B ☐ 194BB ☐ 194C ☐ 194D ☐ 194EE ☐ 194F ☐ 194G ☐ 194H ☐ 194I ☐ 194J ☐ 194LA

(b) Please furnish information in seperate Annexures as per the enclosed proforma for each type of payment indicated in item(a) above viz. interest, rent, commission etc.

4. Details of tax deducted and paid to the credit of the Central Government

S.No	Section Code	TDS Rs.	Surcharge Rs.	Education Cess Rs.	Interest Rs.	Others Rs.	Total tax deposited	Cheq-ue / DD No. if any	BSR Code	Date on which tax deposited	Transfer voucher/ Challan serial Number(2)	Whether TDS deposited by book entry? Yes/No
(0-95)	(096)	(097)	(098)	(099)	(100)	(101)	(102)	(103)	(104)	(105)	(106)	(107)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	**194C**	**5,000.00**	**500.00**	**165.00**			**10,254.00**	**056330**	**02401-30**	**6-May-2008**	**457825**	**Yes**
2	**194H**	**4,000.00**		**120.00**			**4,120.00**	**556784**	**02401-30**	**6-May-2008**	**457856**	**Yes**
	Total	**9,000.00**	**500.00**	**285.00**			**14,374.00**					

VERIFICATION

I, Rajesh ______________________, hereby certify that all the particulars furnished above are correct and complete.

Place: Bangalore Signature of the person responsible for deducting tax at source ______________________

Date: 31-Mar-2009 Name and designation of person responsible for deducting tax at source Rajesh, Manager

Notes- : 1. If address has changed give changed address in column 1(b).
2. Where deduction is made by or on behalf of the Government to give particulars of transfer vouchers; other deductors to give particulars of challan no. regarding deposit into bank.
3. Column is relevant only for Government deductors.

Figure 4.24 Form 26

Field description of Form 26

1. **Particulars of the person making deduction of Tax**: Displays the Name and Address details of the person making deduction of tax along with Tax Deduction Account Number and Permanent Account Number.
2. **Has address of the person making deduction of tax changed**: Tick the appropriate Box.
3. **Status as defined within the meaning of section 204 read with rule 30**: As selected in the TDS Deductor field the appropriate box will be ticked.
   a. **Please tick the boxes below indicating the section and type of payment (other than salaries) made during the year from which tax was required to be deducted at source by you under the income tax Act 1961**: Tick the appropriate boxes

   b. **Please furnish information in separate Annexures as per the enclosed proforma for each type of payment indicated in item (a)**: Separate annexure to be submitted for each type of payment.
4. **Details of tax deducted and paid to the credit of the Central Government**: Displays the details of tax deducted and deposited
   - **Section Code**: Displays the Section code of the type of payment.
   - **TDS**: Displays the TDS amount
   - **Surcharge**: Displays the Surcharge amount
   - **Education Cess**: Displays the Education Cess
   - **Interest**: Displays the Interest amount, if any.
   - **Others**: Gives the details of any other amount paid, if any.
   - **Total Tax Deposited**: Displays total tax amount deposited
   - **Cheque/DD No if any**: Displays the cheque/DD no if any.
   - **BSR Code**: Displays the BSR Code of the Bank Branch
   - **Date on Which Tax Deposited**: Displays the date on which the tax deposited
   - **Transfer Voucher/Challan Serial Number**: Displays the transfer voucher or Challan Serial number
   - **Whether TDS deposited by book entry**: Gives the details as Yes or no depending on the book entry for the TDS deposit.

4.4.7 Annexure to 26

To Print Annexure to **Form 26**

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Return > Annexure to Form 26**

In Printing TDS **Form 26 press Backspace to make changes in Person Responsible Details or Other Details** fields.

The print preview of Annexure to **Form 26** appears as shown

As per requirement of the IT department for each type of payment separate annexure will be printed in the prescribed Performa.

Tally.ERP 9 prints separate annexure for each type of payment.

Annexure

Details of <u>Payment to Contractors (Advertisement Contractors)</u> paid / credited during the financial year and of tax deducted at source under Section 194C of Income Tax Act, 1961 :-

Deductee Code	Permanent Account Number (PAN) of Deductee	Name and Address of Deductee (Address need not be given if PAN is mentioned)	Amount of payment (Rs.)	Date on which amount paid / credited	Paid by book entry or other-wise	Rate at which tax deducted	Amount of tax deducted (Rs.)	Date on which tax deducted	Bank Branch Code(5)	Date on which tax paid to the credit of Central Govern-ment	Challan number given by bank	Date of furnishing Tax Deduction Certificate	Reason for non -deduction / lower deduction if any
108	109	110	111	112	113	114	115	116	117	118	119	120	121
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
02	ASDRGD254G		5,00,000.00	5-Apr-2008	Yes	1.133 %	5,665.00	5-Apr-2008	0240130	6-May-2008	457825	6-May-2008	
02	ASDRGD254G		3,00,000.00	10-May-2008	Yes	1.133 %	3,399.00	10-May-2008	0240130	6-Jun-2008	142867	6-Jun-2008	

Notes :-

1. Please state the nature of payment viz. interest, rent, contract payment etc.
2. Please use seperate Annexures for deductions made under different sections.
3. Please enter Deductee Code 01 for companies, 02 for 'other than companies'.
4. Write B if paid by book entry, write C otherwise.
5. Where deduction is made by or on behalf of the Government, transfer voucher number may be entered in column (10).
6. Write A if the 'lower deduction' or 'no deduction' is on account of a certificate under Section 197.
   Write B if no deduction is on account of declaration under Section 197A
7. If necessary, please use additional sheets to give full details of payment in the above format. Please also give running serial number to all pages.

Signature of person responsible for deducting tax at source ____________________

Name and designation of person responsible for deducting tax at source Rajesh, Manager

Figure 4.25 Annexure to Form 26 – Page 1

Annexure

Details of **Commission Or Brokerage** paid / credited during the financial year and of tax deducted at source under Section 194H of Income Tax Act, 1961 :-

Deductee Code	Permanent Account Number (PAN) of Deductee	Name and Address of Deductee (Address need not be given if PAN is mentioned)	Amount of payment (Rs.)	Date on which amount paid / credited	Paid by book entry or other-wise	Rate at which tax deducted	Amount of tax deducted (Rs.)	Date on which tax deducted	Bank Branch Code(5)	Date on which tax paid to the credit of Central Govern-ment	Challan number given by bank	Date of furnishing Tax Deduction Certificate	Reason for non -deduction / lower deduction if any
108	109	110	111	112	113	114	115	116	117	118	119	120	121
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
02	AFRED4578S		80,000.00	30-Apr-2008	Yes	5.15 %	4,120.00	30-Apr-2008	0240130	6-May-2008	457856	6-May-2008	A
02	ASDRGD254G		20,000.00	20-Apr-2008	Yes	11.33 %	2,266.00	22-Apr-2008	0240130	6-Jun-2008	142867	6-Jun-2008	

Notes :-

1. Please state the nature of payment viz. interest, rent, contract payment etc.
2. Please use seperate Annexures for deductions made under different sections.
3. Please enter Deductee Code 01 for companies, 02 for 'other than companies'.
4. Write B if paid by book entry, write C otherwise.
5. Where deduction is made by or on behalf of the Government, transfer voucher number may be entered in column (10).
6. Write A if the 'lower deduction' or 'no deduction' is on account of a certificate under Section 197.
   Write B if no deduction is on account of declaration under Section 197A
7. If necessary, please use additional sheets to give full details of payment in the above format. Please also give running serial number to all pages.

Signature of person responsible for deducting tax at source ____________________

Name and designation of person responsible for deducting tax at source Rajesh, Manager

Figure 4.26 Annexure to Form 26 – Page 2

Field Description of Annexure to Form 26

- **Deductee Code**: This field displays the deductee Code
- **Permanent Account Number (PAN) of Deductee**: Displays the PAN Number of the deductee
- **Name and address of deductee (address need not be given if PAN is mentioned)**: prints the Name and address of the deductee if the PAN number is not available for the deductee.
- **Amount of Payment**: Displays the amount of payment made/credited to deductee
- **Date on which amount paid/credited**: Displays the date of amount paid or credited

- **Paid by book entry or other wise**: Prints Yes or No depending on the amount paid by book entry.
- **Rate at which tax deducted**: Displays the rate at which the tax is deducted.
- **Amount of Tax deducted**: This field displays the amount of tax deducted for the payment
- **Date on which tax is deducted**: Gives the date on which the Tax is deducted.
- **Bank Branch Code**: Prints the Bank branch code where the tax is deposited.
- **Date on which the tax is paid to the credit of the central Government**: Prints the date of deposit of tax into Central Government account.
- **Challan Number given by the bank**: Displays the Challan number of the bank
- **Date of furnishing Tax deduction Certificate**: Displays the date of issue of Form 16A to the party.
- **Reason for Non Deduction/lower deduction if any**: Prints the reason for non deduction and lower deduction done for a party.

4.4.8 Form 27

Form 27 is an **annual return** for deduction of tax in respect of payments other than salary made to Non-residents.

To print **Form 27**

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

In Printing TDS Form 27 press Backspace to make changes in **Person Responsible Details or Other Details** fields. Press **Enter** to view print preview of Form 27

The print preview of **Form 27** appears as shown

Form No. 27

(See rule 37A)

Statement of deduction of tax from interest, dividends or any other sum payable to (i) persons, not being companies, who are non -residents or residents but not ordinarily residents, and (ii) companies which are neither Indian companies nor companies which have made the prescribed arrangements for the declaration and payment of dividends within India, for the period ending ....

1. Particulars of the person making deduction of tax

(a) Name	:	Rajesh
(b) Address : Flat / Door / Block No.	:	# 09
Name of Premises / Building	:	AMR Tech Park
Road / Street / Lane	:	Hosur Road
Area / Locality	:	Bangalore
Town / District / City	:	
PIN	:	560067
State	:	Karnataka
(c) Tax Deduction Account Number	:	KARA07884F
(d) Permanent Account Number	:	AGRTL0443L

2. Has address of the person making deduction of tax changed(1) Tick 'X' as applicable Yes ☐ No ☐

3. Status as defined within the meaning of Section 204 read with Rule 30 Tick 'X' as applicable Central Govt. ☐ Others ☒

(a) Please tick the boxes below indicating the section and type of payment (other than 'Salaries') made during the year from which tax was required to be deducted at source by you under the Income Tax Act, 1961

194E | 195 | 196A | 196B | 196C | 196D

Please furnish information in seperate Annexures as per the enclosed proforma for each type of payment indicated above. viz, interest, dividends etc. including the payments on which no tax has been deducted on the basis of certificate issued by a chartered accountant.

4. Details of tax deducted and paid to the credit of the Central Government

S.No	Section Code	TDS Rs.	Surcharge Rs.	Education Cess Rs.	Interest Rs.	Others Rs.	Total tax deposited	Cheque / DD No. if any	BSR Code	Date on which tax deposited	Transfer voucher/ Challan serial Number(2)	Whether TDS deposited by book entry? Yes/No
(0-95)	(096)	(097)	(098)	(099)	(100)	(101)	(102)	(103)	(104)	(105)	(106)	(107)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	**194E**	**1,50,000.00**	**15,000.00**	**4,950.00**			**1,69,950.00**	**4578-94**	**02401-30**	**5-Jun-2008**	**457812**	**Yes**
2	**194E**	**1,50,000.00**	**15,000.00**	**4,950.00**			**1,69,950.00**	**5547-84**	**02401-30**	**6-Jun-2008**	**125478**	**Yes**
	Total	**3,00,000.00**	**30,000.00**	**9,900.00**			**3,39,900.00**					

VERIFICATION

I, Rajesh ______________________, hereby certify that all the particulars furnished above are correct and complete.

Place: Bangalore Signature of the person responsible for deducting tax at source ______________________

Date: 31-Mar-2009 Name and designation of person responsible for deducting tax at source Rajesh, Manager

Notes- : 1. If address has changed give changed address in column 1(b).
2. Where deduction is made by or on behalf of the Government to give particulars of transfer vouchers; other deductors to give particulars of challan no. regarding deposit into bank.
3. Column is relevant only for Government deductors.

Figure 4.27 From 27

4.4.9 Annexure to 27

To print **Annexure to 27**

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Return > Annexure to Form 27**

In Printing TDS Form 27 press Backspace to make changes in **Person Responsible Details or Other Details** fields. Press **Enter** to view **Annexure to 27**.

The print preview of **Annexure to 27** appears as shown

Annexure

Details of Payments to Non-Resident Sportsmen/Sports Assoc... paid / credited during the financial year and of tax deducted at source under Section 194E of Income Tax Act, 1961 :-

Deductee Code	Permanent Account Number (PAN) of Deductee	Name and Address of Deductee (Address need not be given if PAN is mentioned)	Amount of payment (Rs.)	Date on which amount paid / credited	Paid by book entry or other -wise	Rate at which tax deducted	Amount of tax deducted (Rs.)	Date on which tax deducted	Bank Branch Code(5)	Date on which tax paid to the credit of Central Govern-ment	Challan number given by bank	Date of furnishing Tax Deduction Certificate	Reason for non -deduction / lower deduction if any
108	109	110	111	112	113	114	115	116	117	118	119	120	121
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
02		Academy Cricket Club, Millbrae, Alloway, Ayr, KA7 4PJ	15,00,000.00	25-May-2008	11.33 %	Yes	1,69,950.00	25-May-2008	0240130	6-Jun-2008	125478	6-Jun-2008	

Notes :-

1. Please state the nature of payment viz. interest, dividends.
2. Please use seperate Annexures for deductions made under different sections.
3. Please enter Deductee Code 01 for companies, 02 for 'other than companies'.
4. Write Y for Yes and N for No.
5. Where deduction is made by or on behalf of the Government, transfer voucher number may be entered in column (10).
6. Write 'A' if deduction is made at a lower rate or no tax deducted is on account of a certificate under section 197 or 195 or write 'B' if on account of certificate issued by a chartered accountant.
7. If necessary, please use additional sheets to give full details of payment in the above format. Please also give running serial number to all pages.

Signature of person responsible for deducting tax at source ____________

Name and designation of person responsible for deducting tax at source Rajesh, Manager

Figure 4.28 Annexure to Form 27

4.5 Outstandings

To view the **TDS Outstandings reports**

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

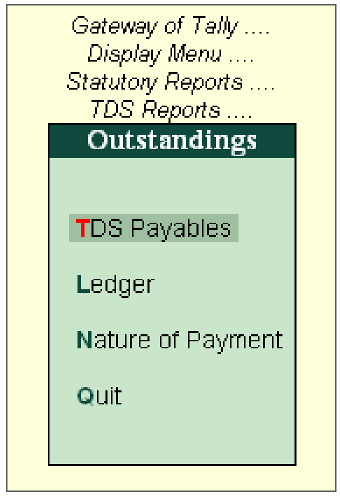


Figure 4.29 Outstandings

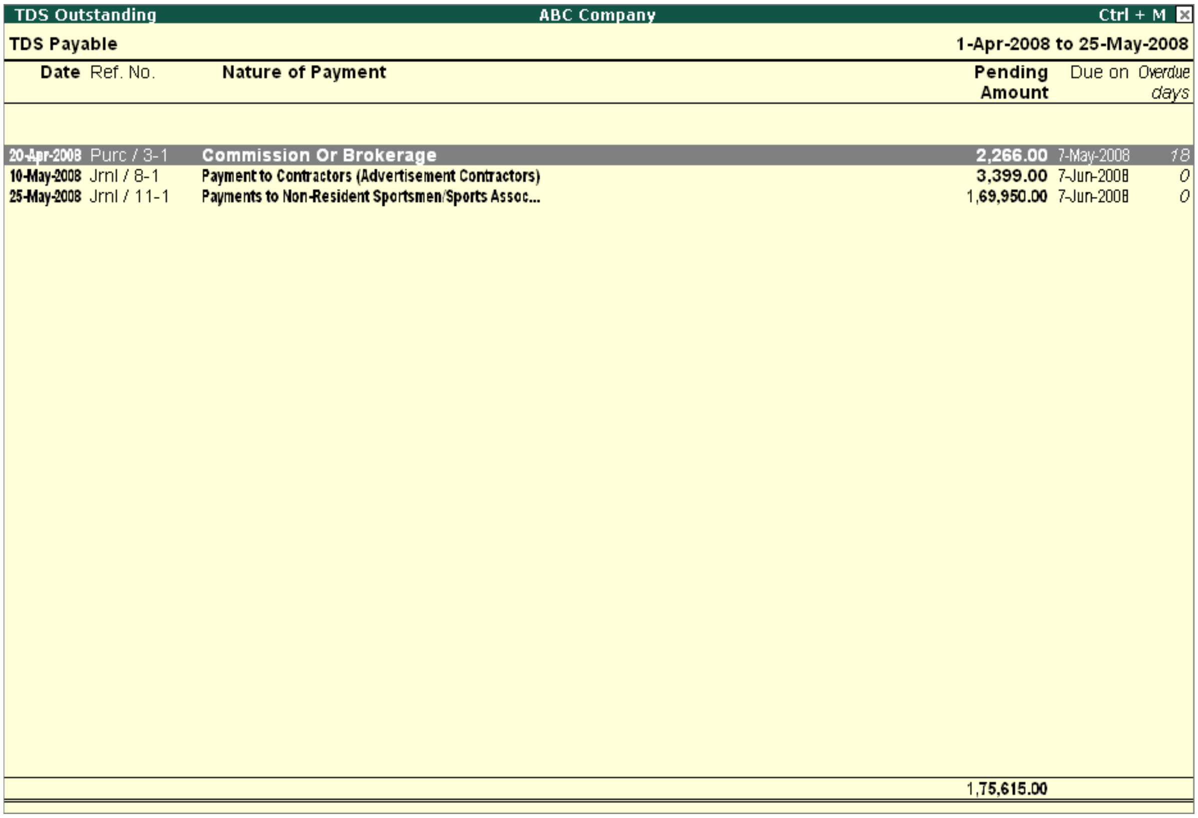
Outstandings reports are

- TDS Payables
- Ledger
- Nature of Payment

4.5.1 TDS Payables

TDS Payables report gives you information on the status of TDS payable (pending) to Government amounts for a particular Nature of Payment.

Go to **Gateway of Tally > Display > Statements of Accounts > TDS Outstanding > TDS Payables**



TDS Outstanding — ABC Company — Ctrl + M

TDS Payable — 1-Apr-2008 to 25-May-2008

Date	Ref. No.	Nature of Payment	Pending Amount	Due on	Overdue days
20-Apr-2008	Purc / 3-1	Commission Or Brokerage	2,266.00	7-May-2008	18
10-May-2008	Jrnl / 8-1	Payment to Contractors (Advertisement Contractors)	3,399.00	7-Jun-2008	0
25-May-2008	Jrnl / 11-1	Payments to Non-Resident Sportsmen/Sports Assoc...	1,69,950.00	7-Jun-2008	0
			1,75,615.00		

Figure 4.30 TDS Payables

Press **Alt+F1** or click on **F1: Detailed** to view the details of the transactions

Field Description of TDS Payables report

- **Date**: Date of entry as entered in the Payment/Journal/Purchase voucher
- **Ref No**: The Reference number of the voucher
- **Nature of Payment**: Displays the Nature of Payment towards which the TDS payment is outstanding
- **Pending Amount**: Displays the pending amount that needs to be paid to the Government by your company.
- **Due on**: The last date for the payment (Due date).
- **Overdue Days**: The number of days passed from the Due Date of payment

Printing TDS Payables Report

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
#09
AMR Tech Park
Hosur Road
Bangalore

TDS Payable
1-Apr-2008 to 25-May-2008

Page 1

Date	Ref. No.	Nature of Payment			Pending Amount	Due on	Overdue days
20-Apr-2008	Purc / 3-1	**Commission Or Brokerage**			**2,266.00**	7-May-2008	18
	20-Apr-2008	*Purchase*	*3*				
	22-Apr-2008	*Journal*	*4*	*2,060.00 Cr*			
	10-May-2008	*Journal*	*9*	*206.00 Cr*			
10-May-2008	Jrnl / 8-1	**Payment to Contractors (Advertisement Contractors)**			**3,399.00**	7-Jun-2008	0
	10-May-2008	*Journal*	*8*	*3,399.00 Cr*			
25-May-2008	Jrnl / 11-1	**Payments to Non-Resident Sportsmen/Sports Assoc...**			**1,69,950.00**	7-Jun-2008	0
	25-May-2008	*Journal*	*11*	*1,69,950.00 Cr*			
					1,75,615.00		

Figure 4.31 Print Preview of TDS Payable

4.5.2 Ledger

To View **TDS Ledger Outstandings**

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

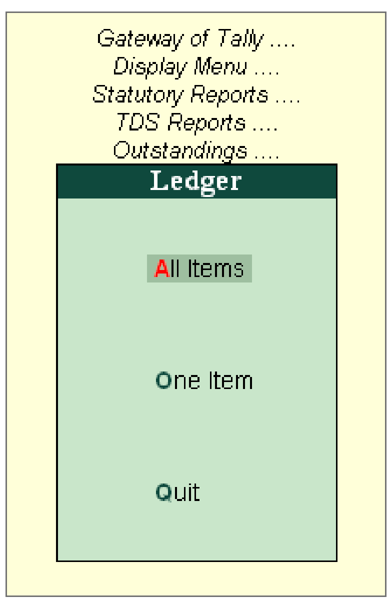


Figure 4.32 Ledger

TDS Ledger Outstandings report can be viewed for all the Ledgers or for one ledger

1. Select **All Items** to view TDS Ledger Outstandings for all the ledgers

The Ledger TDS Outstandings report appears as shown

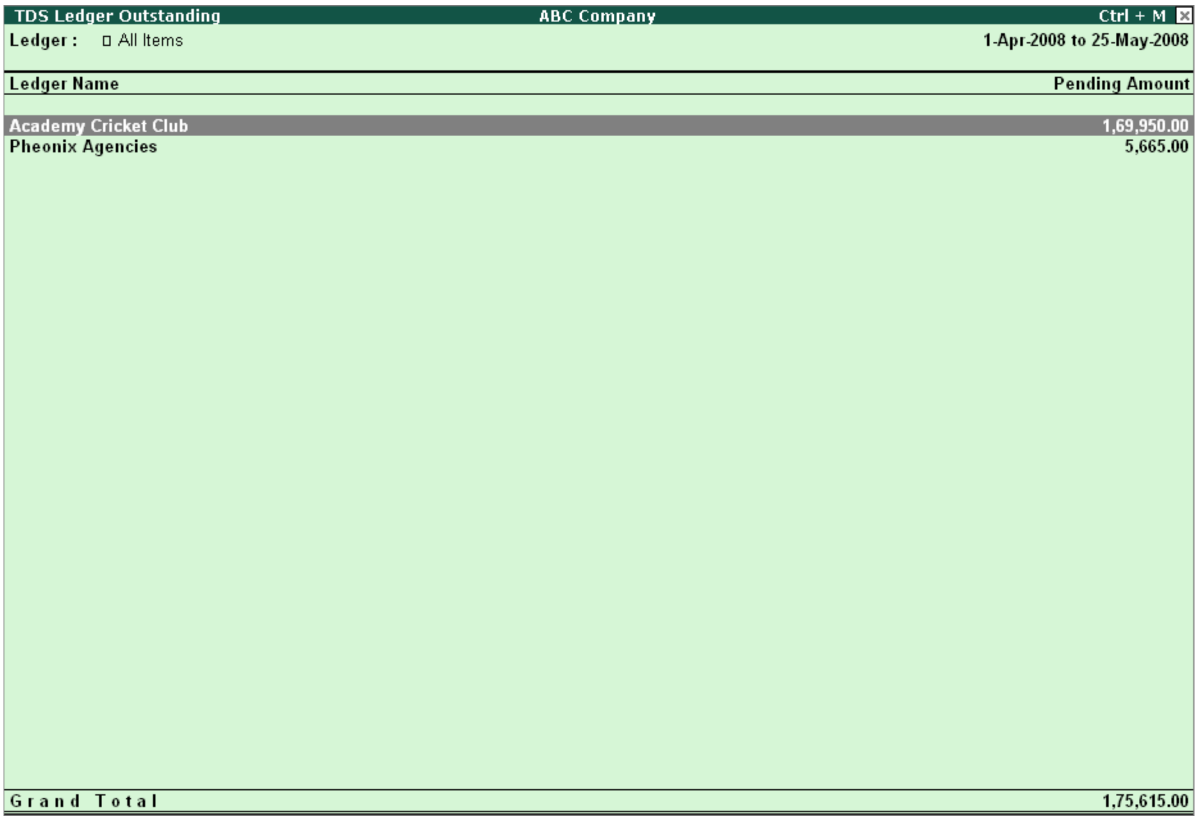


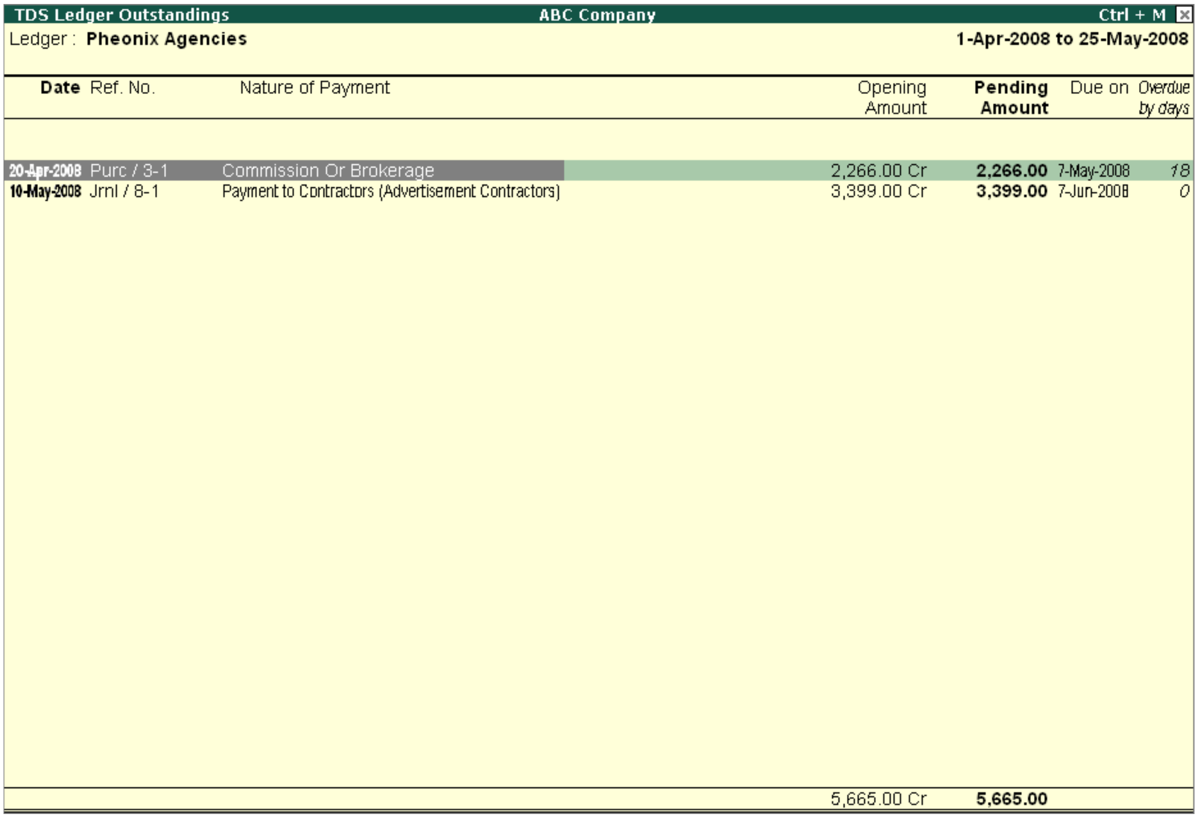
Figure 4.33 TDS Ledger Outstandings

- **Ledger Name**: Displays the Name of the Parties from whom the TDS deducted, is pending for payment.
- **Pending Amount**: Displays the pending amount that needs to be paid to the Government.

2. Select **One Item** to view TDS Ledger Outstandings for a particular ledger

- From the List of TDS Party Ledgers select **Pheonix Agencies**

The **Ledger TDS Outstandings** report appears as shown



TDS Ledger Outstandings ABC Company Ctrl + M

Ledger : **Pheonix Agencies** **1-Apr-2008 to 25-May-2008**

Date	Ref. No.	Nature of Payment	Opening Amount	Pending Amount	Due on	Overdue by days
20-Apr-2008	Purc / 3-1	Commission Or Brokerage	2,266.00 Cr	2,266.00	7-May-2008	18
10-May-2008	Jrnl / 8-1	Payment to Contractors (Advertisement Contractors)	3,399.00 Cr	3,399.00	7-Jun-2008	0
			5,665.00 Cr	5,665.00		

Figure 4.34 TDS Ledger Outstandings

Filed description of TDS Ledger Outstandings report

- **Date**: Date of entry as entered in the Payment/Journal/Purchase voucher
- **Ref No**: The Reference number of the voucher
- **Nature of Payment**: Displays the Nature of Payment towards which the TDS payment is outstanding
- **Opening Amount**: Displays the opening amount of TDS
- **Pending Amount**: Displays the pending amount that needs to be paid to the Government.
- **Due on**: The last date for the payment (Due date).
- **Overdue Days**: The number of days passed from the Due Date of payment

4.5.3 Nature of Payment

To View **Nature of Payment** TDS Outstandings

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

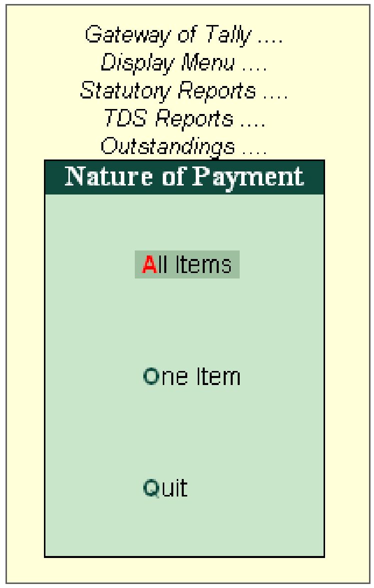
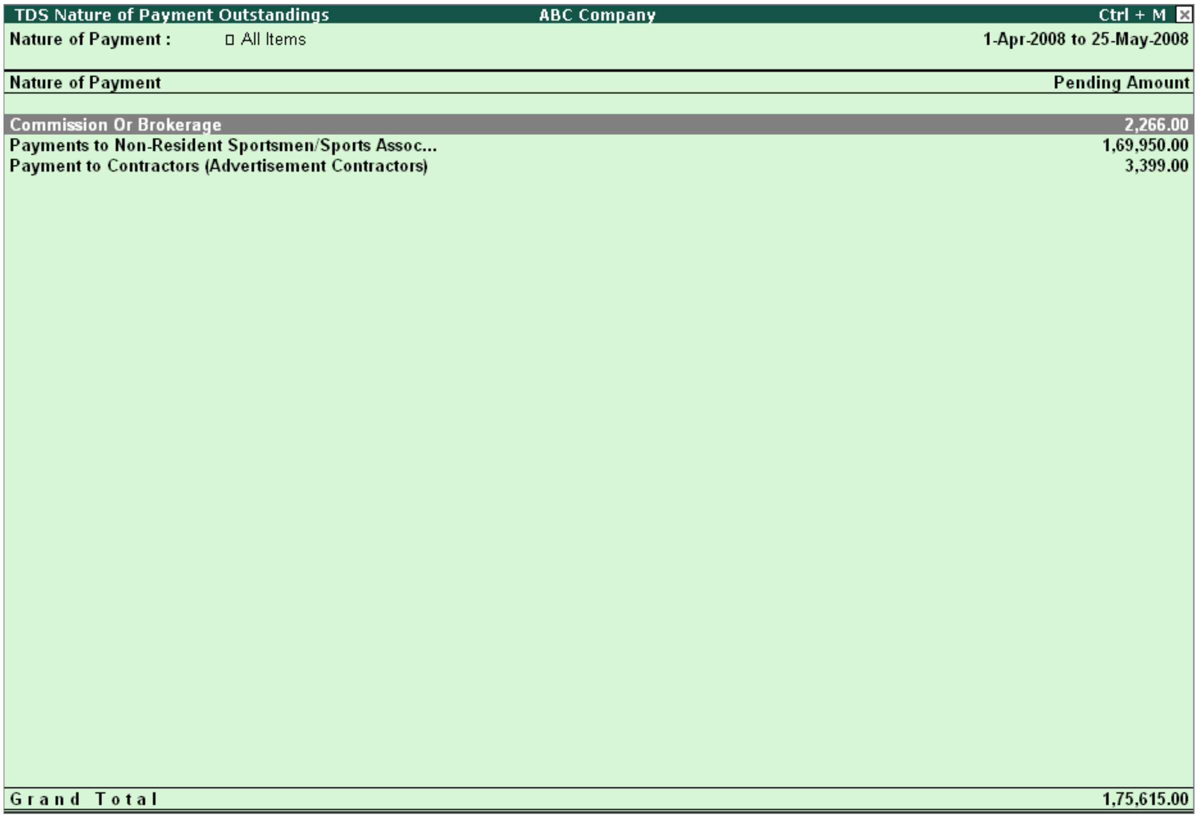


Figure 4.35 Nature of Payment

Nature of Payment TDS Outstandings report can be viewed for all the Nature of Payments or for one Nature of Payment.

1. Select **All Items** to view Nature of Payment TDS Outstandings for all the Nature of Payments

The **Nature of Payment TDS Outstandings** report appears as shown



TDS Nature of Payment Outstandings — ABC Company — Ctrl + M

Nature of Payment : All Items — 1-Apr-2008 to 25-May-2008

Nature of Payment	Pending Amount
Commission Or Brokerage	2,266.00
Payments to Non-Resident Sportsmen/Sports Assoc...	1,69,950.00
Payment to Contractors (Advertisement Contractors)	3,399.00
Grand Total	1,75,615.00

Figure 4.36 TDS Nature of Payment Outstandings

- **Nature of Payment**: Displays the Name of the Nature of Payment for which the TDS deducted, is pending for payment.
- **Pending Amount**: Displays the pending amount that needs to be paid to the Government.

2. Select **One Item** to view Nature of Payment TDS Outstandings for a particular Nature of Payment

From the List of TDS Nature of Payments select **Commission Or Brokerage**

The Nature of Payment TDS Outstandings report appears as shown

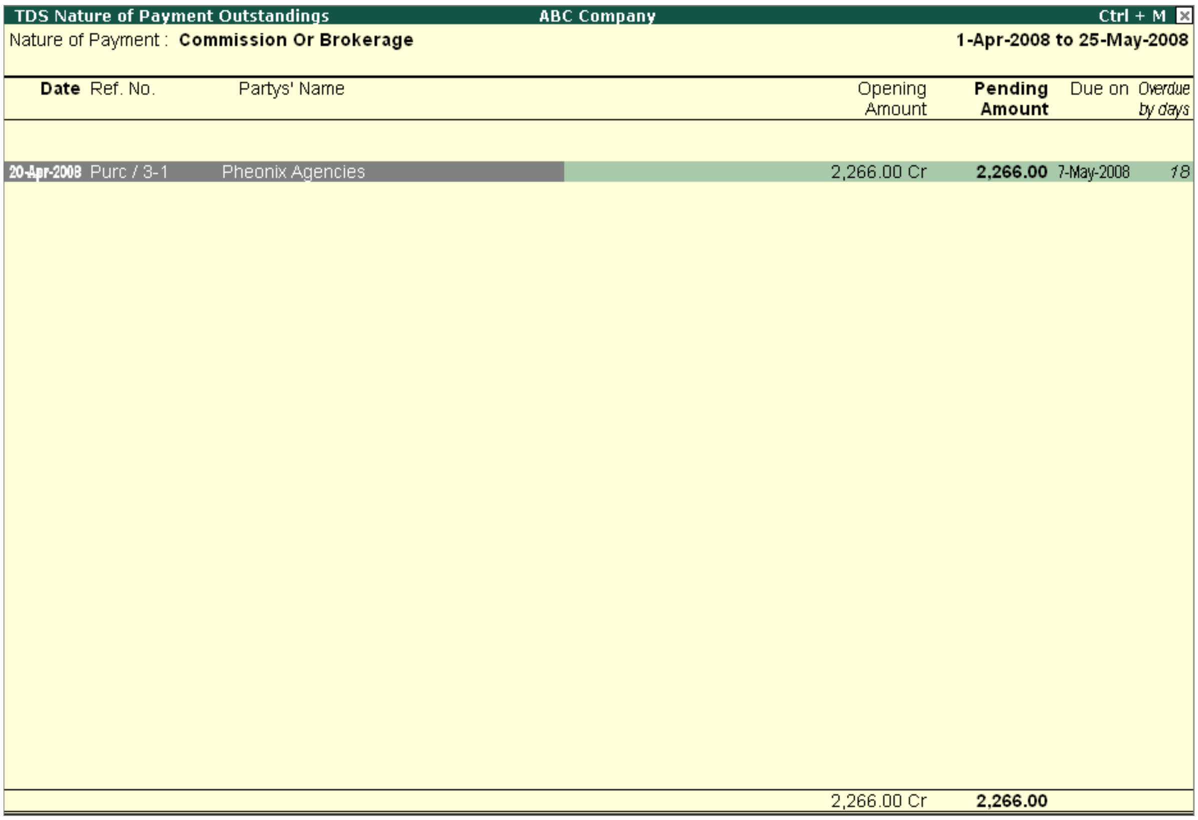


Figure 4.37 TDS Nature of Payment Outstandings

Filed description of TDS Nature of Payment Outstandings report

- **Date**: Date of entry as entered in the Payment/Journal/Purchase voucher
- **Ref No**: The Reference number of the voucher
- **Party's Name**: Displays the name of parties from whom the TDS deducted, is pending for payment.
- **Opening Amount**: Displays the opening amount of TDS
- **Pending Amount**: Displays the pending amount that needs to be paid to the Government.
- **Due on**: The last date for the payment (Due date).
- **Overdue Days**: The number of days passed from the Due Date of payment

4.6 Exception Reports

TDS Exception Reports track unusual transactions.

To view **TDS Exception Reports**

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

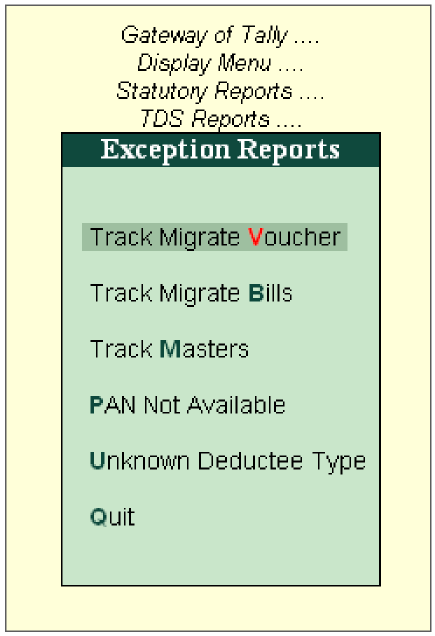


Figure 4.38 Exception Reports

Exception Reports are

- Track Migrate Vouchers
- Track Migrate Bills
- Track Masters
- PAN Not Available
- Unknown Deductee Type

4.6.1 Track Migrate Vouchers

Track Migrate Vouchers Reports displays Date-wise Migrated and Non-migrated vouchers. Tally.ERP 9 displays the Non Migrated vouchers' Amount in Bold for identification.

Track TDS Vouchers ABC Company Ctrl + M

List of TDS Vouchers 1-Apr-2008 to 31-Oct-2008

Date	Supplier Name	Vch No.	Vch Type	Bill Name	Tax Bill Name	Ded Amt.(old)	Ded Amt.(new)
2-4-2008	Sun	Tds4/0809	Journal	1	Jrnl/2	206.00 Cr	206.00 Cr
4-4-2008	Sun	Tds6/0809	Journal	3	Jrnl/4	777.00 Cr	777.00 Cr
4-4-2008	Cr1	1	Payment	1	Pymt/1	1,133.00 Cr	1,133.00 Cr
1-4-2008	Surya Enterprises	Tds3/0809	Journal	2	Jrnl/3	**2,833.00 Cr**	
10-5-2008	Surya Enterprises	Tds18/0809	Journal	14	Jrnl/15	**8,497.00 Cr**	
13-5-2008	Surya Enterprises	Tds20/0809	Journal	19	Jrnl/21	**2,833.00 Cr**	
14-5-2008	Surya Enterprises	Tds22/0809	Journal	20	Jrnl/22	**1,133.00 Cr**	
7-7-2008	Sangeeta	Tds31/0809	Journal	22	Jrnl/23	1,700.00 Cr	1,700.00 Cr
9-7-2008	Sun	Tds33/0809	Journal	24	Jrnl/25	5,150.00 Cr	5,150.00 Cr
5-4-2008	Cr1	Tds10/0809	Journal	778	Jrnl/89	11,330.00 Cr	11,330.00 Cr
30-4-2008	Babu Reddy	Tds12/0809	Journal	9	Apr	33,990.00 Cr	33,990.00 Cr
2-5-2008	New Party	Tds14/0809	Journal	9	Jrnl/10	56,650.00 Cr	56,650.00 Cr
5-5-2008	Babu Reddy	Tds16/0809	Journal	13	May	11,330.00 Cr	11,330.00 Cr
31-5-2008	Sys India	Tds24/0809	Journal	15	Jrnl/16	67,980.00 Cr	67,980.00 Cr
31-5-2008	Rakesh & Co	Tds27/0809	Journal	17	Jrnl/19	**5,665.00 Cr**	
31-5-2008	Rakesh & Co	Tds28/0809	Journal	18	Jrnl/20	**5,665.00 Cr**	
10-8-2008	Sun	Tds35/0809	Journal	26	Jrnl/27	10,300.00 Cr	10,300.00 Cr

Figure 4.39 Track Migrate Vouchers

4.6.2 Track Migrate Bills

Track Migrate Bills report displays Tax bill name wise migrated and non-migrated voucher

Here user can identify **migrated/non- migrated vouchers** by comparing the Previous deduction amount and new deduction amount and previous payment amount and new payment amount are same.

If the **Deduction Amounts (Previous and New)** and **Payment Amounts (Previous and New)** are same then it is understood that the vouchers are **successfully migrated**.

If the **Deduction Amounts (Previous and New)** and **Payment Amounts (Previous and New)** are not same then it is understood that the vouchers are **not migrated**.

Track TDS Bills — ABC Company — Ctrl + M

List of TDS Bills — 1-Apr-2008 to 15-Oct-2008

Date	Tax Bill Name	Party Name	Nature of Payment	Previous Deduction	New Deduction	Previous Payment	New Payment
1-4-2007	Jrnl/2	Creditor	Commission Or Brokerage	850.00 Cr	850.00 Cr	850.00 Dr	850.00 Dr
2-4-2007	Jrnl/4	Creditor	Commission Or Brokerage	2,833.00 Cr	2,833.00 Cr	2,833.00 Dr	2,833.00 Dr
1-5-2007	Jrnl/6	Creditor	Commission Or Brokerage	849.00 Cr	849.00 Cr	849.00 Dr	849.00 Dr
1-7-2007	Jrnl/8	Cr1	Rent of Land, Building Or Furniture	1,92,610.00 Cr	1,92,610.00 Cr	1,92,610.00 Dr	1,92,610.00 Dr
1-9-2007	Jrnl/12	Cr1	Rent of Land, Building Or Furniture	33,990.00 Cr	33,990.00 Cr	33,990.00 Dr	33,990.00 Dr
1-10-2007	Jrnl/10		Fees for Professional Or Technical Services	16,995.00 Dr		16,995.00 Cr	
1-3-2008	Jrnl/14	Cr1	Rent of Land, Building Or Furniture	5,665.00 Cr	5,665.00 Cr	5,665.00 Dr	5,665.00 Dr
1-4-2008	Jrnl/3	Surya Enterprises	Fees for Professional Or Technical Services	2,833.00 Cr			
2-4-2008	Jrnl/2	Sun	Payments to Contractors (Other Than Advertisement)	206.00 Cr	206.00 Cr	206.00 Dr	206.00 Dr
4-4-2008	Jrnl/4	Sun	Payments to Contractors (Other Than Advertisement)	777.00 Cr	777.00 Cr	777.00 Dr	777.00 Dr
4-4-2008	Pymt/1	Cr1	Payments to Contractors (Other Than Advertisement)	1,133.00 Cr	1,133.00 Cr		
5-4-2008	Jrnl/89	Cr1	Rent of Land, Building Or Furniture	11,330.00 Cr	11,330.00 Cr	11,330.00 Dr	11,330.00 Dr
30-4-2008	Apr	Babu Reddy	Rent of Land, Building Or Furniture	33,990.00 Cr	33,990.00 Cr	33,990.00 Dr	33,990.00 Dr
1-5-2008	May	Babu Reddy	Rent of Land, Building Or Furniture	11,330.00 Cr	11,330.00 Cr	11,330.00 Cr	
2-5-2008	Jrnl/10	New Party	Rent of Land, Building Or Furniture	56,650.00 Cr	56,650.00 Cr	56,650.00 Dr	56,650.00 Dr
10-5-2008	Jrnl/15	Surya Enterprises	Fees for Professional Or Technical Services	8,497.00 Cr			
13-5-2008	Jrnl/21	Surya Enterprises	Fees for Professional Or Technical Services	2,833.00 Cr			
14-5-2008	Jrnl/22	Surya Enterprises	Fees for Professional Or Technical Services	1,133.00 Cr			
31-5-2008	Jrnl/16	Sys India	Rent of Land, Building Or Furniture	67,980.00 Cr	67,980.00 Cr	67,980.00 Dr	67,980.00 Dr
31-5-2008	Jrnl/19	Rakesh & Co	Rent of Land, Building Or Furniture	5,665.00 Cr		5,665.00 Dr	
31-5-2008	Jrnl/20	Rakesh & Co	Rent of Land, Building Or Furniture	5,665.00 Cr		5,665.00 Dr	
7-7-2008	Jrnl/23	Sangeeta	Fees for Professional Or Technical Services	1,700.00 Cr	1,700.00 Cr		
7-7-2008	Pymt/6		Fees for Professional Or Technical Services	5,665.00 Dr			
9-7-2008	Jrnl/25	Sun	Fees for Professional Or Technical Services	5,150.00 Cr	5,150.00 Cr		
							3 more ... ↓
	Total			4,25,589.00 Cr	4,37,343.00 Cr	4,07,975.00 Dr	4,18,030.00 Dr

Figure 4.40 Track Migrate Bills

4.6.3 Track Masters

Track Masters Report displays TDS Ledger wise **Lower Deduction, Zero Deduction and IT Exemption** details.

Track Masters ABC Company Ctrl + M

List of Exceptional Masters

Particulars	Lower Deduction Sec.197	Zero Deduction Sec.197A	Ignore IT Exemption Limit
Kanishka Gas Agencies		Yes	No
Karnataka Co-Operative Bank	12.50 %	No	No
Tds Con		No	Yes
Tds on Commission		No	Yes
Tds on Interest		No	Yes
Tds on Prof.		No	Yes
Tds on Rent		No	Yes

Figure 4.41 Track Masters

Notes

This Report can be used to check the details such as Zero/Lower Dedcution or IT Exemption in TDS Masters which needs to be updated manually in migrated data.

4.6.4 PAN Not Available

Exception Report - PAN Not Available displays all the Party Ledgers for whom the PAN Number is not available.

To view the PAN Not Available report

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Exception Reports > PAN Not Available**

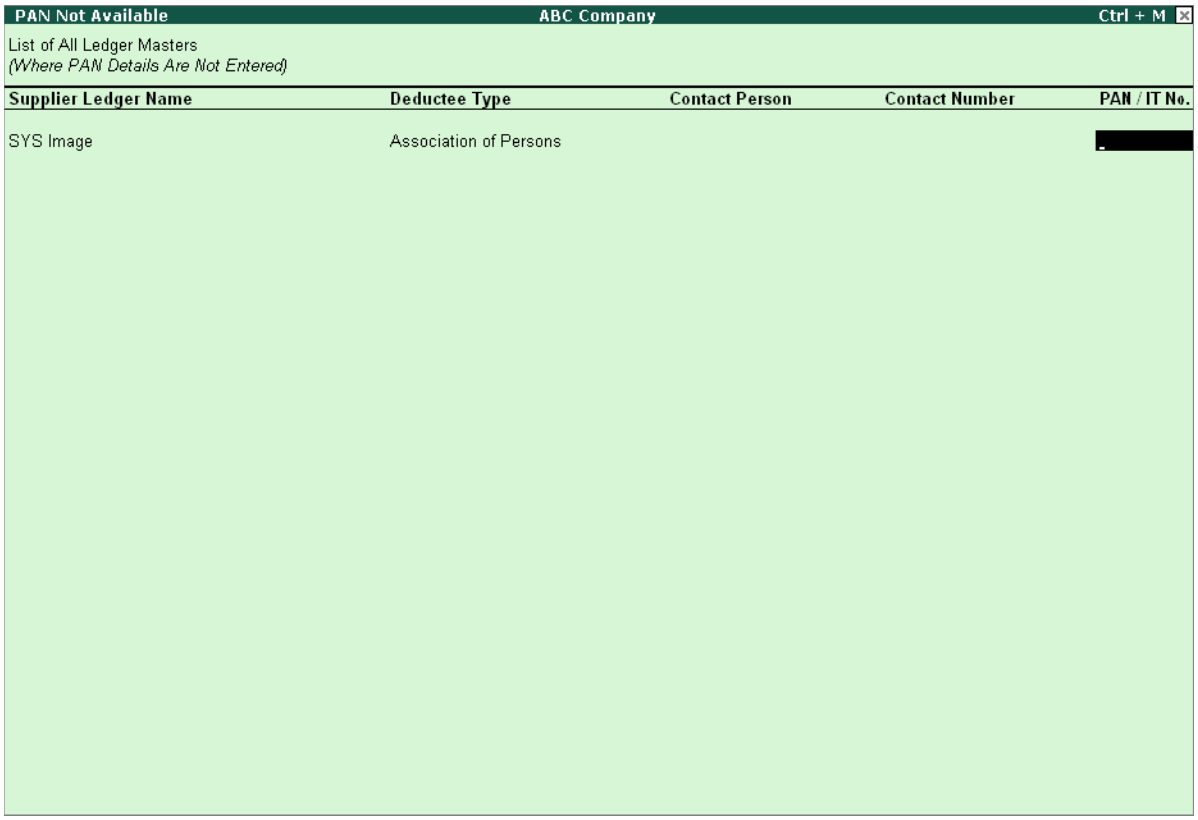


Figure 4.42 PAN Not Available

PAN Details of the Party can be updated from this screen. Once you update PAN details, such party ledgers will not be displayed further in the PAN Not Available report.

This Report is useful to trace the party ledgers for which the PAN Details are not available before filing the e-returns.

4.6.5 Unknown Deductee Type

Exception Report – Unknown Deductee Type displays all the Party Ledgers for whom the Deductee Type is not defined.

To view the Unknown Deductee Type report

Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports> Exception Reports > Unknown Deductee Type**

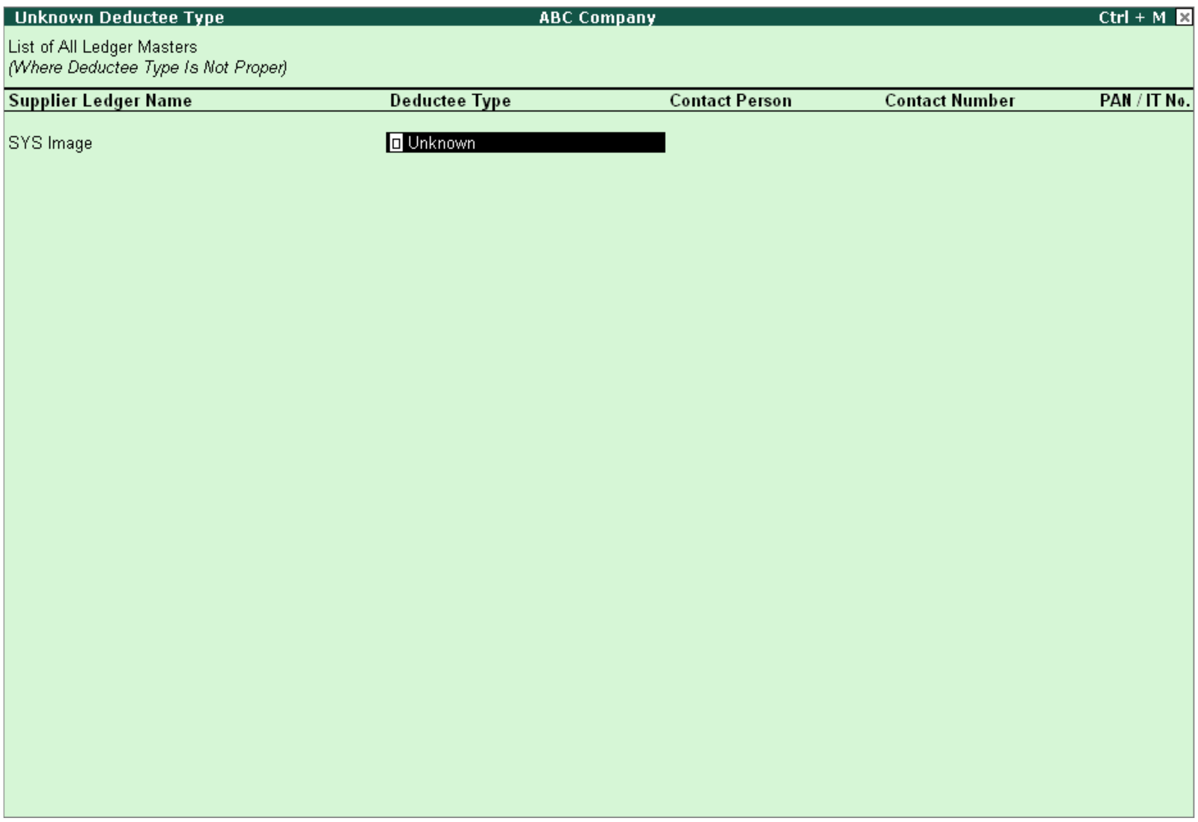


Figure 4.43 Unknown Deductee Type

Deductee Type Details of the Party can be updated from this screen. Once you update Deductee Type details, such party ledgers will not be displayed further in the Unknown Deductee Type report.

This Report is useful to trace the party ledgers for which the Deductee Type Details are not available before filing the e-returns.