

Challan Correction Mechanism

Under OLTAS (On Line Tax Accounting System), the physical challans of all Direct Tax payments received from the deductors / taxpayers are digitized on daily basis by the collecting banks and the data transmitted to TIN (Tax Information Network) through link cell. At present, the banks are permitted to correct data relating to three fields only i.e. amount, major head code and name. The other errors can be corrected only by the assessing officers.

New Procedure of challan correction by banks (for physical challans):

To remedy this situation, a new **Challan Correction Mechanism** for physical challans has been put in place. Under this mechanism, for income tax payments made on or after 1.9.2011, the following fields can be got corrected through the concerned bank branch:

- Assessment Year
- Major Head Code
- Minor Head Code
- TAN/PAN
- Total Amount
- Nature of payment (TDS Codes)

The time window for the correction request by tax payer is as follows :

S.No	Correction required in Field name	Period of Correction Request (from Challan Deposit Date)
1	TAN/PAN	7 days
2	Assessment Year	7 days
3	Amount	7 days
4	Other fields (Major head, Minor head, Nature of payment)	Within 3 months

The time window for correction by the bank is 7 days from the date of receipt of correction request from the tax-payer.

Conditions:

The changes can be made by the banks, subject to following conditions:

- i. Correction in Name is not permitted.
- ii. Any combination of correction of Minor Head and Assessment Year together is not allowed.
- iii. PAN/TAN correction will be allowed only when the name in the challan matches with the name as per the new PAN/TAN.
- iv. The change of amount will be permitted only on the condition that the amount so corrected is not different from the amount actually received by the bank and credited to Govt. Account.
- v. For a single challan, correction is allowed only once. However, where 1st correction request is made **only** for amount, a 2nd correction request will be allowed for correction in other fields.
- vi. There will be no partial acceptance of change correction request, i.e. either all the requested changes will be allowed, if they pass the validation, or no change will be allowed, if any one of the requested changes fails the validation test.

Procedure:

- i. The tax-payer has to submit the request form for correction **(in duplicate)** to the concerned bank branch.
- ii. The tax-payer has to attach copy of original challan counterfoil.
- iii. In case of correction desired for challans in Form 280, 282, 283, the copy of PAN card is required to be attached.
- iv. In case of correction desired for payments made by a tax-payer (other than an individual), the original authorization with seal of the non-individual tax-payer is required to be attached with the request form.
- v. A separate request form is to be submitted for each challan.

**Procedure of challan correction by Assessing Officers
(both physical and e-payment challans)**

After the window period available to banks for challan correction, the assessee can make a request for correction to his or her assessing officer, who is authorized under the departmental OLTAS application to make such correction in challan data in bonafide cases, to enable credit of the taxes paid, to the concerned assessee.

Format of application to bank for challan correction to be requested by the taxpayer

To
 The Branch Manager,
 ----- (Address of Branch)

Taxpayer Details :

Taxpayer Name :

Taxpayer Address :

Taxpayer TAN/PAN :

Name of Authorized Signatory :
 (in case of non-individual taxpayer)

Sub : Request for Correction in Challan No: 280/281/282/283 [Strike out which ever is not applicable]

Sir/Madam,

I request you to make corrections in the challan data as per following details :

Challan Details:

BSR Code	Challan Tender Date (Cash/Cheque Deposit Date)	Challan Sl. No.

Sl. No.	Fields in which correction required	Please Tick	Original Details	Modified Details
1.	TAN/PAN (10 digit)			
2.	Assessment Year (YYYY)			
3.	Major Head code (4 digit)			
4.	Minor Head code (3 digit)			
5.	Nature of Payment (3 digit)			
6.	Total Amount (13 digit)			

Note: Please tick against the relevant fields where changes are required.

Tax payer/Authorized Signatory

Date

Note:

1. Attach copy of original challan counterfoil.
2. In case of correction to challan 280, 282, 283 attach copy of PAN card.
3. In case of a non-individual tax payer, attach the original authorization with seal of the non-individual tax-payer.
4. The request form for correction is to be submitted in duplicate to the bank branch.
5. A separate request form is to be submitted for each challan.