Correcting regular return

Correction Statement:

1. Correcting the TDS/TCS return that has been already submitted to NSDL is a Correction Statement.
2. Note that this is not a revised a return and only the partial data [that needs to be corrected] should be submitted in the specified correction format.
3. All the correction statements should be referred through the PRN number of corresponding quarter.
4. If corrections are being made for the second time or later [for the same quarter], then it should also be referred through the last PRN provided by NSDL corresponding to that quarter.

Types of Corrections:
Depending on the type of modification deductor wants to do in the regular return, Correction Statement is divided into 7 types; Namely,

Sl No	**Type**	**Modification in**
1.	C 1	Deductor Details
2.	C2	Challan Details [Update]
3.	C3	Deduction details [Update and delete]
4.	C4	Salary Details [Add and delete]
5.	C5	PAN [for deductions]
6.	C9	Addition of New Challans and/or Deductions
7.	Y	TAN number [Cancel Statement]

Correction type - C1:
This is meant for “Corrections done in **deductor details** except TAN no”.

Example:
Say in the deductor details, the PAN of the deductor was mentioned wrongly. Updating the PAN in the Deductor details, will be generating a correction type of C1.

Similarly any other change in deductor details including, deductor name, address, responsible person, etc, will result in generation of C1 Correction.

Note: to update the TAN, correction type “Y” should be used.

Correction Type - C2:
This is meant for “Corrections in the deductor details and/or **challan details**.”

Example:
Say, in a particular Challan detail, “Challan Serial no” was mentioned wrongly. Now, updating the Challan Serial number will be generating a correction type of C2.

When there is a C2 correction, C1 correction does not appear, as C2 can also include C1 type correction.

The challans can also be updated for other details like, CIN details, Amount, Section, Mode of payment or cheque details.

Note that:

1. There is no provision to delete a Challan. In such cases, it should be done by cancelling the statement.

2. Any addition of New Challan is referred in C9 type of correction.

Correction Type – C3:
This is meant for “Corrections in deductor details and/or challan details and/or **deductee details** (except PAN no)”.

Example:
Say, in a particular Deduction detail, “Education Cess” was mentioned wrongly. Now, updating the Education Cess in that record will be generating a correction type of C3.

The Deductions can also be updated for other details like; Amount paid details, TDS made details, and the referring challan.

Note that:

1. There are provisions to **delete** a deduction, **Update** a deduction or add a **new** deduction to Existing Challan.

2. If any new deduction needs to be added **to a New Challan**, or Any existing deduction to be updated to a new challan, then it will be referred to C9 type of correction.

3. Any update in PAN of the deductee will appear in C5 type of correction.

Correction Type – C4:

This is meant for “Corrections in **salary details**”.

This is applicable for correction of 4th Quarter statement of Form 24Q only.

Example:
Say, in a particular Salary detail, “Gross Salary” was mentioned wrongly. Now, updating the Gross Salary in that record will be generating a correction type of C4.

The Salary record can also be updated for other details too.

Note that:

1. There is no provision to update a salary record. So in this case, Software automatically, considers a**delete record and a new record** for the same details. [So it will result in 2 entries in correction for one update record.]

2. There are usual provisions to delete a record and also add a new record manually, wherever required.

3. Any update in PAN of the Employee will appear in C5 type of correction.

Correction Type – C5:
This is meant for “Updation of deductee PAN”.

Example:
Say, in a particular Salary detail, “PAN of the employee” was mentioned wrongly. Now, updating the PAN in that record will be generating a correction type of C5.

The PAN can also be updated in Deduction Details of Form 24Q, 26Q, 27Q and 27EQ.

Note that:

1. When a PAN is updated for Salary record, the same will be updated in respective employee’s deduction records too. This will be automatically done by the software.

2. Updating PAN for a deductee is quarter wise. To update PAN for a deductee/Employee for all the quarters, separate correction should be prepared and filed for respective quarters.

Correction Type – C9:
This is meant for “Addition of a **New Challan** and related deductions, if any”.

Example:
Say, there is a new deduction, which was left out at the time of regular return. For this, a new deduction record can be added along with adding a new corresponding challan. Now, this will be generating a correction type of C9.

Note that:

1. When a Deduction is added referring to an existing challan, it will go to C3 type of correction.

2. When a deduction is added with tax amount ZERO, the software automatically generates a NIL challan and considers for C9 correction.

Correction Type – Y:
This is meant for "Cancellation of a Regular return" and is preferred during change in TAN in the deductor details.

Examples:

1. Say, there is a mistake in mentioning TAN while submitting the regular return. At this time, the TAN cannot be update in any of aforesaid types of correction. So earlier statements should be cancelled for that quarter and should be followed by fresh REGULAR return.

2. Say, TAN was mentioned correctly. But, a challan was mistakenly added/split, which needs to be DELETED while correction. At this scenario, challan cannot be deleted in any of aforesaid types of correction. So earlier statements should be cancelled for that quarter and should be followed by fresh REGULAR return.

3. Say, there are lot of corrections to be made in the return and deductor feels hassle to prepare a correction due to several reasons [may his submitted file is missing, etc, etc]. At this case also deductor can do the cancellation [with due care] and then file a fresh REGULAR return.

Note that:

1. A subsequent regular return filed for the quarter, without preceded by a cancel statement will be rejected in the Central TIN level.

2. All cancel statements should be followed by a regular return. That means,

    a. First the cancel statement should be submitted.

    b. Then the PRN should be received for that.

    c. Then finally the regular return can be filed.

General Notes on Correction Statement:

1. Any Correction Statement can have multiple types of correction, in a single file, within C1, C2, C3, C4, C5 and C9 types.

2. If the correction is with a Y type of correction, no other types of corrections are allowed to be filed in that.

3. Once a correction is filed as a Y type, “*all preceding corrections and a regular return*” corresponding to that quarter will be removed from the Central TIN Database. So that no future reference will be made to those entries.