DO & DONT"S while TAX DEPOSIT

1) *TAX DEPOSIT*

Do

(a) TDS/ TCS

i . Use challan type **281** for deposit of TDS/TCS.

ii. Quote the correct 10-digit Tax Deduction Account Number (TAN) and name & address of the deductor on each challan used for depositing tax. You may verify your TAN details from Income Tax Department web-site prior to depositing TDS/TCS.

iii. Use **separate challans** to deposit tax deducted under **each section** and indicate the correct nature of payment code in the relevant column in the challan. (For example, 94C for payment to contractors and sub-contractors, 94I for rent. List of codes is mentioned at the back of challan 281).

iv. Use **separate challans** to deposit tax deducted for **different types of deductees**,i.e. Corporate or Non Corporate, and indicate the type of deductees in the relevant column in the challan. (For example, in challans to deposit tax deducted from corporate deductees, indicate “COMPANY DEDUCTEES - 0020” and for non corporate deductees indicate “NON-COMPANY DEDUCTEES - 0021”).

(b) Advance Tax / Self-assessment Tax / Tax on Regular Assessment / Surtax / Tax on Distributed Profits of Domestic Companies / Tax on Distributed Income to Unit holders.

i. Use challan type 280 for all the above mentioned tax payments.

ii. Quote the correct Permanent Account Number (PAN) and name & address on each challan used for depositing the tax. PAN is a unique 10-digit alphanumeric number allotted by ITD to all taxpayers.

iii. Use separate challans to deposit taxes for each of the above-mentioned tax and indicate the relevant code (for example 100 for advance tax, 300 for self assessment tax).

DON’Ts

i) Do not use incorrect type of challan.

ii) Do not make mistake in quoting PAN / TAN.

iii) Do not give PAN in place of TAN or vice versa.

iv) Each branch / division of an entity will have a separate TAN if it is filing separate TDS/TCS returns. However, there will be only one PAN for a legal entity.

v) Do not use a single challan to deposit tax deducted under various sections.

vi) Do not use a single challan to deposit tax deducted for corporate and non corporate Deductees.

vii) Do not use same challan for depositing various types of tax like advance tax, self assessment tax etc.

viii) Do not make mistake in the F.Y. and A.Y. to be indicated in the challan.

ix) If you have multiple TANs for the same division filing TDS statements, do not use different TANs in different challans. Use one consistently and surrender the others.

x) Do not use the preprinted challans without verifying whether the TAN/ PAN quoted in these challans belongs to you. You can verify the same from the ITD web-site.

2. Proof of Payment

(a) After the taxes are paid, the collecting bank branch will give you a counter foil as Aknowledgement for the taxes paid. Ensure that the bank has mentioned the Challan Identification Number (CIN) on the counter foil. If not, immediately take up the matter with the bank.

(b) CIN comprises of the following :

1. Bank Branch Code (BSR code) 7 digits
2. Challan serial number upto 5 digits
3. Date of tender of challan DD/MM/YYYY

3. Verification of tax payment information transmitted to TIN

(a) The collecting bank branch will transmit the details of taxes deposited by deductor to the tax Information Network (TIN) through the Online Tax Accounting System (OLTAS).

(b) All details of your payment as uploaded by the banks are available at the NSDL-TIN website under the link "Challan Status Enquiry"

(c) You must verify the details that have been captured and transmitted by the bank. To view these details, the taxpayer should click on Challan Status Enquiry" link.

(d) There are two types of views for taxpayers; CIN Based View and TAN Based View.

(e) Through CIN Based View details of any particular challan can be verified.

(f) You will be able to view the following details on the screen

1. Bank Branch Code (BSR code)
2. Challan serial number
3. Date of tender of challan
4. Major head Code – Description
5. TAN / PAN
6. Name of the Tax payer
7. Received by TIN on (date of receipt by TIN)

(g) The amount field is optional and if you submit the amount data as an input and the amount of tax mentioned by you is correct then "amount matched" will be displayed along with the above details.

(h) If the CIN entered by you is correct but the amount stated as input is incorrect then "amount not matched" will be displayed.

(i) In case the details are not available with TIN then "No records found for the above query" will be displayed. The details may not be available with TIN in case the bank has not uploaded the tax collected data to TIN or the Challan Identification Number uploaded by the bank is different from the CIN issued to you. You may contact the bank branch where the tax has been deposited.

(j) Through the TAN Based View details of all challans deposited in the banks for given TAN during a specified period can be viewed.