Recent Changes in Acceptance and Submission of Form 15G/15H to Income Tax Department (25 April 2016)

By:

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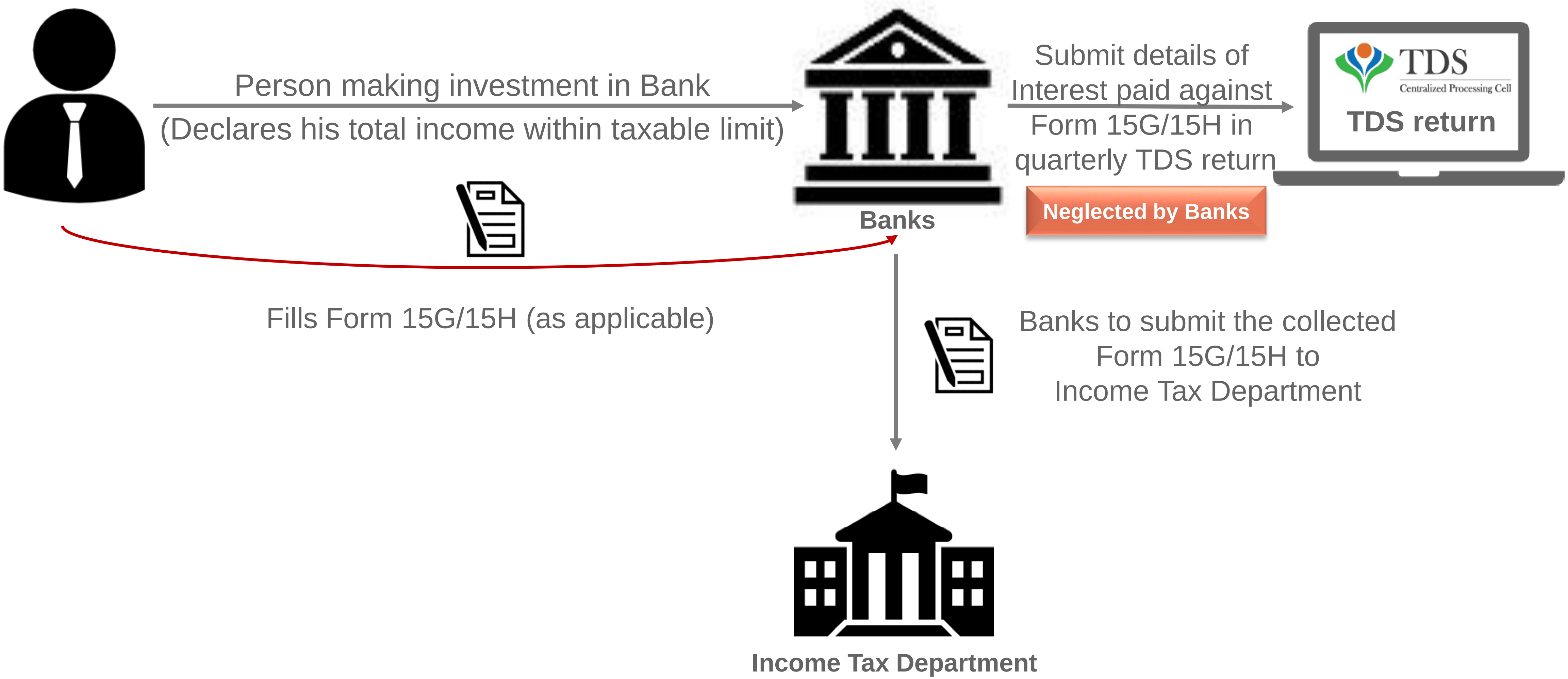
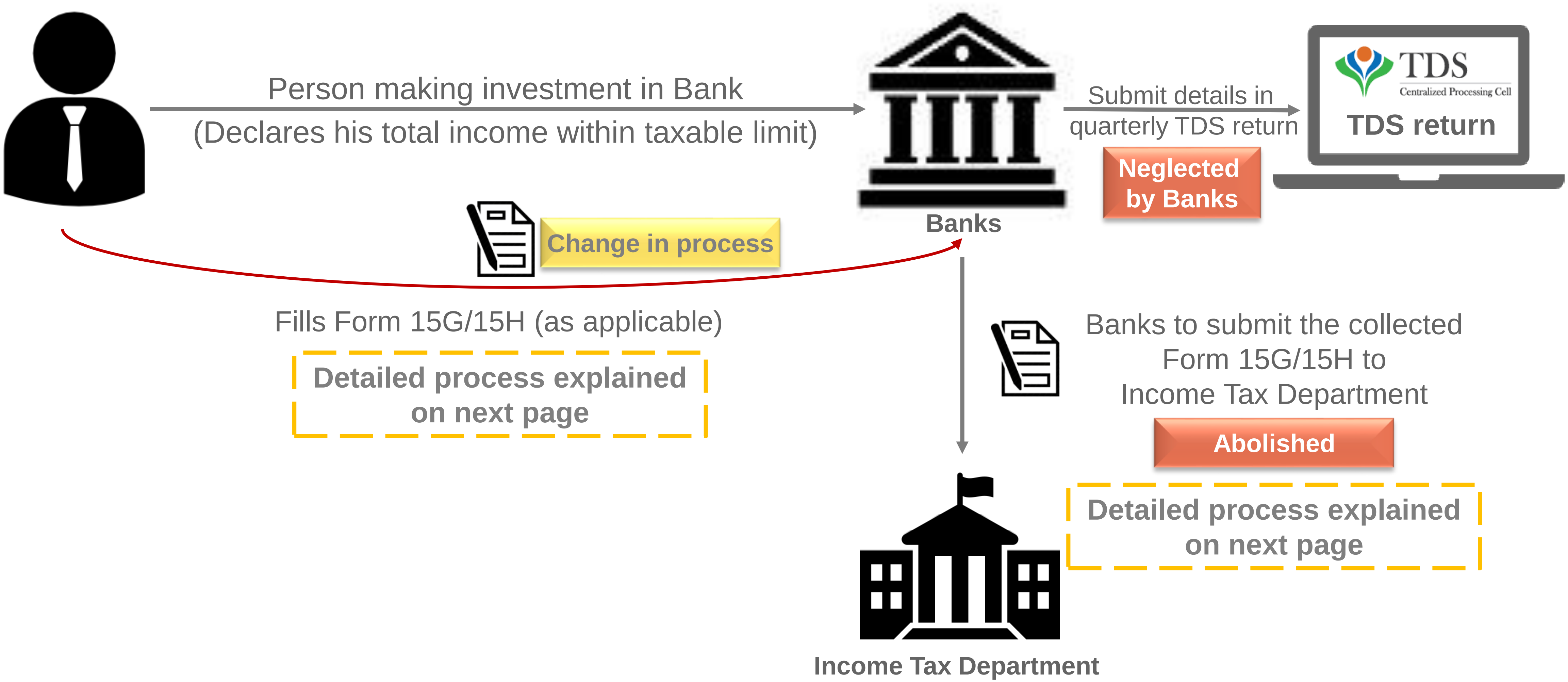
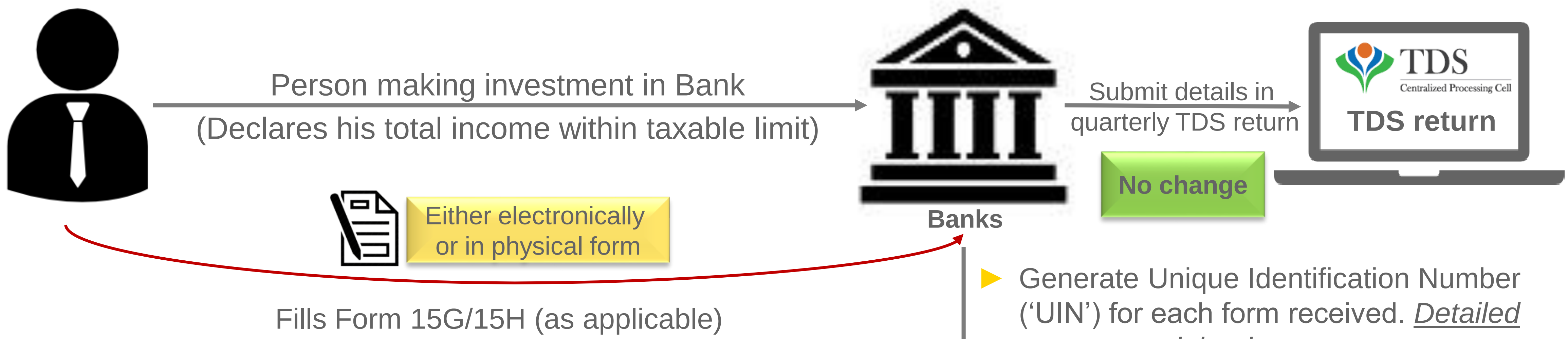
Old regime till 30th September 2015



New regime w.e.f. 1st October 2015



New regime w.e.f. 1st October 2015 (Cont.)



- Generate Unique Identification Number ('UIN') for each form received. *Detailed process explained on next page*
- Details of all 15G/15H forms received during a quarter to be uploaded on Income tax e-filing portal

Detailed process explained on next page

New regime – Detailed Process of E-filing Form 15G/15H

- The declaration in Form 15G/15H can be either submitted electronically or in physical form by the customers *(Banks need to develop the system of accepting electronic declarations)*

- A Unique Identification Number ('UIN') shall require to be allotted for the declarations (Paper/Electronic) received by Bank. UIN shall be allotted in the following manner:

  - UIN shall consist of following three fields;
    - Sequence number (10 alphanumeric for form 15G/H) *(Start from 1 for every Financial year)*

Form 15G	Form 15H
10 alphanumeric characters starting with '**G**' followed by 9 digits (Eg.G000000001)	10 alphanumeric characters starting with '**H**' followed by 9 digits (Eg.H000000001)

    - Financial year for which declaration is being furnished
    - TAN of Payer

(For E.g. A complete UIN will be $\underbrace{\textbf{G000000001}}_{\textbf{Sequence No.}}\ \underbrace{\textbf{201516}}_{\textbf{Financial Year}}\ \underbrace{\textbf{XXXX00000X}}_{\textbf{TAN}}$**)**

Pre-requisites for E-filing of Form 15G/15H

- Banks are required to allot UIN for each declaration form 15G/15H received w.e.f. 1st October 2015.

- For e-filing the details on income tax portal it is mandatory to use have a Digital Signature Certificate (‘DSC’) of the Authorised Signatory (‘Branch Managers’), therefore it is required by to issue DSC to every Branch Manager

- Banks should implement the system of online acceptance of such declarations to comply with the guidelines.

Information required for filing of Form 15G/15H

- The following details shall be required for Furnishing the quarterly return of Form 15G/15H:
  - Unique Identification No.
  - Name of the customer
  - PAN of the customer
  - Address and mobile number
  - Whether assessed to tax under the Income-tax Act,1961 (If yes, for which year)
  - Estimated income for which this declaration is made
  - Estimated total income of the Financial year (including estimated income from investment for which Form 15G/15H has been submitted)
  - Total No. of Form No. 15G/15H filled
  - Aggregate amount of income for which Form No.15G/15H filled
  - Date on which Declaration is received (DD/MM/YYYY)
  - Amount of income paid (Investment number wise)
  - Date on which the income has been paid/credited
  - Identification number of relevant investment/ account (For e.g. Fixed Deposit certificate number).

Other points to be noted…

- The government has introduced this new mechanism of online filing of Form 15G/15H details vide Notification Number 76/2015, dated September 29, 2015 w.e.f. 1st October 2016

- Even though the process of e-filing such details on income tax portal has recently been laid down, it is the duty of the Banks comply with the notification and file details of the Form 15G/15H received by Branches from 1st October 2015 onwards in this electronic form.

- The details of Interest paid on the investments supported by such declarations (Form 15G/15H) where no tax has been deducted should also be filed in the quarterly TDS returns of the branches alongwith the details of tax deducted thereon. *(We have observed that there is major non-compliance in this area)*

Non compliance to the new rules and procedures might attract monetary penalties in coming future, so it is advised to adhere to the changes laws/procedures.

Thank You!

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