



Amended TDS rules to be kept in abeyance

The Central Board of Direct Taxes (CBDT) amended the Income-tax Rules vide Notification No. 31/2009 dated 25th March, 2009 in respect of:

- Tax deduction at source (TDS)/ tax collection at source (TCS) payments; and
- Compliance requirements (furnishing of quarterly withholding statements/ forms, issue of annual certificates, etc.)

The amended rules had to come into effect from 1st April, 2009. However, on 11th May 2009, the CBDT deferred¹ the implementation of the amended rules from 1st April, 2009 to 1st July 2009 (*For details, please refer our **Flash News dated 04th April 2009 and 12th May 2009***).

The CBDT has now decided² the following:

- The amended Income-tax Rules in respect of TDS/ TCS provisions shall be kept in abeyance for the time being.
- The date of the applicability of the said rules shall be notified by CBDT subsequently.
- Income tax returns for the Financial Year 2008-09³ (Assessment Year 2009-10) or earlier years can be filed without mentioning the Unique Transaction Number (UTN).
- Tax deductors/ collectors shall continue to deposit TDS/ TCS and file the quarterly TDS/ TCS returns as per the erstwhile procedure.

¹ Press Release No. 402/92/2006-MC (11 of 2009) dated 11 May, 2009

² Press Release No.402/92/2006-MC (14 of 2009) dated 30 June, 2009

³ 1April 2008 to 31 March 2009

Our Comments

The tax payers were facing the difficulty in respect of filing the Income-tax return for the Financial Year 2008-09 as the UTN required to be furnished in the tax return was not available.

Also, the ambiguity in respect of TDS filings has been put aside for the time being by allowing the tax payers to follow the earlier procedures.

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For further information about KPMG in India and our services, please contact:

Bangalore

Maruthi Infotech Centre, 11-12/1
Inner Ring Road
Koramangala, Bangalore 560071
Phone: + 91 80 3980 6000
Fax: +91 80 3980 6999

Chennai

KPMG House
No.10, Mahatma Gandhi Road,
Nungambakkam High Road,
Chennai 600034
Phone: +91 44 39145000
Fax: +91 44 39145999

Delhi

DLF Cyber City, Building no. 10,
Block B, Phase II
Gurgaon, Haryana 122 002
Phone: +91 124 307 4000
Fax: +91 124 254 9195

Hyderabad

KPMG, 8-2-618/2
Reliance Humsafar, 4th Floor
Road No.11, Banjara Hills
Hyderabad - 500 034
Phone: +91 40 66305000/23350060
Fax: + 91 40 6630 5299

Kolkata

Park Plaza, Block F, Floor VI
71 Park Street, Kolkata 700 016
Phone: +91 33 2217 2858 / 64/62
Fax: +91 33 2217 2868

Mumbai

KPMG House, Kamala Mills Compound, 448
Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Phone: +91 22 39896000
Fax: + 91 22 39836000

Pune

703, 7th Floor Godrej Castlemaine, Next to Ruby Hall Clinic,
Bund Garden Road, Pune 411001
Phone: +91 20 30585764/65
Fax: +91 20 3058 5775