

INCOME TAX SPECIAL

**TAMIL NADU GENERATION AND DISTRIBUTION CORPORATION LIMITED
(ACCOUNTS BRANCH)**

From
N.Mahendiran, B.Com., ACA.,
Chief Financial Controller/General,
144, Anna Salai,
Chennai – 600 002.

To
All Superintending Engineers
All Financial Controllers
All Drawing & Disbursing Officers/HQs.

Circular No.CFC/GL/FC/TAX/AAO/F.Circular/FLM.D285/D.2/2022,

dt.07.04.2022.

Sir,

Sub: TANGEDCO – Income Tax compliance – Due date for remittance of TDS/TCS and filing of Quarterly TDS/TCS returns – Instructions issued – Reg.

- Ref: 1. Lr.No.CFC/GL/FC/ACCTS/DFC/AO/TAX/F.TDS Default/D142/2019, dt.18.03.2019.
2. Circular No.CFC/GL/FC/TAX/DFC/AAO/TAX/F.Circular/D.23/2021, dt.18.06.2021.
3. Letter No.CFC/GL/FC/TAX/DFC/AAO/TAX/F.Circular/D.24/2021, dt.29.06.2021.
4. Circular No.CFC/GL/FC/TAX/AAO/F.20B/FLM D/234/2022/ D.No.100/2022, dt.22.03.2022.

The due date for deduction of tax at source, due date for remittance of TDS/TCS, due date for filing Quarterly TDS & TCS statements, consequences of failure to deduct TDS/collect TCS & Penal provisions for default in filing returns are furnished below for strict compliance by Circles/Division Offices/HQs offices.

(i) a) **WHEN TO DEDUCT TAX (OTHER THAN SALARY):**

Tax is deductible either at the time of payment or at the time of passing credit entry or book entry in the books of the payer, **whichever is earlier**

b) **WHEN TO DEDUCT TAX ON SALARY:**

At the beginning of the year i.e., April the salary income must be estimated for the entire year. Income tax has to be computed based on the estimated income and the income tax thus arrived is to be divided by 12 and the TDS amount is to be deducted every month. The facility in ERP for enabling equitable recovery of TDS on salary, monthly basis shall be utilized by all Circles. The Estimated income and its applicable TDS recovery may be revised on the basis of new information, or new facts and circumstances – new instalments may be determined based on self deduction from employees if any, submitted during April month.

(ii) Due date for depositing TDS/TCS :

Month	Salary	Other payments
April to February	7 th of next month	7 th of next month
March	30 th April	30 th April

(iii) Due date for filing Quarterly TDS& TCS statements :

<u>Quarter ending</u>	<u>Due date for TDS</u>	<u>Due date for TCS</u>
30 th June	31 st July of Financial Year	15 th July of Financial Year
30 th September	31 st October of Financial Year	15 th October of Financial Year
31 st December	31 st January of Financial Year	15 th January of Financial Year
31 st March	31 st May of immediately following Financial Year	15 th May of immediately following Financial Year

(iv) Consequences of failure to deduct TDS/collect TCS :

- **Interest for failure to deduct TDS:** Interest @ 1% per month is payable from the date when TDS was deductible to the date of actual deduction.
- **Interest for failure to collect TCS:** Interest @ 1% per month is payable from the date when TCS was collectible till date of actual collection.
- **Penalty u/s.271C :** For Failure to deduct TDS, Penalty is equal to the amount of tax which such person failed to deduct or pay.

- **Penalty u/s.271CA:** Failure to collect TCS, Penalty equal to the amount of tax which such person failed to collect or pay.

v) Consequences of failure to deposit Tax/Late payment:

Interest @ 1½% per month from date of deduction till date of actual payment.

vi) Penal provisions for default in submitting TDS returns and TCS returns :

Penalty for Default in submission of TDS returns:

IT section	Nature of default	Penalty/fine
Section 234 E	Failure to file TDS return in time	Fine of Rs.200/- every day during which failure continues subject to the maximum of TDS amount
Section 271H	Defaults for more than 1 year in filing TDS statements, furnishes incorrect PAN, TDS amount, Challan particulars etc.	Penalty shall not be less than 10,000/- but which extend upto Rs.1,00,000/-.

In this regard, it is once again instructed that the Interest/penalty/Late fees for any non-compliance of TDS provisions shall not be borne by TANGEDCO from 01.04.2018 and such interest/penalty will have to be recovered from concerned staff/officers who is responsible for such non-compliance.

Sd/.....(07.04.2022)

CHIEF FINANCIAL CONTROLLER/GL.

Copy to all the Chief Engineers, Chief Financial Controllers & Chief Internal Audit Officer.
Copy to all Deputy Financial Controllers in Accounts Branch/Head Quarters.