

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

From

To

K.Malarvizhi, B.A (Corp.) ACA., PGDHRM.,
Chief Financial Controller/General,
144, Anna Salai,
Chennai-600 002.

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

Circular No.CFC/GL/FC/Tax/AAO/Tax/F.TDS Recvy/D.135/2023, dt.27.02.2023

Sir,

Sub: TANGEDCO – Taxation Division - Financial Year 2022-23 – TDS on payment of Pay arrears, Double wages etc. on payment basis –Provisions on year ending TDS recovery – instructions issued – reg.

Ref: 1. Central Board of Direct Taxes, New Delhi's CIRCULAR No.24/2022 [F.No.275/15/2022-IT(B)], Dated 07-12-2022.

2. KPMG Tax Flash news dated 10.01.2023.

A copy of Central Board of Direct Taxes, New Delhi Circular No.24/2022 [F.No.275/15/2022-IT(B)] Dt.07.12.2022 was communicated (vide ref.1) to all the units of TANGEDCO for necessary guidance for computing the Income Chargeable under the Head "Salaries" during the Financial Year 2022-23.

2. Further as already instructed time and again it is reiterated that the Income Tax to be deducted from the salary shall be estimated and the amount of Tax as arrived shall be **deducted every month in equal installments** as per Para 9.4 (Page No.71) and remitted to the credit of Government of India within the stipulated time as specified in Para 4.3.1 (Page No.17) of the Government of India Circular. The interest, penalty for failure to deposit Tax at source has been specified in page no. 18 & 19 of the circular. Further the TDS Returns on salary must be filed as per the due date specified in para 4.10.1 (Page No,26) . This should be ensured by the Pay Drawing and Disbursing Officers. **For any delay in remittance of tax deducted at source and filing of TDS returns it has been already informed that the Officers/Staff will be responsible for all the subsequent interest and late filing fees levy from FY 2018-19 onwards.**

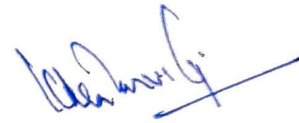
3. DDOs have been authorized u/s 192 to allow certain deductions, exemptions or allowances or set-off of certain loss as per the provisions of the Act. DDOs shall obtain from the employees, evidence or proof for allowing deductions such as House rent Allowance (where aggregate annual rent exceeds one lakh rupees); Leave Travel Concession or Assistance; Deduction of interest under the head Income from house property and deduction under Chapter VI-A in prescribed form 12BB. Form 12BB is available in P.No.86 and 87 of the circular. **It may be noted that the DDOs are instructed to allow deductions and exemptions after receipt of documents from employees in Form 12BB.**

4. It may be noted that where all kinds of Arrears, Double Wages, Additional charge allowance etc. has been included in the estimated salary but it is **not paid in the same financial year, such amount should not be taken into account for Income Tax calculation purpose**, the same should be taken only in the financial year in which the payment is made. However, if such all kinds of arrears, double wages, addl.charge allowance etc. are paid in March 2023, applicable TDS may be deducted at the time of payment itself. Therefore, it is instructed that the estimated salary income of employees during the Financial Year 2022-23 may be revised based on actual release of salary and other benefits and exemption limit as per Income Tax TDS provisions.

5. Further, it is noticed from the Tax Audit Report for the F.Y., 2021-22 that with respect to the following TAN Nos, TDS return for salary for both TANGEDCO and TANTRANSCO is reported in the same TAN No. **These units are strictly instructed to use TANGEDCO's TAN No. for reporting TANGEDCO's TDS on salary from the FY 2023-24 onwards** and report compliance by email to aaotaxation@tnebnet.org

Sl.No.	TAN No.	Office name	Circle name	TAX Audit remarks
1	CHET12048B	Central Office	CDC	reported/remitted alongwith TANTRANSCO
2	CHET12050D	Central Office	Pudukkottai	reported/remitted alongwith TANTRANSCO
3	CHET12120D	Central Office	Thanjavur	reported/remitted alongwith TANTRANSCO
4	MRIT02784F	Central Office	Wind Energy/Tirunelveli	reported/remitted alongwith TANTRANSCO

6. It is again reiterated that the **Income Tax to be deducted from the salary shall be estimated based on the previous year and the amount of Tax as arrived shall be deducted every month in equal installments** as per Para 9.4 (Page No.71) and remitted to the credit of Government of India within the stipulated time as specified in Para 4.3.1 (Page No.17) of the Government of India Circular for the FY 2023-24 also.



CHIEF FINANCIAL CONTROLLER (FAC) 2/2

Encl : CBDT Circular.

Copy to all Chief Engineers concerned – for perusal.

Copy to : Chief Financial Controller/INDAS for information.