

CBDT specifies procedure for online submission of e-TDS/ e-TCS statements, Forms 15G/ 15H and authorised dealers' foreign remittance statements

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In brief

Recently, the Central Board of Direct Taxes (CBDT) issued three notifications regarding online submission of:

1. Statement of deduction and collection of tax at source¹;
2. Statement of Forms 15G and 15H²; and
3. Form 15CC by an authorised dealer bank in respect of foreign remittances⁴.

This tax insight highlights the key features of these notifications.

In detail

Online submission of statement of deduction and collection of tax at source¹

- Earlier, for filing e-TDS/ e-TCS statements, deductors/ collectors of tax at source had to submit the statements physically at TIN facilitation centres.
- The CBDT has now given an option of filing such statements through the income-tax e-filing portal.
- The procedure for online filing of e-TDS/ e-TCS

statements is as follows:

- A deductor/ collector of tax at source, holding a valid Tax Deduction Account Number (TAN), should register at <http://incometaxindiaefiling.gov.in/> as “Tax Deductor & Collector”.
- e-TDS/ e-TCS statements should be prepared using Return Preparation Utility and validated through File Validation Utility downloaded from

<https://www.tin-nsdl.com>.

- After logging into the account, the deductor/ collector of tax at source should select details of the statement to be uploaded.
- e-TDS/ e-TCS statements should be uploaded as a “zip” file and submitted using a Digital Signature Certificate (DSC).
- Signature file for the zipped folder should be

¹ Notification No. 6/2016 [F. No. DGIT(S)/ADG(S)-2/TDS e-filing Notification/110/2016]

generated using the DSC management utility downloaded from the income-tax e-filing portal.

- The uploaded file will be processed and validated at the e-filing portal.
- After validation, the status, i.e. “accepted” or “rejected” (along with reasons), would be reflected on the portal within 24 hours.

Online submission of statement of Forms 15G and 15H²

- As per section 197A of the Income-tax Act, 1961 read with Rule 29C of Income-tax Rules, 1962, any person (other than a company or firm) whose estimated total income does not exceed the maximum amount chargeable to tax, can file a declaration in Form 15G/15H with the payer (i.e. deductor of tax at source) for non-deduction of tax on amount received towards interest and dividend income.
- An individual aged 60 years or more is required to file a declaration in Form 15H, and others are required to declare in Form 15G.
- Earlier, a person responsible for deducting tax at source was required to submit a physical copy of Forms 15G and 15H received from the payee on a monthly basis (up to 30 September, 2015).
- The CBDT substituted Rule 29C of the Income-tax Rules, 1962 with effect from 01 October, 2015³. This new rule provided for online submission of a statement, capturing the details relating to Forms 15G and 15H,

received by the person responsible for deducting tax at source. However, the procedure for this had not been specified.

- This notification specifies the procedure for online submission of information in relation to these statements.
 - A deductor holding a valid TAN should register on the e-filing website at <http://incometaxindiaefiling.gov.in/> as “Tax Deductor & Collector.”
 - An XML file of the statement should be prepared using the utility provided on the income-tax e-filing portal.
 - The XML file should be then zipped and uploaded using DSC.
- The uploaded file will be processed and validated at the e-filing portal.
- After validation, the status, i.e. “accepted” or “rejected” (along with reasons), would be reflected on the portal within 24 hours.

Online submission of Form 15CC⁴

- With effect from 01 April, 2016, Form 15CC (a quarterly statement) has to be furnished by an authorised dealer bank in respect of foreign remittances, as per Rule 37BB(7) of Income-tax Rules, 1962. The procedure for this had not been specified.
- The CBDT has now prescribed the procedure for submission of Form 15CC.

- The procedure for online filing of this form is as follows:
 - The reporting entity (i.e., the person responsible for making the foreign remittance) to log in to its account on <http://incometaxindiaefiling.gov.in/> through a valid Permanent Account Number (PAN) which is used for filing of income-tax returns.
 - In case the reporting entity is not registered for filing of income-tax returns, it should log in using a valid TAN.
 - After logging in, the reporting entity should generate ITDREIN (Income-tax Department Reporting Entity Identification Number), which is available under “My Account > Manage ITDREIN” section. Once, ITDREIN is generated, it cannot be deactivated.
 - It is compulsory to apply for different ITDREINs for different reporting entity categories (for example, a branch having a different TAN).
 - The reporting financial institution (i.e., the authorised dealer bank) has to submit the details of the authorised person (who will file Form 15CC).
 - Once the details of the authorised person are entered by the reporting entity, the authorised person is required to provide confirmation through the activation link sent through an e-mail using the one-time

² Notification No. 7/2016 [F. No. DGIT(S)/ADG(S)-2/TDS e-filing Notification/110/2016

³ Notification No. S.O. 2663(E) dated 29 September, 2015 and Notification No.

4/2015 [F. No.: DGIT(S)/CPC(TDS)/DCIT/15GH/2015-16/14425-556] dated 01 December, 2015

⁴ Notification No. 8/2016 [F. No. DGIT(S)/ADG(S)-2/TDS e-filing Notification/110/2016]

password sent to the mobile number of such person.

- Upon successful registration of such person, he/ she is then required to undertake the following steps:
 - Submit Form 15CC after logging into the income-tax e-filing portal with ITDREIN, PAN and password.
 - Submit details of the reporting entity (viz., PAN, period, etc.).
 - Prepare an XML zip file using the available utility, and upload the

zipped file using DSC.

The takeaways

- These changes represent further steps taken by the CBDT to replace physical filing with e-filing, thereby reducing hardships faced by stakeholders.
- This e-filing facility is expected to achieve two goals, one being a reduction in effort in filing of physical statements, and the other being the availability of data in a more structured manner.
- It would be interesting to see how the revenue authorities use such data in selecting cases for scrutiny.

- With regard to filing of e-TDS/ e-TCS statements, it would have been better if such e-filing facility had been made available on the TRACES website in order to provide a one-stop solution.

Let's talk

For a deeper discussion of how this issue might affect your business, please contact:

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