

Fin (Comp) Dept  
Date:29/04/2024

CMWSSB/ FIN/COMP/DEPT/369/2024

**Circular**

Sub: CMWSSB-Fin (Comp) Dept –CMWSSBIT TDS– PAN and AADHAR linking in IT portal –Reg.

Ref: 1.CircularNo.CMWSSB/Fin(Comp)dept/SPL/2023 ,dated: 16.11.2023.

2.Circular from Central Board of Direct Tax – No.6/2024, dated:23.04.2024.

3. Mail received from Tax consultant of the Board, dated:27.04.2024.

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With reference 1<sup>st</sup> cited, it is to be informed that the Board has received an email from M/s. P.S. Subramanialyer & Co., Tax consultant informing that few suppliers have not linked their PAN with Aadhaar in IT portal. Therefore, IT TDS for II Qtr of 23-24 has been deducted at 20% instead of the applicable rate.

Therefore, all SAO/AO's of Head office and Area offices are instructed to check with the vendor's / suppliers /Contractors/ Lawyer etc whether their PAN is linked with Aadhaar while making payment in order to avoid this types of short deductions. In this regard, it is to be ensured and proof to be collected from vendor's/Suppliers/ Contractor/ Lawyer etc for linking of PAN and Aadhaar in Income Tax portal. Else SAO/AO's are instructed to deduct 20% as IT TDS instead of regular 1% or 2% with immediate effect.

Further, CBDT vide circular in reference 2<sup>nd</sup> cited has stated that if PAN and Aadhaar are linked on or before **31/05/2024**, the demand in traces will be deleted automatically. This is a onetime relief given by CBDT and in future this type of relief will not be entertained. Further, it is advised to check PAN and Aadhaar linking status before making deduction of tax at source and making payment from FY 2024-25 as informed by Board's Tax consultant vide reference 3<sup>rd</sup> cited. With regard to the PAN's which are not linked with Aadhaar already deducted and remitted to Income Tax

department on the normal rate (i.e) 1% or 2 %,included in 2<sup>nd</sup> quarter,3<sup>rd</sup> quarter and 4<sup>th</sup> quarter return those PAN's will be forwarded by Tax consultant office to the respective Area/Unit offices. However, incase of 4<sup>th</sup> quarter return which was not sent to Auditor office for filing , the same should be checked whether linking of PAN with Aadhaar has been complied before forwarding the 4<sup>th</sup> quarter return.

In this regard, it is instruct all SAOs/AOs of Area/Unit/Head office to check the PAN and Aadhaar linking status with their vendor's, suppliers, contractors, lawyers, etc. and advised to link the PAN and Aadhaar in the IT portal on or before May 31, 2024, and from FY 2024-25 before deducting TDS check whether the PAN is linked with Aadhaar ,if not 20% to be deduct in the bill. On deducting the normal rate at 1% or 2% of PAN which are not linked with Aadhaar, TDS of 20% along with applicable interest would be charged to the Board . Hence, it is strictly instructed to deduct 20% TDS for the PAN's which are not linked with Aadhaar on or after 01.06.2024.

Sd/-29.04.2024  
DCOF- VI (i/c)

To  
All SAOs/AOs  
Head office/Areas/Unit Offices  
Copy to:  
PC to F.D  
PC to COF ( R ) / I.A  
All DCOF's

//t.c.f.b.o//

*K. Bhayani*  
30/4/24  
SAO (COMPILATION)