



CBDT issues Order for extension of NIL or Lower TDS & TCS 195/197 Certificates to June 30, 2020

With the country battling COVID-19 and in consideration of the ongoing PAN India lockdown, the Finance Ministry recognized the hardship caused to taxpayers owing to delay in attendance of lower or NIL TDS Certificate applications by the Income-tax authorities. The following directions/ clarifications were issued in this connection:

- a. All the assessec who have filed application for lower or nil deduction of TDS/TCS on the Traces Portal for F.Y. 2020-21 and whose applications are pending for disposal as on date and they have been issued such certificates for FY 2019-20, then such certificates would be applicable till June 30, 2020 of F.Y. 2020-21 or disposal of their applications by the Assessing Officers, whichever is earlier, in respect of the transaction and the deductor or collector if any. for whom the certificate was issued for F.Y. 2019-20.
- b. In cases where the assessee could not apply for issue of lower or nil deduction of TDS/TCS in the Traces Portal for the FY 2020-21, but were having

their certificates for F.Y. 2019-20, such certificate will be applicable till June 30, 2020 of F.Y. 2020-21. However, they need to apply at the earliest giving details of the transactions and the Deductor/ Collector to the TDS/TCS Assessing Officer as per procedure laid down in sub-para (c) below, as soon as normalcy is restored or June 30, 2020, whichever is earlier.

- c. In cases where the assessee has not applied for issue of lower or nil deduction of TDS/TCS in the Traces Portal, and he is also not having any such certificate for F.Y. 2019-20, a modified procedure for application and consequent handling by the TDS/TCS Assessing Officer is laid down which is enclosed as Annexure.
- d. On payments to Non-residents (including foreign companies) having Permanent Establishment in India and not covered by (a) and (b) above, tax on payments made will be deducted at the rate of 10% including surcharge and cess, on such payments till June 30, 2020 of F.Y. 2020-21, or disposal of their applications, whichever is earlier.

Source:

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