

तार : 'फूडकोर्प'

Gram : 'FOODCORP'

फैक्स नं: एचएफसीआई एन डी

Fax No.: HFCI ND

भारतीय  
खाद्य  
निगम



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Headquarters team visits Zonal Office on semi-annual basis for Tax-compliance. Based on the observation of Hqrs. team, some FAQs have been prepared, which are being attached herewith based on the current rule position.

All the Offices are requested to take necessary action accordingly.

संलग्न यथोपरी। :

अक्षय विशाल  
(Akshay Vishal)

General Manager (Fin.)

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## **FAQ on Tax Compliance Review of FCI Offices**

### **I. INCOME TAX**

1. As per rule, Form 16A should be issued on quarterly basis as follow:

<b>Sl. No.</b>	<b>Quarter Ending</b>	<b>Form 16A Due Date</b>
1	30 <sup>th</sup> June	15 <sup>th</sup> August
2	30 <sup>th</sup> September	15 <sup>th</sup> November
3	31 <sup>st</sup> December	15 <sup>th</sup> February
4	31 <sup>st</sup> March	15 <sup>th</sup> June

And Form 16 should be issued on annual basis by 31st May. However, it has been observed that Form 16/16A has not been issued within due date.

2. As per the provision Section 194C of Income Tax Act, in case of individual contractors, TDS @ 1% should be deducted. However, it has been observed that TDS has been deducted @ 2% u/s 194C, for making payment to contractors which are individual.
3. A register may be maintained for the Service Tax/PAN Details of Third parties/Contractors. However, it has been observed that no register has been maintained for same.
4. TDS should be deducted on the amount paid/payable without including such Service Tax component which is indicated separately in the bill claimed by the Third parties/Contractor. Whereas in many scenarios, it has been observed that the Service Tax component is indicated separately in the bill claimed by the Third parties/Contractor, TDS has been deducted on the gross amount of the bill without excluding such Service Tax.
5. It has been observed that wrong Assessment Year, nature of payment and TAN No. details were entered during depositing of TDS to Income Tax Department through online mode. This type of error attracts TDS Defaults notice from Income Tax Department.
6. As per Section 288B, Income Tax Act,  
**Rounding off of tax etc.:** 288B. Any amount payable, and the amount of refund due, under the provisions of this Act shall be rounded off to the nearest multiple of ten rupees and for this purpose any part of a rupee consisting of paise shall be ignored and thereafter if such amount is not a multiple of ten, then, if the last figure in that amount is five or more, the amount shall be



increased to the next higher amount which is a multiple of ten and if the last figure is less than five, the amount shall be reduced to the next lower amount which is a multiple of ten.' therefore, the TDS payable for a month to be rounded off to the nearest multiple of 10 rupees only not on TDS deducted on each and every bill. Whereas, it has observed that the TDS is being rounded off to nearest multiple of 10 rupees for TDS to be deducted on each and every bill.

7. The payment of Income Tax (TDS) should be paid through online mode only (as per Income Tax Department Circular No.5/2008,dated 14/07/2008 is attracted). Whereas, it has been observed that the payment of Income Tax (TDS) is still being made through offline mode in some offices.
8. Although, it has already been informed to all the field offices, the due dates of TDS Returns but, it has been observed that in some of the offices, the TDS return is not being filed within the due time. (which is being reiterated as follow:-

#### TDS Return Filing

Quarter	Quarter Period	Last Date
1st Quarter	1st April to 30th June	31st July
2nd Quarter	1st July to 30th September	31st Oct
3rd Quarter	1st October to 31st December	31st Jan
4th Quarter	1st January to 31st March	31st May

## II. SERVICE TAX

1. Table A: Full Reverse Charge Service (Service receiver liable to pay 100% of Service Tax).

Sl. No	Service Description	Service Provider	Service Receiver	Remarks
1	Supply of Manpower for any purpose or security services.	Individual, HUF, Partnership Firms including LLP's, AOP, located in taxable territory.	Any business entity registered as body corporate, located in taxable territory.	This service is w.e.f - 01.04.2015. Earlier it was covered under Partial Reverse Charge.

*31.10*

