

F.No. 275/25/2020-IT(B)
Government of India/ भारत सरकार
Ministry of Finance/ वित्त मंत्रालय
Department of Revenue/ (राजस्व विभाग)
Central Board of Direct Taxes/ (केन्द्रीय प्रत्यक्ष कर बोर्ड)

North Block, New Delhi
03 April, 2020

Subject: Order u/s 119 of the Income-tax Act, 1961 on issue of certificates for lower rate/nil deduction/collection of TDS or TCS u/s 195, 197 and 206C (9) of the Act for Financial Year 2019-20-reg-

Due to outbreak of pandemic Covid-19 virus, there is severe disruption in the normal working of almost all sectors of economy including functioning of the Income Tax Department. In such a scenario, the applications filed by the payees u/s 195 and 197 of the Act for lower or nil rate of deduction of TDS and by buyers/licensees/lessees u/s 206C (9) of the Act for lower rate of collection of TCS for F.Y. 2019-20, may not be attended in a timely manner by the TDS-Assessing Officers. This may cause genuine hardship to the payees and buyers/licensees/lessees who have raised the invoice in FY 2019-20 but have not received the payment for the same till date. As payees and buyers/licensees/lessees were not able to intimate the rate of deduction/collection on such amount to the payer and seller/licensor/lessor, this has created uncertainty about the rate at which the tax is to be deducted/collected by the payer and seller/licensor/lessor at the time of crediting/debiting the amount in his books of account for FY 2019-20.

2. Considering the constraints of the Field Officers in disposing of the pending applications for lower or nil rate of TDS/TCS for FY 2019-20 and to mitigate hardships of payees and buyers/licensees/lessees, the CBDT issues following directions/clarifications by exercise of its powers u/s 119 of the Act.

3. In all the cases where assesseees (payees or buyers/licensees/lessees) have timely filed application for lower or nil deduction of TDS/TCS on the TRACES Portal for F.Y.2019-20 and such applications are pending for disposal as on date, the applicant shall intimate, vide an e-mail addressed to the Assessing Officer concerned, the pendency of such applications for FY 2019-20 for the lower/nil deduction/collection

certificate under sections 195, 197 or 206C(9) of the Income-tax Act along with the required documents and evidences of filing their application in TRACES Portal.

4. The Assessing Officer shall dispose of the applications by 27.04.2020 and communicate to the applicant regarding the issuance/rejection of certificate vide email. The certificate issued for lower/nil rate TDS or lower TCS shall be applicable for the amount credited/debited during the FY 2019-20 after the date of making of application u/s 195,197 or 206C(9) but remained unpaid or not received till the date of issuance of the certificate by the Assessing Officer.

5. The issuance of certificate shall be communicated to the applicant who in turn shall share the same with the deductor/collector.



(Mahesh Kumar)

Director (IT-Budget), CBDT

Copy to:

1. PS to FM
2. PS to MoS (F)
3. OSD to Finance Secretary
4. Chairman, CBDT and all Members of CBDT
5. All Pr.CCsIT / Pr.DGsIT
6. All CCsIT /DGsIT
7. CIT(CPC-TDS)
8. Database Cell for uploading on the website
www.irsofficersonline.gov.in
9. Web Manager www.incometaxindia.gov.in for uploading on website