



Income Tax Department

Central Board of Direct Taxes



TDS PROVISIONS w.r.t. GOVERNMENT DEDUCTORS

1. Mechanism of TDS deposition in Government Organisation:

Where tax is deducted/collected by Government office, the same can be remitted to the Central Government without production of income-tax challan (ITNS 281). The mechanism for the same is prescribed in sub-rules (4), (4A), (4B) and 4(C) of Rule 30 of the Income-tax Rules, 1962. The prescribed mechanism for TDS deposition in Government Offices is explained in brief as under:

- In Government Accounting System, each DDO who is responsible for tax deduction at source (TDS) is allotted a TAN (Tax Deduction and Collection Account Number) and he is responsible for filing of TDS Statements like Form 24Q and Form 26Q.
- Each DDO reports to a Pay and Accounts Officer (PAO)/District Treasury Office (DTO)/ Cheque Drawing and Disbursing Officer (CDDO)(hereinafter mentioned as 'Accounts Officer'). These persons are allotted AINs (Account Office Identification Numbers).
- The information regarding TDS deducted against payments is passed on by the DDO who holds the TAN to the Accounts Officer who holds the AIN.
- The Accounts Officer makes book entry for the transfer of TDS credit to the account of the Central Government.
- For the purpose of generating book entry in respect of the TDS deducted by the DDOs, the Accounts Officer is required to file Form 24G every month as per ITD Notification no. 41/2010 dated 31 May 2010 using the Accounts Office Identification Number (AIN).
- After filing of Form 24G, Book Adjustment Identification Number (BIN) are generated for each DDO by the Accounts Officer. Thereafter, Accounts Officer communicates the details of BIN generated to the DDO.
- Using the BIN (Book Adjustment Identification Number), the DDO files quarterly TDS/TCS statements in Form Nos. 24Q/26Q/27Q/27EQ (as may be applicable).
- Income Tax Department processes the TDS/TCS statements filed by the DDO, quarterly, and passes on the TDS/TCS credit (as per the quarterly TDS/TCS Statements in Form Nos. 24Q/26Q/27Q/27EQ filed by the DDOs) to the PAN holders relating to whom the tax has been supposedly deducted/collected. The said tax credits are thereafter reflected in Form 26AS/Annual Tax Statement of the PAN holder.

Therefore, it can be seen that in Government Accounting System, TDS credit is passed on to the PAN holder on the basis of book entry.

2. Key terms and dates for Government Deductors to remember: ■■■■■

2.1. Accounts Office Identification Number: ■■■■■

Each Accounts Officer in Government Accounting system is required to obtain a unique seven-digit Accounts Office Identification Number (AIN) from the Income-tax Department through Application to CIT (TDS) concerned. On successful verification of the Application, the application is recommended for allotment of AIN by the CIT(TDS) and sent to NSDL. Thereafter, a unique AIN is allotted to the Accounts Officer.

2.2. Tax Deduction and Collection Account Number: ■■■■■

Each DDO in Government Accounting System is required to obtain a unique Tax Deduction and Collection Number (TAN). Tax Deduction and Collection Account Number is a 10 digit alpha-numeric number issued by the Income Tax Department to the persons who are required to deduct or collect tax on payments made by them under the Indian Income Tax Act, 1961. TAN is allotted by the Income-tax Department on the basis of the application submitted online at NSDL (now known as Protean) website or offline to TIN-Facilitation Centres managed by Protean. On successful processing of the application, Protean will intimate TAN to the applicant at the address specified in the application.

2.3. AIN-TAN mapping ■■■■■

Each DDO who is reporting to Accounts Officer is required to obtain a TAN. The TANs obtained by the DDOs are mapped with AIN number of the Accounts Officer to whom they are reporting.

2.4. Form 24G: ■■■■■

For the purpose of making book entry in respect of the TDS deducted by the DDOs, the Accounts Officer is required to file Form 24G as per ITD Notification no. 41/2010 dated 31 May 2010 using the Accounts Office Identification Number (AIN) on monthly basis.

Using the AIN number, every Accounts Officer shall furnish one complete, correct and consolidated Form 24G in respect of TDS/TCS which has been paid without production of challan for a specific month by 15th of next month. This Form 24G is filed for all the TANs associated with AIN on the NSDL portal having details as under:-

- a. Details of the Accounts Officer filing Form 24G (AIN Number, Name, Demographic information, contact details)

- b. Category of Accounts Officer (Central/State Govt.) along with details of Ministry/State.
- c. Statement details (Month & year for which Form 24G is being filed)
- d. Payment Summary, Nature of deduction (TDS- Salary/ TDS non-salary/TDS non salary non-resident/TCS)
- e. DDO wise payment details (TAN of DDO, Name, Demographic details, total Tax Deducted and remitted to the Govt. Account)

2.5. Book Adjustment Identification Number (BIN):

After filing of Form 24G, Book Adjustment Identification Number (BIN) are generated for each DDO. Thereafter, Accounts Officer communicates the details of BIN generated to the DDO. Using the BIN, the DDO (i.e) the deductor files quarterly TDS/TCS returns in Form 24Q/26Q/27Q and 27EQ statements on TRACES portal and pass on the TDS credit to the PAN holders against whom the TDS was deducted which get reflected in 26AS of the PAN holder. Thereafter, the TDS certificate in Form 16/Form 16A is issued to the PAN holder.

2.6. Due dates for filing of TDS returns/Form 16A:

The due dates for filing of TDS returns and issue of TDS certificates are as under:

Quarter:	Due date for filing of TDS Statements	Due date for issue of TDS certificate in Form 16A *
Quarter 1	31 st July of F.Y.	15 th August of F.Y.
Quarter 2	31 st October of F.Y.	15 th November of F.Y.
Quarter 3	31 st January of F.Y.	15 th February of F.Y.
Quarter 4	31 st May of next F.Y.	15 th June of next F.Y.

(*TDS certificate in Form 16 for TDS deducted U/S 192 is issued annually by 15th of June of next F.Y.)

2.7. Special TAN:

For statutory obligation, a book transfer entry is prepared by the Accounts Officer and sent to the State AG Office. The State AG office accumulates the book transfer entries from all Accounts Officers and draws a consolidated draft in favour of the ITD through challan in ITNS 281 and deposit to the Government Account. The TAN used by the State AG Office for deposit of such challans is generally called 'Special TAN'. The above mechanism of making payment of taxes by State AG through challan and Special TAN is applicable only for State Government. As far as the Central Government Offices are concerned, there is no requirement of making payment of taxes through challan.

3. Checkpoints for the Drawing and Disbursing Officers and Accounts Officers for filing of Form 24G and TDS Statements: ■■■■■

- The person authorized to sign Form 24G is required to pass the Book Entry only after verifying the data received from the TAN holders/DDOs linked to the AIN. Further, he should also reconcile the tax deducted with the budget allocated under the particular Head.
- TAN holders/DDOs are required to provide true and correct information to the AINs in a timely manner to avoid repeated revisions of monthly statements by the AIN holders and consequent revision of Quarterly TDS statements by TAN holders.
- In a case where a particular AIN number and a particular TAN number is not required due to change in organisational structure or for other reasons, the same should be immediately brought to notice of the Jurisdictional TDS AO for deactivation of such AIN/TAN. Such AINs/TANs are liable to be misused if not deactivated.
- The login credentials used for filing monthly or quarterly statements should be within the control of the Officer in charge (AIN Holder or DDO) and he should ensure that the statements are filed properly by the private agency deputed and there is no abuse of TDS/TCS mechanism towards inappropriate end.
- Though the task of filing of TDS returns might have been delegated by the AIN holder or TAN holder to third party agency, the ultimate responsibility to ensure rightfulness of TDS returns filed is of the Government Official only and not of the third party agency.

4. Checkpoints for the Drawing and Disbursing Officers as a Deductor: ■■■■■

- Obtain details of PAN, status of Aadhaar PAN linkage, savings, deductions & exemption claims along with evidences where applicable.
- Obtain information whether the employee is opting for new tax regime or old tax regime.
- Obtain Form 12BB from the employees for the purpose of claiming deductions/exemptions along with documentary evidence. Form 12BB may be obtained well in time, preferably by end of February (to take care of last-minute deduction / exemptions)
- Verify the details in Form 12BB submitted by the employees with evidence of exemptions / deductions claimed and the tax regime opted by the employees.
- Fill Annexure-II (break-up of salary, deduction, income from other sources, house property income and tax liability) of Form 24Q TDS Statements for Quarter-4 of the Financial Year.

- Issue Form-16 after downloading the same from TRACES portal.

Note: DDOs/Employees may also refer to detailed Circular being issued by the Central Board of Direct Taxes every year regarding tax deduction at source u/s 192 of the Income-tax Act. The latest circular issued by the CBDT bearing No. 3/2025 No.24/2022 is available at <https://incometaxindia.gov.in/Pages/communications/circulars.aspx>. Further, provisions of the Income Tax Act, 1961 may be referred to.

Note: If the Government deductor wants to have deep understanding of specific provisions of TDS under which TDS is to be deducted, then he/she may refer to the course available on i-GoT platform titled 'TDS for DDOs'.



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