



## Indian Banks' Association

No.RB/CIR/OTC-IDS/1404A

November 25, 2016

### The Chief Executives of All Member Banks

Dear Sir/Madam,

#### **Income Declaration Scheme 2016 – Grievance regarding non-acceptance by banks of payments under IDS, 2016 through ITNS-286**

We have received a communication dated November 23, 2016 from RBI on the captioned subject along with the Office Memorandum F.No.142/8/2016-TPL (Part) dated November 10, 2016 by the GOI, MOF, Department of Revenue, CBDT [copy enclosed].

It has been alleged that the bank authorities are refusing to accept payment stating that since IDS, 2016 has closed on 30.09.2016 the banks cannot accept the challan beyond the date.

The Office Memorandum mentions about the revised Schedule for Making Payments of tax, surcharge and penalty:

- (i) a minimum amount of 25% of the tax, surcharge and penalty to be paid by 30.11.2016;
- (ii) a further amount of 25% of the tax, surcharge and penalty to be paid by 31.3.2017; and
- (iii) the balance amount to be paid on or before 30.9.2017.

Accordingly, all the member banks are requested to make note of the above time schedule and as directed accept payments under IDS, 2016 upto 30.09.2017 and also for such cases the banks should not seek source of funds. [Kindly refer our appended circular in this regard]

We request you to sensitise your branches accordingly.

Yours faithfully,

**K Unnikrishnan**  
Chief Executive (Offg)



## Indian Banks' Association

**URGENT**

No.RB/CIR/OTC-IDS/1404

November 11, 2016

### **The Chief Executives of All Member Banks**

Dear Sir/Madam,

#### **Acceptance of Cash over the Counter – Income Declaration Scheme 2016**

The Reserve Bank of India (RBI) has issued a Cir.DBR.No.Leg.BC 8/09.07.005/2016-17 dated 8<sup>th</sup> September 2016 where in RBI has advised that banks must invariably accept cash, irrespective of amount, over the counters from all declarants who desire to deposit cash at the counters including deposits under the Income Declaration Scheme 2016 through ITNS Challan – 286.

In this connection, RBI has brought to the notice of IBA that Government has expressed concern that banks are not following direction issued by RBI in relations to deposit of cash and are insisting that depositors should disclose the source of cash deposit. This is against the decided Policy of the Government to keep the declarations made under IDS 2016 confidential.

All the member banks are requested to sensitize their branches to ensure that while identification of customers and walk-in-customers is necessary as per KYC instructions contained in the Master Direction – KYC Circular DBR.AML.BC.No.81/14.01,001/2015-16 dated 25<sup>th</sup> February 2016, banks should not seek sources of funds for cash deposits under IDS-2016.

Yours faithfully,

**K Unnikrishnan**  
Chief Executive (Offg)