

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
09, April, 2020

Sub: Clarification on orders dated 31.03.2020 and 03.04.2020 issued under section 119 of the Income-tax Act, 1961 (the Act) by CBDT vide F. No. 275/25/2020-IT(B) regarding issuance of certificate for lower rate/nil deduction/collection of TDS/TCS u/s 195,197 and 206C (9) of the Income-tax Act, 1961-reg-

Representations have been received, seeking further clarifications on orders dated 31.03.2020 and 03.04.2020 issued under section 119 of the Act by CBDT vide F. No. 275/25/2020-IT(B) regarding issuance of certificate for lower rate/nil deduction/collection of TDS/TCS u/s 195,197 and 206C (9) of the Act. The matter has been examined in the Board and following clarifications w.r.t. above are issued:

- (i) Issue of validity period of lower/nil deduction/collection certificates of F.Y. 2019-20:

For the purpose of Para 2 (a) and 2 (b) of the order dated 31.03.2020, the lower/nil deduction/collection certificates will be valid for the particular period for which these were issued for F.Y. 2019-20 and also for further period from 01.04.2020 to 30.06.2020 for F.Y. 2020-21 subject to conditions as mentioned in the order dated 31.03.2020. For example, if a certificate was issued for a period from 01.10.2019 to 15.12.2019, the same shall be valid for F.Y. 2019-20 for the period from 01.10.2019 to 15.12.2019, and for F.Y. 2020-21 the same shall be valid from 01.04.2020 to 30.06.2020 subject to conditions as mentioned in the order dated 31.03.2020.

- (ii) Issue of threshold/transaction limit for lower/nil deduction/collection certificates of F.Y. 2019-20:

For the purpose of Para 2 (a) and 2 (b) of the order dated 31.03.2020, threshold/transaction limit mentioned in lower/nil deduction /collection certificate issued for F.Y. 2019-20 will be taken fresh for period from 01.04.2020 to 30.06.2020 for F.Y. 2020-21 and the amount of threshold limit will be the same as was assigned for these certificates for F.Y. 2019-20 subject to other conditions mentioned in the order dated 31.03.2010.

(iii) Issue of approval and communication of lower/nil deduction/collection certificates;
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Official emails or other electronic communication may be used by field authorities of Income Tax Department for internal approval for issue of lower/nil deduction/collection certificates and for communication of the same .

- (iv) Issue of new/different TAN mentioned for lower/nil deduction/collection application for FY 2020-21 or revision of rates mentioned in certificates of FY 2019-20:

In case the payee or buyer/licensee/lessee taxpayer had a certificate for lower deduction for FY 2019-20 and an application has been made for FY 2020-21 for a new / different TAN mentioned in the application, the relaxation as provided in Para 2(a) and 2(b) of the order dated 31.03.2020 shall not apply to such cases and they have to apply afresh as per procedure, mentioned in annexure of the above mentioned order. Similarly, if the rates of TDS/TCS mentioned in old certificates are higher and the taxpayer wants revision of the rates in view of impact of Covid-19 outbreak on its business, the relaxation as provided in Para 2(a) and 2(b) of the order dated 31.03.2020 shall not apply to such cases and they will have to follow the procedure mentioned in the annexure of the above mentioned order and apply afresh.

This issues with the approval of Member (IT&R), CBDT.



(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. Pr. DGIT (Systems) to specify the procedure
6. All Pr.CCsIT / Pr.DGsIT
7. All CCsIT /DGsIT
8. CIT(CPC-TDS)
9. Database Cell for uploading on the website www.irs-officeronline.gov.in
10. Web Manager www.incometaxindia.gov.in for uploading on website