

## **Electronic Filing of Returns of Tax Collected at Source Scheme, 2005**

**Notification.-** S.O. 453(E)- In exercise of the powers conferred by sub-section (5B) of section 206C of the Income tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby specifies the following Scheme for electronic filing of return of tax collected at source, namely:-

**1. Short title, commencement and application.-** (1) This Scheme may be called the "Electronic Filing of Returns of Tax Collected at Source Scheme, 2005".

(2) It shall come into force on the date of its publication in the Official Gazette.

(3) It shall be applicable to all persons filing returns of tax collected at source on computer media under sub-section (5B) of section 206C of the Income-tax Act, 1961.

**2. Definitions.- In this Scheme, unless the context otherwise requires,-** (1) "Act" means the Income-tax Act, 1961 (43 of 1961);

(2) "Board" means the Central Board of Direct Taxes constituted under the Central Board of Revenues Act, 1963 (54 of 1963);

(3) "Computer media" means a floppy (3 ½ inch and 1.44 MB capacity) or CD-ROM, and includes on-line data transmission of electronic data to a server designated by e-filing Administrator for this purpose;

(4) "e-collector" means the person responsible for collection of tax at source who is required to furnish e-TCS Return under this scheme;

(5) "e-filing Administrator" means an officer not below the rank of Commissioner of Income-tax designated by the Board for the purpose of administration of this scheme;

(6) "e-TCS Intermediary" means a person, being a company, authorised by the Board to act as e-TCS Intermediary under this scheme;

(7) "e-TCS Return" means a return to be filed under sub-section (5B) of section 206C of the Act duly supported by a declaration in Form No. 27B as prescribed under the Rules;

(8) "Rules" means the Income-tax Rules, 1962;

(9) All other words and expressions used herein but not defined and defined in the Act shall have the meanings respectively assigned to them in the Act.

**3. Preparation of e-TCS Return.-** (1) The e-collector shall use the relevant Form prescribed under the Rules for preparing e-TCS Returns.

(2) The e-collector shall prepare his e-TCS Return according to the data structure to be provided by the e-filing Administrator.

(3) While preparing e-TCS Return, the e-collector shall quote his permanent account number and tax deduction and collection account number as also the permanent account number of all persons in respect of whom tax has been collected by him.

(4) The e-collector shall ensure that all columns of the Forms of the return for tax collection at source, prescribed under the Rules, are duly and correctly filled in.

(5) Each computer media used for preparation of the e-TCS Return shall be affixed with a label indicating name, permanent account number, tax deduction and collection account number and address of the e-collector, the period to which the return pertains, the Form Number of the return and the volume number of the said media in case more than one volume of such media is used.

(6) Separate computer media shall be used for each Form of e-TCS Return by the ecollector.

**4. Furnishing of e-TCS Return.-** (1) The e-collector shall furnish e-TCS Return on computer media to the e-TCS Intermediary duly supported by a declaration in Form No.27B, as prescribed in the Rules, in paper format:

**Provided that** in case any compression software has been used by the e-collector for preparing the e-TCS Return, he shall also furnish such compression software alongwith the e-TCS Return on the same computer media.

(2) In case the e-collector has on-line connectivity with the server of the e-TCS Intermediary, as may be designated by e-filing Administrator for this purpose, he may transmit the electronic data of the e-TCS Return directly to such server and send Form No. 27B on paper format separately to the e-TCS Intermediary.

**5. Procedure to be followed by e-TCS intermediary.-** (1) The e-TCS Intermediary shall receive the e-TCS Return from e-collectors alongwith the declaration in Form No. 27B in paper format.

(2) The e-TCS Intermediary shall perform format level validation and control checks on the e-TCS Returns received by him and on successful completion of the same, the e-filing Administrator shall issue provisional receipt to the e-collector.

(3) The e-TCS Intermediary shall upload the data on e-TCS Return on the server designated by the e-filing Administrator for the purpose of e-TCS Return and check whether the prescribed particulars relating to deposit of the tax collected at source in bank and the permanent account number of the person from whom tax has been collected have been given in the e-TCS Return.

(4) On successful completion of the check, the data of e-TCS Return shall be transmitted by the e-TCS Intermediary to the e-filing Administrator together with the declaration in Form No.27B and the provisional receipt issued shall be deemed to be the acknowledgement of the e-TCS Return.

(5) Where the details of deposit of tax collected at source in bank, the permanent account number, tax deduction and collection account number or any other relevant details are not given in the e-TCS Return, the e-filing Administrator shall forward a deficiency memo to the e-collector with a request to remove the deficiencies within seven days of receipt of the same.

(6) In case the deficiency indicated in the deficiency memo is removed within seven days, the data on e-TCS Return shall be transmitted by the e-TCS Intermediary to the e-filing Administrator and the provisional receipt shall be deemed to be acknowledgement of the e- TCS Return. The date of issue of provisional receipt shall be deemed to be the date of filing of the e-TCS Return.

(7) In case no deficiency memo is issued by the e-filing Administrator within thirty days of issue of the provisional receipt, the provisional receipt issued shall be deemed to be the acknowledgement of the e-TCS Return and the date of issue of provisional receipt shall be deemed to be the date of filing of e-TCS Return.

**6. General responsibilities of e-TCS Intermediary.-** (1) The e-TCS Intermediary shall ensure accurate transmission of the e-TCS Return to the e-filing Administrator:

**Provided that** the e-TCS Intermediary shall not be responsible for any errors or omissions in the return of tax collected at source prepared by the e-collector.

(2) The e-TCS Intermediary shall retain for a period of one year from the end of the relevant financial year in which the return is required to be filed, the electronic data of the TCS Return in the format as specified by the e-filing Administrator.

(3) The e-TCS Intermediary shall retain for a period of one year from the end of the relevant financial year in which the return is required to be filed, the information relating to deficiency memo and provisional receipts issued in respect of the returns filed through it.

(4) The e-TCS Intermediary shall ensure confidentiality of information that comes to his possession during the course of implementation of this scheme, save with the permission of the e-collector, Assessing Officer or e-filing Administrator.

(5) The e-TCS Intermediary shall ensure that all his employees, agents, franchisees, etc., adhere to all provisions of this scheme as well as all directions issued by the e-filing Administrator.

**7. Powers of e-filing Administrator.-** Without affecting the generality of the foregoing provisions, the e-filing Administrator shall -

(1) specify the procedures, data structures, formats and standards for ensuring secure capture and transmission of data, for the day to day administration of this scheme;

(2) ensure compliance by e-TCS Intermediary with the technical requirements of this scheme, including review of the functioning of e-return Intermediary, verification of any complaints, scrutinising advertising material issued by them and such other matters as he deems fit.

**8. Powers of the Board.-** The Board may revoke the authorisation of an e-filing Intermediary on grounds of improper conduct, misrepresentation, unethical practices, fraud or established lack of service to the e-collectors or such other ground as it may deem fit.