IMPORTANT CIRCULAR

TO

ALL OFFICERS IN MAIN OFFICE
ALL SECTIONS IN MAIN OFFICE
ALL SUB OFFICES

SUBJECT:  DEDUCTION OF INCOME TAX AT SOURCE FROM REGULAR PAY BILL

Tulip will automatically deduct income tax and education cess as per the net taxable salary of the employee in terms of income tax rates applicable for the financial year 2019-20 w.e.f. 03/2019 Pay bill. The following are some important aspects to be kept in mind by all concerned for their further necessary action:

1) All the employees who have submitted their provisional home loan certificates for financial year 2019-20 must submit their home loan certificates in the first week of April, 2019 so as to enable this office to calculate the final figures for issue of Form-16 for financial year 2019-20.

2) All the employees who have savings other than GPF/NPS should submit either saving proof or undertaking in support of intended saving during the financial year 2019-20. All saving proofs in original must reach this office by 15/11/2019 by all means otherwise the savings accounted for on the basis of undertaking can not be taken into account.

3) It has been observed that employees are submitting their saving proofs in instalments. It is requested that all savings proofs/ certificates must be forwarded in one batch for proper record of this office. Moreover instead of submitting proper certificates on a/c of interest on home loans/ education loan, the employees are submitting the photocopies of their passbooks, which is not in order. The employee must submit proper certificates obtained from the concerned financial institutions.

4) It has been observed that in some cases home loan certificates are issued in favour of both spouses but the rebates have been claimed by one of the spouse, which is not in order. As per IT Act when the property is in the name of both spouses and loan is also sanctioned in favour of both spouses as co-borrowers, then rebate will be given to both spouses in the ratio 50:50. It is therefore requested to submit loan certificate from concerned financial institution, along with copy of sanction to purchase immovable property issued by concerned DAD office and copy of purchase registry showing the ownership of the property.
5) Further the documents furnished must be legible and clear i.e. a detailed information proforma showing different types of savings under different sections must be shown clearly.

6) All saving certificate must be self attested by concerned employee instead of simply forwarding the same to this office for making all the calculations at our end.

7) Rent receipt must be submitted duly showing the address and name of house owner on prescribed proforma of income tax department. PAN of house owner must be enclosed in case of total rent paid in a financial year is more than One Lakh Rupees.

8) It is further intimated that DDO has full powers to accept or reject the savings of an employee if not satisfied as per IT Act.

9) Whenever any employee is transferred in from any other command, the details of his/her salary details showing earnings and deductions must be submitted along with the request for provisional payment of salary.

The contents of this circular may be got noted from all the employees and acknowledgement be forwarded to this office.

Addl. CDA has seen.

(Anmol Amar Singh)
GO (AN)

AN/V/I.TAX/2019-20
Dt.30/03/2019

Copy to:
The O I/C
EDP Cell(Local) for uploading the same on PCDA(WC) website

(Anmol Amar Singh)
GO (AN)