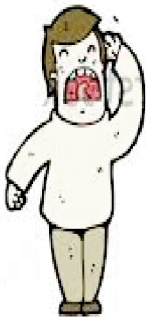


New TDS provisions on purchase of property

I want to purchase this bungalow



I want to sell this bungalow



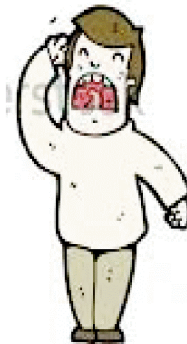
My tax consultant is not giving me time to explain the new provisions of sec. 194IA. What should I do? Oh yes... I should consult ITCD Magazine for this problem



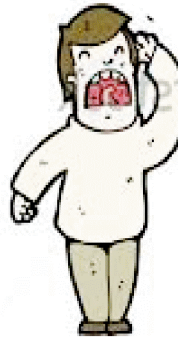
If any person purchases any immovable property other than agriculture land, he shall deduct TDS @ 1% from the sale consideration and deposit the same with the department.



Oh no! In that case I will have to take TAN



No... No... you need not take TAN because in sec. 194IA(3) it is specially mentioned that provisions of sec. 203A shall not apply to a person required to deduct tax u/s 194IA.

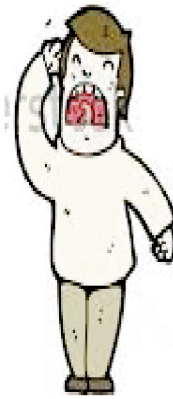


Ok, then what is the rate of tax.



You have to deduct tax @ 1% and that too only where the consideration is Rs. 50 lakh or more.

But when & how will I deposit this amount to the IT department.



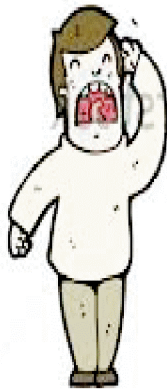
Don't worry, you have to deposit the amount by 7th of the next month from the month on which such tax is deducted. TDS is to be deposited through challan to be generated from official web site of the department.



In which challan I have to deposit this amount and where is it available.



You have to deposit the amount of TDS so deducted through challan cum-statement in form 26QB. This form can only be generated through official web site of the IT department. Only duly filled form generated through web-site can be used for payment of TDS.



Should I also file any return after payment of TDS?



No, you need not file any return.

How I will intimate deposit details to the seller?



You have to issue a certificate in form 16B to the payee within 15 days from the due date for furnishing the challan-cum-statement in form no 26QB under rule 31A after generating & downloading from web-portal. The amount of TDS deposited by you will also be reflected in the statement of seller in IT web site in his form 26AS

