

TDS

Procedure to be followed while deducted TDS.

- 1) TDS is applicable u/s.194(a)(3)(vii) of Income Tax to cooperative banks.
- 2) TDS is applicable to all depositors including all types of Members/Customers who receives interest for Rs.10,000.00 and above for the financial year.
- 3) TDS to be deducted at that time, when accrued(Total interest from all types of deposits) interest of all the deposits for a particular customer exceeds Rs 10000/- for the financial year.
- 4) While deducting TDS, all deposits (FD, Rajathanidhi, RD, Security Deposit,staff security deposit,Pigmy Deposit, Suvarnanidhi Deposit) excluding Savings Bank a/c to be clubbed while calculating interest for TDS and if the interest exceeds Rs.10,000.00, then, TDS to be deducted.
- 5) TDS is applicable with effect from 01.06.2015,
- 6) PAN is to be Given while opening the deposit a/c, also PAN is to be obtained compulsorily for those depositors whose interest exceeds Rs.10,000.00 and those who furnish Form 15G/ Form 15H
- 7) The percentage of TDS is @ 10% if PAN is furnished by the customer.
- 8) The percentage of TDS is @ 20% if PAN is not furnished by the customer.
- 9) Compulsorily PAN proof to be given by the customer.
- 10) TDS is not applicable for firms , Companies, trusts, Associations etc., only if they submit exemption Certificate from the Income tax assesses(i.e., from Income tax department).
- 11) TDS is not applicable for the cooperative society deposits.
- 12) If deposit is opened jointly, first name is considered for deduction of TDS
- 13) If minor deposits accounts are opened, PAN card required
- 14) If deposit account is opened in the name of mentally retarded person,if legal guardian is appointed by the court, then Form 15G/15H details of mentally retard to be entered in Form but signature of legal guardian appointed by the court is to be obtained.
- 15) If TDS is not remitted then imprisonment ranging from 3 months to 7 years accompanied by fine.
- 16) If TAN is not quoted properly, then penalty of Rs.10,000.00 u/s.272(B)(B) is applicable.

15G,15H

Procedure to be followed while giving 15G and 15H.

- 1) Form 15G/15H can be given only from by the customers who have PAN.
- 2) Form 15G is the declaration given from the depositors under general category (Less than 60years) for non-deduction of TDS.
- 3) Form 15H is the declaration given from the depositors under Senior Citizens (60 years and above ie, after completion of 60 years)category for non-deduction of TDS.
- 4) Form 15G/15H can be given from individual, HUF but is not applicable for firm or company, trusts, associations, etc.,.
- 5) a) Form 15G/15H is to be given from the depositors at the time of opening the deposit account with the bank ,if the interest for the deposit exceeds Rs.10,000.00 for the financial year.
- 6) b) If multiple deposit accounts are opened on the same day, then, one single Form 15G/15H could be given
- 7) c)If Deposit accounts opened in previous year exists, then for those accounts one 15g/15H form to be given in the month of April for the financial year.

c) If the deposits are opened on different dates then, different forms to be given for that particular day if the interest exceeds Rs.10,000.00 for the financial year.
- 8) While submitting Form 15G/15H it should be filled by the customers that all the details are duly filled and PAN is correctly mentioned.
- 9) It is the responsibility of the customers to give correct PAN. Hence, xerox copy to be submitted by the customer
- 10) If the income is more than the taxable limit then, Form 15G/15H cannot be given.
- 11) a) Taxable limit varies for every financial year.
Taxable limit for the financial year 2015-16 is as follows:
 - i) Taxable exemption limit is upto Rs.2.5 Lakhs.
 - ii) Taxable exemption limit is upto Rs.3.0 Lakhs for Senior Citizens (From 60 to 80 years).
 - iii) Taxable exemption limit is upto Rs.5.0 Lakhs for Senior Citizens (Above 80 years).

12) FORM 15G/15H to be addressed to - **Commissioner of
Income Tax, No.59, HMT Bhavan, Bellary Road, Bangalore -
560 032.**