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# KARNATAKA EMPLOYERS' ASSOCIATION

NO.74, SHANKARA ARCADE, VANIVILAS ROAD, BASAVANAGUDI  
BENGALURU - 560 004  
Reg. No. TU 507 / 20-3-1962

Date : 01-07-2010

CIRCULAR No.44/2010

To  
All Members of the Association

**Sub: TDS Database clean up drive by Income Tax Department.**  
**Ref: Letter No. Misc/DCIT-16(1)2010-11; dt: 25-6-2010 from**  
**the IT Dept.**

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It is to inform to the members that the Income Tax authorities visited KEA on 29-6-2010 and had discussion with us. During the discussion they informed that in the return of income filed by Individual Tax Payers etc., and returns filed by the Tax Deductors has revealed that, there are entries in the TDS returns filed by individuals/organizations for which the PAN numbers of the deductees have been either wrongly quoted or not quoted. This has resulted in deductees not getting tax credit as far as their individual IT returns are concerned. Such errors have been noticed in respect of taxes that have been deducted/collected by various deductors during the financial year 2008-09 and 2009-10.

In the above matter, the IT authorities have requested Karnataka Employers' Association to circulate the enclosed letter among its members which would help to rectify the above errors. Accordingly, this circular is being issued enclosing the letter of the Deputy Commissioner of Income Tax Department, circle 16(1), Bengaluru dt: 25-6-2010.

for KARNATAKA EMPLOYERS' ASSOCIATION

*B.C. Prabhakar*

(B.C. PRABHAKAR)  
PRESIDENT

Members who have **not renewed**  
their membership for the year  
2010 are requested to renew  
immediately.

GOVERNMENT OF INDIA

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OFFICE OF THE  
DEPUTY COMMISSIONER OF INCOME TAX, CIRCLE 16(1),  
4TH FLOOR, HMT BHAVAN, 59, BELLARY ROAD,  
GANGANAGAR, BANGALORE-32,  
PHONE: 2355 0518

NO.Misc/DCfT 16(1)/2010-11

Dt: 25/06/2010.

To

Sir,

Sub' TDS Database Clean up Drive -reg.

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An analysis of the data in the return of income filed by individual tax payers etc., and returns filed by tax deductors has revealed that, there are entries in the TDS returns for which the Permanent Account Numbers of the deductees have been either wrongly quoted or not quoted. This has resulted in deductees not getting tax credit as far as their individual IT returns are concerned. During the course of this analysis, such errors have been noticed in respect of taxes that have been deducted/collected by various deductors during the financial year 2008-09 and 2009-10.

2. In this connection, such deductors are required to review the TDS returns so filed and file correction statements duly incorporating PAN details etc., immediately. This is very urgent and important. This will ensure that the deductees will get their credit in their individual income tax returns.

3. Further, the deductors are also required to ensure compliance to the TDS/TCS provisions by filing Quarterly returns within the statutory limits during the current financial year i.e., 2010-11. The I.T. Department has prepared a ready references Check list which is provided hereunder for necessary action at your end and also at deductors end.

**CHECK LIST**

|  | Yes                                 | No                                  |
|--|-------------------------------------|-------------------------------------|
| 1) Has the e-TDS statement been filed for :-   |                                     |                                     |
| Financial Year 2008-09   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Financial Year 2009-10   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 2) Have permanent Account Numbers been mentioned for all deductees ?   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 3) Has any deductee informed that his credit is not available in his 26AS Statement ?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 4) Has the record of PAN card copy been obtained from deductees ?  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 5) Are any PANs entered wrongly in the statement with reference to the above ?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 6) In case of non-quoting of PAN or wrong quoting of PAN in the original statement has the correction statements been filed indicating the correct PAN ? | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

**A prompt compliance would enable you to avoid :-**

- 1) Complaints from deductees who do not get credit due to deductors failure.
- 2) Attracting penal/prosecution action as per Income Tax Act.
- 3) Visit by our teams to enforce compliance.

Yours faithfully,

Sd/-  
(PRABHA SHANKAR RAO),  
Dy.Commissioner of Income tax(TDS)  
Circle 16(1), Bangalore.