

FAQ on TAN

1. What is TAN?

Answer: TAN or Tax Deduction and Collection Account Number is a 10 digit alpha numeric number required to be obtained by all persons who are responsible for deducting or collecting tax. It is compulsory to quote TAN in TDS / TCS return (including any e-TDS / TCS return), any TDS / TCS payment challan and TDS / TCS certificates.

2. Why to apply for TAN?

Answer: The provisions of section 203A of the Income-tax Act require all persons who deduct or collect tax at source to apply for the allotment of a TAN. The section also makes it mandatory for TAN to be quoted in all TDS / TCS returns, all TDS / TCS payment challans and all TDS / TCS certificates to be issued. Failure to apply for TAN or comply with any of the other provisions of the section attracts a penalty of Rs. 10,000/-.

3. Why is it necessary to have TAN?

Answer: TAN is required to be quoted in all TDS / TCS returns, all TDS / TCS payment challans and all TDS/TCS certificates to be issued. TDS / TCS returns will not be received if TAN is not quoted and challans for TDS / TCS payments will not be accepted by banks. Failure to apply for TAN or not quoting the same in the specified documents attracts a penalty of Rs. 10,000/-

4. How to apply for TAN?

Answer: An application for allotment of TAN is to be filed in Form 49B and submitted at any of the TIN Facilitation Centers meant for receipt of e-TDS returns. Addresses of the TIN FC are available at www.incometaxindia.gov.in or <http://tin.nsd.com>.

5. Who will allot TAN?

Answer: TAN is allotted by the Income Tax Department on the basis of the application submitted to TIN Facilitation Centers managed by NSDL. NSDL will intimate the TAN which will be required to be mentioned in all future correspondence relating to TDS/TCS.

6. Can an online application be made for allotment of TAN?

Answer: Yes. The application can be made online through <http://tin.nsd.com>.

7. What are the documents that need to accompany the TAN application?

Answer: No documents are required to be filed with the application for allotment of TAN. However, where the application is being made online, the acknowledgment which is generated after filling up the form will be required to be forwarded to NSDL. Detailed guidelines for the procedure are available at <http://tin.nsd.com>

8. What is the fee for filing application for TAN?

Answer: The applicants for TAN are to pay Rs.50/- + service tax (as applicable) as processing fee at the TIN FC at the time of submitting Form 49B.

9. How will the new TAN number be intimated to the deductor?

Answer: NSDL will ensure intimation of new TAN at the address indicated in the Form 49B or against the acknowledgement in case of online applications for TAN.

10. How can a deductor know his TAN if he has an old TAN or if he has earlier applied for TAN but hasn't got TAN?

Answer: TIN Facilitation Centers will help the deductors in ascertaining their correct TAN from the database. TAN can also be verified from the information on the website of Income Tax Department at www.incometaxindia.gov.in. There is a search engine to find new TAN against old TAN or to find new TAN against name and address of the deductor.

11. What happens in a situation where a deductor does not have TAN or has a TAN in old format?

Answer: The deductor will have to file an application in Form 49B at the TIN Facilitation Centre along with application fee (Rs 50/-+ service tax as applicable) for TAN.

12. Is it necessary to apply for different TAN if a deductor has to deduct tax from different types of payments like salary, interest, dividend etc.?

Answer: No. TAN once allotted can be used for all type of deductions. It can also be used in case tax is being collected at source also.

13. Is a separate TAN required to be obtained for the purpose of Tax collection at Source?

Answer: In case a TAN has already been allotted, no separate application needs to be made for obtaining TAN. The same number can be quoted in all returns, challans and certificates for TCS. However, if no TAN has been allotted, a duly filled in Form 49B, along with the application fees is to be submitted at any TIN-FC.

14. Should Government deductors apply for TAN?

Answer: Yes

15. In case of multiple DDOs, should all of them apply for TAN?

Answer: Yes. The name of the Division; name and location of branch or the designation of the person responsible for deducting/collecting tax, whichever is applicable, should be clearly given in the application for allotment of TAN.

16. Can branches of companies / banks have separate TANs?

Answer: Yes. The name and location of branch or the designation of the person responsible for deducting/collecting tax, whichever is applicable, should be clearly given in the application for allotment of TAN

17. What do we have to do if we have been allotted a duplicate TAN by oversight?

Answer: In case duplicate TAN has been allotted, an application may be made for cancellation of the TAN which has not been used in the "Form for Changes or Correction in TAN" which can be downloaded from the website of NSDL (<http://tin.nsd.com>) or printed by local printers or obtained from any other source. The application is also available at TIN Facilitation Centers.

18. How can any change in address or details on the basis of which TAN was allotted be rectified?

Answer: In case any changes or corrections are to be made in the in the data associated with the reformatted or newly allotted 10 digit TAN, the "Form for Change or Correction in TAN data" can be used.

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