

Govt to slap fine on entities not depositing TDS on time

The Revenue Department has asked its officials to take action against those entities which do not promptly deposit with exchequer the tax they collect at source.

"The CBDT has taken serious view of non-filers (of tax deducted at source) and has incorporated a new section 234E in the Act which levies a fee of Rs 200 for everyday of delay and the system does not accept the TDS statement until the delay fee has been paid," Chief Commissioner Income Tax, Delhi-1, M Sailo said at an ASSOCHAM event here.

The Central Board of Direct Taxes (CBDT) has taken serious note of defaulters and has ordered launch of prosecution in appropriate cases, she said.

TDS accounts for 55 per cent of total direct tax collections. Direct tax collections in 2011-12 was about Rs 4.95 lakh crore and in 2012-13 the target has been fixed at Rs 5.70 lakh crore.

She said the tax deductors with a strong tendency of holding back taxes deducted deprives the government of its much needed taxes.

Talking about the computerisation of processes, Sailo said the administration is facing teething problems and asked the assesses to be patient during this course of transition.

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