

**COPY OF-  
INCOME TAX INSTRUCTION  
NO. 2/2011  
DATED 9-2-2011**

**Processing of returns of A.Y. 2010-11 - Section 143 of the Income-tax Act, 1961 -  
Steps to clear backlog**

The issue of processing of returns for Asst. year 2010-11 and giving credit for TDS has been considered by the Board. In order to clear the backlog of returns, the following decisions have been taken:

- (i) In all returns (ITR-1 to ITR-6), where the difference between the TDS claim and matching TDS amount reported in AS-26 data does not exceed Rs. 1 lac, the TDS claim may be accepted without verification.
- (ii) Where there is zero TDS matching, TDS credit shall be allowed only after due verification. However, in case of returns of ITR-1 and ITR-2, credit may be allowed in full, even if there is zero matching, if the total TDS claimed is Rs. five thousand or lower.
- (iii) Where there are TDS claims with invalid TAN, TDS credit for such claims is not to be allowed.
- (iv) In all other cases TDS credit shall be allowed after due verification.

**[F.NO.225/25/2010/ITA-II]**