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{One must know Choti Choti Baten about the tax law}

31st March, 2021

**Regarding
furnishing of Quarterly TDS statements
in Form No. 24Q, 26Q and 27Q
u/s 200(3) of the Income Tax Act, 1961
&
Rule 31A of Income Tax Rules, 1962
for the financial year 2020-21**

1. Section 200(3) of the Income Tax Act, 1961 provides that any person deducting any sum on or after the 1st day of April, 2005 **in accordance with the foregoing provisions of this Chapter or**, as the case may be, any person being an employer referred to in sub-section (1A) of section 192 **shall, after paying the tax deducted** to the credit of the Central Government within the prescribed time, prepare such **statements** for such period as may be prescribed **and deliver** or cause to be delivered to the prescribed income-tax authority or the person authorised by such authority such **statement** in such form and verified in such manner and setting forth such particulars **and** within such time as may be prescribed:
2. It may be noted that such statement is required to be delivered -
 - (i) when any sum is deducted in accordance with the provisions of Chapter XVII-B of the Act;
 - (ii) after paying the tax so deducted to the credit of the Central Government in accordance with the provisions of section 200(1) **and** 200(1A) of the Act.
3. Such statements are to be delivered in the prescribed Forms.
4. These Forms are prescribed in Rule 31A of the Rules.
5. Rule 31A(1) prescribes **Forms** of TDS **statements** as follows:
 - (i) Statement of deduction of tax under section 192 in Form No. 24Q;
 - (ii) Statement of deduction of tax under sections 193 to 196D in Form No. 27Q in respect of the deductee who is a non-resident not being a company or a foreign company or resident but not ordinarily resident

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- (iii) Statement of deduction of tax under sections 193 to 196D in Form No. 26Q in respect of all other deductees
6. Further, rule 31A(4A), (4B) & (4C) also prescribes following **Forms of TDS challan – cum - statements:**
- (i) For TDS u/s 194-IA - Form No. 26QB
 - (ii) For TDS u/s 194-IB - Form No. 26QC
 - (iii) For TDS u/s 194M - Form No. 26QD
7. The time of delivering the statements in **Form 24Q, 26Q and 27Q** are prescribed in Rule 31A(2), which are as follows:
- (i) due date for the quarter ending on 30th June of the financial year – 31st July of the financial year;
 - (ii) due date for the quarter ending on 30th September of the financial year – 31st October of the financial year;
 - (iii) due date for the quarter ending on 31st December of the financial year – 31st January of the financial year;
 - (iv) due date for the quarter ending on 31st March of the financial year – 31st May of the financial year immediately following the financial year in which deduction is made.
8. Accordingly, as per Rule 31A(2) for the financial year 2020-21 the time limits for delivering Statements in Form No. 24Q, Form No. 26Q and Form No. 27Q are as follows:
- (i) for the quarter ended on 30.6.2020 - 31.7.2020;
 - (ii) for the quarter ended on 30.9.2020 - 31.10.2020;
 - (iii) for the quarter ended on 31.12.2020 - 31.1.2021;
 - (iv) for the quarter ended on 31.3.2021 - 31.5.2021.
9. However, *vide* MHA order No. 40-3/2020/-DM-I(A) dated 24.3.2020 r.w. NDMA order No.1-29/2020/PP (Pt. II) dated 24.3.2020, in the wake of worldwide Novel Covid-19 outbreak, first countrywide lockdown was declared and imposed starting from 25.3.2020.
10. To mitigate hardships, Hon'ble President of India promulgated an Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 dated 31.3.2020.
11. As per section 3(1)(b) of the Ordinance any ***time limit*** which has been specified in, or prescribed or notified under, the specified Act (as defined in section 2(1)(a) of the Ordinance) which falls during the period **from 20.3.2020 to 29.6.2020** or such other date after 29.6.2020, as the Central Government may, by notification, specify in this behalf, for the **compliance of such action**, as - ***filing*** of **any** appeal, reply or application or furnishing of any report, document, return, **statement** or such other record, by whatever name called, under the provisions of the specified Act **and** where **compliance of such action** has not been made within such time, then, the time limit for **compliance of such action**, notwithstanding anything contained in the specified Act, **stand extended to the 30.6.2020**, or such other date after the 30.6.2020, as the Central Government may, by notification, specify in this behalf:

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12. The ***time limits*** specified u/s 200(1) r/w Rule 31A(2) for furnishing the TDS statement of The financial year 2020-21 **did not** fall during the period from 20.3.2020 to 29.6.2020.
13. However, in order to further mitigate the hardships due to continued spread of Covid-19, CBDT drawing power from section 3(1)(b) of the Ordinance, issued Notification No. 35/2020 dated 24.6.2020, *vide* which –
 - (i) the period of time limit was **extended** ***from*** “20.3.2020 to 29.6.2020” ***to*** (20.3.2020 to 31.12.2020”, **and**
 - (ii) the time limit for action of furnishing of statements was **extended** to 31.3.2021.
14. The due dates **31.7.2020 and 31.10.2020** falls during the time limit ***from*** 20.3.2020 ***to*** 31.12.2020. Therefore, the specified dates were well covered by the Notification.
15. Accordingly, for the financial year 2020-21 the ***due date*** of **31.7.2020** for the purposes of delivering statement of 1st Quarter was extended to **31.3.2021**.
16. Accordingly, for the financial year 2020-21 the ***due date*** of **31.10.2020** for the purposes of delivering statement of 2nd Quarter was also extended to **31.3.2021**.
17. In order to regularise the provisions of the “Ordinance” dated 31.3.2020 **and** the Notification No. 35/2020 dated 24.6.2020, the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 dated 29.9.2020 was enacted.
18. As per section 3(1)(b) of the “Relaxation and Amendment Act, 2020” the date of delivering the **statements** has been **extended to 31.3.2020**, which of course includes TDS statements in Form No. 24Q, Form No. 26Q and Form No. 27Q.
19. This extension of **31.3.2020** is made in respect of any time-limit specified in, or prescribed or notified, *inter alia*, under the Income Tax Act, 1961 which falls during the period ***from*** **20.3.2020 to 31.12.2020, or such other date after the 31.12.2020, as the Central Government may, by notification, specify in this behalf.**
20. It may not be out of place to mention that the due date for 3rd Quarter of financial year 2020-21 is 31.1.2021. Therefore, how it would be possible that the statements of 1st and 2nd quarter are allowed to be delivered by 31.3.2021, and the statements of 3rd quarter is required to be delivered by 31.1.2021.
21. In this regards it may be mentioned that the Central Government has power to specify further date by way of notification *{kindly refer to para 19 above}*. Therefore, the Central Government shall issue appropriate notification for extension of tile limit of 31.1.2021 relating to 3rd Quarter.
22. It may also not be out of place to mention that since the first extension was made with ***non-obstante*** clause ***“notwithstanding anything contained in the specified Act”***, which was regularised by the Relaxation and Amendment Act, 2020 dated 29.9.2020. Therefore, it over rides the limitation specified in section 200 and rule 31A.

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19.10.2020