CIRCULAR

This is to bring to the notice of all concerned that payments made to Non Resident attract TDS under Section 195 of the Income Tax Act’1961. Generally Payments in the nature of Honorarium Paid to Visiting Scientists, Purchasing of Licensed Software, Chemical Analysis of Samples etc to non resident attract Tax Deduction at Source under Section 195.

It is requested that such payments may kindly be made through bank only either in the form of foreign DD or Wire transfer as the payments as mentioned above is required to be hosted in the Income Tax Website in Form 15CA. A Chartered Accountant’s Certificate in Form 15CB is also required to be obtained in case the payment exceeds the limit as prescribed under Income Tax Act’1961.

A certificate in Form 10F as prescribed under Income tax Act’1961 is required to be obtained in Form 10F from the Non Resident. On compliance of the conditions as stated in Form 10F, benefits of double taxation avoidance agreement can be extended to them. Otherwise tax will be deducted at applicable rates.

Chief Executive (Admin& Finance)

To
All Heads of the Department

Professor In Charge (c.sce)

Director

Head – New Delhi/Bangalore/Chennai/Tezpur Centres

Head-Pune, Mumbai, Hyderabad and Coimbatore Outlying office

Officer In Charge, Giridih Branch

Dy. Chief Executive (Finance)

Accounts Officer-Establishment/Bill Unit