



# मा. बाळासाहेब ठाकरे कृषि व्यवसाय व ग्रामीण परिवर्तन (SMART) प्रकल्प

## प्रकल्प समन्वय व व्यवस्थापन कक्ष

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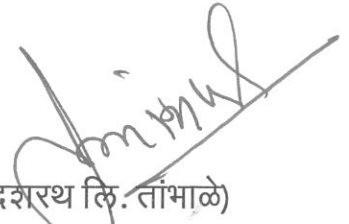
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प्रति,

प्रकल्प अंमलबजावणी कक्ष, स्मार्ट (सर्व)

विषय: - सन २०२२-२३ या आर्थिक वर्षासाठी कर परिपत्रक निर्गमित करणेबाबत.

उपरोक्त विषयान्वये स्मार्ट प्रकल्पांतर्गत योग्य कर अनुपालन सुनिश्चित करण्यासाठी, सन २०२२-२३ आर्थिक वर्षासाठी कर परिपत्रक तयार केले आहे. सदर परिपत्रकात सन २०२२-२३ च्या अर्थसंकल्पातील आयकर TDS, GST TDS आणि व्यवसाय करासाठी असलेल्या तरतुदी विचारात घेतल्या आहेत. परिपत्रकाची प्रत सोबत जोडली आहे. आपणास कळविण्यात येते की, सदर परिपत्रकाचे आपल्या स्तरावरून योग्य अनुपालन व्हावे तसेच आपल्या अधिनस्त असलेल्या कार्यालयांना योग्य त्या सुचना निर्गमित करण्यात याव्यात, ही विनंती.

  
(दशरथ लि. तांभाळे)  
अतिरिक्त प्रकल्प संचालक,  
स्मार्ट प्रकल्प, पुणे

**HON. BALASAHEB THAKARE STATE OF MAHARASHTRA AGRICULTURE  
BUSINESS AND RURAL TRANSFORMATION PROJECT**

**TAX CIRCULAR  
(FOR THE F.Y. 2022-23)**

**A. PROVISIONS OF INCOME TAX FOR SALARY**

**I. Tax Slabs for resident men and women (who is below 60 years at any time during the year).**

Sr.No.	Taxable Salary	Income Tax
1	Upto Rs. 250000	Nil
2	250001 to 500000	5% of the amount by which total income exceeds Rs.250000.
3	500001 to 1000000	Rs.12500 plus 20% of the amount by which the total income exceeds Rs.500000.
4	1000001 and above	Rs.112500 plus 30% of the amount by which the total income exceeds Rs.1000000.

In addition to above, Education cess is applicable @4% on net tax payable (Gross tax payable as calculated by considering above table minus deduction u/s 80(80C,80D,80G,80U other if any and rebate u/s 87A)

**I While calculating salary income following important points to be considered**

- a) **House Rent Allowance:** Deduction of HRA is allowed to employee, if he is residing in rented premises and getting HRA from employer. The Deduction allowed u/s10(14) is considered lower of following:  
1. Actual HRA received  
2. Rent Paid less 10% of Salary(Basic+DA)  
3. 40% (non-metro) or 50% (metro) of Salary
- b) **Fixed Allowances:** It has to be taken care of that for tax calculation purpose Salary includes all allowances given in fixed form.
- c) **Perquisite:** Any payment towards any kind of benefit or perquisite given to employees of Project is to be considered as part of salary for e.g. Insurance premium reimbursement, mobile allowances etc. to staff appointed in Project is taxable in hand of employee as part of salary u/s192.

**II. Deductions from Salary Income**

- a) Rebate U/s 87A of Income Tax Act is available to assessee, whose net taxable income does not exceed Rs.500000/-.  
- Rebate available is  
(1) 100% of tax payable on total income or  
(2) Rs.12500.  
whichever is less.
- b) Standard deduction for salaried employee for F.Y 2021-2022 is Rs.50000/- u/s 16(i)(a)
- c) Limit of Deduction u/s 80C, 80CCC for Investments in LIC, GPF, GIS, PPF, Repayment of housing loan principal, etc. is Rs.150000/-. Additional deduction of Rs.50000/- will be allowed to employee for investment in NPS(National Pension Scheme) 80CCD(1B). So now deduction u/s 80C, 80CCC, 80CCD is Rs.200000 (50000 additional for investment in NPS)

- d) Deduction u/s 80CCD(2) employers contribution to NPS is allowed -lower of following  
1.10% of Salary(salary includes basic+ DA)  
2.Actual Contribution  
whichever is less
- e) Deduction of mediclaim insurance premium paid is allowed u/s 80D is now allowed up to Rs.25000/- and up to Rs.50000/- can be claimed u/s80D for senior citizen (Premium paid for parents above age of 65 years).
- f) Donation to trust and institutions mentioned in section 80G of Income tax Act 1961 also can be claimed as deduction u/s80G depending on conditions specified are satisfied.This deduction can only be claimed when the contribution has been made via cheque or draft or in cash. But deduction is not allowed for donations made in cash exceeding Rs .10,000/-. In-kind contributions such as food material, clothes, medicines etc do not qualify for deduction under section 80G.
- g) Limit of deduction of Housing Loan Interest is Rs.200000/- (Section 24) :
- h) If you taken any loan for higher studies (after completing Senior Secondary Exam), tax deduction can be claimed under Section 80E for interest that you pay towards your Education Loan. This loan should have been taken for higher education for you, your spouse or your children or for a student for whom you are a legal guardian. Principal Repayment on educational loan cannot be claimed as tax deduction.  
There is no limit on the amount of interest you can claim as deduction under section 80E. The deduction is available for a maximum of 8 years or till the interest is paid, whichever is earlier.
- i) Tax Deduction amount under 80GG is maximum up to Rs 60,000/- per annum. Deduction is to be claimed as per the conditions mentioned in the section. Section 80GG is applicable for all those individuals who do not own a residential house & do not receive HRA.
- j) Deduction from gross total income of an individual or HUF, up to a maximum of Rs. 10,000/-, in respect of interest on deposits in savings account with a bank, co-operative society or post office can be claimed under this section. Section 80TTA deduction is not available on interest income from fixed deposits.
- k) TDS from salary to be deposited within one week from the last date of the month in which the deduction is made. Similary quarterly e-TDS retruns to be filed within due date as specified i.e.within one month from end of relevant quarter except for 31st March of relevant financial year due date is 31st May, after closure of relevant financial year.
- l) Similarly deduction is allowed u/s 80DD for medical treatment of dependants (spouse,parents, kids, siblings (mainly dependants)) who have 40% disability, provided specified conditions are satisfied.

- m) Individual can claim deduction u/s 80DDB for treatment of specified critical ailments, provided conditions specified in the section are satisfied.
- n) Tax deduction u/s 80U is allowed for the tax assessee who is physically and mentally challenged.
- o) The extra deduction of Rs. 50000/- in respect on interest on housing loan to first home buyers U/s. 80EE. This incentive is proposed to be extended to a house property of a value less than fifty lakhs rupees in respect of which a loan of an amount not exceeding thirty five lakh rupees has been sanctioned during the period from the 1st day of April, 2016 to the 31st day of March, 2017 or after that.
- p) Under New Section 80EEA tax benefit of interest deduction up to Rs.1,50,000/- for housing loan taken for affordable housing during the period 1.4.2019 to 31.3.2020. The individual taxpayer should be a first-home buyer and should not be entitled to deduction under section 80EE.

III) **Second Option available to assessee/taxpayer for payment of taxes u/s new tax regime**

Sr.No.	Taxable Salary	Income Tax
1	Upto Rs. 250000	Nil
2	250001 to 500000	5%
3	500001 to 750000	10%
4	750001 to 1000000	15%
5	1000001 and 1250000	20%
5	1250001 and 1500000	25%
6	Above 1500000	30%

Under this new tax regime no deduction and exemptions is available to assessee. The only deduction available is Sec 80CCD (2) employers contribution to NPS.

An employee can choose the new tax regime at the beginning of FY 2021-22 and intimate their employer. The employee cannot change their choice anytime during the financial year. However, the change can be done at the time of filing the income tax return.

In case an employee does not choose the new tax regime at the beginning of the financial year, the employer will deduct tax (TDS) under the existing tax regime

A salaried taxpayer can opt-in and opt-out every year. That means you can choose the new tax regime in one year and choose the regular tax regime in another year.

## B. TDS PROVISIONS FOR NON-SALARY

### RATE FOR DEDUCTION AT SOURCE FROM NON SALARY

Sr.No.	Section	Nature of the payment	Cut off amount	Rate of TDS		Remarks
				HUF/Ind	Others	
1	194C(1)	Contracts	30000	1	2	Single bill limit
	194C(2)	Sub-Contracts/Advertisements	30000	1	2	Single bill limit
2	194C(1)	Contracts	100000	1	2	Yearly limit
	194C(2)	Sub-Contracts/Advertisements	100000	1	2	Yearly limit
3	194I	Renting (Land and Building)	240000	10	10	Yearly limit
	194I	Renting (Equipment, P&M, Furniture & Fittings)	240000	2	2	Yearly limit
4	194J	Professional/ Technical Charges	30000	10	10	Single bill limit
5	194Q	Purchase of Goods	5000000	0.1	0.1	Yearly limit

Note:

- 1 TDS is to be deducted @ 20% when PAN no. is not available/provided.

### I. TDS deposit due dates

Sr.No.	Type of Payment	Time Limit	Section
1	Salary	To be deposited <b>within one week from the last date of the month</b> in which the deduction is made.	192A
2	Payment to Contractors/ Sub-Contractors/ Advertisements	To be deposited <b>within one week from the last date of the month</b> in which the deduction is made.	194C
3	Rent	To be deposited <b>within one week from the last date of the month</b> in which the deduction is made.	194I
4	Professional Fees	To be deposited <b>within one week from the last date of the month</b> in which the deduction is made.	194J
5	Purchase of Goods	To be deposited <b>within one week from the last date of the month</b> in which the deduction is made.	194Q

### II. TDS return (salary and non-salary) submission date

Sr.No.	Date of ending of the quarter of the financial year	Due Date
1	30th June	31st July of the financial year
2	30th September	31st October of the financial year
3	31st December	31st January of the financial year
4	31st March	31st May of the financial year

### III Non-compliance of TDS Provisions

- 1) **Interest on delayed deposit and payment of TDS :** The interest rate is 1.5% per month ( and not day basis). If there is delay of even one day in deposit of the TDS amount in bank/treasury then interest @ 1.5% will be levied on the tax amount.  
Similarly if deductor fails to deduct the tax, interest for non deduction of TDS will be paid from the date on which the tax is required to be deducted to the date of actual deduction @1% per month.

2) **Penalty for non filing of quarterly TDS return :** There is late fees u/s. 234E w.e.f. 01.07.2012 of Rs.200/- per day on delay in filing of the TDS return not exceeding the amount of tax deducted. Penalty for late filing or non filing u/s. 271H for false information is furnished in TDS return then penalty ranging from Rs.10000/- to Rs.200000/- can be levied. Even penalty of Rs.100/- per day has also been prescribed.

3) **Online Registration of TANo.:** If any defaults occur in filing of TDS return they can be viewed through login on TRACES site [www.tdscpc.gov.in](http://www.tdscpc.gov.in) (TRACES) The TANo. Should be registered online and then login to TRACES website is available.

4) **Penalty for not downloading Form 16/16A within prescribed time:** It is mandatory on part of employer to file TDS return online within due date as stipulated and issue TDS certificate as downloaded from site of TRACES. TDS certificate in form 16/16A downloaded from TRACES are only valid and should be downloaded from site of TRACES within 15 days of filing of TDS return. Failure with which penalty Rs.100/- per day has been prescribed U/s 272A.

Section 206AB has been inserted w.e.f. July 01, 2021.

5) This new section requires deduction of TDS at the higher rate while making payment to the "Specified person"\*. TDS rates would be higher of the following –  
-at twice the rate specified in the relevant provision of the Act; or  
-at twice the rate or rates in force; or  
-at the rate of five per cent.

\*Meaning of Specified person –

A person who has not filed the returns of income for both of the two assessment years relevant to the two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of section 139 has expired; and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in each of these two previous years :

*Provided that the specified person shall not include a non-resident who does not have a permanent establishment in India.*

*In addition to non-filing of the income tax returns within the due dates, if the specified person does not furnish PAN to the payer, then the TDS rate shall be higher of the rates mentioned above or 20%.*

#### **Non – Applicability of this section**

This provision is not applicable to deduction of tax at source under –

1. Section 192 (i.e. Salary),
2. Section 192A (i.e. Premature withdrawal of employees provident fund),
3. Section 194B (i.e. Winnings from lottery or crossword puzzle),
4. Section 194BB (i.e. Winnings from horse race.),
5. Section 194LBC (i.e. Income from investment in securitisation trust) or
6. Section 194N (i.e. Payment of certain amounts in cash.)

Conclusion:

The new rule requires the payers to verify below three things every time while deducting TDS on making payments to the specified persons:

- a Whether payee's last two years tax deduction and tax collection was Rs. 50,000 or above;
- b Whether the person from whom TDS is deductible has filed his return of income for the previous two years; And for both the previous years, the due date to file the original return has expired.

Note: While making a particular payment, if the due date to file ITR of any of the year has not expired, there is no need to deduct tax at higher rates on that payment.

**Indicative list of Taxes to be deducted according to nature of Expenditure (Relevant to Project)**

Sr.No.	Nature of Expense	Taxes Applicable	Rate	Conditions if any	Payment through Challan No.	Section (If Applicable)
1	Works / Construction Contract with material.	Income Tax TDS	0%	Single bill amount below Rs.30000/- or total of bills during the year below Rs.100000/-		
				When single bill amount exceeds Rs.30000/- or total of bills during the year exceeds Rs.100000/- then		
			1%	Contractor is Indl or HUF	ITNS 281	194C
			2%	Other than Indl and HUF	ITNS 281	194C
				For works contract-		
			2%	When contractor is registered under Goods and Service Tax Act. (As applicable)		
				For all type of civil works.		
2	Labour Contract	Income Tax TDS	1%	If the contractor does not provide the Worker's compensation insurance policy		
			1%	Single bill amount below Rs.30000/- or total of bills during the year below Rs.100000/- otherwise following is applicable		
			1%	Contractor is Indl or HUF	ITNS 281	194C
			2%	Other than Indl and HUF	ITNS 281	194C
			2%	When contractor is registered under Goods and Service Tax Act. (As applicable).		
			1%	In case of civil works only. For e.g. Force method.		
			1%	If the contractor does not provide the Worker's compensation insurance policy.(in case of civil works only) For e.g. Force method.		

3	Payment to Contractor /sub-contractor in transport business	TDS	0%	For contractor /sub-contractor in transport business (owing 10 or less than 10 goods carriage during the previous year) and furnishes his PAN and declaration to that effect(format is enclosed herewith).		194C
			0%	For contractor /sub-contractor in transport business (owing more than 10 goods carriage during the previous year).		194C
			0%	Single bill amount below Rs.30000/- or total of bills during the year below Rs.75000/-.		
			1%	Contractor is Indl or HUF	ITNS 281	194C
			2%	Other than Indl and HUF	ITNS 281	194C
3	a) Payment to Contractual employee having designation in the organisation	TDS on Salary		As per Income tax slab rates given in the and Service Tax Act. (As applicable).	ITNS 281	192B
				Tax Circular ----		
				As per Income tax slab rates given in the Tax Circular ----	ITNS 281	192A
				As per Income tax slab rates given in the Tax Circular ----	MTR 6	
4	Payment to Consultants	TDS	10%	Professional/ Technical Charges above Rs.30000/- for Individual or HUF & also for other than individual & HUF.	ITNS 281	194J
				Single bill amount below Rs.30000/- or total of bills during the year below Rs.100000/- otherwise following is applicable.		
5	Payment for Advertisement	TDS	0%			
			1%	Contractor is Indl or HUF	ITNS 281	194C
			2%	Other than Indl and HUF	ITNS 281	194C
		GST TDS	2%	When contractor is registered under Goods and Service Tax Act. (As applicable)		

6	Renting of Immovable Property	TDS	10%	Renting above Rs.240000/- (Land & Building) for Individual or HUF & also for other than individual & HUF	ITNS 281	1941
		GST TDS	2%	When contractor is registered under Goods and Service Tax Act. (As applicable)		
7	Renting of Machinery Equipment etc.	TDS	2%	Renting above Rs.240000/-(Equipment, P&M, Furniture & Fittings) for Individual or HUF & also for other than individual & HUF	ITNS 281	1941
		GST TDS	2%	When contractor is registered under Goods and Service Tax Act. (As applicable)		
8	Purchase of Goods	TDS	0.1%	Purchase of goods exceeding Rs.50 Lakhs, provided turnover/gross receipts/sales from business exceeding Rs.10 crores in the financial year immediately preceding financial year in which purchase of goods is carried out.	ITNS 281	194Q

**Important Note:**

- I While making payment for goods/services, invoice of relevant parties where GST is is charged in the bill, Invoice should bear GST number. These numbers first to be get confirmed from site of MAHAGST. Then only payment of these taxes are to be made to parties.
- II It is advisable to purchase goods and procure services from registered person in order to contribute towards government initiative towards creation of larger tax base.
- III Similarly Procurement section also consider the GST rating of vendor(from the website of GST)while procuring goods and services.
- IV Similarly for the purchase of goods more than Rs.50000/- (for out of maharashtra purchase) and more than Rs.100000/- (for purchases in Maharashtra) **E-way bill** is compulsory to be accompanied with the goods alongwith other documents e.g.invoice,delivery challan. Such condition must be incorporated in RFQ / tender.

**HON.BALASAHEB THAKARE STATE OF MAHARASHTRA AGRI BUSINESS AND RURAL TRANSFORMATION  
PROJECT  
PROFESSION TAX RATE CHART  
(FOR THE F.Y. 2021-22 )**

**Profession Tax deduction slabs for the F.Y. 2021-22**

Sr.No.	Salary and wage earners- Such persons whose <b>monthly salaries or wages</b>	Profession Tax
1	Do not exceed Rs.7500/-.	Nil
2	Exceed Rs. 7500/- but do not exceed Rs.10000/-	Rs.175/- per month
3	Exceeds Rs.10000/-.	a) Rs. 200 per month except for the month of February. b) Rs. 300/- for the month of February.

**Women employees who earn Salary up to Rs 10,000/- per month are exempted from paying Professional Tax.**

**Liability of the employer to file return (Form IIIB) and payment of tax (from 01/04/2011) onwards**

Sr.No.	Periodicity	Tax Liability during the previous year	Months of salary to be covered	Due date
1	Yearly	Less Rs.100000/- in previous year.	March of the previous year and April to February of the current year	31st March
2	Monthly	Rs.100000/- or more in previous year.	Salary of the previous month	End of the month for which return is filed
3	Monthly	In case of first year of registration.	Salary of the previous month	End of the month for which return is filed

**Important Note:**

- 1) **Interest on delayed deposit of PT :** The interest rate is 1.25% per month ( and not day basis).
- 2) **Late Fees for non filing of monthly/yearly Profession Tax return :** There is late fees of Rs.1000/- per return on nonfiling of the profession tax return. This late fees is to be paid before the submission of the return.

### GST TDS Provisions

Sr.No.	Particulars	Details
1	Persons Liable to Deduct GST TDS	a) Local Authority b) Government Agencies c) Such Persons as may be notified. As per Notification No. 33/2017 dated 15 <sup>th</sup> Sept 17 following persons are notified i) An authority or a board or any other body which has been set up by Parliament or a State Legislature or by a government, with 51% equity ( control) owned by government ii) A society established by the Central or any State Government or a Local Authority and the society is registered under the Societies Registration Act, 1860 iii) Public sector undertakings d) Dept or establishment of Central or State Govt.
2	Tax Rate	Effectively @ 2% (1% Maharashtra SGST and 1% CGST to be separately shown) and for IGST 2%).
3	Contract Limit	Rs. 2,50,000/- (While calculating the limit central tax, state tax, IGST, any cess charged separately in invoice are to be excluded. If taxes are not mentioned separately then tax is to be deducted on whole bill amount) <b>Contract of Supply of goods or services</b> are to be considered. Kindly note that not only Works Contract service will be liable for GST TDS but also any purchase of goods or any hiring of services will be liable for GST TDS.
4	Transaction on which GST TDS not deductible	1) When the contract value is below or equal to Rs.250000/- . 2) No deduction shall be made if the location of the supplier and the place of supply is in a State or Union territory, which is different from the State, or as the case may be, Union Territory of registration of the recipient.
5	Payment of TDS	GST TDS payment is to be done online within 10 days from the end of the Month in which deduction is made.
6	Periodicity of GST TDS return	GST TDS/TCS returns GSTR7 are to be filed on monthly basis i.e. on or before 10 <sup>th</sup> of the following month. If in any month there is no deduction on account of TDS, deductor is not required to file return for that particular month.
7	GST TDS Certificate	GST TDS Certificate in GSTR 7A is to be issued within 5 days from the credit to the government
8	Penalty for Non/Short Deduction of tax	Penalty will be minimum Rs.10000/- or amount equal to tax not deducted/short deducted or not credited to government.
9	Penalty for Non/Delayed issuance of GST TDS certificate	Late fee will be Rs.100/- per day from the due date upto maximum Rs.5000/-.

#### Procedure of Registration under GST Law

1. For obtaining registration as GST deductor, an online application has to be filed and uploaded on site [www.gst.gov.in](http://www.gst.gov.in). The applicant should have valid PAN or TAN, valid email id and mobile number.
2. After successful online application and approval from department Deductor can download registration certificate from portal.
3. If liability to deduct ceases in future, an application can be uploaded on portal requesting cancellation of registration and said registration will be cancelled.