

Clarifications issued by Income Tax Department on Form No. 24Q

1. Particulars to be filled in Annexures I and II:

- (i) In Annexure I, actual figures for the relevant quarter should be reported.
- (ii) In Annexure II, estimated/actual figures for the whole financial year should be given. However, Annexure II is optional for statement for the 1st, 2nd and 3rd quarters. Statement for the last quarter should have actual figures for the whole financial year in Annexure II.

2. Particulars of employees whose income is below the threshold limit / the income after giving deductions for savings etc. is below the threshold limit:

- (i) Particulars of only those employees are to be reported in whose case the estimated income for the whole year is above the threshold limit.
- (ii) In case the estimated income for the whole year of an employee, after allowing deduction for various savings like PPF, GPF, NSC etc., comes below the taxable limit, his particulars need not be included in Form No. 24Q.
- (iii) In case due to some reason, estimated annual income of an employee exceeds the exemption limit during the course of the year, tax should be deducted in that quarter and his particulars be reported from that quarter onwards.

3. Particulars of those employees, who are with the employer for a part of the year:

- (i) Where an employee has worked with a deductor for part of the financial year only, the deductor should deduct tax at source from his salary and report the same in the quarterly statement of the respective quarter(s) up to the date of employment with him. Further, while submitting Form No. 24Q for the last quarter, the deductor should include particulars of that employee in Annexure II irrespective of the fact that the employee was not under his employment on the last day of the year.
- (ii) Similarly, where an employee joins employment with deductor during the course of the financial year, his particulars should be reported by the current deductor in Form No. 24Q of the relevant quarter. Further, while submitting Form No. 24Q for the last quarter, the deductor should include particulars of such employee for the actual period of employment under him in Annexure II.

4. Deduction under section 80C:

While filling up Form No. 24Q, the columns pertaining to sections 88, 88B, 88C and 88D may be left blank. As regards to deduction under section 80C, the same can be shown in the column 342 pertaining to "Amount deductible under any other provision of Chapter VI-A".

5. Explanation for lower/no deduction of tax:

Certificate for lower or no deduction of tax from salary is given by the Assessing Officer on the basis of an application made by the deductee. In cases where the Assessing Officer has issued such a certificate to a deductee, deductor has to mention whether no tax has been deducted or tax has been deducted at lower rate on the basis of such a certificate in column 326.