

MINISTRY OF FINANCE**(Department of Revenue)****(CENTRAL BOARD OF DIRECT TAXES)****NOTIFICATION**

New Delhi, the 25th October, 2018

G.S.R. 1068(E).—In exercise of the powers conferred by sections 197 and 206C read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

1. Short title and commencement.—(1) These rules may be called the Income-tax (Eleventh Amendment) Rules, 2018.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962,-

(I) for rule 28, the following rule shall be substituted, namely:—

“Application for grant of certificates for deduction of income-tax at any lower rates or no deduction of income-tax.

28. (1) An application by a person for grant of a certificate for the deduction of income-tax at any lower rates or no deduction of income-tax, as the case may be, under sub-section (1) of section 197 shall be made in Form No. 13 electronically, —

- (i) under digital signature; or
- (ii) through electronic verification code.

(2) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be, shall lay down procedures, formats and standards for ensuring secure capture and transmission of data and uploading of documents and the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to the furnishing of Form No.13.”;

(II) in rule 28AA, —

(A) in sub-rule (2), —

- (a) in clause (ii), for the words “income, as the case may be, of the last three”, the words “or estimated income, as the case may be, of last four” shall be substituted;
- (b) in clause (iv), after the word “payment”, the words “, tax deducted at source and tax collected at source” shall be inserted;
- (c) clause (v) and clause (vi) shall be omitted;

(B) for sub-rule (4), sub-rule (5) and sub-rule (6), the following sub-rules shall, respectively, be substituted, namely:—

“(4) The certificate for deduction of tax at any lower rates or no deduction of tax, as the case may be, shall be issued direct to the person responsible for deducting the tax under advice to the person who made an application for issue of such certificate:

Provided that where the number of persons responsible for deducting the tax is likely to exceed one hundred and the details of such persons are not available at the time of making application with the person making such application, the certificate for deduction of tax at lower rate may be issued to the person who made an application for issue of such certificate, authorising him to receive income or sum after deduction of tax at lower rate.

(5) The certificates referred to in sub-rule (4) shall be valid only with regard to the person responsible for deducting the tax and named therein and certificate referred to in proviso to the sub-rule (4) shall be valid with regard to the person who made an application for issue of such certificate.

(6) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be, shall lay down procedures, formats and standards for issuance of certificates under sub-rule (4) and proviso thereto and the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to the issuance of said certificate.”;

(III) in rule 28AB, —

(A) in sub-rule (2), —

- (a) in clause (i), the word “and” shall be inserted at the end;
- (b) in clause (ii), the words “and” occurring at the end shall be omitted;
- (c) clause (iii) shall be omitted.

(IV) for rule 37G, the following rule shall be substituted, namely: —

“Application for certificate for collection of tax at lower rates under sub-section (9) of section 206C

37G. (1) An application by the buyer or licensee or lessee for a certificate under sub-section (9) of section 206C shall be made in Form No. 13 electronically, -

- (i) under digital signature; or
- (ii) through electronic verification code.

(2) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be, shall lay down procedures, formats and standards for ensuring secure capture and transmission of data and uploading of documents and the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to the furnishing of Form No.13” ;

(V) in rule 37H, —

(a) for sub-rule (1), the following sub-rules shall be substituted, namely:-

“(1) Where the Assessing Officer, on an application made by a person under sub-rule (1) of rule 37G is satisfied that existing and estimated tax liability of a person justifies the collection of tax at lower rate, the Assessing Officer shall issue a certificate in accordance with the provisions of sub-section (9) of section 206C for collection of tax at such lower rate;

(1A) The existing and estimated tax liability referred to in sub-rule (1) shall be determined by the Assessing Officer after taking into consideration the following, namely: —

- (i) tax payable on estimated income of the previous year relevant to the assessment year;
- (ii) tax payable on the assessed or returned or estimated income, as the case may be, of the last four previous years;
- (iii) existing liability under the Act and the Wealth-tax Act, 1957 (27 of 1957);
- (iv) advance tax payment, tax deducted at source and tax collected at source for the relevant assessment year relevant to the previous year till the date of making application under sub-rule (1) of rule 37G.”;

(b) after sub-rule (5), the following sub-rule shall be inserted, namely : —

“(6) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be, shall lay down procedures, formats and standards for issuance of certificate under sub-rule (5) and the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to the issuance of said certificate.”;

(VI) in Appendix II, for Form No.13, the following shall be substituted, namely:—

“FORM No. 13

[See rules 28 and 37G]

Application by a person for a certificate under section 197
and/or sub-section (9) of section 206C of the Income-tax Act, 1961, for no
deduction of tax or deduction or
collection of tax at a lower rate

To

The Assessing Officer,

1. I, _____ of _____ do, hereby, request that a certificate may be issued to the person responsible for paying me the incomes/sum, authorising him, not to deduct/deduct income-tax at lower rate, at the time of payment of such income/sum to me. The details are specified in Annexure-I.

and/or

- I, _____ of _____ do, hereby, request that a certificate may be issued to me for receiving the incomes/sum:-
(i) after deduction of income-tax at lower rate as I do not have the details of the person making payments and their number is likely to exceed _____.
(ii) without deduction of income-tax as this application is made for the person/entity specified in rule 28AB. The details are specified in Annexure-II.

and/or

- I, _____ of _____ do, hereby, request that a certificate may be issued to the Seller/Lessor/Licensor, authorising him to collect income-tax at lower rate at the time of debit of such amount to my account or receipt thereof from me, as the case may be. The details are specified in Annexure-III.

2. The particulars of my income and other relevant details are as under :

(i) Status (State whether individual, Hindu undivided family, firm, body of individuals, company etc.)	
(ii) Residential status (Whether resident / resident but not ordinarily resident / non-resident during the year which is sought)	
(iii) Permanent Account No.	
(iv) E-mail ID	
(v) Mobile Number	

(vi) Details of existing liability under the Act and the Wealth-tax Act, 1957:—

Assessment Year	Liability under the Income-tax Act, 1961				Amount payable under the Wealth-tax Act, 1957	Remarks
	Amount payable in respect of advance-tax	Amount payable for self-assessment tax	Amount for which notice of demand under section 156 has been served but not paid	Amount payable as deductor or collector which had become due but not paid		
(1)	(2)	(3)	(4)	(5)	(6)	(7)

(vii) Previous year to which the payments/receipts relate							
(viii) Estimated total income of the previous year referred to in (vii) (Please upload computation of estimated total income of the previous year)							
(ix) Total tax including interest payable for the total income referred to in (viii)							
(x) Details of income claimed to be exempt and not included in the total income in (viii) (Please upload a note giving reason for claiming such exemption)							
(xi) Details of payment of advance-tax and tax deducted/collected, if any, for the previous year referred to in (vii) till date							
	Nature of prepaid tax	Amount of Total Tax Paid					
	Advance Tax						
	TDS						
	TCS						
(xii) whether exemption under section 10, section 11 or section 12 is claimed (Yes/No) (If Yes, please upload registration/exemption certificate/approval, if any, issued by the Income-tax Authority)							
(xiii) Where return of income for any of the four previous year preceding to the previous year referred to in (vii) has not been filed, please upload a computation of estimated total income of the previous year for which return of income has not been filed.							
(xiv) Where return of income for any of the four previous year has been filed in paper form, please upload the copy of such returns.							
<p>I, _____ do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and truly stated, I declare that the incomes/sum referred to in this form are not includible in the total income of any other person under sections 60 to 64 of the Act. I further declare that what is stated in this application is correct. I also declare that I am making application in my capacity as _____ and I am also competent to make this application and verify it. I am holding permanent account number _____ (if allotted).</p> <p>Date: _____ Signature _____</p> <p>Place: _____ Address _____</p>							
ANNEXURE I							
[For the purpose of tax deduction at source]							
Please furnish following particulars in respect of the income/sum for which the certificate is sought							
Sl.No.	Tax deduction and collection account number (TAN) or Permanent account number (PAN) of the person making payment	Section under which tax at source is to be deducted	Estimated amount of income/sum to be received	Requested rate of Deduction (Please fill '0' where 'NIL' deduction is requested)			
(1)	(2)	(3)	(4)	(5)			

ANNEXURE II

[For the purpose of tax deduction at source]

Please furnish following particulars in respect of the income/sum for which the certificate is sought. (Please upload a note justifying the issue of certificate under proviso to the sub-rule (4) of rule 28AA)

Sl.No.	Section under which tax at source is to be deducted	Estimated amount of income/sum to be received	Requested rate of Deduction
(1)	(2)	(3)	(4)

ANNEXURE III

[For the purpose of tax collection at source]

Please furnish following particulars in respect of amount payable for which the certificate is sought

Sl.No.	Tax deduction and collection account number (TAN) or Permanent account number (PAN) of the Seller/Lessor/Licensor	Sub-section under which tax at source is to be collected [Please specify as per table given below the sub-section(s)]	Estimated amount to be debited/paid	Requested rate of collection
(1)	(2)	(3)	(4)	(5)

Date:

Signature

Place:

Address".

[Notification No.74/2018/F. No. 370142/10/2018-TPL]

Dr. T. S. MAPWAL, Under Secy. (Tax Policy and Legislation)

Note : The Principal Rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii) *vide* notification number S.O. 969(E), dated the 26th of March, 1962 and were last amended *vide* notification number G.S.R. 1054(E) dated the 23rd of October, 2018.