

GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

No. 23966 /F,
FIN-WM-ACCT-0001/2012 (pt)

Dt. 15-07-2019

From

Shri A. K. K. Meena, IAS
Principal Secretary to Government

To

**All Departments of Government/
All Heads of Departments/
Chief Executives of State Public Sector Under takings.**

Sub: Deduction of tax from salary by the DDOs of Government of Odisha

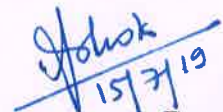
Sir,

In inviting a reference to the subject cited above, I am directed to say that the Commissioner of Income Tax (TDS), Bhubaneswar has intimated vide letter No. CIT (TDS)/BBSR/TDS u/s 192/2019-20/1812 dated 10.07.2019 that the DDOs have deducted TDS at lesser amount in initial months while deducting nearly 50% of the tax in the last month of Financial Year i.e. February 2019. The copy of the aforesaid letter along with the abstract showing month-wise total tax deducted from salary by DDOs of Government of Odisha during the financial year 2018-19 is enclosed herewith for reference.

This is in violation of the Income Tax provisions of section 192 of Income Tax Act. This will lead to the concerned DDO's being penalized u/s 201(1A) by charging interest which will be a personal liability.

It is, therefore, requested to issue suitable instructions to all the Controlling Officers and Drawing & disbursing Officers/tax deductors (from salary) under your control for deduction of income tax at the average rate as per the provisions of section 192 of Income Tax Act to avoid penal consequences u/s 201(1A) in future.

Yours faithfully,


Principal Secretary to Government

Memo No. 23967 /F, dated 15.07.2019
Copy forwarded to all Collectors for kind information and necessary action.

MM
15/7/19

Under Secretary to Government

Memo No. 23968 /F, dated 15.07.2019
Copy forwarded to the Director of Treasuries & Inspection (O), Bhubaneswar for kind information and necessary action. It is requested to host the letter in the website of IFMS for information of all concerned.

MM
15/7/19

Under Secretary to Government

Memo No. 23969 /F, dated 15.07.2019
Copy forwarded to all Treasury Officers of District Treasuries and Special Treasuries/ Sub-Treasury Officers for information and necessary action.

MM
15/7/19

Under Secretary to Government

Memo No. 23970 /F, dated 15.07.2019
Copy forwarded to all Officers / Branches of Finance Department for information and necessary action.

MM
15/7/19

Under Secretary to Government

Memo No. 23971 /F, dated 15.07.2019
Copy forwarded to the Executive Director, CMGI, A-2 First Floor, Toshali Bhawan, Satysnagar, Bhubaneswar for kind information. It is requested to kindly host letter in the website of HRMS for information of all concerned.

MM
15/7/19

Under Secretary to Government

Memo No. 23972 /F, dated 15.07.2019
Copy forwarded to Head Portal Group, Central Computing Facility, Secretariat, Bhubaneswar for information and necessary action. He is requested to host the letter in the website of Finance Department.

MM
15/7/19

Under Secretary to Government



Government of India
Income Tax Department

OFFICE OF THE COMMISSIONER OF INCOME TAX(TDS)

2nd FLOOR, AAYAKAR BHAWAN ANNEXE, RAJASWA VIHAR, BHUBANESWAR-751007

emial: bhubaneswar.cit.tds@incometax.gov.in

No.CIT(TDS)/BBSR/TDS u/s 192/2019-20/
Dated, Bhubaneswar the 10th July 2019.

1812

To

The Principal Secretary,
Finance Department,
Govt. of Odisha,
Secretariat, Bhubaneswar.

Sir,

Din(ss)

Let us

issue

all the

DDOs.

instructions

Ashok.
12/7/19.

Sub: Deduction of tax from salary by the DDOs of Govt. of Odisha-average rate-matter regarding.

Kindly refer to the above.

I may kindly bring to your attention that total tax deducted by the DDOs of Govt. of Odisha and deposited by book adjustment during the Financial Year 2018-19 was Rs.479,87,09,228/- . The detail of tax deposited is enclosed at Annexure-1. On verification of TDS details it is seen that the DDOs are **deducting TDS at lesser amount in initial months while deducting nearly 50% of the tax in the last month of Financial Year i.e. February 2019.** Average TDS considering total deposit of last financial year comes around Rs. **40 crores.** For the month of March 2019 (Accounts for April 2019) the DDOs have deducted and deposited only **13 crores.**

This is in violation of the Income Tax provisions of section 192. **This will lead to the concerned DDO's being penalized u/s 201(1A) by charging interest which will be a personal liability.**

While this trend is being noticed in the case of almost all DDOs of Govt. of Odisha, some of the cases are highlighted in the Annexure.

Therefore, it is requested that the DDOs may kindly be advised to deduct tax at the average rate to avoid penal consequences in future.



Enc: As above.

Yours faithfully,

A. K. Mohapatra

(A. K. Mohapatra)

Commissioner of Income Tax(TDS)

Bhubaneswar

Annexure - 1

**Total tax deposited from Salary by DDOs of Govt. of Odisha during
F.Y. 2018-19**

Salary month from which TDS made	Accounts Month	Tax Deposited as reported by AG	Total Tax Deposited	% of total
Mar-18	Apr-18	95642073	95642073	1.99
Apr-18	May-18	227233021		
Apr-18	May-18	27731	227260752	4.74
May-18	Jun-18	297454068		
May-18	Jun-18	41943	297496011	6.20
Jun-18	Jul-18	309624		
Jun-18	Jul-18	236096299		
Jun-18	Jul-18	39761	236445684	4.93
Jul-18	Aug-18	213146290		
Jul-18	Aug-18	40310	213186600	4.44
Aug-18	Sep-18	195012008		
Aug-18	Sep-18	36045	195048053	4.06
Sep-18	Oct-18	212995646		
Sep-18	Oct-18	35110	213030756	4.44
Oct-18	Nov-18	223646757		
Oct-18	Nov-18	31869	223678626	4.66
Nov-18	Dec-18	45710		
Nov-18	Dec-18	240516131	240561841	5.01
Dec-18	Jan-19	6635		
Dec-18	Jan-19	267642674	267649309	5.58
Jan-19	Feb-19	377834186	377834186	7.87
Feb-19	Mar-19	736958083		
Feb-19	Mar-19	736958083		
Feb-19	Mar-19	736958083		
Feb-19	Mar-19	1088	2210875337	46.07
		4798709228	4798709228	100