



कर्मचारी भविष्य निधि संगठन
Employees' Provident Fund Organisation

(श्रम एवं रोजगार मंत्रालय, भारत सरकार)
(Ministry of Labour & Employment, Govt. Of India)
मुख्य कार्यालय / Head Office

भविष्य निधि भवन, 14 भौकाएजी कामा प्लेस, नई दिल्ली - 110066.
Bhavishya Nidhi Bhawan, 14-Bhikaji Cama Place, New Delhi-110066
Phone: 011 - 26172685, Fax: 011-26173022, e-mail: rc.in@epfindia.gov.in

No. WSU/6(1)2011/IT/Vol- IV

Date:

To

5981

21 MAY 2015

All Addl. CPFC (Zones)
All RPFC/OIC of
ROs/SROs.

Sub: Amendment in Section 192A of the IT Act, 1961- Instructions for deduction of TDS on withdrawal from PF.

Ref: Head Office circular of even number dated 18.03.2015.

Sir/Madam,

The Finance Act, 2015 (20 of 2015) has inserted a new section 192A regarding the payment of accumulated provident fund balance due to an employee. The provision shall take effect from 1st June, 2015. A copy of the said provision is enclosed for information.

2. Income Tax shall be deducted at source (TDS) at the following rates if at the time of payment of the accumulated PF balance is more than or equal to Rs. 30,000/-, with service less than 5 years:-

- TDS will be deducted @ 10% provided PAN is submitted. In case Form No. 15G or 15H is submitted by the member, then no TDS shall be deducted.
- TDS will be deducted @ maximum marginal rate (i.e. 34.608%) if a member fails to submit PAN (and no Form No 15G or 15H).

3. TDS shall **not** be deducted in respect of the following cases:-

- **Transfer of PF** from one account to another PF account.
- Termination of service due to ill health of member, discontinuation/contraction of business by employer, completion of project or other cause beyond the control of the member.
- If employee withdraws PF after a period of five years of continuous service, including service with former employer.
- If PF payment is less than Rs. 30,000/- but the member has rendered service of less than 5 years.
- If employee withdraws amount more than or equal to Rs. 30,000/-, with service less than 5 years but submits Form 15G/15H along with their PAN

A flow-chart is appended for understanding the implications of the amended provisions in the Income Tax Act, 1961.

4. Kindly take note that TDS is deductible at the time of payment of provident fund in Form No. 19. Form No. 15H is for senior citizens (60 years & above) while Form No. 15G is for individuals having no taxable income. Form 15G & 15H are self-declarations and may be accepted as such in duplicate. Form 15G and 15H may not be accepted if amount of withdrawal is more than Rs. 2,50,000/- and Rs. 3,00,000/- respectively. Members shall quote PAN in Form No. 15G/15H and in Form No. 19. The field offices may purchase pre-printed Form No. 15G & 15H to assist the members in filling up Form No. 19.

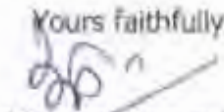
5. The process for authorization of Form No. 19 shall be as per the existing system. However, wherever TDS has to be deducted @10%, the same may be approved on Form No. 19 by the APFC (Accounts). Wherever the TDS has to be deducted @34.608%, the same may be approved on Form No. 19 by a RPF level officer. These instructions shall apply in initial stages of implementation of the amended income tax provisions. Since the members may not be aware of the new provisions, therefore, it shall be the responsibility of SSA (Accounts) to communicate the same to the member on telephone and record the same in Form No. 19 to submit PAN, Form No. 15G/15H, if applicable. A system generated statement of Tax Deducted at Source (TDS) may invariably be sent to the member.

6. Members who have rendered continuous service of 5 years or more, including service with former employer, shall not be required to submit PAN and Form No. 15G/15H along with Form No. 19. Similarly, members whose service has been terminated due to his ill health, contraction or discontinuance of business of employer or other cause beyond the control of the member shall not be required to submit PAN, Form No. 15G/15H alongwith Form No. 19. In such cases, **no income tax (TDS)** shall be deducted in terms of Rule 8 of Fourth Schedule to the Income Tax Act, 1961.

7. The field offices shall deposit the Tax Deducted at Source (TDS) and returns thereof by 7th of the following month. The existing TAN number obtained the respective offices may be used to deposit tax to the local income tax authority. The in-house responsibility for deposit of tax and returns thereof shall lie with Drawing & Disbursing Officer (DDO) as per the existing system. The concerned officers and staff may be given an in-house training for implementation of new provisions and RPFs may engage CAs, who are on our panel.

8. The above should be made applicable with effect from 01.06.2015 and all steps should be taken before hand such as procuring copies of Form 15G and 15H. In case of any clarification, the same may be escalated to the Head Office.

Encl: As above

Yours faithfully,

(Sanjay Kumar)
FA&CAO





भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 24] नई दिल्ली, बुधवार, मई 14, 2015/ वैशाख 24, 1937 (सक)
No. 24] NEW DELHI, THURSDAY, MAY 14, 2015/VAISAKHA 24, 1937 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 14th May, 2015/Vaisakha 24, 1937 (Saka)

The following Act of Parliament received the assent of the President on the 14th May, 2015, and is hereby published for general information:—

THE FINANCE ACT, 2015

No. 20 OF 2015

[14th May, 2015.]

An Act to give effect to the financial proposals of the Central Government for the financial year 2015-2016.

Enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Finance Act, 2015.

(2) Save as otherwise provided in this Act, sections 2 to 81 shall be deemed to have come into force on the 1st day of April, 2015.

Short title and commencement

CHAPTER II

RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 2015, income-tax shall be charged at the rates specified in Part I of the First Schedule and such tax shall be increased by a surcharge, for purposes of the Union, calculated in each case in the manner provided therein.

Income-tax

section 253, direct the Assessing Officer to make an application to the Appellate Tribunal in the prescribed form within sixty days from the date of receipt of the order of the Commissioner (Appeals) stating that an appeal on the question of law arising in the relevant case may be filed when the decision on the question of law becomes final in the other case.

(2) The Commissioner or Principal Commissioner shall direct the Assessing Officer to make an application under sub-section (1) only if an acceptance is received from the assessee to the effect that the question of law in the other case is identical to that arising in the relevant case; and in case no such acceptance is received, the Commissioner or Principal Commissioner shall proceed in accordance with the provisions contained in sub-section (2) or sub-section (2A) of section 253.

(3) Where the order of the Commissioner (Appeals) referred to in sub-section (1) is not in conformity with the final decision on the question of law in the other case, the Commissioner or Principal Commissioner may direct the Assessing Officer to appeal to the Appellate Tribunal against such order and save as otherwise provided in this section all other provisions of Part B of Chapter XX shall apply accordingly.

(4) Every appeal under sub-section (3) shall be filed within sixty days from the date on which the order of the Supreme Court in the other case is communicated to the Commissioner or Principal Commissioner.

41. In section 192 of the Income-tax Act, after sub-section (2C), the following sub-section shall be inserted with effect from the 1st day of June, 2015, namely:—

Amendment of section 192.

“(2D) The person responsible for making the payment referred to in sub-section (1) shall, for the purposes of estimating income of the assessee or computing tax deductible under sub-section (1), obtain from the assessee the evidence or proof or particulars of prescribed claims (including claim for set-off of loss) under the provisions of the Act in such form and manner as may be prescribed.”

42. After section 192 of the Income-tax Act, the following section shall be inserted with effect from the 1st day of June, 2015, namely:—

Insertion of new section 192A.

“192A. Notwithstanding anything contained in this Act, the trustees of the Employees' Provident Fund Scheme, 1952, framed under section 5 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 or any person authorised under the scheme to make payment of accumulated balance due to employees, shall, in a case where the accumulated balance due to an employee participating in a recognised provident fund is includible in his total income owing to the provisions of rule 8 of Part A of the Fourth Schedule not being applicable, at the time of payment of the accumulated balance due to the employee, deduct income-tax thereon at the rate of ten per cent.:

Payment of accumulated balance due to an employee.

Provided that no deduction under this section shall be made where the amount of such payment or, as the case may be, the aggregate amount of such payment to the payer is less than thirty thousand rupees:

Provided further that any person entitled to receive any amount on which tax is deductible under this section shall furnish his permanent account number to the person responsible for deducting such tax, failing which tax shall be deducted at the maximum marginal rate.”

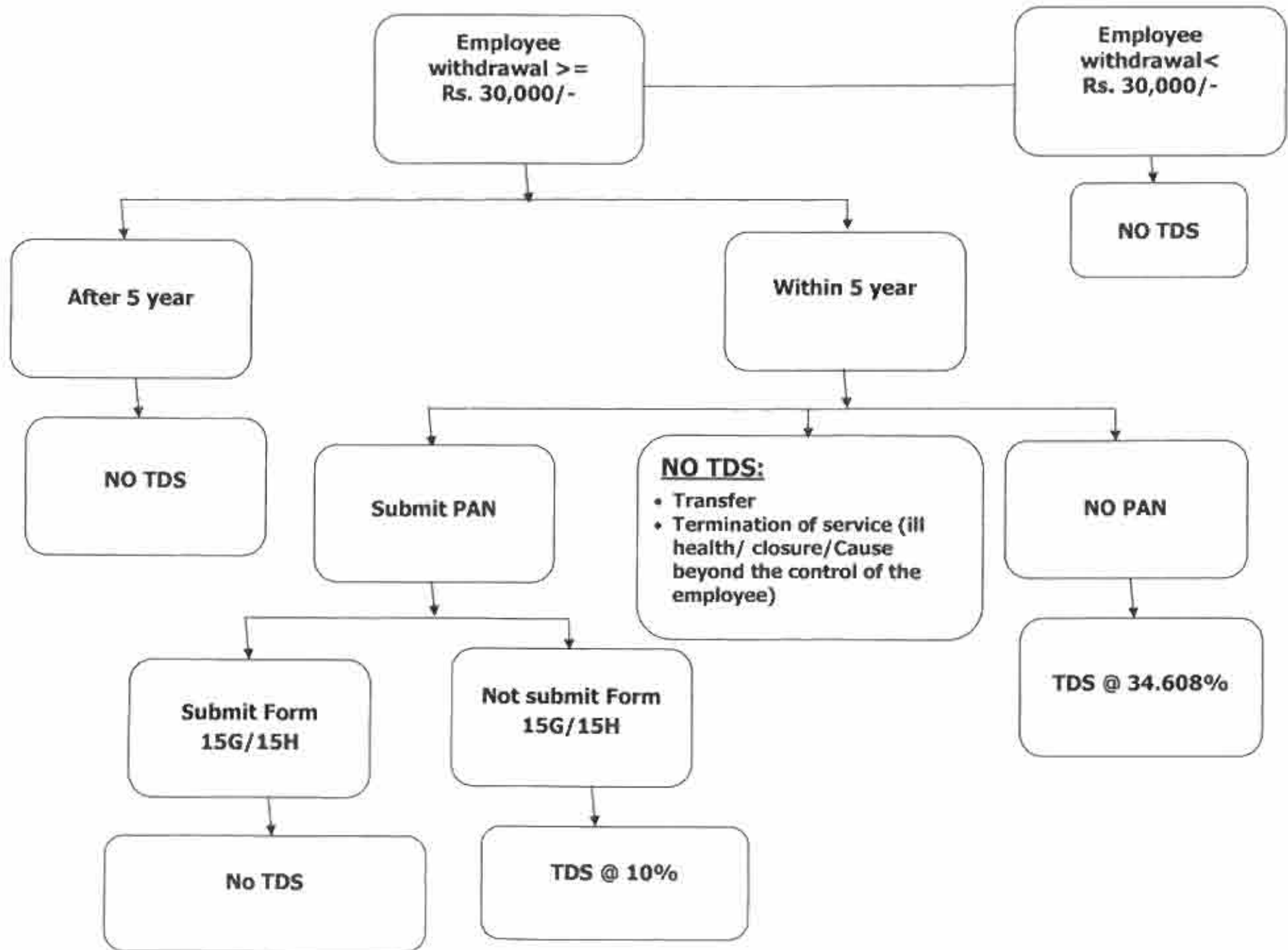
43. In section 194A of the Income-tax Act, in sub-section (3), with effect from the 1st day of June, 2015:—

Amendment of section 194A.

(a) in clause (i), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that the amount referred to in the first proviso shall be computed with reference to the income credited or paid by the banking company or the co-operative society or the public company, as

FORM NO. 19 - TDS



INCOME TAX ACT, 1961

RULE 8, FOURTH SCHEDULE

PART A: RECOGNISED PROVIDENT FUNDS

8. Exclusion from total income of accumulated balance.- The accumulated balance due and becoming payable to an employee participating in a recognised provident fund shall be excluded from the computation of his total income—

(i) if he has rendered continuous service with his employer for a period of five years or more, or

(ii) if, though he has not rendered such continuous service, the service has been terminated by reason of the employee's ill-health, or by the contraction or discontinuance of the employer's business or other cause beyond the control of the employee, or

(iii) if, on the cessation of his employment, the employee obtains employment with any other employer, to the extent the accumulated balance due and becoming payable to him is transferred to his individual account in any recognised provident fund maintained by such other employer.

Explanation.—Where the accumulated balance due and becoming payable to an employee participating in a recognised provident fund maintained by his employer includes any amount transferred from his individual account in any other recognised provident fund or funds maintained by his former employer or employers, then, in computing the period of continuous service for the purposes of clause (i) or clause (ii) the period or periods for which such employee rendered continuous service under his former employer or employers aforesaid shall be included.

FORM NO. 15G

[See section 197A(1), 197A(LA) and rule 29C]

Declaration under section 197A(1) and section 197A (1A) of the Income-tax Act, 1961 to be made by an individual or Person (not being a company or firm) claiming certain receipts without deduction of tax.

PART - I

- 1] Name of Assessee (Declarant) :
- 2] PAN of the Assessee:
- 3] Assessment Year
(for which declaration is being made) :
- 4] Flat / Door / Block No. : 5] Name of Premises :
- 6] #Status
- 7] Assessed in which Ward / Circle :
- 8] Road / Street / Lane : 9] Area / Locality :
- 10] AO Code (under whom assessed last time)
Area Code AO Type Range Code AO No.
- 11] Town / City / District : 12] State :
- 13] PIN
- 14] Last Assessment Year
in which assessed :
- 15] Email : 16] Telephone No. (with STD Code)/ Mobile No :
- 17] Present Ward / Circle :
- 18] Residential Status
(within the meaning of Section 6 of Income Tax Act, 1961):
- 19] Name of Business / Occupation :
- 20] Present AO Code (if not same as above):
Area Code AO Type Range Code AO No.
- 21] Jurisdictional Chief Commissioner of Income Tax or
Commissioner of Income Tax (if not assessed to income tax earlier):
- 22] Estimated total income from the sources mentioned below: (Please tick the relevant box)
- | | |
|--|--------------------------|
| Dividend from shares referred to in Schedule - I | <input type="checkbox"/> |
| Interest on securities referred to in Schedule - II | <input type="checkbox"/> |
| Interest on sums referred to in Schedule - III | <input type="checkbox"/> |
| Income from units referred to in Schedule - IV | <input type="checkbox"/> |
| The amount of withdrawal referred in clause(a) of sub-sec-2 of sec-80CCA referred to in Schedule - V | <input type="checkbox"/> |
- 22] Estimated total income of the previous year in which income mentioned in Column-21 is to be included
- 24] Details of investments in respect of which the declaration is being made :

SCHEDULE-I

(Details of shares, which stand in the name of the declarant and beneficially owned by him)

No. of shares	Class of shares & face value of each share	Total value of shares	Distinctive numbers of the shares	Date on which the shares were acquired by the declarant (dd/mm/yyyy)
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SCHEDULE-II

(Details of the securities held in the name of declarant and beneficially owned by him)

Description of securities	Number of securities	Amount of securities	Date(s) of securities (dd/mm/yyyy)	Date(s) on which the securities were acquired by declarant (dd/mm/yyyy)
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SCHEDULE-III

(Details of the sums given by the declarant on interest)

Name and address of the person to whom the sums are given on interest	Amount of sums given on interest	Date on which sums given on interest (dd/mm/yyyy)	Period for which sums were given on interest	Rate of interest
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SCHEDULE-IV

(Details of the mutual fund units held in the name of declarant and beneficially owned by him)

Name and address of the mutual fund	Number of units	Class of units & face value of each unit	Distinctive number of units	Income in respect of units
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SCHEDULE-V

(Details of the withdrawal made from National Savings Scheme)

Particulars of the Post Office where the account under the National Savings Scheme is maintained and the account number	Date on which the account was opened (dd/mm/yyyy)	Amount of withdrawal from the account
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x

*Signature of the Declarant***Declaration / Verification**

*I/ We do hereby declare that to the best of *my / our knowledge and belief what is stated above is correct, complete and truly stated. *I / We declare that the incomes referred to in this form are not includible in the total income of any other person u/s 60 to 64 of Income Tax Act, 1961. *I/We further, declare that tax *on my / our estimated total income, including *income / incomes referred to in column 22 above, computed in accordance with provisions of the Income Tax Act 1961. for the previous year ending on relevant to the assessment year will be nil. *I / We also, declare that *my / our *income / incomes referred to in Column 22 for the previous year ending on relevant to the assessment year will not exceed the maximum amount which is not chargeable to income tax.

Place :

Date :

x

*Signature of the Declarant***PART - II**

[For use by the person to whom the declaration is furnished]

1] Name of the person responsible for paying the income referred to in Column 22 of Part I :

2] PAN of the person indicated in Column 1 of Part II :

3] Complete Address :

4] TAN of the person indicated in Column 1 of Part II :

5] Email :

6] Telephone (with STD Code) / Mobile No :

7] Status :

8] Date on which Declaration is Furnished (dd/mm/yyyy) :

9] Period in respect of which the dividend has been declared or the income has been paid / credited :

10] Amount of income paid :

11] Date on which the income has been paid / credited (dd/mm/yyyy):

12] Date of declaration, distribution or payment of dividend/withdrawal under the National Savings Scheme(dd/mm/yyyy) :

13] Account Number of National Saving Scheme from which withdrawal has been made :

Forwarded to the Chief Commissioner or Commissioner of Income-tax

Place :

Signature of the person responsible for paying the

Date :

income referred to in Column 21 of Part I

Notes:

1. The declaration should be furnished in duplicate
2. *Delete whichever is not applicable
3. #Declaration can be furnished by an individual under section 197A(1) and a person (other than a company or a firm) under section 197A(1A)
4. **Indicate the capacity in which the declaration is furnished on behalf of a HUF, AOP, etc.
5. Before signing the declaration/verification, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under 277 of the Income-tax Act, 1961 and on conviction be punishable:-
 - i) In a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than 6 months but which may extend to seven years and with fine;
 - ii) In any other case, with rigorous imprisonment which shall not be less than 3 months but which may extend to two years and with fine.
6. The person responsible for paying the income referred to in column 22 of Part I shall not accept the declaration where the amount of income of the nature referred to in sub-section(1) or sub-section(1A) of section 197A or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax,";

***FORM NO. 15H**

[See section 137A(1C) and rule 29C(1A)]

Declaration under section 137A(1C) of the Income-tax Act, 1961 to be made by an individual who is of the age of sixty years or more claiming certain receipts without deduction of tax.

PART-I

1. Name of Assessee (Declarant)		7. PAN of the Assessee	
3. Flat/Door/Block No.		8. Age	9. Assessment Year (for which declaration is being made)
2. Road/Street/Lane		10. Assessed in which Ward/Circle	
4. Area/locality		11. AO Code—for whom assessed last time	
11. Town/City/District		Area Code	AO Type Range Code AC No.
12. State		14. Last Assessment Year in which assessed	
13. Pin		17. Present Ward/Circle	
15. Telephone No. (with STD Code) and Mobile No.		18. Present AO Code (if not same as above)	
16. Name of Business/Company		Area Code	AO Type Range Code AC No.
20. Jurisdictional Chief Commissioner of Income-tax or Commissioner of Income-tax (if not assessed in Income tax territory)			
21. Estimated total income from the sources mentioned below			
(Please tick the relevant box)			
Dividend from shares referred to in Schedule I			<input type="checkbox"/>
Interest on securities referred to in Schedule II			<input type="checkbox"/>
Interest on sums referred to in Schedule III			<input type="checkbox"/>
Income from units referred to in Schedule IV			<input type="checkbox"/>
The amount of withdrawal referred to in clause (a) of sub-section 2 of section 80CCA referred to in Schedule V			<input type="checkbox"/>
22. Estimated total income of the previous year in which income mentioned in Column 21 is to be included			

23. Details of investments in respect of which the declaration is being made:

SCHEDULE-I

(Details of shares, which stand in the name of the declarant and beneficially owned by him)

No. of shares	Class of shares & face value of each share	Total value of shares	Distinctive numbers of the shares	Date(s) on which the shares were acquired by the declarant(dd/mm/yyyy)

SCHEDULE-II

(Details of the securities held in the name of declarant and beneficially owned by him)

Description of securities	Number of securities	Amount of securities	Date(s) of securities (dd/mm/yyyy)	Date(s) on which the securities were acquired by the declarant(dd/mm/yyyy)

SCHEDULE-III

(Details of the sums given by the declarant on interest)

Name and address of the person to whom the sums are given on interest	Amount of sums given on interest	Date on which the sums were given on interest(dd/mm/yyyy)	Period for which such sums were given on interest	Rate of interest

SCHEDULE-IV

(Details of the mutual fund units held in the name of declarant and beneficially owned by him)

Name and address of the mutual fund	Number of units	Class of units and face value of each unit	Distinctive number of units	Income in respect of units

SCHEDULE-V

(Details of the withdrawal made from National Savings Scheme)

Particulars of the Post Office where the account under the National Savings Scheme is maintained and the account number	Date on which the account was opened(dd/mm/yyyy)	The amount of withdrawal from the account

Signature of the Declarant
Declaration/Verification

I, _____ hereby declare that I am resident in India within the meaning of section 8 of the Income-tax Act, 1961. I also hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated and that the incomes referred to in this form are not includable in the total income of any other person u/s 60 to 61 of the Income-tax Act, 1961. I further, declare that the tax on my estimated total income including *Income/Income(s) referred to in column 21 computed in accordance with the provisions of the Income-tax Act, 1961 for the previous year ending on _____ (relevant to the assessment year _____) will be nil.

Place: _____
Date: _____

Signature of the Declarant

PART II

(Form to be filled by the person to whom the declaration is furnished)

1. Name of the person responsible for paying the income referred to in Column 21 of Part I		2. PAN of the person indicated in Column 2 of Part I	
3. Complete address		4. TAN of the person indicated in Column 1 of Part I	
5. Email	6. Telephone No. (with STD-Code) and Mobile No.		7. Status
8. Date on which declaration is furnished (dd/mm/yyyy)	9. Period in respect of which the dividend has been declared as the income has been paid/credited	10. Amount of income paid	11. Date on which the income has been paid / credited (dd/mm/yyyy)
12. Date of declaration, distribution or payment of dividend/withdrawal under the National Savings Scheme (dd/mm/yyyy)		13. Account number of National Savings Scheme from which withdrawal has been made	

Forwarded to the Chief Commissioner or Commissioner of Income Tax _____

Place: _____
Date: _____

Signature of the person responsible for paying the income referred to in Column 21 of Part I

Notes:

- The declaration should be furnished in duplicate.
- *Unless otherwise is not applicable.
- Before signing the verification, the declarant should satisfy himself that the information furnished in the declaration is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under 277 of the Income-tax Act, 1961 and on conviction be punishable:
 - In a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than 6 months but which may extend to seven years and with fine;
 - In any other case, with rigorous imprisonment which shall not be less than 3 months but which may extend to two years and with fine.
- The person responsible for paying the income referred to in column 21 of Part I shall not accept the declaration where the amount of income of the nature referred to in section 187A(1)(c) or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year at which such income is to be included exceeds the maximum amount which is not chargeable to tax and deduction(s) under Chapter VI-A, if any, for which the declarant is eligible.*

Provisions related to TDS on withdrawal from Employees Provident Fund Scheme, 1952

(FORM No. 19)

No TDS in respect of the following cases:-

- Transfer of PF from one account to another PF account.
- Termination of service due to Ill health of member /discontinuation of Business by employer/completion of project/other cause beyond the control of member.
- If employee withdraws PF after a period of five year.
- If PF payment is less than Rs. 30,000/- but the member has rendered service of less than 5 years.
- If employee withdraws amount more than or equal to Rs. 30,000/-, with service less than 5 years but submits Form 15G/15H along with their PAN

TDS will be deducted in respect of the following cases:

- If employee withdraws amount more than or equal to Rs. 30000/-, with service less than 5 years, then
 - a) TDS will be deducted @ 10% if Form-15G/15H is not submitted provided PAN is submitted.
 - b) TDS will be deducted @ maximum marginal rate (i.e. 34.608%) if employee fails to submit PAN.

Notes:

1. TDS is deductible at the time of payment.
2. TDS will be deducted under Section 192A of Income Tax Act, 1961.
3. Form 15H is for senior citizens (60 years & above) and Form 15G is for individuals having no taxable income. Form 15G & 15H are self declarations and may be accepted as such in duplicate.
4. Members must quote PAN in Form No.- 15G / 15H and in Form No. 19.
5. Form Nos. 15G and 15H cannot be accepted if amount of withdrawal is more than Rs. 2,50,000/- and Rs. 3,00,000/- respectively.