HOW IT WORKS ?

TDS Filing Process

The **TDS (Tax Deducted at Source) Filing Process** refers to the procedure of submitting details of tax deductions to the Income Tax Department of India. Here is an overview of the TDS filing process:

Step-by-Step TDS Filing Process:

1. **Collect Necessary Information:**
- Before filing TDS returns, collect all necessary details, including the PAN of deductees, the amount of TDS deducted, and the type of payment.
2. **Obtain a Valid TAN:**
- You need a valid **TAN (Tax Deduction and Collection Account Number)** to file TDS returns. Without a TAN, you cannot deduct or file TDS.
3. **TDS Deduction & Payment:**
- Deduct TDS as per the applicable rates while making payments like salaries, contractor fees, or rent. Deposit the deducted TDS to the government using **challan ITNS-281**. This can be done through e-payment methods (Net banking or other authorized banks).
4. **Prepare TDS Return Statement:**
- Use TDS filing software such as **ClearTax**, **Winman**, or the government-provided **Return Preparation Utility (RPU)**. Ensure that the TDS returns are prepared in the correct format (Form 24Q for salary payments, Form 26Q for other payments, etc.).
5. **File TDS Returns:**
- You can file TDS returns online through the **TIN NSDL** website or other authorized TDS filing portals. Returns should be filed quarterly, as per the due dates:
    a. **Q1 (April-June):** July 31st
    b. **Q2 (July-September):** October 31st
    c. **Q3 (October-December):** January 31st
    d. **Q4 (January-March):** May 31st
6. **Verification and Submission:**
- After preparing the return file, submit it online. You will need a **Digital Signature Certificate (DSC)** to verify the submission. Alternatively, submit the Form 27A (a physical form) if filing offline at a TIN-FC (Tax Information Network Facilitation Center).
7. **Check for Errors:**
- After submission, check for any errors or mismatches through the TDS **File Validation Utility (FVU)**. Correct any errors and resubmit if needed.

8. **Form 16/16A Generation:**
- Once TDS returns are successfully filed, you can download **Form 16** or **Form 16A** (for non-salary payments) from the **TRACES** portal. These forms are provided to deductees as proof of TDS.
9. **TDS Return Correction:**
- In case of errors, you can file a **correction return** to rectify any mistakes in the original TDS return.

Forms for TDS Filing:

- **Form 24Q** – TDS on salary
- **Form 26Q** – TDS on all payments except salary
- **Form 27Q** – TDS for payments to non-residents
- **Form 27EQ** – TCS (Tax Collected at Source)

TDS Filing Deadlines:

- **TDS Payment Due Dates:** 7th of the next month (except for March, which is April 30th).
- **TDS Return Due Dates:** End of the month following each quarter.