

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

O/o the VC & MD Audit Wing
Mushirabad Hyderabad

No IT/201(1).2002 2003 AD

Date 14th Nov 2002

Sub INCOME TAX - Deduction of Income Tax at source on payments made by Corporation U/s 194 (other than Salaries) – Reg

- Ref
- 1 This Office Circular Lr No IT/201(1)/99 2000/
 - 2 This Office Lr No IT/201(1)/2001 2002/AD dt 9 10 2001
 - 3 Accounts Circular No 4 of 2001 02 dt 22 10 01
 - 4 Accounts Circular No 9 of 2002 dt 14 5 02

Tax Deduction at Source (TDS) is a statutory obligation and various aspects to be covered under TDS have already been explained through Circulars cited at reference The applicability of provisions are on year to year basis Section 194 of IT Act deals with TDS The current year s applicability and Tax rates have already been already been informed through circular cited at reference (4) above

Therefore all the Unit Officers are required to be cautious while arranging such payments under these provisions since non deduction of Tax Deduction at Source leads to prosecution of Corporation and may be burdened to pay large sums by way of Interest/Penalties to be levied by Income Tax Authorities
The provisions are reiterated in a nutshell below to make TDS as per I T Act

Nature of Work	Section	Annual Monetary limit exceeds	IT & SC * @ 5%
Interest other than Securities Interest paid/ payable while acquiring Land and Interest levied while paying MACT cases will also attract TDS	194 A	5000	21 00
Civil Constructions Repairs and Maintenance contracts Retreading and Reclamation contracts Sweeping Cleaning Washing of Buses Premises Head Rest Covers Linen at Hospital etc AMC of Computers UPS Plant & Machinery Medical Equipment Air Conditioners Water Coolers Photo Copiers Electrical installations Wind Energy Project Bus Bodies Light Vehicles Advertisements in newspapers periodicals radio Television etc Publicity Art Work Production of Film Distribution of Film Broadcasting and Telecasting Carriage of Goods Contracts HOSPITAL Contracts Hiring of Buses and other Vehicles Printing of Calendars Greetings Prasthanam etc	194 C	20000	2 10
Commission to Agents for booking Tickets Cat Cards Jet Tickets Passes	194 H	25005 25	
Rent (including amenities) for Building to an individual	194 I	120000	21 00
Or HUF Rent (including amenities) for Building to other than an individual) or HUF			
Legal Income Tax Sales Tax Recruitment Medical Audit and other Professional Services	194 J	20000	5 25

* Note These rates of IT & SC undergo change every year So it is advisable to update
Our knowledge in this regard

The matter has been reviewed by the VC & MD and ordered for adherence of the TDS
Rules strictly and also ordered for receipt and compliance of the Circular instructions

You are hereby requested to acknowledge receipt and implementation of the circular
instruction latest by 30th Nov 02 to the undersigned for appraisal

Sd / (K Nageswara Rao)
DY CHIEF ACCOUNTS OFFICER (S P & A)
Copy to all Officers of the Corporation