



Tax Deducted at Source (TDS)

Introduction

Tax Deducted at Source (TDS) is a means of collecting income tax in India, under the Indian Income Tax Act of 1961. Any payment covered under these provisions shall be paid after deducting a prescribed percentage. It is managed by the Central Board for Direct Taxes (CBDT) and is part of the Department of Revenue managed by Indian Revenue Service.

It has a great importance while conducting tax audits. Assessee is also required to file quarterly returns to CBDT. Returns states the TDS deducted & paid to the government during the Quarter to which it relates.

Module Information

Technical Name	Version	Dependency	Description
l10n_in_tds	13.0.1.0	base, account	TDS for Companies registered in India to manage TDS on Vendor bills and G/L posting.

Usage

- To maintain the list of Vendors for whom TDS is applicable.
- Deduct TDS amount on validation on Vendor Bill.
- Generate TDS reports and use the data for filing TDS on the government portal.
- Know the TDS payable amount for a specific period.

Configuration

The following set of items to be configured to use the TDS module,

1. TDS G/L Account
2. TDS Sections
3. Define TDS for a Vendor

TDS G/L Account

Odoo automatically creates a G/L account for TDS while installing the Indian Accounting module. Additional G/L accounts can be created for this as required.

TDS Sections

Standard set of TDS sections will be pre-loaded while installing this module. This includes the nature of payment, percentage of TDS for different types, Company, Individual and no PAN number cases.

TDS sections can be accessed under the menu, *Invoicing > Configuration > TDS > Sections*.

Field	Description
Name	Name of the TDS section
Nature of Payment	Nature of the payment for which the TDS section is applicable
TDS Payable G/L Account	TDS account to be used on Vendor Bill
TDS Reversal G/L Account	TDS account to be used on Debit Note (Ask for Credit Note option)
Company	Company to which the TDS section is associated
Companies %	Percentage of TDS to be deducted for Companies
Individual / HUF %	Percentage of TDS to be deducted for Individual / HUF
No PAN%	Percentage of TDS to be deducted when the Vendor did not disclose the PAN number.

Invoicing

Overview Customers Vendors Accounting Reporting Configuration

S&V SOFTWARE SERVICES LLP

Mitchell Admin

TDS Sections / 194C

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Name	194C	Companies %	1.000
TDS Reversal G/L Account	100580 TDS Receivable	Individual / HUF %	2.000
TDS Payable G/L Account	112310 TDS Payable	No PAN %	20.000
Nature of Payment	Contractor – Single Transaction		
Company	S&V SOFTWARE SERVICES LLP		

Define TDS for a Vendor

TDS applicability can be set in the Vendor as a default setting to automatically capture in the Vendor Bills. This can be configured in the Vendor record.

- ★ Enter the PAN & TAN number of the Vendor in the address section of the Vendor record and next to GSTIN field.
- ★ Under the "Invoicing" tab, enable the checkbox "TDS Applicable?" when TDS needs to be deducted for the Vendor.
- ★ Now, select the applicable TDS section and Type (Company / Individual)
- ★ Save the record to store the TDS settings.

Vendors / Gemini Furniture

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Contacts & Addresses Internal Notes Sales & Purchases Invoicing

Bank Accounts

Bank	Account Number
Reserve	00987654322
Reserve	10987654322

[View accounts detail](#)

Accounting Entries

Account Receivable	100400 Debtors
Account Payable	112110 Creditors

TDS Information

TDS Applicable ?	<input checked="" type="checkbox"/>	TDS Section Type	194C Company
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Vendors / Gemini Furniture

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Gemini Furniture

1 Purchases	0.00 ₹ Invoiced	0 Vendor Bills
2 Analytic Acc...	0 Credit card(s)	Active

Address
1128 Lunetta Street
Coimbatore Tamil Nadu (IN) 641006
India

GSTIN
33ADBFS3550P1ZU

PAN No
ADBFS3550P

TAN No
ADBFS3550P

Phone
+919994947514

Mobile

Email
gemini.furniture39@example.com

Website
http://www.gemini-furniture.com/

Language
English

Tags
Consulting Services Vendor / Desk Manufacturers

Contacts & Addresses Internal Notes Sales & Purchases Invoicing



Edwin Hansen
Marketing Manager
edwin.hansen58@example.com
Phone: (943)-352-2555



Jesse Brown
Senior Consultant
jesse.brown74@example.com
Phone: (829)-386-3277



Oscar Morgan
Order Clerk
oscar.morgan11@example.com
Phone: (561)-239-1744



Soham Palmer
Director
soham.palmer15@example.com
Phone: (379)-167-2040

Deduct TDS on Vendor Bill and G/L Posting

Once the TDS configuration is completed, the system is ready to deduct TDS against the Vendor Bill for the applicable Vendors.

To deduct TDS,

- ★ Create a Vendor Bill and choose the Vendor.
- ★ The system will automatically capture the TDS configurations at this point.
- ★ While selecting a Product line, the system will automatically capture the TDS section and calculate the TDS amount.
- ★ It is also possible to change the TDS section at the Invoice Lines, depending on the nature of the transaction which can happen in certain cases.
- ★ The details of TDS amount will be available in the line items as well as in the total section.
- ★ Validate the Vendor Bill to post the TDS amount to the corresponding G/L account.
- ★ Reversing a Vendor Bill (Debit Note) will also reverse the TDS amount.

Bills / BILL/2020/0003

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Vendor

Azure Interior
4557 De Silva St
Fremont CA 94538
United States

TDS Applicable ? ☒

Reference

Bill Date 05/20/2020

Accounting Date 05/20/2020

Payment Terms 05/20/2020

Journal Vendor Bills (INR)- 24B6BFF5679L8ZR

Company My Company (San Francisco)

Invoice Lines Journal Items Other Info

Product	Label	Account	TDS Section	Quantity	UoM	Price	TDS Rate	TDS Amount	Taxes	Subtotal
[E-COM06] Corner Desk Right Sit	[E-COM06] Corner Desk Right Sit	210700 Purchase Expense	193	1.000	Units	600.00	10.00	-60.00		600.00

Untaxed Amount: 600.00 ₹

Total: 600.00 ₹

TDS: -60.00

Net Amount: 540.00

BILLS / BILL/2020/0003

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Vendor

Azure Interior
4557 De Silva St
Fremont CA 94538
United States

TDS Applicable ? ☒

Reference

Bill Date 05/20/2020

Accounting Date 05/20/2020

Payment Terms 05/20/2020

Journal Vendor Bills (INR)- 24BBBFF5679L8ZR

Company My Company (San Francisco)

[Invoice Lines](#)

[Journal Items](#)

[Other Info](#)

Account	Label	Debit	Credit	Tax Grids
112110 Creditors		0.00 ₹	540.00 ₹	
210700 Purchase Expense	[E-COM06] Corner Desk Right Sit	600.00 ₹	0.00 ₹	
100580 TDS Receivable	TDS	0.00 ₹	60.00 ₹	
		600.00	600.00	

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Today

TDS Register

A TDS register tree view report is accessible under the menu, Invoicing -> Reporting -> TDS Register.

This data can be exported to an Excel or CSV file and it can be used to analyse and file TDS on the government portal.

***** END *****