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## **FAQs on TDS Compliance**

### **1. What is TDS compliance under section 194(IA)?**

Ans: TDS compliance U/s. 194(IA) is to be duly complied by all the **buyers** of properties whose value is more than **Rs. 50 Lakhs**. 1% has to be deducted before making any payment to the builder and the said amount as deducted has to be remitted within the stipulated timelines to the Income tax department.

### **2. Can you give any reference for TDS compliance on property?**

Ans: You can refer the below details on section 194(IA) of the Income tax act.

#### **Scope of section 194-IA:**

Section 194-IA, provides that any person, being a transferee, responsible for paying to a resident transferor any sum by way of consideration for transfer of any immovable property (other than agricultural land) shall deduct an amount equal to one per cent of such sum as Income-tax at the time of credit of such sum to the account of the transferor or at the time of payment of such sum in cash or by issue of cheque or draft or by any other mode, whichever is earlier. No deduction shall be made the consideration for the transfer of an immovable property and the stamp duty value of such property, both, is less than fifty lakh rupees.

Who is the payer?

The payer is any person, being a transferee, responsible for paying to a resident transferor any sum by way of consideration for transfer of any immovable property.

Who is the payee?

The payee is resident transferor of any immovable property.

### **3. Can I manage TDS compliance on my own?**

Ans: Yes, you can if you know the process. If you opt to manage it on your own, please write an e-Mail to [tdscompliance@reproservices.in](mailto:tdscompliance@reproservices.in) to avoid duplication of compliance.

### **4. Is TAN number required for paying TDS on property?**

Ans: No, TAN is not required.

### **5. Is TDS 1% additional cost on the property?**

Ans: No, TDS of 1% is included in the cost of the property, in every instalment you will have to deduct 1% (excluding GST amount) and pay the balance to Prestige. Prestige will claim this 1% credit when you submit the Form 16B certificate.

**6. What are the timelines for TDS compliance?**

Ans: For every instalment payment you make to Prestige, before 30<sup>th</sup> of next month is the due date for TDS payment. Since Prestige has engaged Repro Services you need not do anything on TDS compliance.

**7. How to calculate TDS amount?**

Ans: TDS is 1% on the demand note value excluding GST amount. Further, TDS is not applicable on Franking amount and sinking/corpus fund payment. Since Prestige has engaged Repro Services you need not do anything on TDS compliance.

**8. What is the implication if TDS is not paid on time?**

Ans: 1% of the TDS value is payable as interest per month and part thereof and Rs.200/day for every day of delay in TDS payment (up to TDS amount) as late fee.

**9. What is the process followed between Prestige and REpro Services for TDS compliance?**

Ans: You need to make payments to Prestige without deducting 1% TDS amount. REpro services will collect the TDS amount from Prestige and do the compliance on your behalf.

**10. I find a debit entry in my statement of account as 'TDS paid on behalf of customer', what is this entry?**

Ans: This entry is towards the TDS amount paid to Repro by Prestige for TDS compliance on your behalf, the said entry will be squared off once Repro Services submits Form 16B to Prestige. This outstanding in your statement is to be ignored as it will get nullified in due course.

**11. How do REpro Services manage my TDS compliance?**

Ans: For all your payments made to Prestige till date, REpro will share Form 16B by the 30<sup>th</sup> of next month to Prestige for due credit in your statement of account. For all your future payments to Prestige, REpro will be sharing Form 16B to Prestige by the 30<sup>th</sup> of the subsequent month. You need not do anything related to TDS compliance as Prestige has engaged REpro Services to manage your compliance.

**12. What if REpro Services do not pay TDS on time? Who is responsible for interest or late fee?**

Ans: As Prestige has engaged REpro Services to manage your TDS compliance, it is their responsibility to ensure timely compliance, you will not have to pay any interest or late fee.

**13. Should we inform REpro Services for payments made to Prestige?**

Ans: Not required, Repro Services will collect the payment details from Prestige

directly for due compliance.

**14. When can we expect Form 16B certificate for our payments to Prestige from Repro Services?**

Ans: For payments made in this month, Repro Services will make TDS payments and share Form 16B by the end of next month of all customers to Prestige. You can check in Prestige statement of account for due credit on TDS certificate shared by Repro Services. For ex: For payment made in the month of Jan you should check your statement on 10<sup>th</sup> Mar for TDS credit, for payments made to Prestige in Feb you should check your statement on 10<sup>th</sup> Apr for TDS credit.

**15. Will I get a copy of Form 16B for my records from Repro Services?**

Ans: No, you will not receive as Repro Services will share the Form 16B certificates to Prestige directly, you can check your statement of account for due credit on TDS payments. Since Prestige has engaged Repro Services you need not do anything on TDS compliance.

**16. How do I contact REpro Services for any queries/clarification?**

Ans: You can write an e-Mail to them @ [tdscompliance@reproservices.in](mailto:tdscompliance@reproservices.in) mentioning your project name and unit number in the e-Mail subject. You will receive a response from them within 1 or 2 working days.

**17. Will REpro Services take care of TDS compliance for my all payments to Prestige?**

Ans: Yes, they will manage your compliance for your first payment till your last payment to Prestige within the stipulated timelines.

**18. Do we have to upload Form 16B in Prestige client portal?**

Ans: If you have opted for Repro Services, you need not upload, if you are managing the TDS compliance on your own, you have to submit the Form 16B to Prestige.

**19. TDS value is not matching with 1% for the payments made by me to Prestige?**

Ans: Please check both owner and co-owner's 26AS, sum of both the accounts will be the TDS amount paid.

Please note TDS is not applicable on GST value, 1% should be calculated after deducting the GST portion on your payments.

Do not consider payments made to Prestige in current month in your TDS calculation, as you should expect form 16B for this by end of subsequent month.

**20. We are 2 owners, but one owner is contributing to purchase the property, should both owners do TDS compliance?**

Ans: Yes, both or all owners have to do TDS compliance as they are covered under the definition of 'Transferee/Payer'.

**21. How much does REpro Services charge us for their service?**

Ans: Since Prestige has engaged Repro Services to manage TDS compliance for

all its customers, no fee is payable by you to Repro Services.

**22. I am filing my income tax returns, where should I show the TDS?**

Ans: You need not show TDS on property in your income tax returns as this is the credit for Prestige and not for you, the TDS paid by REpro Services will reflect in 26AS section but no action is required from you.

**23. I have already made TDS payment and submitted Form 16B to Prestige, how will REpro manage this?**

Ans: If the TDS credit is reflected in Prestige statement of account then Repro Services will consider and pay the TDS for balance payments only as applicable to avoid excess TDS payment.

**24. I have remitted TDS for first certain payments, but not submitted Form 16B to Prestige, how will REpro manage this?**

Ans: Please share the TDS paid challan copies through e-Mail, REpro Services will generate Form 16B and share it with Prestige for due credit in your statement of account, for your subsequent payments TDS will be paid as applicable considering the already paid TDS amount, subsequently you need to make payments without deducting TDS to Prestige.

**25. I have deducted TDS while paying to Prestige but remitted, how to proceed on this?**

Ans: Repro Services will collect the TDS amount from Prestige directly, please pay the deducted TDS amount to Prestige.