

PERSONS REQUIRE TO APPLY FOR TAN

Every person liable to deduct tax at source or collect tax at source is required to obtain TAN. No separate TAN is required to be obtain for the purpose of TCS, TAN allotted for TDS can be used for the purpose of TCS. Single TAN is to be used for different types of payment such as salary, interest payment, etc. TAN once allotted can be used for all types of TDS and TCS.

However,

1. A person required to deduct TDS at 1% from consideration for purchase of any immovable property (other than agriculture land) above Rs. 50 Lakhs, can use PAN in place of TAN and is not required to obtain TAN. (*Section 194-IA*)
2. An individual or HUF [whose books of account are not required to be audited under section 44AB] required to deduct TDS at 5% while making payment of rent exceeding Rs. 50,000 p.m. (of any land or building or both) to a resident person, shall not require to obtain TAN. (*Section 194-IB*)
3. An individual or HUF [whose books of account are not required to be audited under section 44AB] required to deduct TDS at 5% from the sum paid or credited to a resident exceeding Rs. 50 lakhs in a year on account of contractual work, commission (other than insurance commission), brokerage or professional fees, shall not require to obtain TAN. (*Section 194M*)

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