

SOUTHERN RAILWAY

No. P(R)356/P/Vol.XIV

Headquarters Office,
Personnel Branch,
Chennai- 600 003,
Dated: 08-07-2013.

PBC No. 70 /2013

All PB Officers of HQ/Divisions/Workshops & Other Extra Divnl. Units etc.,
(As per mailing list -'C')

Sub: Revised procedure notified by the Income Tax
Department for the issue of Form No. 16 to the
employees – reg.

Ref: This office circular of even no dated 12-07-2011.
(PBC No. 85/2011).

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The existing format of Form No. 16 and also the procedure for issuing of Form No. 16 to the employees for the deduction of Income Tax have been revised recently by the Department of Income Tax.

2. The revised procedure is applicable in respect of deduction of Income Tax made from salary on or after 01-04-2012 and in other words, the Form No. 16 which are required to be issued now for the year 2012-13 are to be issued as per the revised procedure above.

3. As per the revised procedure notified by the Income Tax Dept, the following are the important changes in the procedure for the issue of Form No. 16 to the employees:

- a) **All the Income Tax Deductors are required to register their details of TAN, Mobile phone no., e-mail ID etc., at the TRACES Portal (<http://www.tdscpc.gov.in>) of the Ministry of Finance / Income Tax Department.**
- b) **The Form No. 16 which is known as "TDS certificate" will be in two parts viz., "PART-A" and "PART-B".**
- c) **PART-A of Form No 16 are to be processed & generated and copies thereof are to be downloaded mandatorily only through the TRACES Portal maintained by the Income Tax Department.**
- d) **Each Form No.16 which contains PART-A (i.e. to be issued for each employee) is assigned with a separate unique certificate number by the TRACES Portal.**

- e) **PART-B are to be prepared manually by the Tax Deductor and to be issued to the employees along with the PART-'A'.**
- f) **PART-A & PART-B are to be signed & issued together by the Tax Deductor to the employees after making due authentication and verification of relevant Tax deduction & other details available with the Tax Deductors.**
- g) **Without filing e-TDS statement of Form No. 24Q and Form No. 24G, the process of PART-A from TRACES Portal are not possible.**
- h) **PART-A cannot be downloaded from TRACES Portal if PAN number of employee is not quoted or quoted incorrectly in e-TDS statements (Form No. 24Q).**

4. In this connection, in order to have uniform procedure to be followed by all Divisions/Units in the matter of issue of Form No. 16 to the employees, and in modification to the instructions issued earlier vide PBC No. 85/2011 cited above, the following instructions are issued for strict adherence of all the Bill Drawing Officers and other concerned officials in Divisions/Units.:-

- a) **It is of the primary responsibility of Tax Deductors / Bill Drawing Officers who have deducted Income Tax from the salary of Railway employees, to issue Form No. 16 to the employees concerned.**
- b) **According to the revised procedure notified by the Income Tax Department above, the PART-A of Form No. 16 are to be processed & generated through the TRACES portal of Income Tax Department and for which, each Bill Drawing Officer who have obtained separate TAN Number, is to register himself in the TRACES portal.**
- c) **Since the salary bills are generated & printed only by the system staff of PRIME in the Pay Bill preparing Computer Centres, the process & generation of PART-"A" of Form No. 16 are to be undertaken only by the same system staff on behalf of Bill Drawing Officers. The concerned Bill Drawing Officers / Bill Clerks of the particular TAN Number in respect of the Bill Units covered under the said TAN Number are to provide the details of TAN, Mobile phone number, e.mail address etc., to the system staff who will in turn register the details of such Bill Drawing Officers in the TRACES portal.**
- d) **Once the registration with the TRACES portal is completed, the password for the generation / process of PART-A of Form No. 16 through such TRACES portal are to be used only by the system staff.**

e) Sr EDPM / MMC has developed revised software for the preparation of "PART-B" and supplied the same to all the Bill Preparing Computer Centers in Divisions/Units. The PART-B of Form No. 16 are to be generated and printed through the PRIME only.

f) The PART-A is the main and primary part of Form No. 16 and PART-B is only an annexure to Form No.16. Hence, PART-'A' & 'B' are to be signed and issued together to the employees concerned.

g) Before issuing Form No.16 (PART- 'A' & 'B') to the employees, the Bill Drawing Officers / Bill Clerks should make proper authentication and verification of relevant Tax deduction indicated therein & other details available with them. It should be ensured that the details of tax deduction made & shown in PART – 'A' and PART – 'B' certificates are the same details.

h) If the employee has worked under one Bill Drawing Officer during the year, Part 'A' of the certificate in Form No.16 issued for the quarter ending on 31st March of the financial year shall contain the details of tax deducted and deposited for all the quarters of the financial year. If the employee has worked under more than one Division / Unit during the year, each of such Division / Unit having separate TAN Number shall issue Part 'A' of the certificate in Form No.16 pertaining to the period for which such employee has worked with each of the Divisions / Units. However, in such cases of employees involving more transfers in a year, the Part – B (Annexure) of the Form No. 16 are to be issued as a combined one only by the last Divn / Unit where the said employees had worked at the end of the concerned Financial year.

i) As the PART – 'A' certificates are required to be processed and downloaded from the TRACES portal in the PDF file format, it can be printed only with the Laser printer for clarity & legibility. The dot matrix printer cannot be used for printing these PART – 'A' certificates. Therefore, the Pay Bill Preparing Computer Centres should make all efforts to arrange for Laser printing for this purpose of printing PART – 'A' certificates. As the process of this PART – 'A' certificates have become regular / annual feature and also become mandatory as per the directives of IT Dept., the Divisions/Units should ensure that issue of PART-A are not delayed on this account.

- i) The PART – 'A' certificates are to be generated and printed from the same Salary Bill Preparing Computer system only. Issuing of PART – 'A' in the pre-printed format with manual handwriting should be avoided. There should not be any corrections in the PART – 'A' issued to the employees. Any corrections required should be attended to and re-print is to be made and supplied.
- k) In view of the fact that it is mandatory to process & download the PART – 'A' certificates from the TRACES portal as per the directives of IT Dept, the system staff are advised to make use of Toll free phone numbers of TRACES portal to clear any kind of doubts connected with the processing & downloading of PART – 'A' certificates.

5. The above instructions and guidelines should be followed scrupulously and proper compliance should be ensured. Any deviation or violation of above instructions would be viewed very seriously.

This has the approval of CPO/Admn.

M. _____
28/7/13
(M.Srinivasalu)

Asst. Personnel Officer / Rules
For Chief Personnel Officer

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