

DEPARTMENT OF SOCIAL WELFARE
GOVT. OF NCT OF DELHI
GLNS COMPLEX, DELHI GATE, NEW DELHI-2
(Accounts Branch)

No. F.1 (Misc) AD-I/DSW/Pt. File/2016-17/22909-22911

Dated: 06 DEC 2019

ENDORSEMENT

The copy of the under mentioned paper is forwarded herewith for information and strict compliance to the following:-

1. All DD/DDOs/HOOs/DSWO/Branch In charges, Department of Social Welfare, Delhi/New Delhi.
2. Guard File.
3. Website of Social Welfare Department.

Sudhir Singh Verma
(SUDHIR SINGH VERMA)
Deputy Controller of Accounts
Ph:23392479

List of paper forwarded

S. no	Name of Department	O.M. No. And Date	Subject
1.	Intelligent Communication Systems India Ltd. (ICSIL).	ICSIL/10-B/135/DSW/Payment/2017-18/Vol-III.	Request for non-deduction of TDS on GST amount.

MIS/0102
06/12/2019

Sh. Abhishek

611/cc
6/12/19



Corporate Identity Number (CIN)-U74899DL1987GOI027481

ICSIL/10-B/135/DSW/Payment/2017-18/Vol-III

02.12.2019

The Dy. Comptroller of Accounts,
Department of Social Welfare,
(A Govt. of NCT of Delhi),
GLSN Complex, Delhi Gate,
New Delhi - 110 002

Subject : **Request for non-deduction of TDS on GST amount.**

Dear Sir / Madam,

Please find enclosed herewith the circular no. 23/2017 F.No. 275/59/2012-IT (B) dt. 19.07.2017 issued by Under Secretary to the Govt. of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes, North Block, New Delhi.

The Para 4 of the circular as mentioned above clearly states that " the component of GST on services" comprised the amount payable to a resident indicated separately. tax shall be deducted at source under chapter XVII-B of the Act on the amount paid or payable without including GST on service component".

In view of above, as per ICSIL's finance department TDS is to be deducted on the taxable value as mentioned in the invoice raised on your Department.

For TDS amount already deducted by the Department Form-16 is required be furnished within next 10 days which may be treated as "MOST URGENT" as Tax Audit is under process.

For present payments, i.e. October 2019, TDS should be refunded by the Department under intimation to ICSIL. As per ICSIL's finance department in future, payments will not be processed if proper TDS is not deducted by the Department

Kindly instruct other divisions/Homes/Institutions/offices under Department of Social Welfare to deduct TDS on Taxable value only.

Thanking you and assuring you our best services always.
For Intelligent Communication Systems India Ltd.

760/A011
05/12/19

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(Pravita Negi)
Incharge (MR)

Encl As above

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F. No. 275/59/2012-IT (B)
Government of India भारत सरकार
Ministry of Finance वित्त मंत्रालय
Department of Revenue (राजस्व विभाग)
Central Board of Direct Taxes (केन्द्रीय प्रत्यक्ष कर बोर्ड)

North Block, New Delhi
19th July, 2017

Subject: Modification of Circular No. 1 of 2014 in view of substitution of Service Tax by Goods and Services Tax (GST).

The Central Board of Direct Taxes (the Board) had earlier issued Circular No. 1, 2014 dated 13.01.2014 clarifying that wherever in terms of the agreement or contract between the payer and the payee, the Service Tax component comprised in the amount payable to a resident is indicated separately, tax shall be deducted at source under Chapter XVII-B of the Income-tax Act, 1961 (the Act) on the amount paid or payable without including such Service Tax component.

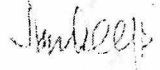
2. References have been received in the Board seeking clarification as to what treatment would be required to be given to the component of Goods and Services Tax (GST) on services which has been introduced by the Government with effect from 1st of July, 2017 and in which the erstwhile Service Tax has been subsumed.

3. The matter has been examined. It is noted that the Government has brought in force a new Goods and Services Tax regime with effect from 01.07.2017 replacing, amongst others, the Service Tax which was being charged prior to this date as per the provisions of Finance Act, 1994. Therefore, there is a need to harmonize the contents of Circular No. 1, 2014 of the Board with the new system for taxation of services under the GST regime.

4. In the light of the fact that even under the new GST regime, the rationale of excluding the tax component from the purview of TDS remains valid, the Board hereby clarifies that wherever in terms of the agreement or contract between the payer and the payee, the component of 'GST on services' comprised in the amount payable to a resident is indicated separately, it shall be deducted at source under Chapter XVII-B of the Act on the amount paid or payable, without including such 'GST on services' component. GST for these purposes shall include Integrated Goods and Services Tax, Central Goods and Services Tax, State Goods and Services Tax and Union Territory Goods and Services Tax.

5. For the purposes of this Circular, any reference to 'service tax' in an existing agreement or contract which was entered prior to 01.07.2017 shall be treated as 'GST on services' with respect to the period from 01.07.2017 onward till the expiry of such agreement or contract.

6. Hindi version shall follow.



— (Sandeep Singh)

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Copy to:

1. Chairman and all Members of CBDT.
2. All Principal Chief Commissioners and Principal Directors General of Income Tax.
3. Pr. DGIT (Systems) and Pr. DGIT (Admin.).
4. All Joint Secretaries and Commissioners in CBDT.
5. Additional Directors General (TPS-I) and (PR,PP&OL).
6. Commissioner (CPC-TDS).
7. Web Managers of irs.officersonline.gov.in and incometaxindia.gov.in for placing the Circular on the respective portal.
8. Office of Comptroller & Auditor General of India (30 copies).
9. Guard file.