

FOR SEC 6A, 6B, 6E,6C+F

For 6th semester students

TDS IN TALLY ERP9

The concept of TDS was introduced with an aim to collect tax from the very source of income. As per this concept, a person (deductor) who is liable to make payment of specified nature to any other person (deductee) shall deduct tax at source and remit the same into the account of the Central Government. The deductee from whose income tax has been deducted at source would be entitled to get credit of the amount so deducted on the basis of Form 26AS or TDS certificate issued by the deductor.

How to pay Tax Deducted/Collected at source?

Tax deducted or collected at source shall be deposited to the credit of the Central Government by following modes:

- **1) Electronic mode: E-Payment is mandatory for**
 - a) All corporate assesses; and
 - b) All assesses (other than company) to whom provisions of section 44AB of the Income Tax Act, 1961 are applicable.
- **2) Physical Mode:** By furnishing the Challan 281 in the authorized bank branch

EXAMPLE WITH STEPS

1) AUDIT (PROFESSIONAL)FEES A/C.....Dr. 50000

TO P (S. CREDITOR) A/C 45000

TO TDS ON PROFESSION 5000

2) TDS ON PROFESSION A/C....Dr. 5000

TO BANK 5000

3) P A/C.....Dr. 5000

TO BANK 5000

ENABLE TDS – F11 – F3 – ENABLE TDS “YES” – SET ALTER TDS “YES” – GIVE TAN NO. – SELECT DEDUCTOR TYPE- PUT PAN NO. – SAVE

GOT-ACCOUNT VOUCHER – F7- ALT+C (CREATE LEDGER OF AUDIT FEES UNDER INDIRECT EXPENSE, MAKE TDS APPLICABLE)- GIVE NEW CATEGORY NAME (PROFESSIONAL FEES)- PUT SECTION “194J”- RATE 10%- PUT THRESHOLD LIMIT-“30000”

CREATE PARTY LEDGER (SUNDRY CREDITOR-"P" - PUT "YES" BESIDE TDS DEDUCTIBLE- SELECT DEDUCTION TYPE- PUT "YES" BESIDE DEDUCT TDS IN SAME VOUCHER-PUT PAN NO- SAVE

CREATE ONE MORE LEDGER (TDS ON PROFESSION UNDER DUTIES AND TAXES)- SELECT TYPE OF DUTY ON TDS – SELECT NATURE OF PAYMENT AS PROFESSION - SAVE